

Form 5500-SF

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation

Short Form Annual Return/Report of Small Employee Benefit Plan

This form is required to be filed 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-SF.

OMB Nos. 1210-0110 1210-0089

2023

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 12/31/2023

- A This return/report is for: [X] a single-employer plan [] a multiple-employer plan (not multiemployer) (Pension Plan filers checking this box must attach Schedule MEP. Other plans must attach a list of participating employer information in accordance with the form instructions.)
B This return/report is [] the first return/report [] the final return/report [] an amended return/report [X] a short plan year return/report (less than 12 months)
C Check box if filing under: [X] Form 5558 [] automatic extension [] DFVC program [] special extension (enter description)
D If the plan is a collectively-bargained plan, check here []
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 HOUSTON LIVESTOCK SHOW AND RODEO RETIREMENT PLAN AND TRUST AGREEMENT
1b Three-digit plan number (PN) 001
1c Effective date of plan 06/01/1957
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) HOUSTON LIVESTOCK SHOW AND RODEO P.O. BOX 20070 HOUSTON, TX 77225-0070
2b Employer Identification Number (EIN) 74-1142851
2c Sponsor's telephone number 832-667-1000
2d Business code (see instructions) 713900
3a Plan administrator's name and address [X] 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
5a Total number of participants at the beginning of the plan year 55
b Total number of participants at the end of the plan year 55
c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)
c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)
d(1) Total number of active participants at the beginning of the plan year 26
d(2) Total number of active participants at the end of the plan year 26
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested 0

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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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.

Table with 4 columns: SIGN HERE, Description, Date, and Name. Row 1: Filed with authorized/valid electronic signature, 10/14/2024, KATHERINE GRAHMANN. Row 2: Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Row 3: Signature of employer/plan sponsor, Date, Enter name of individual signing as employer or plan sponsor.

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.)..... Yes No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.)..... Yes No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? Yes No Not determined
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 539975. (See instructions.)

Part III Financial Information			
7		(a) Beginning of Year	(b) End of Year
7	Plan Assets and Liabilities		
a	Total plan assets.....	7a 22649645	23303424
b	Total plan liabilities.....	7b	
c	Net plan assets (subtract line 7b from line 7a).....	7c 22649645	23303424
8		(a) Amount	(b) Total
8	Income, Expenses, and Transfers for this Plan Year		
a	Contributions received or receivable from:		
	(1) Employers.....	8a(1)	
	(2) Participants.....	8a(2)	
	(3) Others (including rollovers).....	8a(3)	
b	Other income (loss).....	8b 948046	
c	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b).....	8c	948046
d	Benefits paid (including direct rollovers and insurance premiums to provide benefits).....	8d 294267	
e	Certain deemed and/or corrective distributions (see instructions) .	8e	
f	Administrative service providers (salaries, fees, commissions).....	8f	
g	Other expenses.....	8g	
h	Total expenses (add lines 8d, 8e, 8f, and 8g).....	8h	294267
i	Net income (loss) (subtract line 8h from line 8c).....	8i	653779
j	Transfers to (from) the plan (see instructions).....	8j	

Part IV Plan Characteristics	
9a	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A
b	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions				
10		Yes	No	Amount
10	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).....	10a	X	
b	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.).....	10b	X	
c	Was the plan covered by a fidelity bond?.....	10c	X	1000000
d	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?.....	10d	X	
e	Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.).....	10e	X	
f	Has the plan failed to provide any benefit when due under the plan?.....	10f	X	
g	Did the plan have any participant loans? (If "Yes," enter amount as of year-end.).....	10g	X	
h	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.).....	10h		
i	If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.....	10i		

Part VI Pension Funding Compliance

11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and lines 11a and b below.) If this is a defined contribution pension plan, leave line 11 blank and complete line 12 below. Yes No

a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a** 0

b PBGC missed contribution reporting requirements. If the plan is covered by PBGC and the amount reported on line 11a is greater than \$0, 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 _____

12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? Yes No
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) If this is a defined benefit pension plan, leave line 12 blank and complete line 11 above.

a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

b Enter the minimum required contribution for this plan year **12b**

c Enter the amount contributed by the employer to the plan for this plan year **12c**

d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

e Will the minimum funding amount reported on line 12d be met by the funding deadline? Yes No N/A

Part VII Plan Terminations and Transfers of Assets

13a Has a resolution to terminate the plan been adopted in any plan year? Yes No

a If "Yes," enter the amount of any plan assets that reverted to the employer this year..... **13a**

b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? Yes No

c 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.)

13c(1) Name of plan(s):	13c(2) EIN(s)	13c(3) PN(s)

Part VIII IRS Compliance Questions

14a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

14b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

15 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter ___/___/___ (MM/DD/YYYY) and the Opinion Letter serial number _____.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit 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.	<small>OMB No. 1210-0110</small> 2023 This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 12/31/2023

▶ **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 <u>HOUSTON LIVESTOCK SHOW AND RODEO RETIREMENT PLAN AND TRUST AGREEMENT</u>	B Three-digit plan number (PN) ▶	<u>001</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>HOUSTON LIVESTOCK SHOW AND RODEO</u>	D Employer Identification Number (EIN) <u>74-1142851</u>	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I Basic Information

1	Enter the valuation date: Month <u>09</u> Day <u>01</u> Year <u>2023</u>		
2	Assets:		
	a Market value	2a	<u>22496801</u>
	b Actuarial value	2b	<u>22496801</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	<u>14</u>	<u>11218951</u>
	b For terminated vested participants	<u>15</u>	<u>3178909</u>
	c For active participants	<u>26</u>	<u>8438337</u>
	d Total	<u>55</u>	<u>22836197</u>
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)		
	a Funding target disregarding prescribed at-risk assumptions	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate	5	<u>5.30 %</u>
6	Target normal cost		
	a Present value of current plan year accruals	6a	<u>205209</u>
	b Expected plan-related expenses	6b	<u>0</u>
	c Target normal cost	6c	<u>205209</u>

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	<u>10/11/2024</u>
	<u>ERIC H. NELSON</u>	Date
	Type or print name of actuary	<u>23-07194</u>
	<u>PWC US CONSULTING LLP</u>	Most recent enrollment number
	Firm name	<u>312-298-2000</u>
	<u>ONE NORTH WACKER DRIVE</u>	Telephone number (including area code)
	<u>CHICAGO, IL 60606</u>	
	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

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>7.80</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		4225645
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.46</u> %		230720
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance		4456365
	d Portion of (c) to be added to prefunding balance		1832815
12	Other reductions in balances due to elections or deemed elections	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	1832815

Part III		Funding Percentages	
14	Funding target attainment percentage	14	90.00 %
15	Adjusted funding target attainment percentage	15	90.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	85.22 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls			
18 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
Totals ▶			18(b)	0	18(c) 0

19	Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
	a Contributions allocated toward unpaid minimum required contributions from prior years.	19a 0
	b Contributions made to avoid restrictions adjusted to valuation date	19b 0
	c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 0
20	Quarterly contributions and liquidity shortfalls:	
	a Did the plan have a "funding shortfall" for the prior year?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
	b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
	c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year		
(1) 1st	(2) 2nd	(3) 3rd
0	0	0
(4) 4th		
0		

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 5.00 %	3rd segment: 5.74 %	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code)..... **21b** 0

22 Weighted average retirement age **22** 62

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment..... **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c).....	31a	205209
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:

	Outstanding Balance	Installment
a Net shortfall amortization installment	2295998	75071
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount

33

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33).....	34	280280
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	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	280280	280280

36 Additional cash requirement (line 34 minus line 35)..... **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)

39 0

40 Unpaid minimum required contributions for all years

40 0

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

Houston Livestock Show and Rodeo Retirement Plan and Trust Agreement

EIN 74-1142851

PN 001

Schedule SB, line 26a – Schedule of Active Participant Data

Years of Credited Service

Attained Age	<u>0-1</u>	<u>1-4</u>	<u>5-9</u>	<u>10-14</u>	<u>15-19</u>	<u>20-24</u>	<u>25-29</u>	<u>30-34</u>	<u>35-39</u>	<u>40+</u>	<u>TOTAL</u>
Under 25	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0
35-39	0	0	0	2	0	0	0	0	0	0	2
40-44	0	0	0	1	2	0	0	0	0	0	3
45-49	0	0	0	2	1	0	0	0	0	0	3
50-54	0	0	0	2	1	1	1	0	0	0	5
55-59	0	0	0	2	2	4	1	1	0	0	10
60-64	0	0	0	1	1	0	0	0	0	0	2
65-69	0	0	0	0	0	0	0	1	0	0	1
70 & Up	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
TOTAL	0	0	0	10	7	5	2	2	0	0	26

Plans reporting less than 1,000 active participants are not required to provide average compensation data.

Statement of Actuarial Assumptions

Valuation date	September 1, 2023.																														
Valuation interest rates	The adjusted 24-month average corporate bond segment rates, reflecting the provisions of ARPA, for September 2023, per IRS Notice 2023-66: 4.75% - first segment rate 5.00% - second segment rate 5.74% - third segment rate																														
Mortality	The 2023 Optional Combined Static Mortality Tables, available for use by small plans, per IRS Notice 2022-22.																														
Turnover	Age-based withdrawal rates, with a 15% rate during the 5-year select period. Illustrative rates as follows: <table border="0" style="margin-left: 40px;"> <thead> <tr> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>< 5 yrs</u></th> <th style="text-align: left;"><u>>=5 yrs</u></th> <th style="text-align: left;"><u>Age</u></th> <th style="text-align: left;"><u>< 5 yrs</u></th> <th style="text-align: left;"><u>>= 5 yrs</u></th> </tr> </thead> <tbody> <tr> <td>20</td> <td>15%</td> <td>5.29%</td> <td>40</td> <td>15%</td> <td>3.54%</td> </tr> <tr> <td>25</td> <td>15%</td> <td>5.07%</td> <td>45</td> <td>15%</td> <td>2.48%</td> </tr> <tr> <td>30</td> <td>15%</td> <td>4.70%</td> <td>50</td> <td>15%</td> <td>0.94%</td> </tr> <tr> <td>35</td> <td>15%</td> <td>4.19%</td> <td>55</td> <td>15%</td> <td>0.09%</td> </tr> </tbody> </table>	<u>Age</u>	<u>< 5 yrs</u>	<u>>=5 yrs</u>	<u>Age</u>	<u>< 5 yrs</u>	<u>>= 5 yrs</u>	20	15%	5.29%	40	15%	3.54%	25	15%	5.07%	45	15%	2.48%	30	15%	4.70%	50	15%	0.94%	35	15%	4.19%	55	15%	0.09%
<u>Age</u>	<u>< 5 yrs</u>	<u>>=5 yrs</u>	<u>Age</u>	<u>< 5 yrs</u>	<u>>= 5 yrs</u>																										
20	15%	5.29%	40	15%	3.54%																										
25	15%	5.07%	45	15%	2.48%																										
30	15%	4.70%	50	15%	0.94%																										
35	15%	4.19%	55	15%	0.09%																										
Retirement age	All participants are assumed to retire upon attainment of age 62 and completion of 10 years of service, but not later than age 65.																														
Disability	None.																														
Expenses	No expenses are assumed to be paid from the pension trust.																														
IRC Section 415(b) limit	The maximum annual benefit under IRC Section 415, assuming no increases after the valuation date.																														
IRC Section 401(a)(17) limit	The maximum annual benefit under IRC Section 417, assuming no increases after the valuation date.																														
Salary scale	Compensation is assumed to increase by 4.00% per annum.																														
Percentage electing lump sum option	100%																														
Lump sum option actuarial equivalence	Mortality rates according to the 2023 Applicable Mortality Table per IRS Notice 2022-22. Interest rates of 4.75%, 5.00%, and 5.74% (the segment rates used for the valuation).																														
Marital status	100% of all active and terminated vested participants are assumed to be married, with husbands assumed to be 4 years older than wives.																														
Employees included in the valuation	All employees eligible to participate in the plan as of the valuation date.																														

Changes from prior valuation

The valuation interest rates changed from the September 2022 segment rates of 4.75%, 5.18%, and 5.92% to the September 2023 segment rates of 4.75%, 5.00%, and 5.74%.

The mortality assumption was updated from the Combined Static Mortality Tables applicable for 2022 to the Combined Static Mortality Tables applicable for 2023 for small plans.

Mortality and interest rates for the lump sum option actuarial equivalence were updated to reflect the changes in prescribed assumptions, per IRC Regulations.

Actuarial Methods for IRS Funding Purposes

1. Actuarial Cost Method

The actuarial cost method for funding calculations is the Unit Credit method. Under this method the funding target liability is calculated as the actuarial present value of accrued benefits as of the valuation date. The funding target normal cost is the actuarial present value of the benefits to be earned during the valuation year, plus expected expenses.

2. Asset Valuation Method

The actuarial value of assets is equal to the market value of assets, including receivable contributions.

3. Changes From Prior Valuation

The actuarial cost method is unchanged from the prior year.

The asset valuation method is unchanged from the prior year.

SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <hr/> <small>Department of Labor Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	Single-Employer Defined Benefit 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.	<small>OMB No. 1210-0110</small> <hr/> 2023 <hr/> This Form is Open to Public Inspection
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For calendar plan year 2023 or fiscal plan year beginning 09/01/2023 and ending 12/31/2023

▶ **Round off amounts to nearest dollar.**
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A Name of plan HOUSTON LIVESTOCK SHOW AND RODEO RETIREMENT PLAN AND TRUST AGREEMENT	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF HOUSTON LIVESTOCK SHOW AND RODEO	D Employer Identification Number (EIN) 74-1142851	
E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500	

Part I	Basic Information		
1	Enter the valuation date: Month <u>09</u> Day <u>01</u> Year <u>2023</u>		
2	Assets:		
	a Market value.....	2a	22,496,801
	b Actuarial value	2b	22,496,801
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	14	11,218,951
	b For terminated vested participants.....	15	3,178,909
	c For active participants.....	26	8,438,337
	d Total	55	22,836,197
4	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	a Funding target disregarding prescribed at-risk assumptions.....	4a	
	b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b	
5	Effective interest rate.....	5	5.30%
6	Target normal cost		
	a Present value of current plan year accruals.....	6a	205,209
	b Expected plan-related expenses	6b	0
	c Target normal cost.....	6c	205,209

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		<u>10/11/2024</u> Date
	Signature of actuary <hr/> Eric H. Nelson Type or print name of actuary	<hr/> 2307194 Most recent enrollment number
	<hr/> PwC US Consulting LLP Firm name	<hr/> 312-298-2000 Telephone number (including area code)
	<hr/> One North Wacker Drive Chicago IL 60606 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

Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	0
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)	0	0
10	Interest on line 9 using prior year's actual return of <u>7.80</u> %	0	0
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year).....		4,225,645
	b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.46</u> %.....		230,720
	b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		0
	c Total available at beginning of current plan year to add to prefunding balance.....		4,456,365
	d Portion of (c) to be added to prefunding balance.....		1,832,815
12	Other reductions in balances due to elections or deemed elections.....	0	0
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	1,832,815

Part III		Funding Percentages	
14	Funding target attainment percentage	14	90.00 %
15	Adjusted funding target attainment percentage	15	90.00 %
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement.....	16	85.22 %
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage.	17	%

Part IV Contributions and Liquidity Shortfalls

18 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	
Totals ▶			18(b)	0	18(c)	0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date.	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.	19c	0

20 Quarterly contributions and liquidity shortfalls:

a Did the plan have a "funding shortfall" for the prior year? Yes No

b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? Yes No

c If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year			
(1) 1st	(2) 2nd	(3) 3rd	(4) 4th
0	0	0	0

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:

a Segment rates:	1st segment: 4.75 %	2nd segment: 5.00 %	3rd segment: 5.74 %	<input type="checkbox"/> N/A, full yield curve used
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b Applicable month (enter code)..... **21b** 0

22 Weighted average retirement age **22** 62

23 Mortality table(s) (see instructions) Prescribed - combined Prescribed - separate Substitute

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. Yes No

25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment..... Yes No

26 Demographic and benefit information

a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. Yes No

b Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... Yes No

27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment **27**

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years.....	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):

a Target normal cost (line 6c).....	31a	205,209
b Excess assets, if applicable, but not greater than line 31a	31b	0

32 Amortization installments:	Outstanding Balance	Installment
a Net shortfall amortization installment	2,295,998	75,071
b Waiver amortization installment	0	0

33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount **33**

34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	34	280,280
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	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement.....	0	280,280	280,280

36 Additional cash requirement (line 34 minus line 35) **36** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)..... **37** 0

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36)	38a	0
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0

39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) **39** 0

40 Unpaid minimum required contributions for all years..... **40** 0

Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)

41 If an election was made to use the extended amortization rule for a plan year beginning on or before December 31, 2021, check the box to indicate the first plan year for which the rule applies. 2019 2020 2021

The valuation assumes that participants will retire upon attainment of age 62 and completion of 10 years of service, but not later than age 65. Participants over age 65 on the valuation date are assumed to retire immediately.

<u>Assumed Retirement Age</u>	<u>Number of Participants</u>
62	24
63	0
64	0
65 ¹	<u>1</u>
	25 participants under age 65 at the valuation date

Weighted average retirement age = $[(24*62) + (0*63) + (0*64) + (1*65)] / 25 = 62.12$

Plan's Weighted Average Retirement Age is 62

¹ Excludes 1 active participant over age 65 on the valuation date.

Summary of Plan Provisions

The plan provisions used to determine the plan funding requirements were based upon the provisions of the plan in effect on September 1, 2023. A summary of the major plan provisions is presented below.

Effective Date June 1, 1957.
 Amended and restated effective January 1, 2011.
 Amended effective July 31, 2013.
 Further amended effective May 31, 2023.

Eligibility All employees are eligible to participate in the Plan on the first of the month coincident with or next following the later of attaining age 21 and the first anniversary of hire. If an employee meets the age requirement but fails to complete 1,000 hours during the first year of employment, participation will begin on the September 1 following the first plan year in which 1,000 hours are completed.

No employee who is hired after July 31, 2013 shall become eligible to enter the Plan as a Participant.

Eligibility for Retirement Benefits

Normal Retirement Age 65.
 Early Retirement Age 55 and 10 years of service.
 Late Retirement Termination subsequent to normal retirement.
 Termination of employment prior to retirement (vesting) Five years of vesting service.

Amount of Benefits

Normal Retirement 2.00% of average plan compensation times years of service. Average plan compensation is defined as the average earnings for the five highest consecutive complete calendar years of employment, with each year limited by the Internal Revenue Code Section 401(a)(17) limit.

Early Retirement Normal pension accrued multiplied by an age-based factor as shown in the following table. Factors between the ages shown can be interpolated.

<u>Age</u>	<u>Factor</u>	<u>Age</u>	<u>Factor</u>
55	50.0%	60	66.7%
56	53.3%	61	73.3%
57	56.7%	62	80.0%
58	60.0%	63	86.7%
59	63.3%	64	93.3%

Amount of Benefits (cont):

Late Retirement	Greater of additional accruals to actual retirement date of actuarial equivalent of normal retirement benefit.
Vesting upon termination of employment prior to retirement	Accrued benefit payable at age 65. Actuarial equivalent benefits are payable at any time following termination of employment.

<u>Years of Vesting Service</u>	<u>Percentage Vested</u>
Less than 5	0%
5 or more	100%

<u>Pre-retirement death benefit</u>	Beneficiaries receive an income that can be provided by the present value of the participant's vested accrued benefit. Other optional forms of payment, including a single lump sum payment, are available. Benefits shall commence on the first day of the month coincident with or next following the date of the participant's death, or as soon as administratively feasible.
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Forms of Retirement Benefit

Normal	10-year certain and life annuity.
Optional	Single life annuity, 5-year certain and life annuity, 50% or 75% Joint and Contingent annuity (reduced upon death of participant), 66 2/3% Joint and Survivor annuity (reduced upon death of either participant or beneficiary), 100% Joint and Survivor annuity, and Single lump sum payment.
Actuarial basis for lump sum benefits	Segment rates described in IRC Section 417(e)(3)(C) for the month of July preceding the plan year of payment, and the Applicable Mortality Table described in IRC Section 417(e)(3)(B).
Actuarial basis for optional annuities	7% interest and mortality rates per IRS Revenue Ruling 2001-62.

Years of Service

Benefit accrual	During the first and last plan years of employment, employees are credited with 1/12th of a year of service for each complete month worked. For interim years, one year of service is credited for each plan year in which an employee works at least 1,000 hours.
Vesting	One year credited for each plan year in which an employee works at least 1,000 hours.

2023 Early Retirement Option

Participants actively employed on May 31, 2023, who would be age 60 or older as of August 31, 2023, may elect to retire under the 2023 Early Retirement Option during the period May 31, 2023, until August 31, 2023.

The Basic Annual Pension provided under the Plan is increased by 4% times the participant's Average Plan Compensation, for eligible employees retiring under the 2023 Early Retirement Option.

Plan Year

January 1 to December 31, for plan years beginning after 2023.
September 1 to August 31, for plan years beginning September 1, 2001, through September 1, 2022.
Short plan year from September 1, 2023, to December 31, 2023.

Changes Since Prior Valuation

The plan was amended effective May 31, 2023, to provide enhanced benefits to certain retiring participants under the 2023 Early Retirement Option.

The plan year was changed from a plan year beginning September 1 to a plan year beginning January 1, resulting in a short plan year from September 1, 2023, to December 31, 2023.

There were no other changes in plan provisions from the prior year actuarial valuation.

Schedule of Amortization Bases

<u>Type of Base</u>	<u>Present Value of Remaining Installments</u>	<u>Valuation Date When Established</u>	<u>Remaining Period (Years)</u>	<u>Annual Amortization Payment</u>
Shortfall	\$ (1,068,746)	September 1, 2023	15	\$ (97,877)
Shortfall	<u>3,364,744</u>	September 1, 2022	14	<u>323,090</u>
Total	\$ 2,295,998			\$ 225,213
			Proration for short plan year ¹	x (4÷12) = 75,071

- The plan year was changed from a plan year beginning September 1 to a plan year beginning January 1, resulting in a short plan year from September 1, 2023, to December 31, 2023. Per IRC Regulations Section 1.430(a)-1(b)(2)(ii)(A) the shortfall amortization installment is prorated for the short plan year.