

**ANNUAL FUNDING NOTICE  
FOR  
BAC LOCAL UNION 15 PENSION PLAN**

**Introduction**

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning April 1, 2024 and ending March 31, 2025 (“Plan Year”).

**This is an informational notice. You do not need to respond or take any action.**

This notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

**What if I have questions about this notice, my Plan, or my benefits?**

Contact your plan administrator at:

Wilson-McShane Corporation  
Ms. Julie Campbell  
12200 Ambassador Dr., Ste. 400  
Kansas City, MO 64190-9500  
Phone: 816.756.3313

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** BAC Local Union 15 Pension Plan
- **Employer Identification Number:** 43-6102453

**What if I have questions about PBGC and the pension insurance program guarantees?**

Visit [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer) for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

## How Well Funded Is Your Plan?

The law requires the Plan's administrator to explain how well the Plan is funded, using a measure called the "funded percentage." The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

	<b>Funded Percentage</b>		
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Valuation Date	<b>April 1</b>	<b>April 1</b>	<b>April 1</b>
Funded Percentage	98%	96%	94%
Value of Assets	\$141,051,330	\$133,886,465	\$128,346,854
Value of Liabilities	\$144,537,367	\$139,700,075	\$136,306,944

## Year-End Fair Market Value of Assets

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on April 1.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

	3/31/2025	3/31/2024	3/31/2023
Fair Market Value of Assets	\$144,686,022*	\$141,075,129	\$127,965,585

\* 3/31/2025 audited results are not available at this time. The value listed above represents the Plan's best estimate of assets.

## Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent – meaning it will no longer have enough assets to pay out benefits – within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was not in endangered, critical, or critical and declining status in the Plan Year.

### **Participant and Beneficiary Information**

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year ended March 31, 2025 reflect the plan administrator's reasonable, good faith estimate.

<b>Number of participants and beneficiaries on last day of relevant plan year</b>	3/31/2025*	3/31/2024	3/31/2023
1. Last day of plan year	March 31	March 31	March 31
2. Participants currently employed	547	524	554
3. Participants and beneficiaries receiving benefits	671	690	668
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	481	464	481
5. Total number of covered participants and beneficiaries	1,699	1,678	1,703

\*3/31/2025 counts are estimated.

### **Funding & Investment Policies**

#### **Funding Policy**

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The Plan is funded by contributions made by employers pursuant to collective bargaining agreements with the labor organizations representing the Plan's participants. The investment earnings on the contributions made to the Plan are also a source of funding.

#### **Investment Policy**

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The Plan's Trustees have adopted an investment policy to reach its funding goals. The investment policy outlines asset allocations and sets general guidelines for the investment managers. The investment policy of the Plan emphasizes maximum return on invested assets commensurate with safety of principal over the long term, and consistency of performance. In other words, the Plan's objectives for this portfolio are anticipated to continue without significant modification for a minimum of 3 to 5 years. To fully satisfy the long-term objectives to the participants, the investment policy's goal for the Plan is to meet or exceed an absolute return of 7.5%. The investment policy provides for the diversification of assets so as to minimize the risk of large losses and that the assets of the Plan shall be managed at all times in compliance with the Employee Retirement Income Security Act of 1974 (ERISA).

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

<b><u>Asset Allocations</u></b>	<b><u>Percentage</u></b>
1. Public equity	55.0%
2. Private equity	0.0%
3. Investment grade debt instruments	19.4%
4. High-yield debt instruments	3.9%
5. Cash and cash equivalents	0.1%
6. Real estate	16.1%
7. Other	5.5%

The average return on invested assets for the 2024 Plan Year was estimated to be **5.4%**. This is based on the estimated fair market value of assets shown above. The actual return for the Plan Year will not be available until later in 2025 when audited financial statements are available.

#### **Right to Request a Copy of the Annual Report**

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit [www.efast.dol.gov](http://www.efast.dol.gov) to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

#### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In

addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

### **Benefit Payments Guaranteed by PBGC**

Only vested benefits – those that you've earned and cannot forfeit – are guaranteed.

#### **What PBGC Guarantees**

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age
- Most early retirement benefits
- Annuity benefits for survivors of plan participants
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

#### **What PBGC Does Not Guarantee**

PBGC does not guarantee certain types of benefits, including:

- A participant's benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

#### **Determining Guarantee Amounts**

The maximum benefit PBGC guarantee is set by law. Your Plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

*Example 1:* Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:  
Take 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together:  $\$11 + \$24.75 = \$35.75$

4. Multiply by years of credited service:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

*Example 2:* Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$200/10 = \$20$  accrual rate.
2. Apply PBGC formula:  
Take the first 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together:  $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50.