ANNUAL FUNDING NOTICE

FOR

PENSION PLAN OF THE PLUMBERS AND STEAMFITTERS LOCAL UNION NO. 33 RETIREMENT TRUST

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, 2023 and ending December 31, 2023 ("Plan Year").

Funded Percentage

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.

	2023 Plan Year	***2022 Plan Year***	***2021 Plan Year***
Valuation Date	***01/01/2023***	***01/01/2022***	***01/01/2021***
Funded Percentage	104.6%	102.7%	96.3%
Value of Assets	$285,482,930	$266,675,232	$238,687,907
Value of Liabilities	$272,816,640	$259,691,377	$247,932,168

Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time.

The asset values in the chart below are 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.

	12/31/2023	***12/31/2022***	***12/31/2021***
Fair Market Value of Assets	$292,462,484	$259,472,845	$285,077,366

**Based on preliminary information*

Endangered, Critical or Critical and Declining Status

Under federal pension law, a plan generally is in "endangered" status if its funded percentage is less than 80 percent. A plan is in "critical" status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in "critical and declining" status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in neither critical nor endangered status for the Plan Year, because the funded percentage was greater than 80% and there was no projected deficiency in the Funding Standard Account for this Plan Year and the next six years.

The Plan is also in neither critical nor endangered status for the plan year ending December 31, 2024.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,009. Of this number, 1,164 were current employees, 572 were retired and receiving benefits, and 273 were retired or separated from service and entitled to future benefits.

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 based on contributions to the Plan by participating employers in accordance with a collective bargaining agreement. The collective bargaining agreement requires that each participating employer contribute to the Plan a certain amount for each hour worked by a collectively bargained employee in covered employment. The current contribution rates under the collective bargaining agreements are intended to pay for the benefits promised under the Plan when taking into consideration projected annual investment returns on plan assets and projected plan liabilities.

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 is:

> The Pension Fund's investment objective is first to preserve principal, second to generate current income and third to achieve growth of principal value. Minimizing year-to-year changes in principal values and in income earned by the account is an important Fund consideration.
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> The Pension Fund should also earn a rate of return after all expenses that equals or exceeds the current actuarial investment rate assumption over a full market cycle. The Board of Trustees, with help from the Investment Consultant, will use the Fund's asset allocation as the primary tool to achieve this goal. As this is a long-term projection and investments are subject to short-term volatility, the main focus of the Board will be on total fund performance results. The Board of Trustees and the Investment Consultant will also review the portfolio and performance results of each of the underlying investment managers relative to the appropriate benchmark and peer group comparison over various time periods. Each manager is expected to maintain a consistent philosophy and style, perform well versus others utilizing the same styles, and add incremental value after costs.
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> It is recognized that in an effort to increase the value of the Pension Fund's assets, some investment risk must be assumed. In order to minimize and control this risk, the allocation of assets between fixed income, equities and real assets as well as certain other guidelines will be adhered to in investing Pension Fund assets.
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> The Board of Trustees believes that the level of risk assumed in the Pension Fund is a function, in large part, of the Plan's risk posture. The proportion of assets allocated for equity investments is the most important determinant of volatility of future returns. As indicated by long-term historical data, the risk of equity ownership has been rewarded with a higher rate of return.

Based on its determination of the appropriate risk posture for the Pension Fund and its long-term return expectations, the Board of Trustees has established the following asset-mix guidelines for the Pension Fund:

Asset Class	Pension Fund Target	Range
Total Equity	**65%**	**60 - 70%**
Domestic Large Cap Equities	22%	17 - 27%
Domestic Small/Mid Cap Equities	14%	9 - 19%
International Equity Investments	18%	13 - 23%
Emerging Market Equities	6%	0 - 11%
Global Long/Short Equity	5%	0 - 10%
Total Fixed Income	**25%**	**20 - 30%**
Core Fixed Income	9%	4 - 14%
Multi-Sector Fixed Income	8%	3 - 13%
Liquid Absolute Return	8%	3 - 13%
Total Real Assets	**10%**	**5 - 15%**
Core Real Estate	10%	5 - 15%

The Board of Trustees may change the asset classes as well as the percentage limits at any time. Changes in strategic allocations, market conditions, portfolio needs and constraints or an investment transition (asset class or manager) may require an interim investment strategy and, therefore, a temporary imbalance in asset mix. Should the portfolio move outside the ranges listed above, the Staff, with the advice of the Investment Consultant, will review the allocations and shall have the authority to bring the asset allocation back within allowable ranges. Additionally, Staff will reallocate excess cash reserves based on the advice and recommendation of the investment consultant in accordance with target allocations and communicate actions taken to the Board. The assets can be held in various investment vehicles including mutual funds, common/collective trusts, partnership/joint venture interests as well as privately managed separate accounts.

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. These estimated allocations are percentages of total assets and are subject to change:

Asset Allocations	**Percentage**
Stocks	66.7
Investment grade debt instruments	8.9
High-yield debt instruments	0.0
Real estate	8.7
Other	15.7

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-1513, 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 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 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 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 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 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 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 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 PBGC's website at **https://www.pbgc.gov/prac/multiemployer**. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information" below.

Where to Get More Information

For more information about this notice, you may contact the individual below.

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For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" is Plumbers and Steamfitters Local Union No. 33 Retirement Trust Board of Trustees and 42-6086687.