

ANNUAL FUNDING NOTICE
For
NORTHERN NEVADA PLUMBERS & PIPEFITTERS
VARIABLE DEFINED BENEFIT PLAN

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2022 and ending December 31, 2022 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2022	2021	2020
Valuation Date	January 1, 2022	January 1, 2021	January 1, 2020
Funded Percentage	108.3%	109.8%	102.6%
Value of Assets	\$6,135,700	\$3,418,393	\$908,953
Value of Liabilities	\$5,665,633	\$3,113,351	\$885,613

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They are market values. The asset values in the chart below are also market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding plan years.

	December 31, 2022	December 31, 2021	December 31, 2020
Fair Market Value of Assets	\$7,691,800 ¹	\$6,135,700	\$3,418,393

Endangered, Critical, or Critical and Declining Status

Your Multiemployer Pension Plan was first effective August 1, 2019. This section does not apply to Multiemployer Pension Plans first effective after July 16, 2006.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 557. Of this number, 512 were current employees, 11 were retired and receiving benefits, and 34 were retired or no longer working for a contributing employer and have a right to future benefits.

¹ The December 31, 2022 fair market value of assets figure is an estimate based on the Plan's unaudited financial statements. The final figure upon completion of the Plan's regular audit may differ from this estimate.

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Funding & Investment Policies

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 funding policy of the Plan is to contribute at a level consistent with applicable bargained and special agreement contracts, subject to legislative requirements, and over time, by aligning projected benefit liabilities with projected contribution and investment income, as recommended by the Plan Actuary.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan includes the asset mix of the Plan, designed to generate a return sufficient to meet or exceed the Plan's actuarial interest assumption over the long term. The asset mix targets as of the end of the Plan year were 55% publicly traded equities (large, mid and small capitalization stocks and international stocks), 38% fixed income, and 7% in real estate debt. These percentages are targets and actual allocations may vary at times based upon matters such as market conditions.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. Note that this asset allocation is based on calculations of fair market value of assets as of December 31, 2021 which are preliminary and which are subject to change upon completion of the audited financial statements. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Cash (Interest bearing and non-interest bearing)	4.9%
2. Value of interest in registered investment companies (e.g., mutual funds)	95.1%

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1515, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where to Get More Information."

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 the PBGC, below), the plan must apply to the PBGC for financial assistance. The 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 the 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.

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Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by the PBGC's multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($\$600/10$), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 ($.75 \times \$33$), or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 ($\35.75×10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or $\$200/10$). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 ($.75 \times \$9$), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 ($\17.75×10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on the PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. The PBGC does not have that information. See "Where to Get More Information" about your Plan, below.

Where to Get More Information

For more information about this notice, you may contact Benefit Plan Administrators, Inc. by phone at (775) 826-7200 or by mail at P.O. Box 11337, Reno, Nevada 89502. For identification purposes, the official plan number is 001, the employer identification number or "EIN" is 84-6537733, and the plan sponsor is the Board of Trustees of the Northern Nevada Plumbers & Pipefitters Variable Defined Benefit Plan.