

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☒ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here.	▶ ☒
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.	▶ ☐

Part II	Basic Plan Information—enter all requested information				
1a Name of plan <u>COMPOSITION ROOFERS LOCAL 42 PENSION PLAN</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%;">1b Three-digit plan number (PN) ▶</td> <td style="width: 20%; text-align: center;"><u>001</u></td> </tr> <tr> <td colspan="2">1c Effective date of plan <u>06/01/1964</u></td> </tr> </table>	1b Three-digit plan number (PN) ▶	<u>001</u>	1c Effective date of plan <u>06/01/1964</u>	
1b Three-digit plan number (PN) ▶	<u>001</u>				
1c Effective date of plan <u>06/01/1964</u>					
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>COMPOSITION ROOFERS LOCAL 42 PENSION</u> <u>205 WEST FOURTH STREET SUITE 225</u> <u>CINCINNATI, OH 45202-2628</u> <u>205 WEST FOURTH STREET SUITE 225</u> <u>CINCINNATI, OH 45202-2628</u>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td>2b Employer Identification Number (EIN) <u>31-6127285</u></td> </tr> <tr> <td>2c Plan Sponsor's telephone number <u>513-381-6886</u></td> </tr> <tr> <td>2d Business code (see instructions) <u>238100</u></td> </tr> </table>	2b Employer Identification Number (EIN) <u>31-6127285</u>	2c Plan Sponsor's telephone number <u>513-381-6886</u>	2d Business code (see instructions) <u>238100</u>	
2b Employer Identification Number (EIN) <u>31-6127285</u>					
2c Plan Sponsor's telephone number <u>513-381-6886</u>					
2d Business code (see instructions) <u>238100</u>					

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	11/30/2022	KIM WOOD
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	11/30/2022	KENDRICK TEMPLETON
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 210624

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 494
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 175 6a(2) 175 6b 238 6c 82 6d 495 6e 65 6f 560 6g 6h 18
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7 7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☒ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **0** **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE MB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan COMPOSITION ROOFERS LOCAL 42 PENSION PLAN	B Three-digit plan number (PN) ▶ 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF COMPOSITION ROOFERS LOCAL 42 PENSION	D Employer Identification Number (EIN) 31-6127285

E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)

1a Enter the valuation date: Month 01 Day 01 Year 2021

b Assets

(1) Current value of assets.....	1b(1)	25081356
(2) Actuarial value of assets for funding standard account	1b(2)	23066158
c (1) Accrued liability for plan using immediate gain methods	1c(1)	34964984
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	34964984
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	
(2) "RPA '94" information:		
(a) Current liability.....	1d(2)(a)	59194954
(b) Expected increase in current liability due to benefits accruing during the plan year.....	1d(2)(b)	542424
(c) Expected release from "RPA '94" current liability for the plan year.....	1d(2)(c)	2570484
(3) Expected plan disbursements for the plan year.....	1d(3)	2735484

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

SIGN HERE	09/20/2022
Signature of actuary	Date
ALLEN L. PAULY	20-08895
Type or print name of actuary	Most recent enrollment number
CUNI, RUST & STRENK	513-891-0270
Firm name	Telephone number (including area code)
4555 LAKE FOREST DRIVE - SUITE 620, CINCINNATI, OH 45242-3760	
Address of the firm	

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the Instructions for Form 5500 or 5500-SF.

Schedule MB (Form 5500) 2021
v. 201209

2 Operational information as of beginning of this plan year:

a Current value of assets (see instructions)	2a	25081356
b "RPA '94" current liability/participant count breakdown:	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment	238	38705690
(2) For terminated vested participants	82	7426767
(3) For active participants:		
(a) Non-vested benefits.....		336363
(b) Vested benefits.....		12726134
(c) Total active	175	13062497
(4) Total	495	59194954
c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage	2c	42.37 %

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/01/2021	0	0			
12/31/2021	1049969	0			
			Totals ▶	3(b)	1049969
				3(c)	0
				3(d)	0

(d) Total withdrawal liability amounts included in line 3(b) total

4 Information on plan status:

a Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3))	4a	66.0 %
b Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If entered code is "N," go to line 5	4b	C
c Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan?		☒ Yes ☐ No
d If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)?		☒ Yes ☐ No
e If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date	4e	17025906
f If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here	4f	2048

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- a** ☐ Attained age normal
b ☐ Entry age normal
c ☒ Accrued benefit (unit credit)
d ☐ Aggregate
e ☐ Frozen initial liability
f ☐ Individual level premium
g ☐ Individual aggregate
h ☐ Shortfall
i ☐ Other (specify):

j If box h is checked, enter period of use of shortfall method	5j	
k Has a change been made in funding method for this plan year?		☐ Yes ☒ No
l If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?		☐ Yes ☐ No
m If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method	5m	

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability.....			6a	2.43 %
	Pre-retirement		Post-retirement	
b Rates specified in insurance or annuity contracts.....	☐ Yes ☐ No ☒ N/A		☐ Yes ☐ No ☒ N/A	
c Mortality table code for valuation purposes:				
(1) Males	6c(1)	A	A	
(2) Females	6c(2)	A	A	
d Valuation liability interest rate	6d	6.50 %	6.50 %	
e Expense loading	6e	46.0 % ☐ N/A	%	☒ N/A
f Salary scale	6f	% ☒ N/A		
g Estimated investment return on actuarial value of assets for year ending on the valuation date	6g	9.8 %		
h Estimated investment return on current value of assets for year ending on the valuation date	6h	11.5 %		

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	-772367	-77130
3	-17025906	-1700237
4	271683	27131

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval.....	8a	
b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule.....	☐ Yes ☒ No	
b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.....	☒ Yes ☐ No	
c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code?	☒ Yes ☐ No	
d If line c is "Yes," provide the following additional information:		
(1) Was an extension granted automatic approval under section 431(d)(1) of the Code?	☒ Yes ☐ No	
(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended	8d(2)	5
(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?	☐ Yes ☒ No	
(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)).....	8d(4)	
(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension	8d(5)	
(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007?	☐ Yes ☐ No	
e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s)	8e	2112722

9 Funding standard account statement for this plan year:**Charges to funding standard account:**

a Prior year funding deficiency, if any	9a	5143646
b Employer's normal cost for plan year as of valuation date.....	9b	358381
c Amortization charges as of valuation date:	Outstanding balance	
(1) All bases except funding waivers and certain bases for which the amortization period has been extended	9c(1)	30083644
(2) Funding waivers	9c(2)	0
(3) Certain bases for which the amortization period has been extended	9c(3)	0
d Interest as applicable on lines 9a, 9b, and 9c.....	9d	588434
e Total charges. Add lines 9a through 9d.....	9e	9641266

Credits to funding standard account:

f Prior year credit balance, if any.....	9f	0
g Employer contributions. Total from column (b) of line 3.....	9g	1049969
	Outstanding balance	
h Amortization credits as of valuation date.....	9h	23328464
i Interest as applicable to end of plan year on lines 9f, 9g, and 9h	9i	235832
j Full funding limitation (FFL) and credits:		
(1) ERISA FFL (accrued liability FFL)	9j(1)	13053925
(2) "RPA '94" override (90% current liability FFL)	9j(2)	30968081
(3) FFL credit	9j(3)	0
k (1) Waived funding deficiency	9k(1)	0
(2) Other credits	9k(2)	0
l Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2)	9l	4397260
m Credit balance: If line 9l is greater than line 9e, enter the difference	9m	
n Funding deficiency: If line 9e is greater than line 9l, enter the difference	9n	5244006

9o Current year's accumulated reconciliation account:

(1) Due to waived funding deficiency accumulated prior to the 2021 plan year	9o(1)	0
(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:		
(a) Reconciliation outstanding balance as of valuation date	9o(2)(a)	0
(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a))	9o(2)(b)	0
(3) Total as of valuation date	9o(3)	0

10 Contribution necessary to avoid an accumulated funding deficiency. (See instructions.)	10	5244006
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11 Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions.....	☒ Yes ☐ No
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SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2021
		This Form is Open to Public Inspection.

For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan COMPOSITION ROOFERS LOCAL 42 PENSION PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 COMPOSITION ROOFERS LOCAL 42 PENSION	D Employer Identification Number (EIN) 31-6127285	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FUND EVALUATION GROUP

201 EAST FIFTH STREET
CINCINNATI, OH 45202

01-0694771

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27	NONE	29269	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

LEDBETTER PARISI LLC

9240 MARKETPLACE DRIVE
MIAMISBURG, OH 45342

03-0599899

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29	NONE	27061	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

AMERICAN BENEFIT CORPORATION

205 WEST FOURTH STREET SUITE 225
CINCINNATI, OH 45202

31-1219231

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
13	NONE	25018	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CUNI, RUST & STRENK

4555 LAKE FOREST DRIVE SUITE 620
CINCINNATI, OH 45242

31-1227755

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
11	NONE	23425	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

BLUE & COMPANY, LLC

813 WEST SECOND STREET
SEYMOUR, IN 47274

35-1178661

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
10	NONE	21075	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

ARTHUR J. GALLAGHER RISK MANAGEMENT

650 EAST CARMEL DRIVE 400
CARMEL, IN 46032

36-2102482

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
23	NONE	17482	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	M. R. RUST	b EIN:	31-1227755
c Position:	ACTUARY		
d Address:	455 LAKE FOREST DRIVE, SUITE 620 CINCINNATI, OH 45242-3760	e Telephone:	513-891-0270

Explanation: THE ENROLLED ACTUARY WAS CHANGED BECAUSE WORK INTERNALLY AT CUNI, RUST & STRENK WAS REASSIGNED

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

a Name:		b EIN:	
c Position:			
d Address:		e Telephone:	

Explanation:

SCHEDULE H (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021		
A Name of plan COMPOSITION ROOFERS LOCAL 42 PENSION PLAN	B Three-digit plan number (PN) ►	001
C Plan sponsor's name as shown on line 2a of Form 5500 COMPOSITION ROOFERS LOCAL 42 PENSION	D Employer Identification Number (EIN) 31-6127285	

Part I	Asset and Liability Statement
---------------	--------------------------------------

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash.....	1a	357995	320203
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	187547	192206
(2) Participant contributions.....	1b(2)		
(3) Other	1b(3)	171736	176281
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	35825	35815
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts.....	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts.....	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	24355902	26549547
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:

		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)		
(2) Employer real property.....	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	25109005	27274052

Liabilities

g Benefit claims payable	1g		
h Operating payables	1h	27649	27268
i Acquisition indebtedness.....	1i		
j Other liabilities.....	1j		
k Total liabilities (add all amounts in lines 1g through 1j)	1k	27649	27268

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	25081356	27246784
---	----	----------	----------

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income

		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers	2a(1)(A)	1049969	
(B) Participants	2a(1)(B)		
(C) Others (including rollovers).....	2a(1)(C)		
(2) Noncash contributions.....	2a(2)		
(3) Total contributions. Add lines 2a(1)(A), (B), (C), and line 2a(2)	2a(3)		1049969
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	5	
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans.....	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F).....	2b(1)(G)		5
(2) Dividends: (A) Preferred stock.....	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	511429	
(D) Total dividends. Add lines 2b(2)(A), (B), and (C)	2b(2)(D)		511429
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)		
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)		0
(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
(B) Other	2b(5)(B)		
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts.....	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts.....	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts.....	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities.....	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		3282202
c Other income.....	2c		6902
d Total income. Add all income amounts in column (b) and enter total.....	2d		4850507
Expenses			
e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	2514732	
(2) To insurance carriers for the provision of benefits.....	2e(2)		
(3) Other.....	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		2514732
f Corrective distributions (see instructions).....	2f		
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees.....	2i(1)	71561	
(2) Contract administrator fees.....	2i(2)	23579	
(3) Investment advisory and management fees.....	2i(3)	29269	
(4) Other.....	2i(4)	45938	
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		170347
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		2685079
Net Income and Reconciliation			
k Net income (loss). Subtract line 2j from line 2d.....	2k		2165428
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan.....	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☒ Unmodified (2) ☐ Qualified (3) ☐ Disclaimer (4) ☐ Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) ☐ DOL Regulation 2520.103-8 (2) ☐ DOL Regulation 2520.103-12(d) (3) ☒ neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: BLUE & CO., LLC

(2) EIN: 35-1178661

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

	Yes	No	Amount
4a		X	

	Yes	No	Amount
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)			
4b		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)			
4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)			
4d		X	
e Was this plan covered by a fidelity bond?	X		500000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?			
4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)			
4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?			
4k		X	
l Has the plan failed to provide any benefit when due under the plan?			
4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			
4n			
5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.			
5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)			
5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)	
5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) ☒ Yes ☐ No ☐ Not determined If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year <u>448381</u> .			

SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2021 This Form is Open to Public Inspection.
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For calendar plan year 2021 or fiscal plan year beginning 01/01/2021 and ending 12/31/2021

A Name of plan COMPOSITION ROOFERS LOCAL 42 PENSION PLAN	B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 COMPOSITION ROOFERS LOCAL 42 PENSION	D Employer Identification Number (EIN) 31-6127285

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): _____ Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	0

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
----------------	---

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	☐ Yes	☒ No	☐ N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	☐ Yes	☐ No	☐ N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	☐ Yes	☐ No	☒ N/A

Part III	Amendments
-----------------	-------------------

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	☐ Increase	☐ Decrease	☐ Both	☒ No
--	-----------------------------------	-----------------------------------	-------------------------------	--

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	☐ Yes	☐ No
11 a Does the ESOP hold any preferred stock?	☐ Yes	☐ No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	☐ Yes	☐ No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	☐ Yes	☐ No

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2021
v. 201209

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer WM KRAMER & SONS, INC.

b EIN 55-0854298 **c** Dollar amount contributed by employer 346256

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 07 Day 31 Year 2022

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) 5.80

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer IMBUS ROOFING CO., INC.

b EIN 31-0532384 **c** Dollar amount contributed by employer 245983

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 07 Day 31 Year 2022

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) 5.80

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer DALTON ROOFING COMPANY

b EIN 31-0557647 **c** Dollar amount contributed by employer 251749

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 07 Day 31 Year 2022

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) 5.80

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer A.W. FARRELL & SON, INC.

b EIN 16-0954042 **c** Dollar amount contributed by employer 111750

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 07 Day 31 Year 2022

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) 5.80

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer KELLY & CARPENTER PFG & SHTMT

b EIN 31-0679587 **c** Dollar amount contributed by employer 56341

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month 07 Day 31 Year 2022

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) 5.80

(2) Base unit measure: ☒ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month Day Year

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents)

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

- 14** Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: ☒ last contributing employer ☐ alternative ☐ reasonable approximation (see instructions for required attachment).....

14a

0

b The plan year immediately preceding the current plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14b

0

c The second preceding plan year. ☐ Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....

14c

0

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year.....

15a

b The corresponding number for the second preceding plan year.....

15b

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year.....

16a

b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....

16b

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment..... ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

a Enter the percentage of plan assets held as:

Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate line 19(b)?

☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

- 20 PBGC missed contribution reporting requirements.** If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? ☐ Yes ☐ No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:

☐ Yes.

☐ No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.

☐ No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.

☐ No. Other. Provide explanation _____

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

FINANCIAL STATEMENTS

AND

SUPPLEMENTAL SCHEDULES

DECEMBER 31, 2021 AND 2020

CPAs / ADVISORS



COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

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Blue & Co., LLC / 813 West Second Street / Seymour, IN 47274
main 812.522.8416 website blueandco.com

REPORT OF INDEPENDENT AUDITORS

To the Board of Trustees
Composition Roofers Local 42 Pension Plan
Cincinnati, Ohio

Opinion

We have audited the financial statements of Composition Roofers Local 42 Pension Plan (the Plan), an employee benefit plan subject to the Employee Retirement Income Security Act of 1974 (ERISA), which comprise the statements of net assets available for benefits and of accumulated plan benefits as of December 31, 2021 and 2020, and the related statements of changes in net assets available for benefits and of changes in accumulated plan benefits for the year ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2021 and 2020, and the changes in its net assets available for benefits for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Plan and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's

ability to continue as a going concern for one year after the date the financial statements are available to be issued.

Management is also responsible for maintaining a current plan instrument, including all plan amendments, administering the Plan, and determining that the Plan's transactions that are presented and disclosed in the financial statements are in conformity with the Plan's provisions, including maintaining sufficient records with respect to each of the participants, to determine the benefits due or which may become due to such participants.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Plan's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Matter—Supplemental Schedules Required by ERISA

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of administration expenses and of assets (held at end of year) are presented for purposes of additional analysis and are not a required part of the financial statements. In addition, the supplemental schedule of assets (held at end of year) is supplementary information required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under ERISA. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS.

In forming our opinion on the supplemental schedules, we evaluated whether the supplemental schedules, including their form and content, are presented in conformity with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.

In our opinion, the information in the accompanying schedules is fairly stated, in all material respects, in relation to the financial statements as a whole, and the form and content are presented in conformity with the DOL Rules and Regulations for Reporting and Disclosure under ERISA.

Blue & Co., LLC

Seymour, Indiana

October 14, 2022

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS DECEMBER 31, 2021 AND 2020

	2021	2020
Assets		
Investments at fair value		
Interest-bearing cash	\$ 35,815	\$ 35,825
Mutual funds	26,549,547	24,355,902
Total investments at fair value	26,585,362	24,391,727
Receivables		
Contributions receivable	98,205	80,380
Employer withdrawal liability receivables	94,001	106,815
Due from plan administrator	-0-	352
Total receivables	192,206	187,547
Cash	320,203	357,995
Prepaid benefits	176,281	171,736
Total assets	<u>\$ 27,274,052</u>	<u>\$ 25,109,005</u>
Liabilities		
Accounts payable	27,268	27,649
Total liabilities	<u>27,268</u>	<u>27,649</u>
Net assets available for benefits	<u>\$ 27,246,784</u>	<u>\$ 25,081,356</u>

See accompanying notes to financial statements.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Additions to net assets attributed to		
Investment income		
Net appreciation in fair value of investments	\$ 3,282,202	\$ 2,210,538
Interest and dividends	511,434	490,443
Less: Investment expense	(29,269)	(26,418)
Total investment income	3,764,367	2,674,563
Employer contributions	1,049,969	1,122,904
Other income		
Interest from employer withdrawal liability receivable	6,902	4,510
Total other income	6,902	4,510
Total additions	4,821,238	3,801,977
Deductions from net assets attributed to		
Benefits paid to participants	2,514,732	2,756,079
Administration expenses	141,078	162,812
Total deductions	2,655,810	2,918,891
Net increase	2,165,428	883,086
Net assets available for benefits		
Beginning of year	25,081,356	24,198,270
End of year	<u>\$ 27,246,784</u>	<u>\$ 25,081,356</u>

See accompanying notes to financial statements.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

STATEMENTS OF ACCUMULATED PLAN BENEFITS DECEMBER 31, 2021 AND 2020

	2021	2020
Actuarial present value of accumulated plan benefits		
Vested benefits		
Active participants	\$ 6,052,273	\$ 7,022,706
Vested terminated participants	4,349,034	4,129,484
Retirees and beneficiaries	26,417,374	27,370,342
Total vested benefits	36,818,681	38,522,532
Nonvested benefits	236,296	258,797
Total actuarial present value of accumulated plan benefits	\$ 37,054,977	\$ 38,781,329

See accompanying notes to financial statements.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

STATEMENTS OF CHANGES IN ACCUMULATED PLAN BENEFITS YEARS ENDED DECEMBER 31, 2021 AND 2020

	2021	2020
Actuarial present value of accumulated plan benefits - beginning of year	\$ 38,781,329	\$ 56,417,807
Increase (decrease) during the year attributable to		
Benefits paid	(2,514,732)	(2,756,079)
Decrease in discount period	2,064,744	3,028,202
Plan amendment	-0-	(18,990,291)
Plan experience and benefit accrual	(374,932)	646,300
Change in actuarial assumptions	<u>(901,432)</u>	<u>435,390</u>
Net decrease	<u>(1,726,352)</u>	<u>(17,636,478)</u>
Actuarial present value of accumulated plan benefits - end of year	<u>\$ 37,054,977</u>	<u>\$ 38,781,329</u>

See accompanying notes to financial statements.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

1. DESCRIPTION OF THE PLAN

The following brief description of the Composition Roofers Local No. 42 Pension Plan (the "Plan") is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan's provisions.

General

The Plan (and related trust) was established on June 1, 1964. The Plan is a multiemployer defined benefit pension plan established pursuant to a collective bargaining agreement ("CBA") by and between participating employers and the local union, Composition Roofers Local No. 42. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended. Administration of the Plan is the responsibility of a joint board of trustees ("Board of Trustees"), which consists of representation from the participating employers and the local union.

Vesting

Participants with five or more years of credited service are entitled to annual pension benefits. Alternately, participants may become fully vested upon reaching age 58 and attainment of the fifth anniversary of the date of commencement of participation in the Plan.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

Pension Benefits

Individuals become participants in the Plan on the first day of the month following the completion of 1,000 hours of service in covered employment, as defined by the Plan. Pension benefits are determined based on the contributions made to the Plan on behalf of the employee, equal to:

Effective Period	Calculation Method
Prior to June 1, 1964	\$4.20 times the number of years of Credited Past Service, not in excess of twenty years, computed to the nearest tenth of a year
June 1, 1964 through May 31, 1965	5.22% of contributions made on behalf of the participant
June 1, 1966 through May 31, 1972	1.74% of contributions made on behalf of the participant
June 1, 1972 through May 31, 1974	2.04% of contributions made on behalf of the participant
June 1, 1974 through December 31, 1979	2.04% of contributions made on behalf of the participant in excess of \$0.15 per hour
January 1, 1980 through December 31, 1983	2.88% of contributions made on behalf of the participant in excess of \$0.15 per hour
January 1, 1984 through December 31, 1993	2.45% of contributions made on behalf of the participant
January 1, 1994 through December 31, 2008	2.10% of contributions made on behalf of the participant
January 1, 2009 through December 31, 2009	1.0% of contributions made on behalf of the participant in excess of \$0.40 per hour
January 1, 2010 through July 31, 2010	1.0% of contributions made on behalf of the participant in excess of \$1.30 per hour
August 1, 2010 through July 31, 2011	1.0% of contributions made on behalf of the participant in excess of \$1.50 per hour
August 1, 2011 through July 31, 2012	1.0% of contributions made on behalf of the participant in excess of \$1.70 per hour
August 1, 2012 through July 31, 2013	1.0% of contributions made on behalf of the participant in excess of \$1.90 per hour
August 1, 2013 through July 31, 2014	1.0% of contributions made on behalf of the participant in excess of \$2.10 per hour
August 1, 2014 through July 31, 2015	1.0% of contributions made on behalf of the participant in excess of \$2.30 per hour
August 1, 2015 through July 31, 2016	1.0% of contributions made on behalf of the participant in excess of \$2.50 per hour
August 1, 2016 through July 31, 2017	1.0% of contributions made on behalf of the participant in excess of \$2.70 per hour
August 1, 2017 through July 31, 2018	1.0% of contributions made on behalf of the participant in excess of \$2.90 per hour
August 1, 2018 through July 31, 2019	1.0% of contributions made on behalf of the participant in excess of \$3.10 per hour
August 1, 2019 through July 31, 2020	1.0% of contributions made on behalf of the participant in excess of \$3.30 per hour
August 1, 2020 through July 31, 2021	1.0% of contributions made on behalf of the participant in excess of \$3.50 per hour
August 1, 2021 through July 31, 2022	1.0% of contributions made on behalf of the participant in excess of \$3.70 per hour

Employees are entitled to full pension benefits beginning at normal retirement age of 58. The Plan permits early retirement for participants between ages 55-57 with at least 5 years of credited service calculated equal to the actuarial equivalent, as defined by the Plan, of the normal retirement benefit.

Participants electing the joint and survivor annuity option receive their pension benefit with a reduction. If joint and survivor benefits are not elected by the participant and spouse, a higher monthly benefit is payable for the life of the employee.

On June 28, 2019, the Plan's Board of Trustees filed an application with the U.S. Department of the Treasury on behalf of the Plan, seeking to reduce accrued benefits pursuant to the Multiemployer Pension Reform Act (MPRA). The application was approved on February 6, 2020, and the Plan was amended to include the suspension of benefits. The amendment provides for a uniform benefits suspension of 45% for all participants, beneficiaries, alternate payees, and retirees. This Pension Recovery Program, which will apply to benefits paid on and after April 1, 2020, is limited by individual limitations established by law, such as for those age 75 and older, as well as those receiving a disability pension benefit. The suspension of benefits will continue

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

indefinitely until such time as the Plan is unable to avoid insolvency with or without a suspension of benefits.

Disability Benefits

Disability benefits are available to participants with five years of credited service at the time of disability. Disability benefits are a monthly pension equal to the participant's accrued benefit as of the date of disability.

Death Benefits

If a participant dies with 5 or more years of credited service under the Plan and after reaching the early retirement age of 55, the surviving spouse is entitled to 50% joint and survivor benefits. If the participant dies with 5 or more years of credited service under the Plan, but has not yet reached the early retirement age, the surviving spouse will receive the same benefit that would have been payable to the participant had the participant separated from service on the date of death, survived to the Early Retirement Age, retired with a 50% joint and survivor annuity and died the next day.

Funding Policy

Under the terms of the CBA, participating employers contribute to the Plan for each reported hour for covered employees. The following table sets forth the amounts per hour contributed by participating employers for journeymen roofers during the years ended December 31, 2021 and 2020:

Effective Period	Contribution Rate
January 1, 2020 through July 31, 2020	\$ 5.40
August 1, 2020 through July 31, 2021	\$ 5.60
August 1, 2021 through December 31, 2021	\$ 5.80

The contribution rates are pursuant to the current collective bargaining agreement between employers and the union, which expires July 31, 2022.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, changes in those assets and liabilities, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements. Actual results could differ from those estimates.

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability on an orderly transaction between market participants at the measurement date. See Note 3 for a discussion of fair value estimates.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Actuarial Present Value of Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions that are attributable under the Plan's provisions to the service employees have rendered. Accumulated plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of employees who have died, and (c) present employees or their beneficiaries. Benefits under the Plan are based on contributions made to the Plan for the participant. The accumulated plan benefits for active employees are based on the contributions to the Plan as of the date which the benefit information is presented (the valuation date). Benefits payable under all circumstances – retirement, death, disability, and termination of employment – are included, to the extent they are deemed attributable to employee service rendered to the valuation date.

The actuarial present value of accumulated plan benefits is determined by an actuary from Cuni, Rust & Strenk and that amount is determined by applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

the probability of payment (by means of decrements such as for death, disability, withdrawal, or retirement) between the January 1 valuation date and expected date of payment.

The significant actuarial assumptions in the valuations as of January 1, 2022, and 2021 were:

- 1) Mortality Rates –
 - 2021: Blue Collar adjusted Pri-2012 tables, projected generationally using Scale MP-2021
 - 2020: Blue Collar adjusted Pri-2012 tables, projected generationally using Scale MP-2020
- 2) Retirement Age – At various retirement rates between ages 55-65
- 3) Net Investment Return – 5.75% for 2021 and 5.5% for 2020
- 4) Future Benefit Accrual –
 - 2021: 1.230 hours per year
 - 2020: 1,170 hours per year
- 5) Actuarial Value of Assets – The actuarial value of assets is equal to the market value of assets less a decreasing fraction of each of the preceding 4 years' gains/losses. A gain/loss for a year is equal to the actual return minus the expected return using the funding interest rate. The actuarial value of assets is adjusted to be within 80% and 120% of the market value of assets.
- 6) Annual Administrative Expenses –
 - 2021: \$145,000 increasing 4.5% per year
 - 2020: \$165,000
- 7) Actuarial Cost Method – Unit Credit Actuarial Cost Method

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. The computations of the actuarial present value of accumulated plan benefits were made as of January 1. Had the valuations been performed as of December 31, there would be no material difference.

Contributions Receivable

Contributions receivable as of December 31, 2021 and 2020 primarily represent employer contributions for the last month of the Plan's fiscal year.

In accordance with the Plan's collection and delinquency control program, all contributions must be paid on or before the 15th of the month following the month in which hours are performed. On the 16th day of the subsequent month, the contribution is determined to be late, and the delinquent contractor is referred to the Plan's legal counsel. Amounts that have been referred to

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

legal counsel, and that the Plan's management believes to be potentially uncollectible, are included in an allowance for uncollectible contributions. There was no allowance as of December 31, 2021 and 2020. Amounts in dispute with employers are not recorded as a receivable by the Plan. Any subsequent recoveries of amounts previously written off are recorded as contributions.

Employer Withdrawal Liability Receivable

The Plan is subject to the provisions of the Multiemployer Pension Plan Amendments Act of 1980. Under such act, a withdrawal liability is assessed for a contributing employer that partially or totally withdraws from the Plan. As set forth in ERISA, a portion of the Plan's actuarially determined unfunded vested liability is allocated to withdrawing employers based upon contribution history. Amounts due as a result of withdrawal liability are recognized when entitlement has been determined, net of an allowance for amounts deemed uncollectible. The employer withdrawal liability receivable as of December 31, 2021 and 2020 was \$94,001 and \$106,815 respectively. Amounts received as payment toward assessed employer withdrawal liabilities during each of the years ended December 31, 2021 and 2020, totaled \$19,716 and have been recorded against the receivable and interest portion within other income on the statement of changes in plan assets. Additional amounts for other withdrawing employers have been assessed but have been fully offset by an allowance for uncollectible accounts, due to the uncertainty of collectability as of December 31, 2021 and 2020.

Due from Plan Administrator

Amounts due from the Plan's administrator and record-keeper (American Benefit Corporation ("ABC")) as of December 31, 2020, consist of reimbursements owed for interest and penalties paid by the Plan regarding delinquent remittance of state tax withheld from participants' benefit payments. As disclosed in Note 4, ABC is a party-in-interest and receives payment from the Plan for administration and record-keeping services.

Prepaid Benefits

Prepaid benefits are benefits in transit that have been initiated on the last day of the month and are received by the participants on the first day of the month.

Benefit Payments

Benefit payments are recorded upon distribution.

Subsequent Events

The Plan has evaluated events or transactions occurring subsequent to the statement of net assets available for benefits date for recognition and disclosure in the accompanying financial

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

statements through the date the financial statements were available to be issued, which is October 14, 2022.

On September 30, 2022, the Plan's Board of Trustees filed an application with the Pension Benefit Guaranty Corporation ("PBGC"), under the American Rescue Plan (ARP) Special Financial Assistance Program.

3. FAIR VALUE MEASUREMENTS

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). Valuation techniques maximize the use of relevant, observable inputs and minimize the use of unobservable inputs. The three levels of the fair value hierarchy are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.
- Level 2 - Inputs to the valuation methodology include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used as of December 31, 2021 and 2020.

- Interest-bearing cash – Represents deposits held at FDIC-insured banks that are affiliated with Charles Schwab & Co., Inc. Valued at the balance as reported by Schwab or one or more of its affiliated banks, which includes any interest received up to such time.
- Mutual funds – Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the U.S. Securities and Exchange

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

Commission. These funds are required to publish their daily net assets value and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The following tables set forth by level, within the hierarchy, the Plan's assets measured at fair value on a recurring basis as of December 31, 2021 and 2020. Classification within the fair value hierarchy table is based on the lowest level of any input that is significant to the fair value measurement.

Investments at fair value:	Assets at Fair Value as of December 31, 2021		
	Level 1	Level 2	Total
Interest-bearing cash	\$ -0-	\$ 35,815	\$ 35,815
Mutual funds	26,549,547	-0-	26,549,547
Total investments at fair value	<u>\$ 26,549,547</u>	<u>\$ 35,815</u>	<u>\$ 26,585,362</u>

Investments at fair value:	Assets at Fair Value as of December 31, 2020		
	Level 1	Level 2	Total
Interest-bearing cash	\$ -0-	\$ 35,825	\$ 35,825
Mutual funds	24,355,902	-0-	24,355,902
Total investments at fair value	<u>\$ 24,355,902</u>	<u>\$ 35,825</u>	<u>\$ 24,391,727</u>

4. PARTY-IN-INTEREST TRANSACTIONS

Parties-in-interest are defined under Department of Labor regulations as any fiduciary of the Plan, any party rendering service to the Plan, the plan sponsor, and certain others. The Plan Sponsor is the Composition Roofers Local No. 42.

American Benefit Corporation is the third-party administrator and recordkeeper for the Plan. Cuni, Rust & Strenk is the actuary for the Plan. Fund Evaluation Group, LLC is the investment advisor for the Plan. Ledbetter Parisi LLC is the legal counsel to the Plan. Blue & Co., LLC is the independent auditor of the Plan. Charles Schwab & Co. is the custodian of the assets owned by the Plan. All of these parties receive payment from the Plan.

5. PLAN TERMINATION

In the event the Plan terminates, the net assets of the Plan will be allocated, as prescribed by ERISA and its related regulations, generally to provide the following benefits in the order indicated:

- a) Annuity benefits that former employees or their beneficiaries have been receiving for at least three years, or that employees eligible to retire for that three-year period would have been

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

receiving if they had retired with benefits in the normal form of annuity under the Plan. The priority amount is limited to the lowest benefit that was payable (or would have been payable) during those three years. The amount is further limited to the lowest benefit that would be payable under Plan provisions in effect at any time during the five years preceding Plan termination.

- b) Other vested benefits insured by the Pension Benefit Guaranty Corporation (PBGC) (a government agency), up to the applicable limits.
- c) All other vested benefits (that is, vested benefits not insured by the PBGC).
- d) All nonvested benefits.

Whether all the participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits and may also depend on the level of benefits guaranteed by the PBGC.

6. INCOME TAX STATUS

The Internal Revenue Service has determined by an opinion letter for the Plan dated April 13, 2015, that the Plan and related trust are designed in accordance with applicable sections of the Internal Revenue Code (IRC). Although the Plan has been amended since receiving the determination letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed, and is currently being operated, in compliance with the applicable requirements of the IRC and, therefore, believe that the Plan is qualified and that the related trust is tax exempt.

GAAP requires management to evaluate tax positions taken by the Plan and recognize a tax liability if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by various federal and state taxing authorities. Management has analyzed the tax positions taken by the Plan, and has concluded that as of December 31, 2021 and 2020, there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the accompanying financial statements.

The Plan is subject to routine audits by taxing jurisdictions. However, as of the date the financial statements were available to be issued, there were no audits for any tax periods in progress.

7. RISKS AND UNCERTAINTIES

The Plan holds investments which are exposed to various risks, such as interest rate, credit, and overall market volatility. Market risks include global events which could impact the value of investment securities, such as a pandemic or international conflict. Due to the level of risks associated with certain investment securities, it is reasonably possible that changes in the values

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2021 AND 2020

of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the accompanying financial statements.

The actuarial present value of accumulated plan benefits is reported based on certain assumptions pertaining to interest rates, inflation rates, and participants hours worked and demographics. Due to the changing nature of these assumptions, it is at least reasonably possible that changes in these assumptions will occur in the near term and due to the uncertainties inherent in setting assumptions, that the effect of such changes could be material to the financial statements.

8. PENSION PROTECTION ACT FILING OF CRITICAL STATUS

As of January 1, 2022, the actuary has certified that the Plan is in critical status and is making scheduled progress in meeting the requirements of the rehabilitation plan. The plan year ended December 31, 2010, was the first plan year in which the Plan was certified as being in critical status.

A rehabilitation plan was adopted on August 19, 2014, that includes increases in the Plan's hourly contribution rates. Beginning April 1, 2020, a benefit suspension was put into effect as described in Note 1 under "Pension Benefits."

SUPPLEMENTAL SCHEDULES

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

SCHEDULES OF ADMINISTRATION EXPENSES YEARS ENDED OF DECEMBER 31, 2021 AND 2020

	2021	2020
Administration expenses	\$ 23,579	\$ 24,328
Actuarial and consulting fees	23,425	46,310
Accounting services	21,075	15,000
Bank service charges	10,457	10,964
Insurance	17,982	16,870
PBGC premiums	15,345	14,820
Legal fees	27,061	27,974
Other	2,154	6,546
Total administration expenses	<u>\$ 141,078</u>	<u>\$ 162,812</u>

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS
(HELD AT YEAR END)
AS OF DECEMBER 31, 2021

EIN 04-2836423
Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
*	Charles Schwab & Co., Inc.	Interest-bearing Cash	\$ 35,815	\$ 35,815
	Vanguard Total Bond Market Index Fund	Mutual Fund	6,591,996	6,709,716
	Vanguard Real Estate Index Fund	Mutual Fund	838,478	1,156,154
	Vanguard Total International Stock Index Fund	Mutual Fund	3,062,912	4,081,721
	Vanguard Total Stock Market Index Fund	Mutual Fund	6,404,114	13,614,791
	Tortoise MLP & Pipeline Fund Institutional	Mutual Fund	1,052,983	987,165
	Total		<u>\$ 17,986,298</u>	<u>\$ 26,585,362</u>

* Party-in-interest

Schedule MB, line 8b(2) – Schedule of Active Participant Data.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Years of Credited Service:

Attained Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up
	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.	Avg. No. Comp.
Under 25	0	12	1	0	0	0	0	0	0	0
25 to 29	0	16	4	0	0	0	0	0	0	0
30 to 34	0	15	10	2	1	0	0	0	0	0
35 to 39	0	11	7	6	3	0	0	0	0	0
40 to 44	0	4	5	4	4	1	0	0	0	0
45 to 49	0	5	2	4	5	4	0	0	0	0
50 to 54	0	2	3	4	4	3	3	0	0	0
55 to 59	0	1	2	2	3	4	4	1	0	0
60 to 64	0	1	0	0	2	3	2	0	3	0
65 to 69	0	0	0	0	0	1	0	0	0	0
70 & up	0	1	0	0	0	0	0	0	0	0

Schedule MB, line 6 – Actuarial Assumptions and Methods.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

1. Interest Rates:

- | | |
|----------------------|--------|
| a. Funding | 6.50%. |
| b. Current Liability | 2.43%. |

2. Mortality Rates:

- | | |
|------------------------|--|
| a. Funding | |
| i. Non-Disabled | Blue Collar adjusted Pri-2012. |
| ii. Retired | Blue Collar adjusted Pri-2012 Retiree. |
| iii. Survivor | Blue Collar adjusted Pri-2012 Contingent Survivor. |
| iv. Disabled | Pri-2012 Disabled Retiree. |
| v. Weighting | Amount-weighted. |
| vi. Future Improvement | Projected generationally using Scale MP-2020. |
| b. Current Liability | 2021 Static Mortality Table (IRS Notice 2019-67). |

3. Actuarial Cost Method: Unit Credit.

4. Expense Load: \$165,000.

5. Hours Worked: 1,170 per year.

6. Percent Married/Spousal Age: 80% with husbands 3 years older than their wives.

Schedule MB, line 6 – Actuarial Assumptions and Methods.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

7. Retirement Rates:

<u>Age</u>	<u>Actives</u>	<u>Terminated</u>
		<u>Vesteds</u>
55-56	0.05	0.00
57	0.25	0.25
58	0.20	0.50
59	0.10	0.25
60	0.05	0.25
61-64	0.05	0.05
65	1.00	1.00

The weighted average retirement age is 61.7.

8. Termination Rates:

Less than 2 Years of Service – 0.2500; 2 to 3 Years of Service – 0.2000; more than 3 Years of Service:

<u>Age</u>	<u>Rate</u>
25	0.1722
35	0.1486
45	0.1084
55	0.0440
65	0.0000

9. Disability Rates:

<u>Age</u>	<u>Rate</u>
25	0.0006
35	0.0010
45	0.0021
55	0.0055
65	0.0000

10. Payment Form Election:

<u>Payment Forms</u>	<u>Election %</u>
Life Annuity	56%
50% J&S	5%
75% J&S	11%
100% J&S	28%

Schedule MB, line 6 – Actuarial Assumptions and Methods.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

11. Actuarial Value of Assets:

Market Value of Assets less a decreasing fraction ($\frac{4}{5}$, $\frac{3}{5}$, $\frac{2}{5}$ and $\frac{1}{5}$) of each of the preceding 4 years' gains and (losses). A gain/(loss) for a year is equal to the actual return minus the expected return using the funding interest rate. The Actuarial Value of Assets is adjusted to be within 80% and 120% of the Market Value of Assets.

12. Changes Since Last Year:

The mortality projection scale, payment form election assumption, and retirement, termination, and disability rates were updated, the hours worked assumption was lowered, the expense load was increased, and the Current Liability mortality and interest rates were changed as mandated by the IRS.

Schedule MB, line 6 – Actuarial Assumptions and Methods.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Rationale for Selection of Significant Actuarial Assumptions

1. Interest Rate: Based on the Plan's target asset allocation, reflecting asset class future return expectations as determined by the Plan's investment consultant and publicly available inflation expectations, anticipated risk premiums, and associated long-term capital market assumptions.

2. Mortality Rates: Pri-2012 table used as base rates. Blue Collar adjustment used to reflect expected workforce mortality experience. Pri-2012 Retiree table used to reflect expected retiree mortality experience. Pri-2012 Contingent Survivor table used to reflect expected surviving spouse mortality experience. Pri-2012 Disabled Retiree table used to reflect expected disabled mortality experience. Pri-2012 tables are adjusted for expected generational mortality improvement from base year 2012 using Scale MP-2020.

3. Retirement Rates: Based on the Plan's most recent experience study.

4. Hours Worked: Based on prior year hours worked and adjusted for anticipated changes in future hours worked.

5. Termination/Disability Rates: Based on the Plan's most recent experience study.

6. Payment Form Election: Based on the Plan's most recent experience study.

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). ▶ Complete all entries in accordance with the instructions to the Form 5500.	OMB Nos. 1210-0110 1210-0089 2021 This Form is Open to Public Inspection
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Part I Annual Report Identification Information	
For calendar plan year 2021 or fiscal plan year beginning <u>01/01/2021</u> and ending <u>12/31/2021</u>	
A This return/report is for:	☒ a multiemployer plan ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) ☐ a single-employer plan ☐ a DFE (specify) _____
B This return/report is:	☐ the first return/report ☐ the final return/report ☒ an amended return/report ☐ a short plan year return/report (less than 12 months)
C If the plan is a collectively-bargained plan, check here. ☒	
D Check box if filing under:	☒ Form 5558 ☐ automatic extension ☐ the DFVC program ☐ special extension (enter description)
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here. ☐	

Part II Basic Plan Information —enter all requested information			
1a Name of plan COMPOSITION ROOFERS LOCAL 42 PENSION PLAN	1b	Three-digit plan number (PN) ▶	001
1c Effective date of plan 06/01/1964			
2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) COMPOSITION ROOFERS LOCAL 42 PENSION 205 WEST FOURTH STREET SUITE 225 205 WEST FOURTH STREET SUITE 225 CINCINNATI OH 45202-2628 CINCINNATI OH 45202-2628		2b	Employer Identification Number (EIN) 31-6127285
		2c	Plan Sponsor's telephone number 513-381-6886
		2d	Business code (see instructions) 238100

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE		11/30/2022	Kim Wood
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE		11/30/2022	Kendrick Templeton
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2021)
v. 201209

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 494
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	 6a(1) 175 6a(2) 175 6b 238 6c 82 6d 495 6e 65 6f 560 6g 6h 18
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7 7

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1B

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☐ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
---	---

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☒ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☐ **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2021 Form M-1 annual report. If the plan was not required to file the 2021 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

**SCHEDULE MB
(Form 5500)**Department of the Treasury
Internal Revenue ServiceDepartment of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Multiemployer Defined Benefit Plan and Certain
Money Purchase Plan Actuarial Information**This schedule is required to be filed under section 104 of the Employee
Retirement Income Security Act of 1974 (ERISA) and section 6059 of the
Internal Revenue Code (the Code).► **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

2021**This Form is Open to Public
Inspection**For calendar plan year 2021 or fiscal plan year beginning **01/01/2021** and ending **12/31/2021**► **Round off amounts to nearest dollar.**► **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan Composition Roofers Local No. 42 Pension Plan		B Three-digit plan number (PN) ► 001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF Board of Trustees, Composition Roofers Local No. 42 Pension Plan		D Employer Identification Number (EIN) 31-6127285
E Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)		
1a Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2021</u>		
b Assets:		
(1) Current value of assets	1b(1)	25,081,356
(2) Actuarial value of assets for funding standard account	1b(2)	23,066,158
c (1) Accrued liability for plan using immediate gain methods	1c(1)	34,964,984
(2) Information for plans using spread gain methods:		
(a) Unfunded liability for methods with bases	1c(2)(a)	
(b) Accrued liability under entry age normal method	1c(2)(b)	
(c) Normal cost under entry age normal method	1c(2)(c)	
(3) Accrued liability under unit credit cost method	1c(3)	34,964,984
d Information on current liabilities of the plan:		
(1) Amount excluded from current liability attributable to pre-participation service (see instructions)	1d(1)	0
(2) "RPA '94" information:		
(a) Current liability	1d(2)(a)	59,194,954
(b) Expected increase in current liability due to benefits accruing during the plan year	1d(2)(b)	542,424
(c) Expected release from "RPA '94" current liability for the plan year	1d(2)(c)	2,570,484
(3) Expected plan disbursements for the plan year	1d(3)	2,735,484

Statement by Enrolled Actuary

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN
HERE**

Signature of actuary

Allen L. Pauly

Type or print name of actuary

Cuni, Rust & Strenk

Firm name

4555 Lake Forest Drive - Suite 620**US Cincinnati****OH 45242-3760**

Address of the firm

9-20-22

Date

20-08895

Most recent enrollment number

(513) 891-0270

Telephone number (including area code)

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

For Paperwork Reduction Act Notice, see the instructions for Form 5500 or Form 5500-SF.

Schedule MB (Form 5500) 2021
v.201209

2 Operational information as of beginning of this plan year:

a Current value of assets (see instructions)	2a	25,081,356
b "RPA '94" current liability/participant count breakdown:	(1) Number of participants	(2) Current liability
(1) For retired participants and beneficiaries receiving payment	238	38,705,690
(2) For terminated vested participants	82	7,426,767
(3) For active participants:		
(a) Non-vested benefits		336,363
(b) Vested benefits		12,726,134
(c) Total active	175	13,062,497
(4) Total	495	59,194,954
c If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage	2c	42.37 %

3 Contributions made to the plan for the plan year by employer(s) and employees:

(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees	(a) Date (MM-DD-YYYY)	(b) Amount paid by employer(s)	(c) Amount paid by employees
01/01/2021	0				
12/31/2021	1,049,969				
Totals ▶			3(b)	1,049,969	3(c)
(d) Total withdrawal liability amounts included in line 3(b) total					3(d)
					0

4 Information on plan status:

a Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3))	4a	66.0 %
b Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5	4b	C
c Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan?		☒ Yes ☐ No
d If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)?		☒ Yes ☐ No
e If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date	4e	17,025,906
f If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here ☐	4f	2048

5 Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

- a** ☐ Attained age normal
b ☐ Entry age normal
c ☒ Accrued benefit (unit credit)
d ☐ Aggregate
e ☐ Frozen initial liability
f ☐ Individual level premium
g ☐ Individual aggregate
h ☐ Shortfall
i ☐ Other (specify):

j If box h is checked, enter period of use of shortfall method	5j	
k Has a change been made in funding method for this plan year?		☐ Yes ☒ No
l If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval?		☐ Yes ☐ No
m If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method	5m	

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability		6a	2.43	%
b Rates specified in insurance or annuity contracts	☐ Yes ☐ No ☒ N/A ☐ Yes ☐ No ☒ N/A			
c Mortality table code for valuation purposes				
(1) Males	6c(1)	A	A	
(2) Females	6c(2)	A	A	
d Valuation liability interest rate	6d	6.50	%	6.50 %
e Expense loading	6e	46.0	%	☐ N/A ☒ N/A
f Salary scale	6f		%	☒ N/A
g Estimated investment return on actuarial value of assets for year ending on the valuation date	6g	9.8 %		
h Estimated investment return on current value of assets for year ending on the valuation date	6h	11.5 %		

7 New amortization bases established in the current plan year:

(1) Type of base	(2) Initial balance	(3) Amortization Charge/Credit
1	(772,367)	(77,130)
3	(17,025,906)	(1,700,237)
4	271,683	27,131

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval	8a	
b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule	☐ Yes ☒ No	
b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule.	☒ Yes ☐ No	
c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code?	☒ Yes ☐ No	
d If line c is "Yes," provide the following additional information:		
(1) Was an extension granted automatic approval under section 431(d)(1) of the Code?	☒ Yes ☐ No	
(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended	8d(2)	5
(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code?	☐ Yes ☒ No	
(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2))	8d(4)	
(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension	8d(5)	
(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007?	☐ Yes ☐ No	
e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s)	8e	2,112,722

9 Funding standard account statement for this plan year:**Charges to funding standard account:**

a Prior year funding deficiency, if any	9a	5,143,646
b Employer's normal cost for plan year as of valuation date	9b	358,381
c Amortization charges as of valuation date:	Outstanding balance	
(1) All bases except funding waivers and certain bases for which the amortization period has been extended	9c(1)	30,083,644
(2) Funding waivers	9c(2)	0
(3) Certain bases for which the amortization period has been extended	9c(3)	0
d Interest as applicable on lines 9a, 9b, and 9c	9d	588,434
e Total charges. Add lines 9a through 9d	9e	9,641,266

Credits to funding standard account:				
f	Prior year credit balance, if any	9f		0
g	Employer contributions. Total from column (b) of line 3	9g		1,049,969
		Outstanding balance		
h	Amortization credits as of valuation date	9h	23,328,464	3,111,459
i	Interest as applicable to end of plan year on lines 9f, 9g, and 9h	9i		235,832
j	Full funding limitation (FFL) and credits:			
	(1) ERISA FFL (accrued liability FFL)	9j(1)	13,053,925	
	(2) "RPA '94" override (90% current liability FFL)	9j(2)	30,968,081	
	(3) FFL credit	9j(3)		0
k	(1) Waived funding deficiency	9k(1)		0
	(2) Other credits	9k(2)		0
l	Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2)	9l		4,397,260
m	Credit balance: If line 9l is greater than line 9e, enter the difference	9m		
n	Funding deficiency: If line 9e is greater than line 9l, enter the difference	9n		5,244,006
9 o	Current year's accumulated reconciliation account:			
	(1) Due to waived funding deficiency accumulated prior to the 2021 plan year	9o(1)		0
	(2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code:			
	(a) Reconciliation outstanding balance as of valuation date	9o(2)(a)		0
	(b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a))	9o(2)(b)		0
	(3) Total as of valuation date	9o(3)		0
10	Contribution necessary to avoid an accumulated funding deficiency. (See instructions.)	10		5,244,006
11	Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions			☒ Yes ☐ No

Schedule MB, line 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Based on reasonable assumptions, the Plan is not expected to emerge from Critical Status by the end of the Rehabilitation Period. On an annual basis, the Board will review updated actuarial projections based on reasonable actuarial assumptions to confirm that the Rehabilitation Plan is continuing to forestall insolvency and to determine if the Plan can expect to emerge from Critical Status at a later date.

On June 28, 2019, the Plan filed an application for benefit suspensions with the U.S. Treasury Department. The application was approved on February 6, 2020 to satisfy the requirements established by Congress under MPRA. A voting period from February 19, 2020 through March 13, 2020 upheld the proposed suspension and the Plan received final authorization on March 27, 2020 to reduce benefits effective April 1, 2020.

Based on the assumptions specified in the 2020 actuarial certification the Plan was certified to be in Critical and Declining Status. In December 2020 the Rehabilitation Plan was updated to include the MPRA benefit suspensions as further evidence that all reasonable measures were being taken to forestall insolvency or emerge from Critical Status as a later time. Due to the MPRA benefit suspensions and based on the assumptions specified in the 2022 actuarial certification (the Plan Year in which this 2021 Schedule is filed), the Plan was certified to be in Critical Status (NOT Critical and Declining) and projected to avoid insolvency.

Schedule MB, line 4d and 4e – Description of Benefit Reductions Due to Suspension or Partition.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

MPRA Benefit Suspension

Effective April 1, 2020, all Participants, Beneficiaries and Alternate Payees with a separate interest pension benefit shall be subject to a reduction of benefits (as defined in the MPRA Application) of a 45% reduction of the monthly benefit of every Participant, Beneficiary and Alternate Payee with a separate interest pension benefit.

Schedule MB, line 6 – Summary of Plan Provisions.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

1. Effective Date: June 1, 1964.
2. Plan Year: January 1st through December 31st.
3. Covered Employees: All employees covered by the Local 42 Collective Bargaining Agreement.
4. Eligibility: 1st of the month coincident with or following the completion of 1,000 Hours of Service.
5. Year of Service: 1 Year of Service for 1,000 Plan Year Hours worked with $\frac{1}{10}$ of a Year for each 100 Hours of Service worked if less than 1,000.
6. Actuarial Equivalency: UP 1984 Mortality Table at 7.00%.
7. Payment Forms:
 - a. Normal Single Life Annuity for single participants and an Actuarially Equivalent 50% Joint & Survivor Annuity (QJSA) for married participants.
 - b. Optional Actuarially Equivalent 75% or 100% Joint & Survivor Annuity (QOSA).

Schedule MB, line 6 – Summary of Plan Provisions.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

8. Benefit Suspension: Described in detail in the Pension Recovery Plan. Benefits accrued through March 31, 2020 are subject to a 45% suspension as of April 1, 2020.

9. Normal Retirement:

- a. Eligibility Age 58 or the 5th anniversary of Plan participation.
- b. Monthly Benefit Based on a % of contributions made in accordance with the following table:

<u>Effective Date</u>	<u>Percentage</u>
6/1/1964	5.220%
6/1/1965	2.616%
6/1/1966	1.740%
6/1/1972	2.040%
6/1/1974	2.040% ¹
1/1/1980	2.880% ¹
1/1/1984	2.450%
1/1/1994	2.100%
1/1/2009	1.000% ²

¹ Accrual is based on the specified percentage of contribution in excess of \$0.15 per hour.

² Accrual is based on contributions up to \$3.00 per hour effective 1/1/2009 and \$2.10 per hour effective 1/1/2010.

10. Early Retirement:

- a. Eligibility Age 55 and 5 Years of Service.
- b. Monthly Benefit Calculated as for Normal Retirement with monthly benefit actuarially reduced for each month that Early Retirement precedes age 58.

Schedule MB, line 6 – Summary of Plan Provisions.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

11. Vested Retirement:

- | | |
|--------------------|---|
| a. Eligibility | 5 Years of Service. |
| b. Monthly Benefit | Calculated as for Normal or Early Retirement. |

12. Disability Benefit:

- | | |
|--------------------|--|
| a. Eligibility | Total and Permanent Disability and 5 Years of Service. |
| b. Monthly Benefit | Calculated as for Normal or Early Retirement. |

13. Pre-Retirement Death:

- | | |
|--------------------|---|
| a. Eligibility | 5 Years of Service. |
| b. Monthly Benefit | Surviving Spouses receive the survivor's annuity calculated as for an age 55 Early Retirement reflecting a 50% Joint & Survivor Annuity payment form with death immediately after Early Retirement. |

14. Employer Contributions:

<u>Effective Date</u>	<u>Hourly Rate</u>
8/1/2020	\$5.60
8/1/2021	\$5.80
8/1/2022	\$6.00
8/1/2023	\$6.20

15. Changes Since Last Year:

Effective April 1, 2020, the MPRA Benefit Suspensions went into effect, and the 66 ⅔% Joint & Survivor and pop-up optional forms of payment are no longer available.

COMPOSITION ROOFERS LOCAL NO. 42 PENSION PLAN

SCHEDULE H, LINE 4i – SCHEDULE OF ASSETS
(HELD AT YEAR END)
AS OF DECEMBER 31, 2021

EIN 04-2836423
Plan Number: 002

(a)	(b)	(c)	(d)	(e)
	Identity of issue, borrower, lessor, or similar party	Description of investment including maturity date, rate of interest, collateral, par, or maturity value	Cost	Current Value
*	Charles Schwab & Co., Inc.	Interest-bearing Cash	\$ 35,815	\$ 35,815
	Vanguard Total Bond Market Index Fund	Mutual Fund	6,591,996	6,709,716
	Vanguard Real Estate Index Fund	Mutual Fund	838,478	1,156,154
	Vanguard Total International Stock Index Fund	Mutual Fund	3,062,912	4,081,721
	Vanguard Total Stock Market Index Fund	Mutual Fund	6,404,114	13,614,791
	Tortoise MLP & Pipeline Fund Institutional	Mutual Fund	1,052,983	987,165
	Total		<u>\$ 17,986,298</u>	<u>\$ 26,585,362</u>

* Party-in-interest

2021 ACTUARIAL CERTIFICATION OF FUNDED STATUS

As Required under IRC § 432(b)(3) as Added by the Pension Protection Act of 2006

Plan Identification

Composition Roofers Local 42 Pension Plan ("Plan")
525 Vine Street, Suite 2325
Cincinnati, OH 45202
(800) 832-7113
EIN/PN: 31-6127285/001
Plan Year: January 1, 2021 – December 31, 2021

Information on Plan Status

As of January 1, 2021, I hereby certify that the Plan is Critical (NOT Critical and Declining) and is meeting the annual standards required under its Rehabilitation Plan as defined by the Pension Protection Act of 2006 (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA).

This certification has been prepared based on the Plan's January 1, 2020 Actuarial Valuation and the December 31, 2020 unaudited financial statements. The January 1, 2020 Actuarial Valuation was projected to January 1, 2021 for determination of the Plan's funded percentage and additional projections of later years were used to determine the Plan's solvency.

The projections reflect the MPRA benefit suspensions that went into effect on April 1, 2020. Anticipated future Plan contributions and liabilities are based on 231,875 hours worked per year and it is assumed that participants exiting the Plan are replaced by new entrants. All other assumptions used, along with the Plan Provisions reflected in this determination, are summarized in the Plan's January 1, 2020 Actuarial Valuation Report.

Actuarial Certification

I hereby certify that the projection of the Plan's most recent Actuarial Valuation presents fairly the actuarial position of the Plan as of January 1, 2021. In my opinion, the assumptions used to determine the Plan's 2021 PPA funded status are individually reasonable based on Plan experience and represent my best estimate of anticipated future experience under the Plan. The projection of the January 1, 2020 Actuarial Valuation has been performed in accordance with generally accepted actuarial principles and practices and the undersigned meets the qualification standards of the American Academy of Actuaries necessary to render an actuarial opinion.

Respectfully submitted,



M. R. Rust, EA, MAAA, ASA
Enrollment Number: 20-06146

Cuni, Rust & Strenk
4555 Lake Forest Drive, Suite 620
Cincinnati, OH 45242
(513) 891-0270

March 29, 2021

Schedule MB, line 4b - Illustration Supporting Actuarial Certification of Status.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

2021 PPA Funded Status = Critical [NOT Critical and Declining].

Does Not Pass Emergence Test, Funding Deficiency in 2021.

2021 PPA Funded Percentage < 80% and No Projected Insolvency in Current or Succeeding 19 Years.

1/1 Plan Year	Actuarial Value of Assets (1)	PPA Accrued Liability (2)	PPA Funded % (1) / (2)	Prior 12/31 Credit Balance	8/1 Hrly Contr Rate	Expected Hours Worked	Asset Return %	
2020	\$22,731,077	\$50,927,705	44.6%	(\$3,207,940)	\$5.60	229,386	11.5%	Unaudited ⁽²⁾
2021	\$22,278,001	\$34,444,199	64.7%	(\$5,120,565)	\$5.80	231,875	6.5%	Projected
2022	\$23,036,543	\$34,108,624	67.5%	(\$5,097,923)	\$6.00	231,875	6.5%	Projected
2023	\$23,431,590	\$33,652,641	69.6%	(\$4,889,169)	\$6.20	231,875	6.5%	Projected
2024	\$24,379,815	\$33,106,882	73.6%	(\$4,494,631)	\$6.20	231,875	6.5%	Projected
2025	\$24,722,500	\$32,531,965	76.0%	(\$4,210,913)	\$6.20	231,875	6.5%	Projected
2026	\$24,607,314	\$31,878,080	77.2%	(\$4,278,314)	\$6.20	231,875	6.5%	Projected
2027	\$24,475,879	\$31,162,029	78.5%	(\$4,309,704)	\$6.20	231,875	6.5%	Projected
2028	\$24,337,219	\$30,406,444	80.0%	(\$4,353,632)	\$6.20	231,875	6.5%	Projected
2029	\$24,204,374	\$29,624,764	81.7%	(\$4,651,678)	\$6.20	231,875	6.5%	Projected
2030	\$24,089,455	\$28,826,814	83.6%	(\$4,958,117)	\$6.20	231,875	6.5%	Projected
2031	\$23,994,516	\$28,016,503	85.6%	(\$5,099,732)	\$6.20	231,875	6.5%	Projected
2032	\$23,930,524	\$27,201,994	88.0%	(\$4,566,891)	\$6.20	231,875	6.5%	Projected
2033	\$23,906,684	\$26,390,915	90.6%	(\$3,692,514)	\$6.20	231,875	6.5%	Projected
2034	\$23,925,741	\$25,582,246	93.5%	(\$2,433,601)	\$6.20	231,875	6.5%	Projected
2035	\$23,991,051	\$24,767,754	96.9%	(\$742,067)	\$6.20	231,875	6.5%	Projected
2036	\$24,110,996	\$23,962,104	100.6%	\$1,205,312	\$6.20	231,875	6.5%	Projected
2037	\$24,290,431	\$23,166,788	104.9%	\$1,501,321	\$6.20	231,875	6.5%	Projected
2038	\$24,541,964	\$22,389,171	109.6%	\$1,686,954	\$6.20	231,875	6.5%	Projected
2039	\$24,881,021	\$21,640,509	115.0%	\$2,744,641	\$6.20	231,875	6.5%	Projected
2040	\$25,309,930	\$20,913,759	121.0%	\$3,807,259	\$6.20	231,875	6.5%	Projected

⁽¹⁾ January 1, 2020 Actuarial Valuation results.⁽²⁾ Estimated based on the Plan's December 31, 2020 unaudited financial statements.

Schedule MB, line 9c and 9h – Schedule of Funding Standard Account Bases.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Charge Bases:

<u>Date</u> <u>Established</u>	<u>Type</u>	<u>Initial</u> <u>Balance</u>	<u>Rem.</u> <u>Years</u>	<u>Payment</u>	<u>Remaining</u> <u>Balance</u>
01/01/1991	Amendment	\$ 406,126	5	\$ 20,957	\$ 92,753
01/01/1992	Amendment	166,751	6	9,036	46,586
01/01/1996	Amendment	127,067	10	7,762	59,423
01/01/1998	Amendment	1,484,015	12	93,840	815,373
01/01/1999	Assumption	331,735	13	21,246	194,587
01/01/2000	Amendment	995,239	14	64,441	618,620
01/01/2001	Assumption	939,678	15	61,417	615,026
01/01/2003	Shortfall	200,394	2	17,825	34,562
01/01/2003	Amendment	273,661	17	18,159	195,524
01/01/2003	Experience	1,090,068	2	58,797	114,006
01/01/2004	Shortfall	39,055	3	3,460	9,762
01/01/2004	Assumption	851,659	18	56,856	631,695
01/01/2004	Experience	1,090,599	3	65,781	185,541
01/01/2005	Shortfall	140,722	4	12,421	45,321
01/01/2005	Experience	1,386,896	4	90,717	330,976
01/01/2006	Shortfall	97,857	5	8,606	38,088
01/01/2006	Amendment	658,035	20	44,365	520,607
01/01/2006	Assumption	689,381	20	46,478	545,411
01/01/2006	Experience	1,775,273	5	123,464	546,431
01/01/2007	Shortfall	41,838	1	4,315	4,315
01/01/2008	Assumption	51,604	7	3,911	22,840
01/01/2009	Assumption	54,311	8	4,245	27,527
01/01/2009	Experience	163,628	8	12,789	82,928
01/01/2009	Asset Loss	7,112,667	17	525,562	5,659,126
01/01/2010	Assumption	205,476	9	16,473	116,771
01/01/2010	Asset Loss	941,899	17	70,336	757,367
01/01/2011	Assumption	287,173	10	23,514	180,027
01/01/2011	Asset Loss	1,249,922	17	94,415	1,016,631
01/01/2012	Assumption	541,098	11	45,098	369,302
01/01/2012	Asset Loss	2,815,418	17	215,337	2,318,703
01/01/2013	Assumption	413,990	12	35,026	304,337
01/01/2014	Assumption	197,063	13	16,887	154,658
01/01/2014	Experience	598,913	13	51,322	470,040
01/01/2015	Assumption	81,628	9	8,178	57,967
01/01/2015	Experience	1,809,190	9	181,247	1,284,811
01/01/2016	Experience	2,319,857	10	231,665	1,773,651
01/01/2016	Assumption	4,737,827	10	473,128	3,622,313
01/01/2017	Assumption	857,392	11	85,621	701,131
01/01/2017	Experience	1,827,683	11	182,516	1,494,588

Schedule MB, line 9c and 9h – Schedule of Funding Standard Account Bases.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Charge Bases (continued):

<u>Date</u> <u>Established</u>	<u>Type</u>	<u>Initial</u> <u>Balance</u>	<u>Rem.</u> <u>Years</u>	<u>Payment</u>	<u>Remaining</u> <u>Balance</u>
01/01/2018	Assumption	316,565	12	31,613	274,684
01/01/2018	Experience	1,393,170	12	139,124	1,208,859
01/01/2019	Experience	2,038,718	13	203,590	1,864,624
01/01/2020	Experience	421,917	14	42,134	404,469
01/01/2021	Assumption	271,683	15	27,131	271,683
Total Charges				\$ 3,550,805	\$ 30,083,644

Credit Bases:

<u>Date</u> <u>Established</u>	<u>Type</u>	<u>Initial</u> <u>Balance</u>	<u>Rem.</u> <u>Years</u>	<u>Payment</u>	<u>Remaining</u> <u>Balance</u>
01/01/1994	Amendment	\$ 333,531	3	\$ 25,409	\$ 71,671
01/01/1998	Assumption	1,588,460	7	119,734	699,368
01/01/2002	Shortfall	31,498	1	2,812	2,812
01/01/2007	Assumption	152,840	16	11,213	116,646
01/01/2007	Experience	115,622	1	11,923	11,923
01/01/2008	Experience	378,821	2	38,916	75,455
01/01/2009	Amendment	2,897,061	3	296,455	836,190
01/01/2010	Experience	4,934,797	4	503,067	1,835,425
01/01/2010	Amendment	147,383	4	15,025	54,814
01/01/2011	Experience	1,067,809	5	108,455	479,999
01/01/2011	Amendment	172,544	5	17,525	77,565
01/01/2012	Experience	140,157	6	14,185	73,130
01/01/2013	Experience	1,120,256	7	112,980	659,921
01/01/2019	Assumption	138,068	13	13,788	126,277
01/01/2020	Assumption	374,517	14	37,400	359,029
01/01/2020	Amendment	52,122	14	5,205	49,966
01/01/2021	Experience	772,367	15	77,130	772,367
01/01/2021	Amendment	17,025,906	15	1,700,237	17,025,906
Total Credits				\$ 3,111,459	\$ 23,328,464

Schedule MB, line 9c and 9h – Schedule of Funding Standard Account Bases.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

1.	Net Amortization	\$ 6,755,180
2.	Credit Balance	\$ (5,143,646)
3.	Balance Test: [(1) - (2)]	\$ 11,898,826
4.	Unfunded Accrued Liability	
	a. Accrued Liability	\$ 34,964,984
	b. Actuarial Value of Assets	<u>23,066,158</u>
	c. Unfunded Accrued Liability [(a) - (b)]	\$ 11,898,826

Schedule MB, line 11 – Justification for Change in Actuarial Assumptions.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Effective with the January 1, 2021 valuation, the following assumptions were changed based upon historical Plan and industry data as an indicator of anticipated future experience:

- The mortality projection scale was updated.
- The retirement rates were updated.
- The termination rates were updated.
- The disability rates were updated.
- The hours worked assumption was lowered from 1,325 to 1,170 per active per year.
- The expense load was increased from \$150,000 to \$165,000.

Schedule R, Update of Funding Improvement Plan or Rehabilitation Plan.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Hourly Contribution Rate Increase

In accordance with the Rehabilitation Plan, the Plan's contribution rate was increased from \$5.60 per hour as of August 1, 2020 to \$5.80 per hour as of August 1, 2021.

Suspension of Benefits Under the Multiemployer Pension Reform Act of 2014

On March 27, 2020, the U.S. Treasury Department approved an application submitted by the Trustees of this Plan to suspend benefits as provided for under the Multiemployer Pension Reform Act of 2014 (MPRA). The Plan is now projected to avoid insolvency as a result of the benefit suspensions taking place on April 1, 2020.

Schedule R, Summary of Rehabilitation Plan.

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

The Plan's Board of Trustees adopted a Rehabilitation Plan that includes benefit reductions and increases in the hourly contribution rate. This Rehabilitation Plan was designed to forestall the Plan's insolvency. Rehabilitation Plan benefit reductions are as follows:

- The benefit accrual rate remains 1.0% of contributions required to be made with respect to the participant's covered service, except that the Non-Credited amounts noted in the table below will not be subject to benefit accruals. A proportionate share of contributions for apprentices, reciprocal contributions and other classifications will be treated as outside of the benefit accrual. Required contribution rate increases under the Rehabilitation Plan will not be used to accrue benefits under the Plan.
- The Early Retirement benefit is available for anyone who is at least 55 years of age and who has accumulated at least 5 years of credited service under the Plan. Effective for Annuity Starting Dates on and after July 1, 2019, the monthly retirement benefit will be the participant's accrued benefit with a full actuarial reduction for each month that their benefit commencement date precedes their Normal Retirement Date.
- The monthly Disability Retirement benefit for any participant who submits an application to the Plan or is determined to be disabled on or after January 1, 2010, will be reduced by 5/9 of 1% for each month the participant is younger than age 58. The maximum reduction regardless of the participant's age is 36 months. Effective May 1, 2010, no Disability Retirement benefit is available to any person who has earned less than five (5) years of credited service at the time of disability. Effective for disability applications received on or after July 1, 2019, the monthly Disability Retirement benefit will be the participant's accrued benefit with a full actuarial reduction for each month their date of disability precedes their Normal Retirement Date.
- Only eligible spouses of participants with 5 or more years of credited service under the Plan will be entitled to Death Benefits. If the participant dies after reaching Early Retirement Age the surviving spouse will receive 50% of the annuity the participant would have received if he retired the day before his death. If the participant dies before reaching Early Retirement Age the surviving spouse will receive the same benefit that would have been payable if the participant had separated from service on the date of death, survived to the Early Retirement Age, retired with a 50% Joint and Survivor Annuity and died the next day.
- Pre-Retirement Death Benefits are not available for non-vested or single participants.
- Postretirement Death Benefits will be payable only in the joint and survivor form of payment elected by the participant and his spouse. No lump-sum death benefits will be paid for any participant who retires on or after May 1, 2010.
- Participants who retire after Normal Retirement Age will remain eligible for an actuarial adjustment of their monthly benefit payment.

Schedule R, Summary of Rehabilitation Plan

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

- Effective **April 1, 2020**, all Participants, Beneficiaries and Alternate Payees with a separate interest pension benefit shall be subject to a 45% reduction of his or her monthly benefit. This adjustment is limited to benefits accrued through March 31, 2020, and shall not apply to benefits accrued on or after April 1, 2020. The application of this reduction is limited by the following:
 - (a) No Participant, Beneficiary or other individual's monthly benefit shall be reduced to less than 110% of the amount of payment the Participant, Beneficiary or other individual would receive from the Pension Benefit Guaranty Corporation under its multiemployer guarantee program under ERISA §4022A if the Plan went insolvent, as described by and applied in compliance with Treas. Reg. §1.432(e)(9)-l(d)(2).
 - (b) No Participant, Beneficiary or other individual who has attained age 75 by April 2020, shall have his or her monthly benefit reduced below the applicable percentage as described by and in compliance with Treas. Reg. §1.432(e)(9)-l(d)(3).
 - (c) No Participant who is receiving a Disability Benefit under Section 3.3 of the Plan as of March 31, 2020 shall have his or her monthly benefit reduced pursuant to the limitations described in and imposed by Treas. Reg. §1.432(e)(9)-l(d)(4).
- Effective **April 1, 2020**, the Joint & 66 2/3% Survivor Annuity payment form is no longer available.
- Effective **April 1, 2020**, "pop-up" options are no longer available.

Schedule R, Summary of Rehabilitation Plan

Plan Name: Composition Roofers Local 42 Pension Plan

EIN: 31-6127285

PN: 001

Contributions

Journeyman contribution rates shall increase as follows:

Effective Dates	Hourly Rate	Non-Credited	Credited
August 1, 2013 – July 31, 2014	\$4.20	\$2.10	\$2.10
August 1, 2014 – July 31, 2015	\$4.40	\$2.30	\$2.10
August 1, 2015 – July 31, 2016	\$4.60	\$2.50	\$2.10
August 1, 2016 – July 31, 2017	\$4.80	\$2.70	\$2.10
August 1, 2017 – July 31, 2018	\$5.00	\$2.90	\$2.10
August 1, 2018 – July 31, 2019	\$5.20	\$3.10	\$2.10
August 1, 2019 – July 31, 2020	\$5.40	\$3.30	\$2.10
August 1, 2020 – July 31, 2021	\$5.60	\$3.50	\$2.10
August 1, 2021 – July 31, 2022	\$5.80	\$3.70	\$2.10
August 1, 2022 – July 31, 2023	\$6.00	\$3.90	\$2.10
August 1, 2023 – July 31, 2024	\$6.20	\$4.10	\$2.10

Contribution rate increases for participants with lower contribution rates shall be proportionate to the Journeyman increases. Reciprocal contributions and contributions for Apprentices and other classifications will have a proportionate share of their hourly contribution credited to benefit accrual.