

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

2024

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025

- 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 [] 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: S. B. FOOT TANNING COMPANY EMPLOYEES' PENSION PLAN
1b Three-digit plan number (PN): 101
1c Effective date of plan: 11/30/1951
2a Plan sponsor's name (employer, if for a single-employer plan): S. B. FOOT TANNING COMPANY
2b Employer Identification Number (EIN): 41-0261210
2c Sponsor's telephone number: 651-388-4731
2d Business code (see instructions): 316110
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.
4b EIN
4d PN
5a Total number of participants at the beginning of the plan year: 34
5b Total number of participants at the end of the plan year: 34
5c(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item)
5c(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)
5d(1) Total number of active participants at the beginning of the plan year: 33
5d(2) Total number of active participants at the end of the plan year: 26
5e 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, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Row 1: Filed with authorized/valid electronic signature, 11/13/2025, CATHY LAMERS. Row 2: 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 569734. (See instructions.)

Part III Financial Information

7 Plan Assets and Liabilities		(a) Beginning of Year	(b) End of Year
a Total plan assets	7a	3970689	4025481
b Total plan liabilities	7b	14200	
c Net plan assets (subtract line 7b from line 7a)	7c	3956489	4025481
8 Income, Expenses, and Transfers for this Plan Year		(a) Amount	(b) Total
a Contributions received or receivable from:			
(1) Employers	8a(1)	240000	
(2) Participants	8a(2)		
(3) Others (including rollovers)	8a(3)		
b Other income (loss)	8b	305568	
c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c		545568
d Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d	452972	
e Certain deemed and/or corrective distributions (see instructions) .	8e		
f Administrative service providers (salaries, fees, commissions)	8f		
g Other expenses	8g	206200	
h Total expenses (add lines 8d, 8e, 8f, and 8g)	8h		659172
i Net income (loss) (subtract line 8h from line 8c)	8i		-113604
j Transfers to (from) the plan (see instructions)	8j	182596	

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 During the plan year:	Yes	No	Amount
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)		X	
b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.)		X	
c Was the plan covered by a fidelity bond?	X		500000
d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		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.)		X	
f Has the plan failed to provide any benefit when due under the plan?		X	
g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.)		X	
h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
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			

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? (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. Yes No

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> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025

▶ **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>S. B. FOOT TANNING COMPANY EMPLOYEES' PENSION PLAN</u>	B Three-digit plan number (PN) ▶	<u>101</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>S. B. FOOT TANNING COMPANY</u>	D Employer Identification Number (EIN) <u>41-0261210</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 type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information

1	Enter the valuation date: Month <u>07</u> Day <u>01</u> Year <u>2024</u>		
2	Assets:		
	a Market value	2a	<u>3970689</u>
	b Actuarial value	2b	<u>4265695</u>
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment	<u>0</u>	<u>0</u>
	b For terminated vested participants	<u>1</u>	<u>242100</u>
	c For active participants	<u>33</u>	<u>4815580</u>
	d Total	<u>34</u>	<u>5057680</u>
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	<u>5.32 %</u>
6	Target normal cost		
	a Present value of current plan year accruals	6a	<u>133047</u>
	b Expected plan-related expenses	6b	<u>204579</u>
	c Target normal cost	6c	<u>337626</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>10/23/2025</u> Date
	<u>PHILIP HELPPI</u> Type or print name of actuary	<u>23-08575</u> Most recent enrollment number
	<u>MERCER</u> Firm name	<u>248-945-5562</u> Telephone number (including area code)
	<u>ONE TOWNE SQUARE SUITE 1100 SOUTHFIELD, MI 48076</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	1198642
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	573050
9	Amount remaining (line 7 minus line 8)	0	625592
10	Interest on line 9 using prior year's actual return of <u>5.22</u> %	0	32656
11	Prior year's excess contributions to be added to prefunding balance:		
	a Present value of excess contributions (line 38a from prior year)		0
	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>5.18</u> %		0
	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		0
	d Portion of (c) to be added to prefunding balance		0
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	658248

Part III Funding Percentages			
14	Funding target attainment percentage	14	70.49 %
15	Adjusted funding target attainment percentage	15	94.74 %
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	97.81 %
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		
01/14/2025	120000						
04/10/2025	120000						
07/09/2025	120000						
			Totals ▶	18(b)	360000	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	345771

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: 5.12 %	3rd segment: 5.59 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code)				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" type="checkbox"/> Prescribed - separate	<input type="checkbox"/> 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..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
25 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				
26 Demographic and benefit information				
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
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				
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 337626
b Excess assets, if applicable, but not greater than line 31a				31b 0
32 Amortization installments:	Outstanding Balance		Installment	
a Net shortfall amortization installment	1510149		143413	
b Waiver amortization installment				
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 481039
	Carryover balance	Prefunding balance	Total balance	
35 Balances elected for use to offset funding requirement	0	207916	207916	
36 Additional cash requirement (line 34 minus line 35)				36 273123
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)				37 345771
38 Present value of excess contributions for current year (see instructions)				
a Total (excess, if any, of line 37 over line 36)				38a 72648
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances				38b 72648
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. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021				

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

Attained age	Years of credited service										Total
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	
Under 25											
25–29											
30–34											
35–39											
40–44						1					1
45–49					2		1				3
50–54							1	4			5
55–59							3	3	3	1	10
60–64							1	2	5	2	10
65–69								1	1	1	3
70 & up										1	1
Total					2	1	6	10	9	5	33

In each cell, the top number is the count of active participants for each age/service combination.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Actuarial assumptions for July 1, 2024 funding valuation**

Discount rate sponsor elections		
• Segment rates or full yield curve	Segment	
• Look-back months	4	
	Stabilized	Nonstabilized
• First 5 years	4.75%	4.64%
• Next 15 years	5.12%	5.12%
• Over 20 years	5.59%	5.10%
Mortality sponsor elections		
• Healthy participants	Section 430(h)(3) prescribed separate generational annuitant and nonannuitant mortality tables. These tables are based on the Pri-2012 mortality tables IRS-developed adjustments and projected with mortality improvements using adjusted scale MP-2021 which limits annual improvement to 0% for 2020-2023 and 0.78% thereafter in accordance with IRS regulation 1.430(h)(3)-1.	
• Disabled participants	Same as healthy participants.	
Other economic assumptions		
• Salary increases	4.50% per year (applies to Salaried Participants only)	
• Social Security taxable wage base	3.50% per year (applies to Salaried Participants only)	
• Inflation	2.50% per year	
• Expected investment return	5.10% for 2022; 5.50% for 2023; 5.00% for 2024	
• Expenses	Expected administrative expenses plus PBGC premiums; assumed expenses of \$204,579 added to current year normal cost.	

Rationale for economic assumptions

- Discount rate – Prescribed by the IRS and based on the company's current elections.
- Salary increases – Based on historical salary increases and expectations for future years, and currently equals the Social Security taxable wage base plus 100 basis points.
- Social Security taxable wage base increases – Consists of inflation plus average real wage increases for the U.S. economy as a whole; current assumption equals the inflation assumption plus 100 basis points.
- Inflation – The inflation assumption is based on the long-term expected inflation rate included in Mercer investment consulting's capital market outlook.
- Expected investment return – Based on the current asset allocation, historical return data and expected future returns (based on information provided by Mercer investment consulting's capital market outlook).
- Expenses – Based on the actual administrative expenses from the prior year (excluding the PBGC premiums paid in the prior year) plus expected PBGC premiums for the current year.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Demographic assumptions																
• Withdrawal	See table of sample rates.															
• Disability incidence	1985 pension disability table class 1. See table of sample rates.															
• Retirement age	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Attained age</th> <th style="width: 50%;">Percentage</th> </tr> </thead> <tbody> <tr> <td>Under 55</td> <td>0%</td> </tr> <tr> <td>55-61</td> <td>5%</td> </tr> <tr> <td>62</td> <td>40%</td> </tr> <tr> <td>63-69</td> <td>25%</td> </tr> <tr> <td>70 and above</td> <td>100%</td> </tr> </tbody> </table>				Attained age	Percentage	Under 55	0%	55-61	5%	62	40%	63-69	25%	70 and above	100%
Attained age	Percentage															
Under 55	0%															
55-61	5%															
62	40%															
63-69	25%															
70 and above	100%															
• Benefit commencement age for																
– Future vested deferred	64															
– Current vested deferred	64, or attained age if later.															
• Spouse assumptions	Male participants		Female participants													
– Percentage married	85%		85%													
– Spouse age difference	2 years younger		2 years older													
Form of payment	Life only	50% J&S	100% J&S	10 year C&L												
• Active retirements	30%	25%	35%	10%												
• Future vested deferred	30%	25%	35%	10%												
• Future disabilities	30%	25%	35%	10%												
• Future deaths	100%	0%	0%	0%												
• Current vested deferred	30%	25%	35%	10%												
Unpredictable contingent event assumptions	Not applicable															

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods**Table of sample rates**

Attained age	Percentage
	Withdrawal
	Male/Female
35	10.9%
40	8.5%
45	6.6%
50	5.0%
55	3.8%
60	2.7%
65	1.7%

Rationale for demographic assumptions

- Mortality – Prescribed by the IRS and based on the company's current elections.
- Withdrawal – Updated as of November 2023 based on the results of a study including actual plan experience up through June 30, 2022.
- Retirement age – Updated as of November 2023 based on the results of a study including actual plan experience up through June 30, 2022.
- Form of payment – Updated as of November 2023 based on the results of a study including actual plan experience up through June 30, 2022.
- Commencement age for vested deferred – Updated as of November 2023 based on the results of a study including actual plan experience up through June 30, 2022.
- Spouse age difference – Updated as of November 2023 based on the results of a study including actual plan experience up through June 30, 2022.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial methods for funding

Asset methods – Effective July 1, 2008

The asset valuation method is an average of the adjusted market value for each year during the last two years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110 percent and no less than 90 percent of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

Participant methods – Effective July 1, 2008

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break-in-service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum funding methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual are the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.
- This plan provides death benefits for salaried participants that are not based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the ratio of the participant's service at the beginning of the plan year to their service at each decrement age and is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- This plan provides disability benefits for salaried participants that are only partially based on a participant's accrued benefit or years of service. This benefit is allocated to funding target based on the accrued benefit on the valuation date plus a portion of the excess of the benefit over the accrued benefit multiplied by the ratio of the participant's service at the beginning of the plan year to their service at each decrement age. This benefit is allocated to target normal cost based on the proportionate benefit attributable to the increase in the participant's service and compensation during the plan year.
- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

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> 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 07/01/2024 and ending 06/30/2025

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

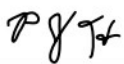
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

A Name of plan S.B. FOOT TANNING COMPANY EMPLOYEES' PENSION PLAN	B Three-digit plan number (PN) ▶	101
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF S.B. FOOT TANNING COMPANY	D Employer Identification Number (EIN) 41-0261210	
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 type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input checked="" type="checkbox"/> More than 500	

Part I Basic Information			
1 Enter the valuation date:	Month <u>07</u>	Day <u>01</u>	Year <u>2024</u>
2 Assets:			
a Market value	2a	3,970,689	
b Actuarial value	2b	4,265,695	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	0	0	0
b For terminated vested participants	1	242,100	242,100
c For active participants	33	4,815,580	4,875,496
d Total	34	5,057,680	5,117,596
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	5.32%	
6 Target normal cost			
a Present value of current plan year accruals	6a	133,047	
b Expected plan-related expenses	6b	204,579	
c Target normal cost	6c	337,626	

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>10/23/2025</u> Date
	<u>Philip Helppi</u> Type or print name of actuary	<u>2308575</u> Most recent enrollment number
	<u>MERCER</u> Firm name	<u>248-945-5562</u> Telephone number (including area code)
	<u>One Towne Square, SUITE 1100</u> <u>Southfield MI 48076</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 V Assumptions Used to Determine Funding Target and Target Normal Cost				
21 Discount rate:				
a Segment rates:	1st segment: 4.75 %	2nd segment: 5.12 %	3rd segment: 5.59%	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined <input checked="" type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
25 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				
26 Demographic and benefit information				
a Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No				
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				
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 337,626
b Excess assets, if applicable, but not greater than line 31a				31b 0
32 Amortization installments:	Outstanding Balance		Installment	
a Net shortfall amortization installment	1,510,149		143,413	
b Waiver amortization installment				
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)....				34 481,039
	Carryover balance	Prefunding balance	Total balance	
35 Balances elected for use to offset funding requirement	0	207,916	207,916	
36 Additional cash requirement (line 34 minus line 35).....				36 273,123
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....				37 345,771
38 Present value of excess contributions for current year (see instructions)				
a Total (excess, if any, of line 37 over line 36)				38a 72,648
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances				38b 72,648
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. <input type="checkbox"/> 2019 <input type="checkbox"/> 2020 <input checked="" type="checkbox"/> 2021				

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 62.

(A) Retirement age	(B) Retirement percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	5.00%	10,000	500	27,500
56	5.00%	9,500	475	26,600
57	5.00%	9,025	451	25,721
58	5.00%	8,574	429	24,864
59	5.00%	8,145	407	24,028
60	5.00%	7,738	387	23,213
61	5.00%	7,351	368	22,420
62	40.00%	6,983	2,793	173,188
63	25.00%	4,190	1,048	65,993
64	25.00%	3,143	786	50,280
65	25.00%	2,357	589	38,299
66	25.00%	1,768	442	29,166
67	25.00%	1,326	331	22,206
68	25.00%	994	249	16,903
69	25.00%	746	186	12,864
70	100.00%	559	559	39,151
Total			10,000	622,398
Average				62.24

Schedule SB, Part V — Summary of Plan Provisions**Summary of major plan provisions for Salaried Participants**

Effective date and plan year	Original plan: November 30, 1951 Restated plan: July 1, 2015 Plan year: July 1 – June 30
Effective date of most recent plan amendment	Amendment signed and adopted on November 28, 2017.
Status of the plan	The plan has ongoing benefit accruals for active participants. Effective June 30, 2008, the plan was frozen to not allow any new participants on or after July 1, 2008.
Significant events that occurred during the year	None
Definitions	
• Eligibility requirements for plan participation	Every salaried employee shall become a participant on the earlier of July 1 or January 1 after he has completed at least one year of eligibility service and has attained age 21. Effective June 30, 2008, the plan was frozen to not allow any new participants on or after July 1, 2008.
• Eligibility service	For initial participation eligibility, one year of eligibility service is granted for completing 1,000 hours of service in the twelve months beginning at employment commencement date or in any plan year after the employment commencement date.
• Vesting service	Plan years during which an employee has completed 1,000 or more hours of service, except those plan years completed before attainment of age 18.

Schedule SB, Part V — Summary of Plan Provisions

• Benefit service	For service prior to July 1, 1976: The total completed whole plan years of continuous service as a participant. For service after June 30, 1976: One year of benefit service for each plan year in which a participant has at least 1,000 hours of service.																																				
• Accrued benefit	The greater of (a) or (b): (a) Main formula: 46% of average monthly compensation less 15% of the smaller of average final three years of earnings or covered compensation, proportionately reduced for less than 30 years of benefit service. (b) Minimum formula: Effective benefit rate multiplied by years of benefit service (as of January 1, 2002, \$30.50 of monthly pension per year of benefit service without limit). The following schedule specifies the monthly benefit in (b) that is credited for each year of benefit service.																																				
<table border="1"> <thead> <tr> <th data-bbox="716 800 889 827">Effective Date</th> <th data-bbox="1143 800 1292 827">Benefit Rate</th> </tr> </thead> <tbody> <tr><td data-bbox="708 835 898 863">January 1, 2002</td><td data-bbox="1175 835 1260 863">\$30.50</td></tr> <tr><td data-bbox="708 867 898 894">January 1, 2001</td><td data-bbox="1175 867 1260 894">\$28.50</td></tr> <tr><td data-bbox="708 898 898 926">January 1, 2000</td><td data-bbox="1175 898 1260 926">\$27.00</td></tr> <tr><td data-bbox="708 930 898 957">January 1, 1999</td><td data-bbox="1175 930 1260 957">\$25.00</td></tr> <tr><td data-bbox="708 961 898 989">January 1, 1998</td><td data-bbox="1175 961 1260 989">\$24.00</td></tr> <tr><td data-bbox="708 993 898 1020">January 1, 1997</td><td data-bbox="1175 993 1260 1020">\$23.00</td></tr> <tr><td data-bbox="708 1024 898 1052">January 1, 1995</td><td data-bbox="1175 1024 1260 1052">\$21.00</td></tr> <tr><td data-bbox="708 1056 898 1083">January 1, 1994</td><td data-bbox="1175 1056 1260 1083">\$20.00</td></tr> <tr><td data-bbox="708 1087 898 1115">January 1, 1992</td><td data-bbox="1175 1087 1260 1115">\$19.00</td></tr> <tr><td data-bbox="708 1119 898 1146">January 1, 1991</td><td data-bbox="1175 1119 1260 1146">\$18.00</td></tr> <tr><td data-bbox="708 1150 898 1178">January 1, 1990</td><td data-bbox="1175 1150 1260 1178">\$15.50</td></tr> <tr><td data-bbox="708 1182 898 1209">January 1, 1989</td><td data-bbox="1175 1182 1260 1209">\$13.00</td></tr> <tr><td data-bbox="708 1213 898 1241">January 1, 1988</td><td data-bbox="1175 1213 1260 1241">\$11.00</td></tr> <tr><td data-bbox="727 1245 878 1272">April 1, 1980</td><td data-bbox="1175 1245 1260 1272">\$9.00</td></tr> <tr><td data-bbox="727 1276 878 1304">April 1, 1979</td><td data-bbox="1175 1276 1260 1304">\$8.00</td></tr> <tr><td data-bbox="727 1308 878 1335">April 1, 1978</td><td data-bbox="1175 1308 1260 1335">\$7.00</td></tr> <tr><td data-bbox="727 1339 878 1367">July 1, 1976</td><td data-bbox="1175 1339 1260 1367">\$6.00</td></tr> </tbody> </table>		Effective Date	Benefit Rate	January 1, 2002	\$30.50	January 1, 2001	\$28.50	January 1, 2000	\$27.00	January 1, 1999	\$25.00	January 1, 1998	\$24.00	January 1, 1997	\$23.00	January 1, 1995	\$21.00	January 1, 1994	\$20.00	January 1, 1992	\$19.00	January 1, 1991	\$18.00	January 1, 1990	\$15.50	January 1, 1989	\$13.00	January 1, 1988	\$11.00	April 1, 1980	\$9.00	April 1, 1979	\$8.00	April 1, 1978	\$7.00	July 1, 1976	\$6.00
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• Average monthly compensation	The average monthly compensation for the highest five consecutive calendar years within the last ten consecutive calendar years immediately preceding termination. Compensation is defined as calendar year W-2 wages.																																				
• Covered compensation	The average of the maximum taxable wages for social security for the 35-year period preceding the participant's social security normal retirement age. Social security normal retirement age is age 65 for those born in 1937 and earlier, 66 for those born in 1938 through 1954 and age 67 for those born in 1955 or later.																																				
Normal retirement																																					
• Eligibility	Last day of the month in which the participant attains age 65.																																				
• Benefit	The accrued benefit at normal retirement date.																																				

Schedule SB, Part V — Summary of Plan Provisions

Early retirement	
• Eligibility	A participant who retires after completing at least ten years of vesting service and attaining age 55 shall receive his accrued benefit as of the date of retirement, payable at the normal retirement date.
• Benefit	<p>The participant may elect to have the benefit commence before the normal retirement date, reduced 5/9 of 1% for each of the first 60 months and 5/18 of 1% for each additional month that commencement precedes the normal retirement date.</p> <p>Effective April 1, 1999, the early retirement reduction associated with the minimum formula benefit was improved to provide for 5/18 of 1% reduction for each month retirement precedes age 62. Participants must attain age 59½ with at least 20 years of vesting service to be eligible for these reduction factors.</p>
Late retirement	
• Eligibility	A participant may continue in active employment beyond his normal retirement date.
• Benefit	Upon actual retirement, the participant will receive the accrued benefit including service to actual retirement.
Deferred vested	
• Eligibility	A participant who leaves the employer after completing at least five years of vesting service.
• Benefit	The participant shall receive a monthly benefit commencing at normal retirement date equal to the accrued benefit as of his termination. The participant may elect to have the benefit commence on the first day of any month after he attains age 55. Benefits will be reduced as for early retirement.
Disability	
• Eligibility	Participants are eligible for the plan's disability benefits if they (i) become disabled while actively employed, (ii) are eligible to receive social security disability benefits and long-term disability benefits sponsored by the employer, and (iii) have completed at least ten years of vesting service.
• Benefit	Disability retirement benefits are equal to the normal retirement monthly benefit with benefit service earned during the disability period and annual compensation is set equal to the annual compensation rate in effect at the date the participant became disabled.
Cost of living adjustment	
	Benefits in payment status for at least twelve months are automatically increased 1.5% each January 1.

Schedule SB, Part V — Summary of Plan Provisions

Pre-retirement death	
• Eligibility	Upon the death of an active participant or a vested terminated participant.
• Benefit	25% of 1/12 of the participant's annual compensation for the calendar year preceding the year of death is payable to the surviving spouse until death or remarriage. Upon remarriage, the surviving spouse is entitled to half the benefit the participant would have received had he terminated the day before his death and elected the 50% joint and survivor option.
Unpredictable contingent event benefits	Not applicable.
Form of benefits	
• Automatic form for unmarried participants	Life only.
• Automatic form for married participants	The life only benefit is reduced for the qualified 50% joint & survivor option.
• Optional forms	Life only, 50%, 75% and 100% joint and survivor, and 10-year certain and life annuities.
• Optional form conversion factors	6% interest and the 417(e)(3)(A) applicable mortality table.
Miscellaneous	
• Maximum compensation	Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually. For 2024, the limit is \$345,000.
• Maximum benefits	Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2024, the limit is \$275,000.

Schedule SB, Part V — Summary of Plan Provisions**Summary of major plan provisions for Hourly Participants**

Effective date and plan year	Original plan: November 30, 1951 Restated plan: July 1, 2015 Plan year: July 1 – June 30
Effective date of most recent plan amendment	Amendment signed and adopted on November 28, 2017.
Status of the plan	The plan has ongoing benefit accruals for active participants. Effective June 30, 2008, the plan was frozen to not allow any new participants on or after July 1, 2008.
Significant events that occurred during the year	None
Definitions	
• Eligibility requirements for plan participation	Every hourly employee shall become a participant on the earlier of July 1 or January 1 after he has completed at least one year of eligibility service and has attained age 21. Effective June 30, 2008, the plan was frozen to not allow any new participants on or after July 1, 2008.
• Eligibility service	For initial participation eligibility, one year of eligibility service is granted for completing 1,000 hours of service in the twelve months beginning at employment commencement date or in any plan year after the employment commencement date.
• Vesting service	Plan years during which an employee has completed 1,000 or more hours of service, except those plan years completed before attainment of age 18.
• Benefit service	One year of benefit service is earned for each plan year in which 1,000 hours of service is completed. a fraction of a year of benefit service is credited in the year of hire or termination equal to the number of months in which at least half of the month was worked divided by 12, if less than 1,000 hours are worked in that plan year. Benefit service is not limited.

Schedule SB, Part V — Summary of Plan Provisions

- **Accrued Benefit** Effective benefit rate multiplied by years of benefit service (as of January 1, 2002, \$30.50 of monthly pension per year of benefit service without limit).
The following schedule specifies the monthly benefit that is credited for each year of benefit service:

<u>Effective Date</u>	<u>Benefit Rate</u>
January 1, 2002	\$30.50
January 1, 2001	\$28.50
January 1, 2000	\$27.00
January 1, 1999	\$25.00
January 1, 1998	\$24.00
January 1, 1997	\$23.00
January 1, 1995	\$21.00
January 1, 1994	\$20.00
January 1, 1992	\$19.00
January 1, 1991	\$18.00
January 1, 1990	\$15.50
January 1, 1989	\$13.00
January 1, 1988	\$11.00
April 1, 1980	\$9.00
April 1, 1979	\$8.00
April 1, 1978	\$7.00
July 1, 1976	\$6.00

Normal retirement

- **Eligibility** Last day of the month in which the participant attains age 65.
- **Benefit** The accrued benefit at normal retirement date.

Early retirement

- **Eligibility** Early retirement is permitted after attaining age 55 and completing 20 years of vesting service.
- **Benefit** The amount of benefit would be the accrued benefit at termination, reduced 5/18% for each month by which commencement precedes age 65.
An unreduced early retirement benefit is payable after attaining age 62 plus 20 years of vesting service. for participants who are at least 59½ and have completed at least 20 years of vesting service (but not yet age 62), the accrued benefit is reduced by 5/18% for each month benefit commencement precedes age 62.

Late retirement

- **Eligibility** A participant may continue in active employment beyond his normal retirement date.
- **Benefit** Upon actual retirement, the participant will receive the accrued benefit including service to actual retirement.

Schedule SB, Part V — Summary of Plan Provisions**Deferred vested**

- Eligibility Termination of an employee after completion of five years of vesting service.
- Benefit The participant is entitled to the benefit which he has accrued at his date of termination, deferred to commence at age 65. Employees may commence benefits as early as age 55. The accrued benefit is reduced for early commencement.

Disability

- Eligibility Participants are eligible for the plan's disability benefits if they (i) become disabled while actively employed, (ii) are eligible to receive social security disability benefits, and (iii) are at least age 40 with at least 15 years of vesting service.
- Benefit The disability monthly retirement benefit is equal to the accrued benefit, payable monthly for life.

Pre-retirement death

- Eligibility Upon the death of an active participant or a vested terminated participant.
- Benefit prior to early retirement The eligible spouse will be entitled to the same benefit as the annuity that would have been payable to the participant's spouse had the participant terminated on his date of death, survived to his or her earliest retirement date, elected the qualified Joint and survivor annuity on the day before his earliest retirement date, and then died. The benefit will commence on the earliest retirement date.
- Benefit after early but before normal retirement The eligible spouse will be entitled to the same benefit as the annuity that would have been payable to the participant's spouse had the participant retired and elected the qualified joint and survivor annuity on the day before his death. The benefit will commence the first day of the month following the participant's death.

The benefit shall not be less than \$100 per month.
- Benefit after normal retirement date but prior to retirement The eligible spouse will be entitled to the same benefit as the annuity that would have been payable to the participant's spouse had the participant retired and elected the 100% joint and survivor annuity option on the day before his death. The benefit will commence the first day of the month following the participant's death.

Unpredictable contingent event benefits Not applicable.

Form of benefits

- Automatic form for unmarried participants Life only.

Schedule SB, Part V — Summary of Plan Provisions

• Automatic form for married participants	The life only benefit is reduced for the qualified 50% joint & survivor option.
• Optional forms	Life only, 50%, 75% and 100% joint and survivor, and 10-year certain and life annuities.
• Optional form conversion factors	6% interest and the 417(e)(3)(A) applicable mortality table.

Miscellaneous

- | | |
|-------------------|---|
| • Maximum benefit | Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually. For 2024, the limit is \$275,000. |
|-------------------|---|

Benefits included or excluded

Unless noted below, all benefits provided by the plan, as restated July 1, 2015 and amended effective November 28, 2017, are included in this valuation:

- **Most recent plan amendments included:** Amendment signed and adopted on November 28, 2017.
- **Plan amendments excluded:** None.
- **Scheduled benefit increases:** Scheduled benefit increases effective after the end of the current plan year are excluded from minimum funding requirements.
- **Late retirement increases:**
 - *Active participants:* The plan provides benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued including the late retirement actuarial increase.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plan is not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Schedule SB, Part V — Summary of Plan Provisions**Additional benefits included or excluded****• IRC Section 436 benefit restrictions:**

- *Unpredictable contingent event benefits:* See below.
- *Plan amendments:* See above.
- *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
- *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.

- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Plan provision changes since prior valuation

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2023 to 2024.

Schedule SB, line 32 — Schedule of Amortization Bases

The total shortfall amortization charge is the sum of the individual shortfall amortization installments for each plan year since the IRC Section 430 changes made by ARPA took effect for the plan. Although an individual shortfall amortization installment can be negative, the combined shortfall amortization charge cannot be less than \$0.

Shortfall bases			
Year established	Outstanding balance	Years remaining	2024 Installment
2023	642,032	14	62,599
2024	868,117	15	80,814
Total	\$ 1,510,149		\$ 143,413

Schedule SB, line 24 — Change In Actuarial Assumptions

Actuarial assumption changes since prior valuation

- Interest discounts and mortality rates were updated from 2023 to 2024 in accordance with PPA and the plan sponsor elections.
- The expected investment return was changed from 5.50% to 5.00%.
- The expense component of normal cost was changed from \$348,764 to \$204,579 to reflect our expectations for the current plan year.