

Lifetime Income Security Accrual Fund

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Administered by
Welfare & Pension Administration Service, Inc.

April 30, 2026

ANNUAL FUNDING NOTICE for the LIFETIME INCOME SECURITY ACCRUAL FUND

Introduction

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning January 1, 2025 and ending December 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:

- **Board of Trustees for the Lifetime Income Security Accrual Fund,
c/o Welfare & Pension Administration Service, Inc.**
- **Phone: (844) 933-8756**
- **Address: PO Box 34203, Seattle, WA 98124**

To better assist you, provide your Plan Administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of the Lifetime Income Security Accrual Fund
- **Employer Identification Number:** 33-2665080

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

Visit 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 administrator of the Plan to tell you 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 Plan's funded percentage for the Plan Year is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period. Note that the 2025 Plan Year was the Plan's first and only Plan Year as of the timing of this Notice. As described below, the Plan did not have assets or liabilities as of the first day of the 2025 Plan Year (i.e., the Valuation Date).

Funded Percentage	
	2025 Plan Year
Valuation Date	January 1, 2025
Funded Percentage	N/A
Value of Assets	\$0
Value of Liabilities	\$0

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. Note that the 2025 Plan Year was the Plan's first and only Plan Year as of the timing of this Notice.

- **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.

	December 31, 2025
Fair Market Value of Assets	\$1,048,978*

*The value of Plan assets as of December 31, 2025, is an estimate based on the most accurate unaudited financial information available at the time this notice was prepared. The final audited information for the Plan's assets will be reported on the Plan's Form 5500 for 2025.

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.

If the Plan is in endangered, critical, or critical and declining status for the plan year ending December 31, 2026, a separate notification of that status has or will be provided.

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. Note that because participant data is still being collected for this new Plan, the numbers for the Plan Year reflect the plan administrator’s reasonable, good faith estimate.

Number of participants and beneficiaries on last day of relevant plan year	2025 Plan year
1. Last day of plan year	December 31 st
2. Participants currently employed	10,521*
3. Participants and beneficiaries receiving benefits	0
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	0
5. Total number of covered participants and beneficiaries (<i>Lines 2 + 3 + 4 = 5</i>)	10,521*

*Actual counts are subject to verification for eligibility.

Funding & Investment Policies

Funding Policy

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is to fund the Plan's benefit obligations through a combination of contributions received from participating employers and investment income generated by the Plan's investments, once there are sufficient assets in the Plan to invest. The funding policy is designed to comply with the funding requirements of ERISA and the Internal Revenue Code. The Plan's Board of Trustees monitors the Plan's funding requirements with the assistances of the Plan's enrolled actuary and the Plan's investment consultant.

Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy is set forth to provide an appropriate set of goals and objectives for the Plan's assets and to define guidelines within which the Investment Managers may formulate and execute their investment decisions (once there are sufficient Plan assets to invest).

Once there are sufficient Plan assets to invest, money will be invested by Plan officials called fiduciaries, who will make specific investments in accordance with the Plan's investment policy. The investment policy of the Plan has been adopted by the Board of Trustees with the advice of the Plan's investment consultant. The investment policy provides that the assets of the plan will be invested in several different asset classes, with permitted allocation ranges, once there are sufficient assets to do so. It is intended to (1) set forth the manner in which the Plan's investment managers will invest the Plan's assets (i.e., consistent with the fiduciary stands of ERISA; and (2) assist the Trustees with selecting appropriate investment managers and monitoring and evaluating their investment performance.

Plan assets shall be managed in a manner consistent with the fiduciary standards contained in the ERISA and the regulations promulgated thereunder and applicable federal and state laws and regulations. All transactions undertaken on behalf of the Plan must be in the sole interest of the Plan and its participants. No transaction in violation of the prohibited transaction provisions of ERISA shall be allowed.

The Plan's investment goals are summarized below:

Total return, consistent with prudent investment management, is the primary goal of the Plan. Return, as used herein, includes income plus realized and unrealized gains and losses on Plan assets. In addition, assets of the Plan shall be invested with the goal that principal is preserved and enhanced over time, both in real and nominal terms.

The Plan will be maintained at all times as a variable annuity pension plan. Benefit accruals, both before and after retirement, will be adjusted annually based on the Plan's investment returns relative to the Plan's Hurdle Rate.

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

Asset Allocations	Percentage
Public equity	_____
Private equity	_____
Investment grade debt instruments	_____
High-yield debt instruments	_____
Cash and cash equivalents	<u>100%</u>
Real estate	_____
Other	_____

The average return on assets for the 2025 Plan Year was 0%.

Events Having a Material Effect on Assets or Liabilities

By law, this notice must include an explanation of any new events that materially affect the Plan’s liabilities or assets. These events could affect the Plan’s financial health or its ability to meet its obligations.

For the Plan Year beginning on January 1, 2026, and ending on December 31, 2026, there are no known events that will have a material effect on assets or liabilities of the Plan.

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 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 pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan 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 guarantees 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 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.

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Board of Trustees Lifetime Income Security Accrual Fund

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