

Classic, LLC

Classic, LLC Defined Benefit Plan

For the plan year 01/01/2022 through 12/31/2022

Classic, LLC Defined Benefit Trust

Employer ID Number: 99-1234798

Trust ID Number: 99-1234567

Three Digit Plan Number: 001

Prepared By: ABC TPA Company



Plan Provisions

Classic, LLC Defined Benefit Plan For the plan year 01/01/2022 through 12/31/2022

<u>Employer:</u>	Classic, LLC		
Type of Entity -	C Corporation		
EIN: 99-1234798	TIN: 99-1234567	Plan #: 001	Plan Type: Defined Benefit
<u>Dates:</u>	Effective - 01/01/2015	Valuation - 12/31/2022	
	Top Heavy Years - 2022		
<u>Eligibility:</u>	All employees excluding non-resident aliens, members of an excluded class and union		
	Minimum age - 21	Months of service - 12	
Hours Required for -	Eligibility - 1000	Benefit accrual - 1000	Vesting - 1000
Plan Entry -	First day of 1st or 7th month of plan year on or next following eligibility satisfaction		
<u>Retirement:</u>	Normal -	First of month coincident with or next following attainment of age 62 and completion of 5 years of participation	
	Early -	Not provided	
<u>Average Compensation:</u>	Highest 3 consecutive years of participation		
Top Heavy Minimum Benefit -	Highest 5 consecutive top heavy years of participation		
<u>Plan Benefits:</u>	Retirement -	Derived from the unit credit benefit formula below:	
		10% of average monthly compensation per year of participation limited to 10 year(s)	
Accrued Benefit -	Unit credit based on participation		
	Minimum Benefit -	None	
	Maximum Benefit -	None	
	Maximum allowable distribution is lump sum equivalent of normal form not to exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) the greater of plan actuarial equivalence interest and mortality or 417(e) Minimum		
Early Retirement -	None		
Death Benefit -	Present Value of Accrued Benefit		
Disability Benefit -	None		
<u>Top Heavy Minimum:</u>	2% of average compensation per top heavy year of participation excluding years prior to the adoption date of the plan and 1984 (if earlier), limited to 10 years		
<u>IRS Limitations:</u>	415 Limits -	Percent: 100	Dollar: \$245,000
	Maximum 401(a)(17) compensation - \$305,000		
<u>PBGC:</u>	Plan is covered by Pension Benefit Guaranty Corporation		
<u>Normal Form:</u>	Life Annuity		
<u>Optional Forms:</u>	Lump Sum		
	Life Annuity Guaranteed for 10 Years		
	Joint with 50%, 75% or 100% Survivor Benefit		



Plan Provisions

Classic, LLC Defined Benefit Plan For the plan year 01/01/2022 through 12/31/2022

<u>Vesting Schedule:</u>	Years	Percent
	0-1	0%
	2	20%
	3	40%
	4	60%
	5	80%
	6	100%

Service is calculated using all years of service

Present Value of Accrued Benefit: Based on the greater of 417(e) or Actuarial Equivalence

417(e):

Interest Rates -	Second Month Prior to Plan Yr Beg		
	Segment #	Years	Rate %
	Segment 1	0 - 5	1.02
	Segment 2	6 - 20	2.72
	Segment 3	> 20	3.08

Mortality Table - 22E - 2022 Applicable Mortality Table for 417(e) (unisex)

Actuarial Equivalence:

Pre-Retirement -	Interest -	5%
	Mortality Table -	None
Post-Retirement -	Interest -	5%
	Mortality Table -	Applicable Mortality Table - IRC 417(e)(3)



Employee Census

Classic, LLC Defined Benefit Plan

For the plan year 01/01/2022 through 12/31/2022

Valuation Date: 12/31/2022

Key	Percent Owner	- SVC -		Ages			Dates				Compensation	Hours Worked	HCE	OEX	
		PS	FS	PA	AA	ARA	Birth	Hire	Part	Retire					
1 Daniel Williams															
Y	100.00	8	2	52	60	62	10/16/62	03/14/13	01/01/15	11/01/24	\$500,000.00		*	Y	
2 Susan Williams															
Y		6	3	53	59	62	04/08/64	01/03/16	07/01/17	05/01/26	\$65,000.00		*	Y	
3 Joseph Harris															
		6	16	40	46	62	08/19/76	07/03/15	01/01/17	09/01/38	\$80,000.00		*		
4 Linda Thomas															
		6	27	29	35	62	03/18/88	11/16/15	01/01/17	04/01/50	\$45,000.00		*		
6 Nicholas Nelson															
		4	24	34	38	62	09/05/84	08/22/17	01/01/19	10/01/46	\$55,000.00		*		
8 Jason Morgan															
		2	39	21	23	62	02/28/00	09/14/17	07/01/21	03/01/62	\$125,000.00		*		
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid															
		2	0	24	28	62	02/28/95	09/14/17	01/01/19	03/01/57	\$25,000.00	480.00			
11 David Robinson -- active late retiree															
		6	0	60	66	66	11/19/56	10/31/15	01/01/17	01/01/23	\$180,000.00		*	Y	
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life															
		7	0	59	67	67	03/23/56	07/02/13	01/01/15	01/01/23	\$0.00		*		
15 Rebecca Howard -- new participant															
		1	38	23	24	62	05/23/99	09/18/20	01/01/22	06/01/61	\$32,000.00		*		
Total:											\$1,107,000.00				

	Count	Compensation
Active Fully Vested Benefits	5	\$870,000
Active Partially Vested Benefits	3	\$212,000
Active Without Vested Benefits	0	\$0
Terminated with Vested Benefits	1	\$25,000
Terminated without Vested Benefits	0	\$0
Terminated with Deferred Vested Benefits	0	\$0
Terminated - Paid Out	0	\$0
Currently Receiving Benefits	1	\$0
Inactives	0	\$0
Ineligibles	0	\$0



Compensation Report

Classic, LLC Defined Benefit Plan For the plan year 01/01/2022 through 12/31/2022

Average Monthly Compensation						
Current (@ Ret)	415 (curr)(@ Ret)	Acc Ben (BOY)	Acc Ben 415 (BOY)	Proj Top Heavy (@ Ret)	Top Heavy (BOY)	
Projected (@ Ret)	415 (proj)(@ Ret)	Acc Ben (EOY)	Acc Ben 415 (EOY)	Final Avg. Comp	Top Heavy (EOY)	
1 Daniel Williams						
\$25,416.67	\$25,416.67	\$23,750.00	\$23,750.00	\$25,416.67	\$0.00	
\$25,416.67	\$25,416.67	\$24,444.44	\$24,444.44	\$11,875.00	\$25,416.67	
2 Susan Williams						
\$5,416.67	\$5,416.67	\$5,416.67	\$5,416.67	\$5,416.67	\$0.00	
\$5,416.67	\$5,416.67	\$5,416.67	\$5,416.67	\$5,416.67	\$5,416.67	
3 Joseph Harris						
\$6,666.67	\$6,666.67	\$6,666.67	\$6,666.67	\$6,666.67	\$0.00	
\$6,666.67	\$6,666.67	\$6,666.67	\$6,666.67	\$6,666.67	\$6,666.67	
4 Linda Thomas						
\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$0.00	
\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	\$3,750.00	
6 Nicholas Nelson						
\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	\$0.00	
\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	\$4,583.33	
8 Jason Morgan						
\$10,416.67	\$10,416.67	\$6,250.00	\$7,638.89	\$10,416.67	\$0.00	
\$10,416.67	\$10,416.67	\$8,333.33	\$9,027.78	\$8,333.33	\$10,416.67	
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid						
\$6,250.00	\$4,861.11	\$6,250.00	\$4,861.11	\$0.00	\$0.00	
\$6,250.00	\$4,861.11	\$6,250.00	\$4,861.11	\$6,250.00	\$0.00	
11 David Robinson -- active late retiree						
\$14,805.52	\$14,830.31	\$14,495.14	\$14,519.93	\$15,000.00	\$0.00	
\$14,805.52	\$14,830.31	\$14,805.52	\$14,830.31	\$11,875.00	\$15,000.00	
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life						
\$3,333.33	\$3,333.33	\$3,333.33	\$3,333.33	\$0.00	\$0.00	
\$3,333.33	\$3,333.33	\$3,333.33	\$3,333.33	\$3,333.33	\$0.00	
15 Rebecca Howard -- new participant						
\$2,666.67	\$2,666.67	\$0.00	\$1,383.33	\$2,666.67	\$0.00	
\$2,666.67	\$2,666.67	\$2,666.67	\$1,811.11	\$2,666.67	\$2,666.67	



Actuarial Assumptions and Methods

Classic, LLC Defined Benefit Plan For the plan year 01/01/2022 through 12/31/2022

Valuation Date: 12/31/2022

Funding Method: As prescribed in IRC Section 430
Age - Eligibility age at last birthday and other ages at nearest birthday

Retrospective Compensation - Highest 3 consecutive years of participation

Form of Payment - Assumed form of payment for funding is lump sum equivalent of normal form. Funding Target for lump sum is the greater of the present value of accrued benefit computed using funding segment rates and 417(e) Applicable Mortality Table or lump sum at the assumed retirement date of accrued benefit using plan actuarial equivalence discounted using appropriate segment rate. Lump sum on plan actuarial equivalence rates will not exceed 415 maximum allowable distribution, which is the lesser amount computed using a) 5.5% interest and the Applicable Mortality Table or b) the greater of plan actuarial equivalence interest and mortality or 417(e) Minimum

Interest Rates -

Segment rates for the Valuation Date as permitted under IRC 430(h)(2)(C)

Segment #	Year	Rate %
Segment 1	0 - 5	1.95
Segment 2	6 - 20	3.50
Segment 3	> 20	3.85

Segment rates as of September 30, 2021 As permitted under IRC 430(h)(2)(C)(iv)(II) - ARP

Segment #	Year	Rate %
Segment 1	0 - 5	4.75
Segment 2	6 - 20	5.18
Segment 3	> 20	5.92

Pre-Retirement - Mortality Table - None
Early Retirement Table - None
Turnover Table - None
Disability Table - None
Salary Scale - None
Expense Load - None
Ancillary Ben Load - None

Post-Retirement - Mortality Table - 22C - 2022 Combined
Cost of Living - None
Lump Sum - Applicable Mortality Table - IRC 417(e)(3) at 5%
or
22E - 2022 Applicable Mortality Table for 417(e) (unisex)

Asset Valuation Method: Fair market value of assets adjusted for contributions under IRC 430(g)(4)

Discrimination Test Assumptions:

HCE Determination - Based on all employees

Otherwise Excludable - Otherwise Excludable HCEs are included with the Not Otherwise Excludable employees

410(b)/401(a)(4) Testing:

Pre-Retirement - Interest - 8.5%

Post-Retirement - Interest - 8.5%

Mortality Table - Applicable Mortality Table - IRC 417(e)(3)

Permissively Aggregated Plans - Not tested As Single Plan

Compensation - Use current compensation to calculate the benefit accrual rate (annual method)

Testing Age - Normal retirement age or attained age, if older

Normal Form for MVAR - Joint with 100% Survivor Benefits



Schedule of Benefits

Classic, LLC Defined Benefit Plan For the plan year 01/01/2022 through 12/31/2022

Current									
	Beg Year Acc Ben Monthly Compensation	End Year Acc Ben Monthly Compensation	Monthly Benefit	Lump Sum @ Ret	Accrued Benefit	Vest Pct	Vested Accrued Benefit	Present Value of Vested Accrued Benefit	Death Benefit
1 Daniel Williams									
	23,750.00	24,444.44	20,416.67	3,149,610	16,333.33	100	16,333.33	2,299,410	2,299,410
2 Susan Williams									
	5,416.67	5,416.67	4,875.00	788,616	3,250.00	100	3,250.00	599,772	446,831
3 Joseph Harris									
	6,666.67	6,666.67	6,666.67	1,028,444	4,000.00	100	4,000.00	498,127	301,290
4 Linda Thomas									
	3,750.00	3,750.00	3,750.00	578,500	2,250.00	100	2,250.00	194,141	96,309
6 Nicholas Nelson									
	4,583.33	4,583.33	4,583.33	707,055	1,833.33	80	1,466.66	140,726	93,086
8 Jason Morgan									
	6,250.00	8,333.33	10,416.67	1,606,944	1,666.67	80	1,333.34	72,237	39,887
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid									
	6,250.00	6,250.00	500.00	87,442	1,250.00	40	500.00	34,977	38,180
11 David Robinson -- active late retiree									
	14,495.14	14,805.52	8,883.31	1,466,832	8,883.31	100	8,883.31	1,466,832	1,310,076
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life									
Life Annuity	1/1/2022		2,333.33		2,333.33	100	2,333.33	418,250	
15 Rebecca Howard -- new participant									
	0.00	2,666.67	2,666.67	411,378	266.67	20	53.33	3,280	6,620
Totals:	\$71,161.81	\$76,916.63	\$65,091.65	\$9,824,821	\$42,066.64		\$40,403.30	\$5,727,752	

Disclaimer: The PVVABs shown on this report should not be used for distribution purposes.



Benefit Limits (415, 416 & 417(e))

Classic, LLC Defined Benefit Plan

For the plan year 01/01/2022 through 12/31/2022

	Benefits			Lump Sum Values						
	Projected	Accrued	Top Heavy	415 Max Projected	415 Max Accrued	415 Offset	415 Max Proj Lump Sum	Plan PVAB (Distributions Limited to 415 Limits)	417(e)	415 Maximum PVAB
1 Daniel Williams	20,416.67	16,333.33	0.00	20,416.67	16,333.33	0.00	3,149,610	2,416,121	3,161,785	2,299,410
2 Susan Williams	4,875.00	3,250.00	0.00	5,416.67	3,791.67	0.00	835,611	446,831	599,772	621,515
3 Joseph Harris	6,666.67	4,000.00	133.33	6,666.67	5,333.34	0.00	1,028,444	301,290	498,127	866,118
4 Linda Thomas	3,750.00	2,250.00	75.00	3,750.00	2,625.00	0.00	578,500	96,309	194,141	487,797
6 Nicholas Nelson	4,583.33	1,833.33	91.67	4,583.33	2,291.67	0.00	707,055	93,086	175,908	386,702
8 Jason Morgan	10,416.67	1,666.67	208.33	10,416.67	4,083.33	0.00	1,606,944	39,887	100,182	90,296
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid	500.00	1,250.00	0.00	1,458.33	1,458.33	0.00	224,972	15,272	34,977	115,539
11 David Robinson -- active late retiree	8,883.31	8,883.31	300.00	10,381.22	10,381.22	0.00	1,466,832	1,310,076	1,624,352	1,466,832
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life Life 1/1/2022		2,333.33				0.00		338,398	418,250	
15 Rebecca Howard -- new participant	2,666.67	266.67	53.33	2,666.67	362.22	0.00	411,378	6,620	16,398	46,847
Totals:	\$62,758.32	\$42,066.64					\$10,009,346	\$5,063,890	\$6,823,892	\$6,381,056



Valuation Statement

Classic, LLC Defined Benefit Plan
 For the plan year 01/01/2022 through 12/31/2022
 Valuation Date: 12/31/2022

	Benefit	Funding Target	Benefit Increase	Target Normal Cost
1 Daniel Williams	14,291.67	2,024,910	2,041.66	289,272
2 Susan Williams	2,708.34	375,331	541.66	75,065
3 Joseph Harris	3,333.34	244,428	666.66	48,885
4 Linda Thomas	1,875.00	63,277	375.00	12,655
6 Nicholas Nelson	1,375.00	56,750	458.33	18,917
8 Jason Morgan	625.00	10,628	1,041.67	17,714
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid	500.00	11,336	0.00	0
11 David Robinson -- active late retiree	7,810.11	1,151,805	1,073.20	158,271
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life Annuity 1/1/2022	2,333.33	339,817	0.00	0
15 Rebecca Howard -- new participant	0.00	0	266.67	4,735
Grand Totals:		\$4,278,282		\$625,514



Maximum Contribution 404(o)

Classic, LLC Defined Benefit Plan

For the plan year 01/01/2022 through 12/31/2022

Valuation Date: 12/31/2022

Maximum Contribution

1) Funding Target	4,823,756
2) Target Normal Cost	809,013
3) 50% of the Funding Target	2,411,880
4) Increase in Funding Target Due to Salary Increases	17,229
5) Cushion Amount (3+4)	2,429,109
6) Total (1+2+5)	8,061,878
7) Funding Target as if At-Risk	5,254,900
8) Target Normal Cost as if At-Risk	809,013
9) Total (7+8)	6,063,913
10) Greater of 6 and 9	8,061,878
11) 404 Assets	3,499,662
12) Undeducted Contributions	0
13) Maximum Contribution (IRC 404(o) (10-(11-12)))	4,562,216



Maximum Contribution 404(o) (Detail)

Classic, LLC Defined Benefit Plan
For the plan year 01/01/2022 through 12/31/2022
Valuation Date: 12/31/2022

	Projected Comp Accrued Benefit	Projected Funding Target	Funding Target	Target Normal Cost	50% Funding Target	Increase in Funding Target	Cushion Amount	At-Risk	
								Funding Target	Target Normal Cost
1 Daniel Williams	14,291.67	2,128,032	2,128,032	304,004	1,064,016	0	1,064,016	2,500,516	357,216
2 Susan Williams	2,708.34	448,537	448,537	89,706	224,269	0	224,269	448,537	89,706
3 Joseph Harris	3,333.34	340,290	340,290	68,057	170,145	0	170,145	340,290	68,057
4 Linda Thomas	1,875.00	121,614	121,614	23,038	60,807	0	60,807	121,614	24,323
6 Nicholas Nelson	1,375.00	101,791	101,791	33,930	50,896	0	50,896	101,791	33,930
8 Jason Morgan	1,041.67	43,073	25,844	43,073	12,922	17,229	30,151	25,844	43,073
9 Kevin Scott -- terminated 4/1/2022 BIS - not yet paid	0.00	24,973	24,973	0	12,487	0	12,487	24,973	0
11 David Robinson -- active late retiree	7,810.11	1,230,971	1,230,971	235,861	615,486	0	615,486	1,289,631	177,211
12 Betty Walker -- retired 1/1/2022 no BIS - receiving payment-Life	0.00	401,704	401,704	0	200,852	0	200,852	401,704	0
15 Rebecca Howard -- new participant	0.00	0	0	11,344	0	0	0	0	11,344
Totals:	\$32,435.13	\$4,840,985	\$4,823,756	\$809,013	\$2,411,880	\$17,229	\$2,429,109	\$5,254,900	\$804,860

