



Specializing in Actuarial Retirement Plan Services

May 15, 2023

Jill I. Frieders
Frieder & Kuhn, L.L.P.
2778 Commerce Drive NW, Unit C
Rochester, MN 55902

Re: Scott Parker Present Value Calculation under the International Painters and Allied Trades Industry Pension Fund

Dear Jill:

As requested, we have calculated estimated retirement benefit present values for Scott Parker. The plan benefits valued are from the International Painters and Allied Trades Industry Pension Fund and were provided by the plan's benefit estimate system and received via email on April 21, 2023. Based on the information provided, the benefit amounts appear reasonable. We did not receive a copy of the Summary Plan Description (SPD.) Below is a summary of the data provided to us.

Input Data Provided	
Plan Name	International Painters and Allied Trades Industry Pension Fund
Participant Name	Scott Parker
Date of Birth	May 17, 1959
Date of Marriage	June 23, 1984
Date of Valuation	May 1, 2023
Years of Vesting Service at December 31, 2022 <i>(estimated by Hildi USICG based on information provided on service in the participant benefit statement)</i>	42.00
Years of Vesting Service during Marital Period <i>(estimated by Hildi USICG based on information provided on service in the participant benefit statement)</i>	39.50

Estimated Monthly Retirement Benefit	Estimated Vesting Service	Monthly Benefit
at age 65.00 based on benefit accrual ceasing 12/31/2022	42.00	\$5,296.10

While we have made every effort to accurately reflect the plan provisions and census data, we are not the plan administrator. We recommend that the census data, benefit amounts, and plan provisions be confirmed by the plan administrator before these results are used in any kind of marital dissolution settlement agreement. Hildi USICG is not responsible for how these results are used in a settlement agreement or used in an allocation method for a Qualified Domestic Relations Order (QDRO).

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Results

Estimated Present Value Results as of May 1, 2023		
	Total Present Value	Marital Value
Terminate employment 12/31/2022 and commence at age 65.00	\$754,842	\$709,911

The results above are based on the immediate termination approach. This approach values the benefit calculated as if the covered employee terminated on December 31, 2022 and commenced benefits at the age shown. The marital value is the prorated portion of the total present value based on the years of service while married of 39.50 divided by the total credited service under the plan of 42.00 as of December 31, 2022.

Assumptions

Assumptions Used to Determine Present Value	
Discount Rate	5.20%
Post Retirement Cost of Living Increases	Not applicable
Mortality Base Table	RP-2014 Male (White Collar) adjusted to 2006
Mortality Projection Scale	MP-2021 Male

- 1) **Discount Rate:** Actuarial Standard of Practice #34 (ASOP 34) requires that unless another assumption is clearly warranted by the facts and circumstances, the discount rate selected for valuing retirement plan benefits in domestic relations actions should be a low-risk rate of investment return, determined as of the measurement date and based on the cash-flow pattern of benefits being valued (for example, the current or a recent average yield to maturity on U.S. Treasury bonds of comparable duration, or a published index reflecting yield rates for high-quality corporate bonds). For this purpose, the chosen discount rate of 5.20% has been derived by reflecting the applicable expected benefit payments discounted using the high-quality corporate bond rates published for March 2023 under IRC Section 417(e)(3) for lump sums. The equivalent single rate was then analyzed for reasonableness and compared to some appropriate indices and rounded.
- 2) **Mortality:** Mortality has been set using the RP-2014 Male (White Collar) adjusted to 2006 mortality table, which is the most current table issued by the Society of Actuaries, published in 2014. The MP-2021 Male mortality improvement projection scale has been applied to the base mortality table in order to reflect anticipated future mortality improvements.

Observations

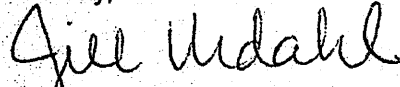
Some general observations are noted below:

- 1) The estimated pension value will vary based on the actual date of termination and the actual date of retirement. We have only provided a value for the dates of termination and retirement shown above.
- 2) A death benefit is available to the spouse if the participant dies prior to commencement of the benefit. We have not included the value of this benefit but it should be considered in the analysis of whether to offset assets or have a QDRO.

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Please call if you have any questions or would like any additional information.

Sincerely,

A handwritten signature in black ink that reads "Jill Urdahl". The signature is written in a cursive style with a large, prominent initial "J".

Jill M. Urdahl, FSA
Minnesota Practice Leader / Consulting Actuary