

Schedule MB, Line 6 – Statement of Actuarial Assumptions/Methods

Nature of Actuarial Calculations

The valuation results presented in this report are estimates. The results are based on data that may be imperfect and on assumptions made about future events. Certain plan provisions may be approximated or deemed immaterial for the purposes of the valuation. Assumptions may be made about missing or incomplete participant census data or other factors. Reasonable efforts were made to ensure that significant items and factors are included in the valuation and treated appropriately. A range of results different from those presented in this report could also be considered reasonable.

The actuarial assumptions selected for this valuation – including the valuation interest rate – generally reflect average expectations over the long term. If overall future demographic or investment experience is less favorable than assumed, the relative level of plan costs determined in this valuation will likely increase in future valuations. Investment returns and demographic factors may fluctuate significantly from year to year. The deterministic actuarial models used in this valuation do not take into consideration the possibility of such volatility.

Changes in Assumptions

Since the prior valuation, the following assumptions have been changed:

- The valuation interest rate assumption was changed from 7.3% to 6.8% effective January 1, 2022, resulting in an increase of \$88.9 million in the actuarial accrued liability.
 - The beginning of year operating expense assumption was changed from \$22,105,623 to \$22,476,088.
 - For RPA '94 current liability, the interest rate and mortality assumptions were updated in accordance with the changes in the IRS prescribed assumptions. The interest rate is at the high end of the legal range.
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