

**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 07/01/2023 and ending 06/30/2024

- A** This return/report is for:  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  a short plan year return/report (less than 12 months)
- C** Check box if filing under:  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

<b>1a</b> Name of plan KJ SYSTEMS & MANAGEMENT INC. DEFINED BENEFIT PLAN & TRUST		<b>1b</b> Three-digit plan number (PN) ▶	001
		<b>1c</b> Effective date of plan	07/01/2022
<b>2a</b> 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) KJ SYSTEMS & MANAGEMENT, INC.  12208 NW 48TH COURT VANCOUVER, WA 98685		<b>2b</b> Employer Identification Number (EIN)	92-1403526
		<b>2c</b> Sponsor's telephone number	503-245-7201
		<b>2d</b> Business code (see instructions)	541600
<b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.		<b>3b</b> Administrator's EIN	
		<b>3c</b> Administrator's telephone number	
<b>4</b> 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. <b>a</b> Sponsor's name <b>c</b> Plan Name		<b>4b</b> EIN	
		<b>4d</b> PN	
<b>5a</b> Total number of participants at the beginning of the plan year .....	<b>5a</b>		2
<b>b</b> Total number of participants at the end of the plan year.....	<b>5b</b>		2
<b>c(1)</b> Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) .....	<b>5c(1)</b>		
<b>c(2)</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....	<b>5c(2)</b>		
<b>d(1)</b> Total number of active participants at the beginning of the plan year.....	<b>5d(1)</b>		2
<b>d(2)</b> Total number of active participants at the end of the plan year.....	<b>5d(2)</b>		2
<b>e</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	<b>5e</b>		

**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.

SIGN HERE	Filed with authorized/valid electronic signature.	04/10/2025	KIMBERLY J. ROCHA
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	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 \_\_\_\_\_ (See instructions.)

<b>Part III Financial Information</b>			
<b>7</b> Plan Assets and Liabilities		<b>(a) Beginning of Year</b>	<b>(b) End of Year</b>
<b>a</b> Total plan assets .....	<b>7a</b>	208000	522930
<b>b</b> Total plan liabilities .....	<b>7b</b>	8080	9080
<b>c</b> Net plan assets (subtract line 7b from line 7a) .....	<b>7c</b>	199920	513850
<b>8</b> Income, Expenses, and Transfers for this Plan Year		<b>(a) Amount</b>	<b>(b) Total</b>
<b>a</b> Contributions received or receivable from:			
<b>(1)</b> Employers .....	<b>8a(1)</b>	310000	
<b>(2)</b> Participants .....	<b>8a(2)</b>		
<b>(3)</b> Others (including rollovers) .....	<b>8a(3)</b>		
<b>b</b> Other income (loss) .....	<b>8b</b>	3930	
<b>c</b> Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....	<b>8c</b>		313930
<b>d</b> Benefits paid (including direct rollovers and insurance premiums to provide benefits) .....	<b>8d</b>	0	
<b>e</b> Certain deemed and/or corrective distributions (see instructions) .	<b>8e</b>		
<b>f</b> Administrative service providers (salaries, fees, commissions) .....	<b>8f</b>		
<b>g</b> Other expenses .....	<b>8g</b>		
<b>h</b> Total expenses (add lines 8d, 8e, 8f, and 8g) .....	<b>8h</b>		
<b>i</b> Net income (loss) (subtract line 8h from line 8c) .....	<b>8i</b>		313930
<b>j</b> Transfers to (from) the plan (see instructions) .....	<b>8j</b>		

<b>Part IV Plan Characteristics</b>	
<b>9a</b>	If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A 3D
<b>b</b>	If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

<b>Part V Compliance Questions</b>				
<b>10</b> During the plan year:		<b>Yes</b>	<b>No</b>	<b>Amount</b>
<b>a</b> 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) .....	<b>10a</b>		X	
<b>b</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....	<b>10b</b>		X	
<b>c</b> Was the plan covered by a fidelity bond? .....	<b>10c</b>		X	
<b>d</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....	<b>10d</b>		X	
<b>e</b> 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.) .....	<b>10e</b>		X	
<b>f</b> Has the plan failed to provide any benefit when due under the plan? .....	<b>10f</b>		X	
<b>g</b> Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....	<b>10g</b>		X	
<b>h</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....	<b>10h</b>		X	
<b>i</b> 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 .....	<b>10i</b>			

**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**

**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.)

<b>13c(1)</b> Name of plan(s):	<b>13c(2)</b> EIN(s)	<b>13c(3)</b> 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\_\_\_\_\_.

<b>SCHEDULE SB</b> <b>(Form 5500)</b>  <small>Department of the Treasury Internal Revenue Service</small>  <small>Department of Labor Employee Benefits Security Administration</small>  <small>Pension Benefit Guaranty Corporation</small>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  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).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small>  <b>2023</b>  <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024

▶ **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.

<b>A</b> Name of plan <u>KJ SYSTEMS &amp; MANAGEMENT INC. DEFINED BENEFIT PLAN &amp; TRUST</u>	<b>B</b> Three-digit plan number (PN) ▶	<u>001</u>
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>KJ SYSTEMS &amp; MANAGEMENT, INC.</u>	<b>D</b> Employer Identification Number (EIN) <u>92-1403526</u>	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B	<b>F</b> 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**

<b>1</b>	Enter the valuation date: Month <u>06</u> Day <u>30</u> Year <u>2024</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value .....	<b>2a</b>	<u>203714</u>
	<b>b</b> Actuarial value .....	<b>2b</b>	<u>203714</u>
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment .....	<u>0</u>	<u>0</u>
	<b>b</b> For terminated vested participants .....	<u>0</u>	<u>0</u>
	<b>c</b> For active participants .....	<u>2</u>	<u>175826</u>
	<b>d</b> Total .....	<u>2</u>	<u>175826</u>
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b) .....		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions .....	<b>4a</b>	
	<b>b</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 .....	<b>4b</b>	
<b>5</b>	Effective interest rate .....	<b>5</b>	<u>4.97 %</u>
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals .....	<b>6a</b>	<u>222953</u>
	<b>b</b> Expected plan-related expenses .....	<b>6b</b>	<u>0</u>
	<b>c</b> Target normal cost .....	<b>6c</b>	<u>222953</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.

<b>SIGN HERE</b>		
	Signature of actuary	<u>03/21/2025</u>
	<u>VIRGINIA C. WENTZ, EA, FSEA, CPC</u>	Date
	Type or print name of actuary	<u>23-04845</u>
	<u>THE MANDMARBLESTONE GROUP, LLC</u>	Most recent enrollment number
	Firm name	<u>215-222-5000</u>
	<u>ONE RAYMOND DRIVE SUITE 7</u>	Telephone number (including area code)
	<u>HAVERTOWN, PA 19083</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

<b>Part II Beginning of Year Carryover and Prefunding Balances</b>		(a) Carryover balance	(b) Prefunding balance
<b>7</b>	Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....		
<b>8</b>	Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....		
<b>9</b>	Amount remaining (line 7 minus line 8) .....		
<b>10</b>	Interest on line 9 using prior year's actual return of _____% .....		
<b>11</b>	Prior year's excess contributions to be added to prefunding balance:		
<b>a</b>	Present value of excess contributions (line 38a from prior year) .....		27271
<b>b(1)</b>	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 _____% .....		0
<b>b(2)</b>	Interest on line 38b from prior year Schedule SB, using prior year's actual return .....		
<b>c</b>	Total available at beginning of current plan year to add to prefunding balance .....		27271
<b>d</b>	Portion of (c) to be added to prefunding balance .....		
<b>12</b>	Other reductions in balances due to elections or deemed elections .....		
<b>13</b>	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....		

<b>Part III Funding Percentages</b>			
<b>14</b>	Funding target attainment percentage .....	<b>14</b>	115.86 %
<b>15</b>	Adjusted funding target attainment percentage .....	<b>15</b>	128.10 %
<b>16</b>	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement .....	<b>16</b>	100.00 %
<b>17</b>	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage .....	<b>17</b>	%

<b>Part IV Contributions and Liquidity Shortfalls</b>		<b>18 Contributions made to the plan for the plan year by employer(s) and employees:</b>					
(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		
01/26/2024	1000						
03/15/2024	8080						
07/17/2024	185500						
12/16/2024	115420						
			<b>Totals ▶</b>	<b>18(b)</b>	310000	<b>18(c)</b>	

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

<b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....	<b>19a</b>	
<b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....	<b>19b</b>	
<b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date .....	<b>19c</b>	307141

**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

<b>Part V Assumptions Used to Determine Funding Target and Target Normal Cost</b>				
<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 4.75 %	2nd segment: 5.05 %	3rd segment: 5.74 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code).....				<b>21b</b> 4
<b>22</b> Weighted average retirement age .....				<b>22</b> 68
<b>23</b> Mortality table(s) (see instructions)	<input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> Substitute			

<b>Part VI Miscellaneous Items</b>				
<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. .... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>26</b> Demographic and benefit information				
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. .... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No				
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.....				<b>27</b>

<b>Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years</b>				
<b>28</b> Unpaid minimum required contributions for all prior years .....				<b>28</b>
<b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a).....				<b>29</b>
<b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....				<b>30</b>

<b>Part VIII Minimum Required Contribution For Current Year</b>				
<b>31</b> Target normal cost and excess assets (see instructions):				
<b>a</b> Target normal cost (line 6c).....				<b>31a</b> 222953
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....				<b>31b</b> 27888
<b>32</b> Amortization installments:	Outstanding Balance		Installment	
<b>a</b> Net shortfall amortization installment .....				
<b>b</b> Waiver amortization installment .....				
<b>33</b> 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 .....				<b>33</b>
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....				<b>34</b> 195065
	Carryover balance	Prefunding balance	Total balance	
<b>35</b> Balances elected for use to offset funding requirement .....				
<b>36</b> Additional cash requirement (line 34 minus line 35).....				<b>36</b> 195065
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....				<b>37</b> 307141
<b>38</b> Present value of excess contributions for current year (see instructions)				
<b>a</b> Total (excess, if any, of line 37 over line 36)				<b>38a</b> 112076
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....				<b>38b</b>
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....				<b>39</b>
<b>40</b> Unpaid minimum required contributions for all years .....				<b>40</b>

<b>Part IX Pension Funding Relief Under the American Rescue Plan Act of 2021 (See Instructions)</b>				
<b>41</b> 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. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input type="checkbox"/> 2021				

**KJ SYSTEMS & MANAGEMENT, INC.**

**DEFINED BENEFIT PLAN & TRUST**

**PLAN STATUS AND ACTUARIAL VALUATION**

**AS OF**

**JUNE 30, 2024**



THE  
MAND MARBLESTONE  
GROUP  
*retirement plans redefined*

One Raymond Drive, Suite 7  
Havertown, PA 19083

1760 Market Street, Suite 700  
Philadelphia, PA 19103

Tel 215-222-5000 | Fax 215-827-5400

210 Bear Hill Road, Suite 302  
Waltham, MA 02451

Tel 781-890-5500 | Fax 781-890-5505

[www.mand.com](http://www.mand.com)

## **KJ Systems & Management, Inc.**

### **Defined Benefit Plan & Trust**

Plan Status Report and Form 5500 (Schedule SB) Package

For the Plan Year Ended June 30, 2024

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KJ SYSTEMS & MANAGEMENT, INC.  
DEFINED BENEFIT PLAN & TRUST  
BALANCE SHEET

JUNE 30, 2024

Assets:

Fidelity	\$112,930.08
Third Party Loan	100,000.00
Accrued Contribution	<u>300,920.00</u>
 Total Assets:	 <u><u>\$513,850.08</u></u>

Liabilities and Participants' Equity:

Liabilities:

None	<u>\$0.00</u>
 Total Liabilities:	 <u><u>\$0.00</u></u>

Participants' Equity: \$513,850.08

Total Liabilities and Participants' Equity: \$513,850.08

(UNAUDITED)

KJ SYSTEMS & MANAGEMENT, INC.  
DEFINED BENEFIT PLAN & TRUST  
STATEMENT OF CHANGES IN PARTICIPANTS' EQUITY

FOR THE PERIOD ENDED DECEMBER 31, 2024

<u>Participants' Equity - June 30, 2023:</u>	<u><u>\$199,920.00</u></u>
 <u>Increases:</u>	
Contribution	\$310,000.00
Net Investment Gains	<u>3,930.08</u>
 Total Increases:	 <u><u>\$313,930.08</u></u>
 <u>Decreases:</u>	
 Total Decreases:	 <u><u>\$0.00</u></u>
 <u>Net Change in Participants' Equity:</u>	 <u><u>\$313,930.08</u></u>
 <u>Participants' Equity - June 30, 2024:</u>	 <u><u>\$513,850.08</u></u>

(UNAUDITED)

## Plan Funded Status Review

The report labeled Present Values Comparison Report shows a comparison of the value of accrued benefits and vested accrued benefits. When a participant terminates employment the lump sum distribution to which he is entitled is the greater of the value determined using the interest rate and mortality table assumptions stated in the plan document or the value using the government mandated assumptions (IRC §417). The report shows the present value of the accrued benefit using plan assumptions, the present value using the IRC §417 assumptions, and the maximum allowable lump sum payment. The last two columns show the greater of the present value using plan assumptions and §417 assumptions, but not more than the maximum allowable lump sum and represent the estimated plan termination liability and the estimated lump sum payment that would be paid if an individual terminated employment, which reflects vesting. These amounts are all as of the Valuation Date and will change with time. Actual distribution amounts would be based on actual accrued benefits, vested percentage, date of distribution, and assumptions in effect on the distribution date.

Below is a table showing the total plan actuarial value of assets, estimated plan termination lump sum values, and the resulting funded ratio, (assets compared to estimated lump sum values), as of the prior year and current year. In general, it is optimal for a plan to have a funded ratio of 90% or more. This funding ratio is separately determined from the Adjusted Funding Target Attainment Percentage (AFTAP).

<b>Valuation Date</b>	<b>June 30, 2023</b>	<b>June 30, 2024</b>
<b>Actuarial Value of Assets</b>	\$193,064	\$510,855
<b>Estimated Lump Sum Values</b>	\$191,930	\$451,102
<b>Funded Ratio</b>	100.59%	113.24%

The Estimated Lump Sum Values shown above represent an estimate of the total plan benefits if the plan had terminated as of the date shown in column 3 and all participants elected to receive a lump sum distribution. Based on the above information, the plan assets are in excess of estimated lump sums. This does not reflect any additional benefits earned or investment gains or losses since the date shown in column 3. Additionally, if one or more participants elect to receive an annuity upon plan termination, the cost of purchasing such an annuity is expected to be higher than the lump sum value of the participant's benefit.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Present Value Comparison Report  
 Actuarial Equivalence: Pre: 4.00% Post: 4.00% 94 GAR  
 417(e) Segment Rates for 05/2023: (1) 4.91% (2) 5.15% (3) 5.34%  
 Plan Year: 7/1/2023 to 6/30/2024  
 Valuation Date: 6/30/2024  
 Proposed Distribution Date: 6/30/2024

<u>Active</u>	<u>Vest Pct</u>	<u>A g e s</u> <u>Curr</u>	<u>Ret</u>	<u>Accrued Benefit</u>	<u>Actuarial Equiv</u>	<u>417(e) Minimum</u>	<u>415 Maximum</u>	<u>Present Value of Accr. Benefit</u>	<u>Vested Present Value of Accr. Benefit</u>
Rocha, Kim	0.00	69	72	2,343.75	257,645	248,952	307,590	257,645	0
Mirtich, Jason	0.00	47	62	2,083.33	193,457	151,635	341,802	193,457	0
<b>Total (2)</b>				<b>4,427.08</b>	<b>451,102</b>	<b>400,587</b>	<b>649,392</b>	<b>451,102</b>	<b>0</b>

**ADJUSTED FUNDING TARGET ATTAINMENT PERCENTAGE (AFTAP)  
 CERTIFICATION FOR 2024 PLAN YEAR  
 for  
 KJ SYSTEMS & MANAGEMENT, INC.  
 DEFINED BENEFIT PLAN & TRUST**

Effective Date of Plan	July 1, 2022	
Employer Identification Number	92-0103526	Plan Number 001
Certification Date	July 1, 2024	
Based on Valuation Date	June 30, 2024	
Value of Plan Assets as of Certification Date		\$212,930
Interest Adjusted Contributions Received after Certification Date		\$297,925
Adjusted Asset Value		\$510,855
Funding Target as of Valuation Date		\$175,826
Target Normal Cost as of Valuation Date		\$222,953
Carry-Over Balance as of Certification Date		\$0
Prefunding Balance as of Certification Date		\$0
Annuity Purchases for NHCEs during the past two years		\$0
AFTAP as of Certification Date		128.10%

Contributions made for prior plan year received after valuation date and before the date this AFTAP is certified discounted to the Certification Date using prior year's effective interest rate.

Carry-Over and Prefunding balances shown above as of Certification date reflect any required reduction due to presumed AFTAP status as of first day of the plan year and first day of the fourth month of plan year. For the referenced plan, there was a required reduction of \$0 in Carry-Over Balance and a reduction of \$0 in Prefunding Balance.

This certification relies on participant data, plan provisions, and asset information (including dates and amounts of contributions made to the plan through the date of this certification) provided by the Plan Administrator. Based on information received from the Plan Administrator, I hereby certify that the above is true and accurate to the best of my knowledge.

To expedite communication of the Plan's funded status and any benefit restrictions, results are being communicated without a full actuarial valuation report. A formal actuarial report will be prepared and delivered at a later date. This report will contain documentation of all data, methods, and assumptions utilized in determining the amounts used in this certification. I am available for further clarification and explanation.

**Virginia C.  
 Wentz, EA,  
 FSEA, CPC**

Digitally signed by: Virginia C. Wentz, EA, FSEA, CPC  
 DN: CN = Virginia C. Wentz, EA, FSEA, CPC email = vwentz@mand.com C = US O = the MandMarblestone Group, llc OU = Director of Actuarial Services  
 Date: 2025.03.21 11:42:33 - 05'00'

By: \_\_\_\_\_  
 Enrolled Actuary's Signature

\_\_\_\_\_  
 Virginia C. Wentz, EA, FSEA, CPC  
 Enrolled Actuary's Name

\_\_\_\_\_  
 23-04845  
 Enrollment Number

**CONSEQUENCES OF CURRENT AFTAP LEVEL  
KJ SYSTEMS & MANAGEMENT, INC.  
DEFINED BENEFIT PLAN & TRUST**

- Your plan's 2024 AFTAP is at least 90% and thus no benefit restrictions currently apply to your plan. However, if the 2025 AFTAP is not certified by March 1, 2026, the first day of the tenth month of the Plan Year, the AFTAP will be presumed to be less than 60% as of that date, and all of the consequences outlined below for plans with an AFTAP of less than 60% will apply for the remainder of the Plan Year.
- Your plan's 2024 AFTAP is at least 80%, but less than 90%. Thus, no benefit restrictions currently apply to your plan. However, if the 2025 AFTAP is not certified by October 1, 2025, the first day of the fourth month of the Plan Year, the AFTAP will be presumed to be less than 80% as of that date. The consequences of this level, including limitations on plan amendments and a partial limitation on lump sum benefit payments will apply until the 2025 AFTAP is certified. At that time, the consequences of the 2025 AFTAP will apply. However, if the 2025 AFTAP is not certified by April 1, 2026, the first day of the tenth month of the Plan Year, the AFTAP will be presumed to be less than 60% as of that date, and all of the consequences outlined below for plans with an AFTAP of less than 60% will apply for the remainder of the Plan Year.
- Your plan's 2024 AFTAP is at least 70%, but less than 80%. Thus, benefit restrictions currently apply to your plan, including limitations on plan amendments and a partial limitation on lump sum benefit payments. These limitations will apply until the 2025 AFTAP is certified. At that time, the consequences of the 2025 AFTAP will apply. However, if the 2025 AFTAP is not certified by April 1, 2026, the first day of the tenth month of the Plan Year, the AFTAP will be presumed to be less than 60% as of that date, and all of the consequences outlined below for plans with an AFTAP of less than 60% will apply for the remainder of the Plan Year.
- Your plan's 2024 AFTAP is at least 60%, but less than 70%. Thus, benefit restrictions currently apply to your plan, including limitations on plan amendments and a partial limitation on lump sum benefit payments. These limitations will apply until the 2025 AFTAP is certified. At that time, the consequences of the 2025 AFTAP will apply. However, if the 2025 AFTAP is not certified by October 1, 2025, the first day of the fourth month of the Plan Year, the AFTAP will be presumed to be less than 60% as of that date, and the consequences of this level, including limitations on plan amendments, a prohibition of lump sum benefit payments and a freeze on benefit accruals will apply until the 2025 AFTAP is certified. At that time, the consequences of the 2025 AFTAP will apply. However if the 2025 AFTAP is not certified by April 1, 2026, the first day of the tenth month of the Plan Year, the AFTAP will still be presumed to be less than 60% as of that date, and all of the consequences previously mentioned for plans with an AFTAP of less than 60% will apply for the remainder of the Plan Year.
- Your plan's 2024 AFTAP is less than 60%. Thus, benefit restrictions currently apply to your plan, including limitations on plan amendments, a prohibition of lump sum benefit payments and a freeze on benefit accruals. These limitations will apply until the 2025 AFTAP is certified. At that time, the consequences of the 2025 AFTAP will apply. However, if the 2025 AFTAP is not certified by April 1, 2026, the first day of the tenth month of the Plan Year, the AFTAP will be presumed to be less than 60% as of that date, and all of the consequences outlined for plans with an AFTAP of less than 60% will continue to apply for the remainder of the Plan Year.

- Notes:
1. The restrictions on lump sum benefit payments do not apply to plans with benefit accruals frozen as of September 1, 2005.
  2. Except for the restrictions on lump sum and other accelerated benefit payments, the restrictions do not apply during the first five Plan Years.
  3. If benefit restrictions apply, a notice must be provided to plan participants within 30 days.

**Your plan has been in effect for less than 5 years.**

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Actuarial Valuation Report

As of

June 30, 2024

To: KJ Systems & Management, Inc.

This report has been prepared for the sponsor of the pension plan and their professional advisors in accordance with generally accepted actuarial principles and practices and, to the best of my knowledge, fairly reflects the actuarial condition of the KJ Systems & Management, Inc. Defined Benefit Plan & Trust for the plan year ending June 30, 2024.

The evaluation was based upon employee data and financial information through June 30, 2024 provided by the Plan Sponsor and the Trustee. I have tested the reasonable accuracy of this information in accordance with generally accepted actuarial principles and practices. This information has otherwise been relied upon without audit.

The calculations presented in this report are for purposes of determining minimum required and maximum deductible contributions using methods and assumptions prescribed for that purpose and for determining a recommended level of contribution. Determinations for other purposes such as satisfying financial accounting requirements or determining benefit security at plan termination may be significantly different from the results reported herein. Accordingly, additional determinations may be needed for other purposes.

For purposes of determining the minimum required contribution, maximum deductible contribution, and related calculations, such as the Adjusted Funding Target Attainment Percentage (AFTAP), certain assumptions, including the discount rates and mortality table, and methods are prescribed by the Internal Revenue Code and Regulations. Each prescribed assumption and method was applied in accordance with our understanding of the applicable law and regulations. I do not assume responsibility for the reasonableness of such prescribed assumptions and methods. 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. This report, and accompanying schedules describing the actuarial assumptions and methods employed and the principal document provisions on which the valuation is based, are complete and accurate to the best of my knowledge.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the funded status); and changes in plan provisions or applicable law. Due to the limited scope of the assignment, I did not perform an analysis of the potential range of such future measurements.

I, Virginia C. Wentz, am Director of Actuarial Services at *the MandMarblestone Group, llc*. I am a Fellow of the American Society of Enrolled Actuaries, and I meet the Qualification Standards of the American Society of Enrolled Actuaries to render the actuarial opinion contained herein.



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Virginia C. Wentz, EA, FSEA, CPC

*the MandMarblestone Group, llc*

# **KJ Systems & Management, Inc. Defined Benefit Plan & Trust**

## **Introduction and Results Summary**

We have performed an actuarial valuation of the KJ Systems & Management, Inc. Defined Benefit Plan & Trust for the plan year ending June 30, 2024. The results of the valuation are based upon unaudited employee census and trust financial data submitted to us and are set forth in the accompanying report which reflects the provisions of the plan in effect on the valuation date. The details of the results as well as the plan provisions, methods and assumptions, and data used in completing this valuation are described in the following pages.

## **Funding Requirements and Quarterly Contribution Requirement**

Below are the funding recommendations and requirements for the plan year beginning July 1, 2023 and ending June 30, 2024.

Minimum Required Contribution as of June 30, 2024	\$ 195,065
Maximum Tax Deductible Contribution	\$ 332,208
Contributions Made to Date	\$ 310,000

The Minimum Required Contribution is due the earlier of March 15, 2025 or the filing due date, including extensions, of the June 30, 2024 corporate tax return of the plan sponsor. The actual amount due must be increased for accumulated interest through the deposit date. Although not shown as of that date, the minimum required contribution has been met.

The Maximum Tax Deductible Contribution amount shown above is based on the methodology prescribed under IRC Section 404 and may not be an appropriate amount to be contributed. Deposits close to the maximum amount would generally decrease future contributions and may cause the plan to become overfunded. If the plan is overfunded at plan termination, excess assets that are not or can not be allocated to plan participants may be subject to an excise tax of up to 50% upon reversion to the plan sponsor. If you want to contribute an amount close to the maximum, please contact our office to discuss the potential implications.

Please note that the deductibility of contributions may be impacted by additional factors unrelated to plan operation. Please consult with your tax advisor to determine the deductibility of contributions made to the plan.

Due to the current year's funded status of the plan, quarterly contributions are not required for the next plan year.

Please note that all contributions must be made in cash. A transfer of stock, notes, or other property to the plan in lieu of a cash contribution is not permitted.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**  
Development of Actuarial Value of Assets  
Valuation Date: 6/30/2024

(1)	Market Value of Assets at 06/30/2024 (without receivable contributions)	\$	212,930
(2)	Effective Rate of Interest for the Current Plan Year		4.97%
(3)	Contributions Made as of 06/30/2024 for the Current Plan Year	\$	9,080
(4)	Contributions Made as of 06/30/2024 for the Current Plan Year Increased at Current Year's Effective Rate of Interest to 06/30/2024	\$	9,216
(5)	Actuarial Value of Assets at 06/30/2024 [1 - 4]	\$	203,714

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

PPA Funding Values

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

Minimum Funding Segment Rates for 02/2024: 4.75% / 5.05% / 5.74%

Maximum Deductible Segment Rates for 02/2024: 4.52% / 5.05% / 5.04%

<b>(a)</b>	<b>Values as of 6/30/2024</b>	<u><b>Minimum</b></u>	<u><b>Maximum</b></u>	
(1)	Funding Target	175,826	176,582	
(2)	Target Normal Cost	222,953	223,816	
<b>(b)</b>	<b>Minimum Funding Target as of 6/30/2024</b>	<u><b>No. of Persons</b></u>	<u><b>Vested Benefits</b></u>	<u><b>Total Benefits</b></u>
(1)	Retirees Receiving Payments	0	0	0
(2)	Terminated Vesteds	0	0	0
(3)	Actives	2	0	175,826
<b>(4)</b>	<b>Total</b>	<b>2</b>	<b>0</b>	<b>175,826</b>

Plan is funded to a lump sum limited by 415. This funding assumption could result in a target normal cost for a participant with no increase in accrued benefit when there is an increase in the IRC 415 benefit.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Funded Status

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

	<u>Prior Year</u>	<u>Current Year</u>
(a) Funding Target	\$0	\$175,826
(b) Actuarial Value of Assets	\$0	\$203,714
(c1) Carryover Balance Beginning of Year	\$0	\$0
(c2) Carryover Balance End of Year	\$0	\$0
(d1) Prefunding Balance Beginning of Year	\$0	\$0
(d2) Prefunding Balance End of Year	\$0	\$0
(e) Funding Ratio [(b)-(d2)]/(a), not less than 0% <i>Must be at least 80% in prior plan year to apply carryover and prefunding balances to current minimum contribution.</i>	80.00%	115.86%
(f) Funding Target Attainment Percentage (FTAP) [(b)-(c2)-(d2)]/(a), not less than 0% <i>(100.00% for plans with zero funding target)</i>	100.00%	115.86%
(g) Funding shortfall (a)-[(b)-(c2)-(d2)], not less than zero <i>(If greater than zero, quarterly contributions are required in next plan year. If equal to zero, there is no Shortfall Amortization Base for the current year and prior bases are reduced to zero.)</i>	\$0	\$0
(h) Was a portion of the prefunding balance used to satisfy the minimum contribution in the current plan year?		Yes
(i) Shortfall Exemption Asset Value <i>If (h)=Yes, (b)-(d2). If (h)=No, (b)</i>		\$203,714
(j) Shortfall base required this plan year? <i>Yes if (a) greater than (i)</i>		No
<b><u>AFTAP Percentage Adjustment to Avoid Benefit Restrictions</u></b>		
(k) AFTAP percentage based on current plan year values		128.10%

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Determination of Minimum Contribution

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

The Minimum Required Contribution to your pension plan is defined in Section 430 of the Internal Revenue Code. A funding deficiency should not be allowed to develop as it is subject to a penalty tax. To prevent a deficiency, your contribution should be at least equal to the minimum deposit shown below, adjusted by the effective interest rate to the date it is actually deposited. The application of the carryover balance and/or prefunding balance is not available if the prior year funding ratio is less than 80%.

<u><b>Charges</b></u>	<u><b>Valuation Date: 6/30/2024</b></u>
(a) Target Normal Cost	\$222,953
Assets in excess of Funding Target	\$(27,888)
Total, not less than zero	\$195,065
(b) Shortfall Amortization Payment (outstanding balance \$0 as of 6/30/2024)	\$0
(c) Waiver Amortization Payment (outstanding balance \$0 as of 6/30/2024)	\$0
<b>Total Charges</b>	<b>\$195,065</b>
<u><b>Credits</b></u>	
(d) Available carryover balance	\$0
Interest at effective interest rate of 4.97%	\$0
Total	\$0
(e) Available prefunding balance	\$0
Interest at effective interest rate of 4.97%	\$0
Total	\$0
(f) Pre-contributions \$9,080	
Pre-contributions adjusted to valuation date	\$9,216
Discounted contributions deposited after valuation date	\$297,925
Total (f)	\$307,141
<b>Total Credits</b>	<b>\$307,141</b>
<b>Minimum Balance of Contribution Due as of the end of the year</b>	<b>\$0</b>
<b>Interest at effective interest rate to 8 1/2 months past the end of the year</b>	<b>\$0</b>
<b>Additional interest for quarterly payments made after the due date</b>	<b>\$0</b>
<b>Minimum Balance of Contrib. Due 8 1/2 months past the end of the year</b>	<b>\$0</b>

## **KJ Systems & Management, Inc.**

### **Defined Benefit Plan & Trust**

Determination of Maximum Deductible Contribution

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

(a)	Minimum contribution due as of the end of the year	\$195,065
(b)	Target Normal Cost	\$223,816
(c)	Funding Target	\$176,582
(d)	Cushion Amount	
(1)	Liability for HCE Benefit Increases in Prior 2 Years	\$0
(2)	Funding Target (c) - (d1)	\$176,582
(3)	50% of Funding Target	\$88,291
(4)	Increase in Funding Target due to salary increases	\$47,233
(5)	Cushion Amount (d3) + (d4)	\$135,524
(e)	Target Normal Cost + Funding Target + Cushion Amount (b) + (c) + (d5)	\$535,922
(f)	Target Normal Cost with At Risk Loads	\$232,768
(g)	Funding Target with At Risk Loads	\$185,046
(h)	Total (f) + (g)	\$417,814
(i)	Greater of (e) and (h)	\$535,922
(j)	Actuarial Value of Assets	\$203,714
(k)	Maximum Deductible Contribution - greater of (a) and (i) - (j)	\$332,208

**KJ Systems & Management, Inc.  
Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

	<b>For Funding</b>		<b>For 417(e)</b>	<b>For Actuarial Equiv.</b>
	<u>Min</u>	<u>Max</u>		
<b>Interest Rates</b>	Seg 1: 4.75%	4.52%	Seg 1: 4.91%	Pre-Retirement: 4.00%
	Seg 2: 5.05%	5.05%	Seg 2: 5.15%	Post-Retirement: 4.00%
	Seg 3: 5.74%	5.04%	Seg 3: 5.34%	
<b>Applicable Date</b>	02/2024	02/2024	05/2023	
<b>Pre-Retirement</b>				
<b>Turnover</b>	None		None	None
<b>Mortality</b>	None		None	None
<b>Assumed Ret Age</b>	Normal retirement age 62 and 5 years of participation		Normal retirement age 62 and 5 years of participation	Normal retirement age 62 and 5 years of participation
<b>Post-Retirement</b>				
<b>Mortality</b>	Male-2023 Static Table - Combined Male Female-2023 Static Table - Combined Female		2023 Applicable Mortality Table from Notice 2022-22	1994 GROUP ANNUITY RESERVING TABLE, PROJECTED TO THE YEAR 2002
<b>Assumed Benefit Form For Funding</b>			100% Lump Sum / 0% Normal Form	
<b>Assumed Spouse's Age</b>	Spouse assumed to be the same age as participant		Spouse assumed to be the same age as participant	
	Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known		Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known	
<b>Calculated Effective Interest Rate</b>			4.97%	
<b>Actuarial Cost Method</b>			The Unit Credit funding method was used as prescribed by the Pension Protection Act. This method sets the funding target equal to the present value of accrued benefits, and sets the normal cost equal to the present value of the benefit accrued in the current year.	
<b>Maximum Deduction Limit</b>				
	Loading factor for plans eligible to use the special rule under IRC 404(o)(2)(B):			
	Percent Load:	4.00%		
	\$ per Partic Load	\$700.00		

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

An actuarial value of assets is used for funding purposes. This year the actuarial value of assets is 100.0% of the market value of assets.

## **KJ Systems & Management, Inc.**

### **Defined Benefit Plan & Trust**

Summary of Plan Provisions

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

<b>Plan Effective Date</b>	July 1, 2022
<b>Plan Year</b>	From July 1, 2023 to June 30, 2024
<b>Eligibility</b>	All employees not excluded by class are eligible to enter on the date coincident with or following the completion of the following requirements:  1000 hours of service
<b>Normal Retirement Age</b>	All participants are eligible to retire with their full retirement benefit on the later of the following:  Attainment of age 62 Completion of 5 years of participation from beginning of entry year
<b>Normal Retirement Benefit</b>	Upon normal retirement each participant will be entitled to a benefit payable in the normal form equal to the following:  10% of average compensation per credited year of service with a maximum of 10 years. Credited years are plan years from the first day of the plan year containing date of entry excluding years before the effective date and years with less than 1,000 hours.  The maximum monthly benefit is the lesser of \$22,916.66 and 100% of the highest 3-year average salary, subject to service requirements.  The benefit is based on average salary during the highest 3 consecutive years of service from date of hire.
<b>Normal Form of Benefit</b>	A benefit payable for the life of the participant
<b>Optional Forms of Benefit</b>	The following forms of benefit payment are also available:  Life Only - Payable for the life of the participant.  Joint and 100% Survivor - Payable for the life of the participant and his/her beneficiary. Payments cease on the death of both.  Joint and 50% Survivor - Payable for the life of the participant. If the participant dies before his/her beneficiary, 50% of the benefit will continue for the life of the beneficiary.  Single Lump Sum - This is a one-time payment of the lump sum equivalent of the plan's normal form of benefit.
<b>Accrued Benefit</b>	The normal retirement benefit described above calculated based on salary and/or service on the calculation date, and payable on the normal retirement date.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Plan Provisions  
Plan Year: 7/1/2023 to 6/30/2024  
Valuation Date: 6/30/2024

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Termination Benefit**

Upon termination for any reason other than death or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:

<u>Credited Years</u>	<u>Vested Percent</u>
1	0
2	0
3	100

Credited years are plan years from date of hire excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Top-Heavy Minimum Benefit**

Each participant will be entitled to a minimum accrued benefit equal to the following:

2% of average compensation times credited years

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years with less than 1,000 hours  
Years plan is not top-heavy

with a maximum of 10 years

Benefit is based on average salary during the highest 5 consecutive years of employment

**Top-Heavy Normal Form**

A benefit payable for the life of the participant

**Top-Heavy Status**

A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently top-heavy.

**Death Benefit**

Actuarial Equivalent of the accrued benefit earned to date of death



# KJ Systems & Management, Inc. Defined Benefit Plan & Trust

## Additional Disclosures

The significant assumptions and methods used in the preparation of this valuation report are summarized on the Summary of Actuarial Assumptions and Methods page of this report. Below is the identification of the prescribed methods and assumptions, as well as the rationale for each non-prescribed assumption that has a significant effect on the measurements, any changes in non-prescribed assumptions or methods, and reasons for those changes. Additionally, any assumptions or methods not identified on the Summary noted above are identified here.

The following assumptions and methods used in the preparation of this valuation report are prescribed by Federal Law and/or Regulations:

**Actuarial Cost Method**-Method prescribed by the Pension Protection Act of 2006.

**Interest Assumptions or Discount Rate**- Segment rates as prescribed by the Pension Protection Act of 2006 and further modified by the American Rescue Plan Act of 2021.

**Mortality Assumption**-Prescribed by the Pension Protection Act of 2006.

The following assumptions and methods used in the preparation of this valuation report are not prescribed and, unless noted otherwise, represent an estimate of future experience:

**Compensation Increase Assumption**-Annual Compensation Increase is assumed to be 0%.

The use of a salary increase assumption would not produce materially different results.

Therefore, no assumption is made about future salary increases.

**Asset Valuation Method**-Market Value less interest adjusted contributions for the current year made during the year.

**Expected Form of Benefit Payment**-This assumption reflects my best estimate of future experience. This is based on past experience of small plans that offer lump sum payments.

**Expected Date of Benefit Commencement**-Each employee is expected to receive his or her retirement benefit at his or her respective Normal Retirement Date. Since benefits are reduced if paid prior to Normal Retirement Age, the use of a more refined assumption would not produce materially different results.

**Administrative Expenses**-Plan related expenses are not expected to be paid from the plan assets.

This assumption represents my best estimate of future experience based on past practice of and current discussions with the plan sponsor.

Change in Plan Provisions since the last valuation:

**Maximum Compensation Limit**-The maximum compensation that can be considered under IRC §401(a)(17) increased from \$305,000 for plan years beginning in 2022 to \$330,000 for plan years beginning in 2023.

Miscellaneous Disclosures:

**Contribution Allocation Procedure**-In my professional judgment, the contribution allocation procedure prescribed by the Pension Protection Act of 2006 provides for a minimum required contribution amount that is significantly inconsistent with the plan accumulating adequate assets to make benefit payments when due. The plan sponsor's funding policy has generally been to fund an amount necessary to maintain a funded status that is roughly 90% to 110%, measured using plan termination liabilities.

# **KJ Systems & Management, Inc. Defined Benefit Plan & Trust**

## **Risk Disclosure**

The valuation results presented in this report are based upon various actuarial assumptions of expected future experience of the Plan. These assumptions may or may not materialize as the future is uncertain. There are, therefore, inherent risks in valuing future pension obligations that could significantly affect the Plan's future financial condition. The following section is intended to provide information regarding the risk that actual future measurements, such as pension obligations, potential contributions to the plan, and the funded status of the plan, may differ significantly from expected future measurements due to actual experience differing from actuarially assumed experience.

The risks discussed here are those related to actuarial assumptions that may be reasonably expected to have a significant impact on the future financial condition of the Plan. Other risks exist that could affect the plan's future financial condition. Examples of other such risks include the possibility of law or regulation changes or the ability or willingness of the plan sponsor to make contributions when due. It is not the intent of this section to assess any other such risks.

The financial condition of a pension plan is an assessment of the ability of the plan assets to meet benefit obligations when due. For smaller pension plans such as this one, the funded status of immediate plan termination liabilities is a significant indicator of the financial condition of the plan. A funded status of significantly less than 100% of plan termination liabilities could require higher than expected annual contributions, additional funding in order to terminate the plan, a higher premium payment to the PBGC, if applicable, and restrictions on benefit payments to participants. Higher than expected funding may become a financial burden to the plan sponsor. Conversely, a funded status of significantly more than 100% of plan termination liabilities may reduce the ability of the plan sponsor to make future deductible contributions, could result in excise taxes if the plan is terminated and could result in the need for an otherwise frozen plan to be completely or partially unfrozen.

The potential risks listed below have been qualitatively assessed. A description of the potential impact of each risk on the funded status of the plan is described.

**Investment Risk** is the risk that potential investment returns will be higher or lower than expected.

If the plan investment returns are significantly less than expected (4% to 6% annually) for several years, the plan's funded status would be expected to decline each year. Conversely, if the investment returns of the plan assets are consistently higher than expected, the plan's funded status will increase.

**Interest Rate Risk** affects the financial condition because a Plan's liabilities are dependent on these rates.

The typical benefit payment from a smaller defined benefit plan such as this one is a lump sum so the plan termination liabilities are generally largely dependent on the assumptions used to value lump sums. Minimum lump sum values are determined using interest rates and mortality tables specified by the Internal Revenue Code. The mandated interest rates are tied to high quality corporate bond rates and these mandated interest rates change annually for this plan. Though plan defined assumptions for lump sum calculations could be more generous, currently the government mandated minimum lump sum values typically determine lump sum values. Since benefit liabilities and interest rates have an inverse relationship, decreases in the mandated interest rates result in increased lump sums and, generally, plan termination liabilities. Conversely, increases in these rates result in decreases in lump sums and plan termination liabilities.

Additionally, the interest rates used to calculate minimum funding liabilities for qualified private pension plans are mandated by law. Due to funding relief regulations, these interest rates are expected to decrease over the next few years which will cause an increase in these liabilities and, therefore, required funding increases.

**Contribution Risk** is the risk that actual future contributions will deviate from expected future contributions.

Future contributions are expected to be at least enough to satisfy the minimum required contribution amount and, if feasible, include an additional amount to reduce any unfunded plan termination liability. If the minimum required contribution is not satisfied, the funded status is expected to decline.

### **Asset Liability Mismatch**

The plan's liabilities are backed by plan assets. Generally the value of plan assets and the value of plan liabilities change separately and are not directly correlated. The change in assets are based upon actual returns achieved by the investments, while the change in liabilities are based upon either future anticipated returns or mandated assumptions. If the change in asset value is different than the change in liability value due to a change in interest rates, the funded status will either increase or decrease. The selection of investment policy can either increase or reduce the level of this risk.

<b>SCHEDULE SB</b> <b>(Form 5500)</b> <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>	<b>Single-Employer Defined Benefit Plan</b> <b>Actuarial Information</b>  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).  <b>▶ File as an attachment to Form 5500 or 5500-SF.</b>	<small>OMB No. 1210-0110</small> <hr/> <b>2023</b> <hr/> <b>This Form is Open to Public Inspection</b>
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For calendar plan year 2023 or fiscal plan year beginning 07/01/2023 and ending 06/30/2024

- ▶ **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.

<b>A</b> Name of plan KJ Systems & Management, Inc. Defined Benefit Plan & Trust	<b>B</b> Three-digit plan number (PN) ▶	001
<b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF KJ Systems & Management, Inc.	<b>D</b> Employer Identification Number (EIN) 92-0103526	
<b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B		
<b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500		

<b>Part I Basic Information</b>			
<b>1</b>	Enter the valuation date: Month <u>06</u> Day <u>30</u> Year <u>2024</u>		
<b>2</b>	Assets:		
	<b>a</b> Market value.....	<b>2a</b>	203,714
	<b>b</b> Actuarial value.....	<b>2b</b>	203,714
<b>3</b>	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	<b>a</b> For retired participants and beneficiaries receiving payment.....	0	0
	<b>b</b> For terminated vested participants.....	0	0
	<b>c</b> For active participants.....	2	175,826
	<b>d</b> Total.....	2	175,826
<b>4</b>	If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>		
	<b>a</b> Funding target disregarding prescribed at-risk assumptions.....	<b>4a</b>	
	<b>b</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.....	<b>4b</b>	
<b>5</b>	Effective interest rate.....	<b>5</b>	4.97%
<b>6</b>	Target normal cost		
	<b>a</b> Present value of current plan year accruals.....	<b>6a</b>	222,953
	<b>b</b> Expected plan-related expenses.....	<b>6b</b>	0
	<b>c</b> Target normal cost.....	<b>6c</b>	222,953

**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.

<b>SIGN HERE</b>	 Signature of actuary	<u>3/21/2025</u> Date
	Virginia C. Wentz, EA, FSEA, CPC Type or print name of actuary	2304845 Most recent enrollment number
	the MandMarblestone Group, llc Firm name	215-222-5000 Telephone number (including area code)
	One Raymond Drive, Suite 7 Havertown PA 19083 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 V Assumptions Used to Determine Funding Target and Target Normal Cost**

<b>21</b> Discount rate:				
<b>a</b> Segment rates:	1st segment: 4.75 %	2nd segment: 5.05 %	3rd segment: 5.74 %	<input type="checkbox"/> N/A, full yield curve used
<b>b</b> Applicable month (enter code).....				<b>21b</b> 4
<b>22</b> Weighted average retirement age .....				<b>22</b> 68
<b>23</b> Mortality table(s) (see instructions)	<input checked="" type="checkbox"/> Prescribed - combined	<input type="checkbox"/> Prescribed - separate	<input type="checkbox"/> Substitute	

**Part VI Miscellaneous Items**

<b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>26</b> Demographic and benefit information		
<b>a</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>b</b> Is the plan required to provide a projection of expected benefit payments? If "Yes," see instructions regarding required attachment ...	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....	<b>27</b>	

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

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

**Part VIII Minimum Required Contribution For Current Year**

<b>31</b> Target normal cost and excess assets (see instructions):			
<b>a</b> Target normal cost (line 6c).....	<b>31a</b>	222,953	
<b>b</b> Excess assets, if applicable, but not greater than line 31a .....	<b>31b</b>	27,888	
<b>32</b> Amortization installments:	Outstanding Balance	Installment	
<b>a</b> Net shortfall amortization installment .....	0	0	
<b>b</b> Waiver amortization installment .....			
<b>33</b> 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 .....	<b>33</b>		
<b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....	<b>34</b>	195,065	
	Carryover balance	Prefunding balance	Total balance
<b>35</b> Balances elected for use to offset funding requirement.....			0
<b>36</b> Additional cash requirement (line 34 minus line 35) .....	<b>36</b>	195,065	
<b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	<b>37</b>	307,141	
<b>38</b> Present value of excess contributions for current year (see instructions)			
<b>a</b> Total (excess, if any, of line 37 over line 36)	<b>38a</b>	112,076	
<b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....	<b>38b</b>	0	
<b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....	<b>39</b>	0	
<b>40</b> Unpaid minimum required contributions for all years.....	<b>40</b>	0	

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

<b>41</b> 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. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input type="checkbox"/> 2021
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**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

	<b>For Funding</b>		<b>For 417(e)</b>	<b>For Actuarial Equiv.</b>
	<u>Min</u>	<u>Max</u>		
<b>Interest Rates</b>	Seg 1: 4.75%	4.52%	Seg 1: 4.91%	Pre-Retirement: 4.00%
	Seg 2: 5.05%	5.05%	Seg 2: 5.15%	Post-Retirement: 4.00%
	Seg 3: 5.74%	5.04%	Seg 3: 5.34%	
<b>Applicable Date</b>	02/2024	02/2024	05/2023	
<b>Pre-Retirement</b>				
<b>Turnover</b>	None		None	None
<b>Mortality</b>	None		None	None
<b>Assumed Ret Age</b>	Normal retirement age 62 and 5 years of participation		Normal retirement age 62 and 5 years of participation	Normal retirement age 62 and 5 years of participation
<b>Post-Retirement</b>				
<b>Mortality</b>	Male-2023 Static Table - Combined Male Female-2023 Static Table - Combined Female		2023 Applicable Mortality Table from Notice 2022-22	1994 GROUP ANNUITY RESERVING TABLE, PROJECTED TO THE YEAR 2002
<b>Assumed Benefit Form For Funding</b>			100% Lump Sum / 0% Normal Form	
<b>Assumed Spouse's Age</b>	Spouse assumed to be the same age as participant		Spouse assumed to be the same age as participant	
	Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known		Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known	
<b>Calculated Effective Interest Rate</b>			4.97%	
<b>Actuarial Cost Method</b>			The Unit Credit funding method was used as prescribed by the Pension Protection Act. This method sets the funding target equal to the present value of accrued benefits, and sets the normal cost equal to the present value of the benefit accrued in the current year.	
<b>Maximum Deduction Limit</b>				
	Loading factor for plans eligible to use the special rule under IRC 404(o)(2)(B):			
	Percent Load:	4.00%		
	\$ per Partic Load	\$700.00		

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

An actuarial value of assets is used for funding purposes. This year the actuarial value of assets is 100.0% of the market value of assets.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Plan Provisions  
Plan Year: 7/1/2023 to 6/30/2024  
Valuation Date: 6/30/2024

<b>Plan Effective Date</b>	July 1, 2022
<b>Plan Year</b>	From July 1, 2023 to June 30, 2024
<b>Eligibility</b>	All employees not excluded by class are eligible to enter on the date coincident with or following the completion of the following requirements:  1000 hours of service
<b>Normal Retirement Age</b>	All participants are eligible to retire with their full retirement benefit on the later of the following:  Attainment of age 62 Completion of 5 years of participation from beginning of entry year
<b>Normal Retirement Benefit</b>	Upon normal retirement each participant will be entitled to a benefit payable in the normal form equal to the following:  10% of average compensation per credited year of service with a maximum of 10 years. Credited years are plan years from the first day of the plan year containing date of entry excluding years before the effective date and years with less than 1,000 hours.  The maximum monthly benefit is the lesser of \$22,916.66 and 100% of the highest 3-year average salary, subject to service requirements.  The benefit is based on average salary during the highest 3 consecutive years of service from date of hire.
<b>Normal Form of Benefit</b>	A benefit payable for the life of the participant
<b>Optional Forms of Benefit</b>	The following forms of benefit payment are also available:  Life Only - Payable for the life of the participant.  Joint and 100% Survivor - Payable for the life of the participant and his/her beneficiary. Payments cease on the death of both.  Joint and 50% Survivor - Payable for the life of the participant. If the participant dies before his/her beneficiary, 50% of the benefit will continue for the life of the beneficiary.  Single Lump Sum - This is a one-time payment of the lump sum equivalent of the plan's normal form of benefit.
<b>Accrued Benefit</b>	The normal retirement benefit described above calculated based on salary and/or service on the calculation date, and payable on the normal retirement date.

**KJ Systems & Management, Inc.**

**Defined Benefit Plan & Trust**

Summary of Plan Provisions

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Termination Benefit**

Upon termination for any reason other than death or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:

<u>Credited Years</u>	<u>Vested Percent</u>
1	0
2	0
3	100

Credited years are plan years from date of hire excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Top-Heavy Minimum Benefit**

Each participant will be entitled to a minimum accrued benefit equal to the following:

2% of average compensation times credited years

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years with less than 1,000 hours  
Years plan is not top-heavy

with a maximum of 10 years

Benefit is based on average salary during the highest 5 consecutive years of employment

**Top-Heavy Normal Form**

A benefit payable for the life of the participant

**Top-Heavy Status**

A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently top-heavy.

**Death Benefit**

Actuarial Equivalent of the accrued benefit earned to date of death

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**  
**Employer ID# 92-0103526: Plan No. 001**  
Quarterly Installment Payment: \$0.00

**Schedule SB, line 19 - Discounted Employer Contributions**

Plan Year: 7/1/2023 to 6/30/2024  
Valuation Date: 6/30/2024

<u>Date</u>	<u>Amount</u>	<u>Year</u>	<u>Rate</u>	<u>Period</u>	<u>Adj Ctb</u>
01-26-2024	1,000.00	2024	4.97%	01-26-2024 to 06-30-2024	1,020.95
03-15-2024	8,080.00	2024	4.97%	03-15-2024 to 06-30-2024	8,194.59
07-17-2024	185,500.00	2024	4.97%	07-17-2024 to 06-30-2024	185,065.15
12-16-2024	115,420.00	2024	4.97%	12-16-2024 to 06-30-2024	112,860.31
<b>Totals:</b>	<b>310,000.00</b>				<b>307,141.00</b>

<b>19</b>	Discounted employer contributions -- see instructions for small plan with a valuation date after the beginning of the year				
<b>a</b>	Contributions allocated toward unpaid minimum required contribution from prior years			<b>19a</b>	0.00
<b>b</b>	Contributions made to avoid benefit restrictions adjusted to valuation date			<b>19b</b>	0.00
<b>c</b>	Contributions allocated toward minimum required contribution for current year, adjusted to valuation date			<b>19c</b>	307,141.00

**KJ Systems & Management, Inc.**

**Defined Benefit Plan & Trust**

Weighted Average Retirement Age

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

The weighted average retirement age of 68 is the average of the assumed retirement ages for all active participants as of the valuation date weighted based on the funding target and rounded to the nearest whole age. For an active late retiree, the assumed retirement age may be later than the Plan's normal retirement age. Each participant's rate of retirement is assumed to be 100% as of the participant's assumed retirement age.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method  
 Plan Year: 7/1/2023 to 6/30/2024  
 Valuation Date: 6/30/2024

	<b>For Funding</b>		<b>For 417(e)</b>	<b>For Actuarial Equiv.</b>
	<u>Min</u>	<u>Max</u>		
<b>Interest Rates</b>	Seg 1: 4.75%	4.52%	Seg 1: 4.91%	Pre-Retirement: 4.00%
	Seg 2: 5.05%	5.05%	Seg 2: 5.15%	Post-Retirement: 4.00%
	Seg 3: 5.74%	5.04%	Seg 3: 5.34%	
<b>Applicable Date</b>	02/2024	02/2024	05/2023	
<b>Pre-Retirement</b>				
<b>Turnover</b>	None		None	None
<b>Mortality</b>	None		None	None
<b>Assumed Ret Age</b>	Normal retirement age 62 and 5 years of participation		Normal retirement age 62 and 5 years of participation	Normal retirement age 62 and 5 years of participation
<b>Post-Retirement</b>				
<b>Mortality</b>	Male-2023 Static Table - Combined Male Female-2023 Static Table - Combined Female		2023 Applicable Mortality Table from Notice 2022-22	1994 GROUP ANNUITY RESERVING TABLE, PROJECTED TO THE YEAR 2002
<b>Assumed Benefit Form For Funding</b>			100% Lump Sum / 0% Normal Form	
<b>Assumed Spouse's Age</b>	Spouse assumed to be the same age as participant		Spouse assumed to be the same age as participant	
	Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known		Participant is assumed to be married to current spouse at retirement if spouse's date of birth is known	
<b>Calculated Effective Interest Rate</b>			4.97%	
<b>Actuarial Cost Method</b>			The Unit Credit funding method was used as prescribed by the Pension Protection Act. This method sets the funding target equal to the present value of accrued benefits, and sets the normal cost equal to the present value of the benefit accrued in the current year.	
<b>Maximum Deduction Limit</b>				
	Loading factor for plans eligible to use the special rule under IRC 404(o)(2)(B):			
	Percent Load:	4.00%		
	\$ per Partic Load	\$700.00		

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Actuarial Assumptions and Method

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

An actuarial value of assets is used for funding purposes. This year the actuarial value of assets is 100.0% of the market value of assets.

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Active Participant Census Data  
Plan Year: 7/1/2023 to 6/30/2024  
Valuation Date: 6/30/2024

<b><u>Participant Name</u></b>	<b><u>Sex</u></b>	<b><u>Date of Birth</u></b>	<b><u>Date of Hire</u></b>	<b><u>Date of Entry</u></b>	<b><u>Date of Retirement</u></b>	<b><u>Annual Compensation</u></b>
Rocha, Kim	F	04/24/1955	11/30/2022	11/30/2022	07/01/2027	150,000.00
Mirtich, Jason	M	02/11/1977	11/30/2022	11/30/2022	03/01/2039	150,000.00
<b>Total (2 Participants):</b>						<b>300,000.00</b>

**KJ Systems & Management, Inc.**  
**Defined Benefit Plan & Trust**

Summary of Plan Provisions  
Plan Year: 7/1/2023 to 6/30/2024  
Valuation Date: 6/30/2024

<b>Plan Effective Date</b>	July 1, 2022
<b>Plan Year</b>	From July 1, 2023 to June 30, 2024
<b>Eligibility</b>	All employees not excluded by class are eligible to enter on the date coincident with or following the completion of the following requirements:  1000 hours of service
<b>Normal Retirement Age</b>	All participants are eligible to retire with their full retirement benefit on the later of the following:  Attainment of age 62 Completion of 5 years of participation from beginning of entry year
<b>Normal Retirement Benefit</b>	Upon normal retirement each participant will be entitled to a benefit payable in the normal form equal to the following:  10% of average compensation per credited year of service with a maximum of 10 years. Credited years are plan years from the first day of the plan year containing date of entry excluding years before the effective date and years with less than 1,000 hours.  The maximum monthly benefit is the lesser of \$22,916.66 and 100% of the highest 3-year average salary, subject to service requirements.  The benefit is based on average salary during the highest 3 consecutive years of service from date of hire.
<b>Normal Form of Benefit</b>	A benefit payable for the life of the participant
<b>Optional Forms of Benefit</b>	The following forms of benefit payment are also available:  Life Only - Payable for the life of the participant.  Joint and 100% Survivor - Payable for the life of the participant and his/her beneficiary. Payments cease on the death of both.  Joint and 50% Survivor - Payable for the life of the participant. If the participant dies before his/her beneficiary, 50% of the benefit will continue for the life of the beneficiary.  Single Lump Sum - This is a one-time payment of the lump sum equivalent of the plan's normal form of benefit.
<b>Accrued Benefit</b>	The normal retirement benefit described above calculated based on salary and/or service on the calculation date, and payable on the normal retirement date.

**KJ Systems & Management, Inc.**

**Defined Benefit Plan & Trust**

Summary of Plan Provisions

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Termination Benefit**

Upon termination for any reason other than death or retirement a participant shall be entitled to a portion of the actuarial equivalent of his accrued benefit in accordance with the following vesting schedule:

<u>Credited Years</u>	<u>Vested Percent</u>
1	0
2	0
3	100

Credited years are plan years from date of hire excluding the following:

Years before the effective date  
Years with less than 1,000 hours

**Top-Heavy Minimum Benefit**

Each participant will be entitled to a minimum accrued benefit equal to the following:

2% of average compensation times credited years

Credited years are plan years from the first day of the plan year containing date of entry excluding the following:

Years with less than 1,000 hours  
Years plan is not top-heavy

with a maximum of 10 years

Benefit is based on average salary during the highest 5 consecutive years of employment

**Top-Heavy Normal Form**

A benefit payable for the life of the participant

**Top-Heavy Status**

A plan is top-heavy if over 60% of the value of all accrued benefits in all of the employer's plans are for the benefit of key employees. A key employee is generally an officer or owner of the company. This plan is currently top-heavy.

**Death Benefit**

Actuarial Equivalent of the accrued benefit earned to date of death

**KJ Systems & Management, Inc.**

**Defined Benefit Plan & Trust**

Weighted Average Retirement Age

Plan Year: 7/1/2023 to 6/30/2024

Valuation Date: 6/30/2024

The weighted average retirement age of 68 is the average of the assumed retirement ages for all active participants as of the valuation date weighted based on the funding target and rounded to the nearest whole age. For an active late retiree, the assumed retirement age may be later than the Plan's normal retirement age. Each participant's rate of retirement is assumed to be 100% as of the participant's assumed retirement age.