Industry And Local 338
Pension Fund
911 Ridgebrook Road
Sparks, MD 21152-9451
Telephone No. (855) 412-3797 (toll free)
www.associated-admin.com

Minutes of the Meeting of the Board of Trustees

Held on January 12, 2026
Via
Zoom

The following Trustees were present:

UNION TRUSTEES	**EMPLOYER TRUSTEE**
Dan Maldonado	Andrea Rutherford
Mickey Smith	
Duane Wright	

Also present were:

Alicia Cochran – Associated Administrators, LLC
Peter Bernstein – Horizon Actuarial Services
Pat Blizzard – SEI Institutional Group
Mary Ann Dunleavy – Horizon Actuarial Services, LLC
Rachel Grant – Associated Administrators, LLC
Peter Murray – Schultheis & Panettieri, LLP
Elizabeth O'Leary, Esq. – Kauff McGuire & Margolis LLP
Jonathan Waite - SEI Institutional Group

I. CALL TO ORDER

The meeting was called to order at 10:04 a.m.

II. TRUSTEE RESIGNATION

Mr. Cochran reported receipt of Mr. Chris Palmer's resignation letter dated September 29, 2025, effective October 29, 2025. She stated that a letter was sent to participating employers seeking nominations for a new Employer Trustee and that no responses have been received.

Ms. O'Leary discussed several options for the Trustees' consideration, including (1) asking HP Hood to reconsider appointing a second Trustee, (2) hiring a professional Trustee, or (3) amending the Trust Agreement to have only one Employer Trustee.

Ms. O'Leary reported that the Trust Agreement provides that in the event of a Trustee vacancy, the remaining Trustees shall have full power to act pending the appointment of a successor Trustee and, thus, that the current vacancy does not hinder the Trustees from performing Fund business.

It was further noted that L.P. Transportation is still in negotiations with Teamsters Local 445 and continues to contribute to the Pension Fund.

After discussion, it was agreed that further updates will be provided when available.

III. INVESTMENT CONSULTANT REPORT

Mr. Pat Blizzard reviewed SEI's report for the period ending December 31, 2025. He provided commentary on market conditions and economic trends, including the labor and financial markets. He discussed the market performance across different asset classes.

A. Market Commentary and Performance

Mr. Blizzard reported that the Fund's ending market value as of December 31, 2025 was $113,623,238, and that its fiscal year-to-date total rate of return is 7.98% compared to the index return of 7.94%. He reviewed performance for other time periods.

Mr. Blizzard reviewed the Fund's portfolio allocation as of December 31, 2025 consisting of: 10.7% Large Cap Index Fund, 2.90% Small Cap Fund, 19.60% World Equity Ex-US Fund, 14.60% US Equity Factor Allocation Fund, 3.0% Emerging Markets Equity Fund, 3.90% Dynamic Asset Allocation Fund, 14.00% Core Fixed Income Fund, 6.80% Limited Duration Fund, 3.90% High Yield Bond Fund, 3.90% Emerging Markets Debt Fund, 4.70% SEI Special

Situations Collective Fund, 5.80% SEI Structured Credit Collective Fund, and 6.20% SEI Core Property Fund CIT.

B. <u>Advice Update</u>

Mr. Waite led a discussion regarding derisking the Fund. He reviewed the Plan's funding status and funding standard account information and then presented three modeled portfolios. Mr. Waite explained that SEI is not recommending the Trustees take action at this time and that the portfolios are intended for educational purposes as the Trustees begin to consider different options. Ms. Dunleavy added that the Fund's current improved financial status provides an opportunity for the Trustees to consider different options.

IV. ACTUARY REPORT

Mr. Bernstein reviewed Horizon Actuarial' s 2025 Survey of Capital Market Assumptions, based on a survey of investment consultants' current short-term and long-term market assumptions. He explained that Horizon considers the survey results, together with the Pension Fund's asset allocation, when setting the Plan's valuation interest rate assumption. Mr. Bernstein reviewed the distribution of market assumptions based on the survey, noting a marked increase in the assumptions provided compared to recent years. He also reviewed the survey averages for the Plan over the past 5 years.

Mr. Bernstein presented the results of the preliminary July 1, 2025 actuarial valuation, reviewing historical demographic and asset information including participant counts by status, weeks worked, investment returns and asset values. Ms. Dunleavy noted that the Plan's increasing maturity reduces its ability to recover from unfavorable experience, particularly investment losses.

Mr. Bernstein reviewed liabilities and key results measured as of July 1, 2025. Using the Plan's 7.25% discount rate, the Plan has liabilities of $106.4 million against assets of $108.7 million at market and $104.8 million on a smoothed, actuarial basis. The total normal cost, including the cost of benefits accruing for the plan year and expected operating expenses, is $1.4 million. In reviewing the Plan's expected contributions versus its actuarial costs, he noted that, if all assumptions are met, the Plan's funding should improve over time.

Mr. Bernstein presented projections of the Plan's funding position, including a review of the key assumptions used in the projections. In addition to a scenario reflecting all valuation assumptions being met in the future, he reviewed scenarios showing the sensitivity of the Plan's funding to lower work levels and unfavorable investment performance.

Ms. Dunleavy stated that now that the Plan has reached 100% funded status using the 7.25% interest rate and is projected to improve, the Trustees have the challenge of managing the growing funding cushion.

Ms. Dunleavy noted that continuing to build a funding cushion will protect the Plan from having to reduce benefits or to increase contributions in the event of unfavorable experience. She also noted that now that the Plan is in a good funding position, the Trustees can consider derisking options, including alternative investment allocation options with lower volatility as discussed by SEI and cash flow matching. In addition, the Trustees could consider plan design changes.

Ms. Dunleavy presented information on the cost of two possible benefit changes to restore features that were eliminated by the Rehabilitation Plan as requested by the Trustees in September 2025. She reviewed the cost and the impact on the Plan's projected funded status for changing the early retirement reduction from actuarial equivalent to a tabular set of rates (reduction of 6% per year prior to age 65) to facilitate ease of understanding by participants. She also provided the cost and impact of restoring the Plan's "Service Pension" subsidies that were eliminated by the Rehabilitation Plan, but only for current active participants who were also active participants as of January 1, 2018 when the subsidies were eliminated. Following discussion, the Trustees deferred action on making any Plan changes and stated that they will continue to review the information provided.

After discussion, the Trustees authorized Mses. Cochran and O'Leary to update Mr. Palmer on the Plan's improved funded status in light of the ongoing bargaining with respect to the Plan.

V. AUDITOR'S REPORT

Mr. Murray distributed the Financial Statements for the Plan years ended June 30, 2025 and 2024, which are attached hereto as Exhibit "A." He confirmed that the Financial Statements, in the opinion of Schultheis & Panettieri, LLP ("S&P"), present fairly, in all material respects, the financial status of the Fund. Mr. Murray reviewed the Form 5500 in detail, including Schedule C, and reported that with the extension, the Form 5500 must be filed by March 31, 2026. He stated that the Fund's administrative expenses are reasonable and that the Plan continues to operate efficiently. He noted S&P's satisfaction with Associated Administrator's internal controls.

VI. APPROVAL OF MINUTES

The minutes of the meeting held on September 8, 2025, which were previously distributed, were reviewed.

MOTION was made, seconded and unanimously adopted to approve the minutes of the meeting held on September 8, 2025.

VII. ASSOCIATED ADMINISTRATORS, LLC REPORT

A. Pension Applications – INTERIM ACTION

Ms. Cochran reported that the Trustees, via electronic poll on October 22, 2025, approved two pension applications reflected on the report of October 22, 2025, annexed hereto as Exhibit "B."

MOTION was made, seconded and unanimously adopted to ratify the interim action of the Trustees to approve the pension applications listed on Exhibit "B."

Ms. Cochran reported that the Trustees, via electronic poll on November 21, 2025, approved two pension applications reflected on the report of November 21, 2025, annexed hereto as Exhibit "C."

MOTION was made, seconded and unanimously adopted to ratify the interim action of the Trustees to approve the pension applications listed on Exhibit "C."

B. Cash Operating Statement

Ms. Cochran submitted the Cash Operating Statement from July 1, 2025 through June 30, 2026. The report is attached hereto as Exhibit "D."

C. Disbursements Reports

Ms. Cochran referred to the Authorization for Disbursements reports for July, August, and September of 2025. The reports are attached hereto as Exhibit "E."

MOTION was made, seconded and unanimously adopted authorizing the disbursements listed in Exhibit "E."

D. <u>Delinquency Report</u>

Ms. Cochran reported that there were two delinquencies as of September 30, 2025. The report is attached hereto as Exhibit "F."

E. <u>Withdrawal Liability</u>

Ms. Cochran reviewed the withdrawal liability report, noting that the three former contributing employers listed on the report are continuing to timely pay their withdrawal liability payments. The report is included at the <u>bottom</u> of Exhibit "F."

F. <u>Employer Contribution Rate Report</u>

Ms. Cochran reviewed the report in detail. The report is attached hereto as Exhibit "G."

G. <u>Active Members & Retirees Receiving Benefits</u>

Ms. Cochran referred to the report for the period from January 2025 through December 2025. The report is attached hereto as Exhibit "H."

H. <u>Summary of Material Modifications ("SMM")</u>

Ms. Cochran reported that Associated mailed an SMM to participants on November 20, 2025 regarding the Special Retiree Work Rule for HP Hood LLC.

I. <u>Annual Funding Notice</u>

Ms. Cochran reported that the Annual Funding Notice was timely mailed to Plan participants, beneficiaries, bargaining parties, and the PBGC.

J. <u>FrieslandCampina Withdrawal Liability Estimate</u>

Ms. Cochran reported that FrieslandCampina requested a withdrawal liability estimate. She noted the fee for the actuarial calculation was paid and the estimate was provided to the employer on September 8, 2025.

K. Cyber Liability Policy – INTERIM ACTION

Ms. Cochran reported that the Trustees, via electronic poll, approved the renewal of the Cyber Liability Policy with Travelers based on Segal's recommendation. The policy period is October 4, 2025 through October 4, 2026.

L. Annual Pension Statements

Ms. Cochran reported that the annual pension statements were mailed to active and deferred vested participants on October 3, 2025.

M. Retiree Affidavit Form

Ms. Cochran reported the second request was mailed to retirees on December 9, 2025.

VIII. NEXT MEETING DATE AND ADJOURTNMENT

The next regular meeting of the Board of Trustees was scheduled for April 13, 2026 via Zoom. With no further business to come before the Board, the meeting was adjourned at 11:47 a.m.

Exhibits:

A – Financial Statements

B – Interim Pension Applications

C – Interim Pension Applications

D – Cash Operating Statement

E – Authorization for Disbursements

F – Delinquency and Withdrawal Liability Report

G – Employer Contribution Report

H – Active Members & Retirees Receiving Benefits Report