

**Summary Plan Information for the Plan Year Beginning January 1, 2017**

*for*

*Employers and Employee Representatives*

*of the*

**Western States Office & Professional Employees Pension Plan**

*November 15, 2018*

The following notice is intended to provide a summary of plan information to employers and employee representatives of the Western States Office and Professional Employees Pension Plan. The information given is required to be furnished by law under ERISA Section 104(d). This notice relates to the 2017 Plan Year, which began January 1, 2017 and ended December 31, 2017.

- (1) Description of the Plan's contribution schedules, benefit formulas, and any modifications made during the Plan Year:
  - a. Contributions for the Plan are made monthly pursuant to the terms of the current Collective Bargaining Agreements.
  - b. The benefit formula is as follows:

Service from 2010 on: 0.75% of Employer Contributions. 2004 - 2009: 1.8% of Employer Contributions. 2003 Service: 2.2% of Employer Contributions up to \$6,240, plus 1.8% of excess. 2001 - 2002 Service: 3.2% of Employer Contributions up to \$6,240 each year, plus 1.8% of excess. 1997 - 2000 Service: 3.65% of Employer Contributions up to \$6,240 each year, plus 1.8% of excess. Prior to 1997: 3.65% of Employer Contributions. Past Service: \$8.20 per year of past service (maximum 15 years).
  - c. Modifications made to contribution schedules or benefit formulas during the Plan Year: No changes made during the Plan Year.
- (2) Total number of employers obligated to contribute in the 2017 Plan Year: 185.
- (3) Employer(s) contributing more than 5% of the Plan's total contributions for the 2017 Plan Year:
  - a. ILWU-PMA Welfare Plan
- (4) Number of participants on whose behalf no employer contributions were made for the following periods:
  - a. 2017 Plan Year: 1,856
  - b. 2016 Plan Year: 1,661
  - c. 2015 Plan Year: 1,557

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(5) Plan's 2017 funding status:

- a. The Plan was in critical and declining status.
- b. As a result of initially being certified in critical status for the 2009 Plan Year, a rehabilitation plan was adopted by the Board of Trustees on October 16, 2009. The rehabilitation plan is reviewed and updated, if applicable, on an annual basis. In addition, on March 11, 2009, the Board of Trustees adopted the following benefit changes effective January 1, 2010 to improve the Plan's funding situation:
  - Reduced benefit percentage from 1.80% to 0.75% of annual contributions
  - Increased Normal Retirement Benefit eligibility to age 65
  - Eliminated Rule of 80 Retirement option (early retirement)
  - Eliminated Early Retirement subsidies for Participants not in pay status
  - Eliminated Disability Benefits and Alternative Disability Benefits not in pay status
  - Limited optional forms of benefit to straight life annuity, joint and 50% survivor annuity and actuarial equivalent annuities (the 60-month guarantee was eliminated)
  - Limited pre-retirement death benefits to Qualified Pre-retirement Survivor Annuities

Based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the Plan was determined to not be able to emerge from Critical Status. Thus, in 2012, the rehabilitation plan was updated to include reasonable measures to forestall possible insolvency.

- c. A copy of the Plan's rehabilitation plan, as adopted under ERISA 305, and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement is available online at [www.wspensionbenefits.org](http://www.wspensionbenefits.org) or upon request to the Fund Office at BeneSys, Inc., PMB #116, 5331 SW Macadam Ave, Ste 258, Portland, OR 97239.

(6) Withdrawing employers during the preceding Plan Year (2016):

- a. Number of employers that withdrew: 17
- b. Aggregate amount of withdrawal liability assessed or estimated to be assessed for the withdrawn employers: \$ 40,539,999

(7) Transfers or mergers of assets and liabilities during the 2017 Plan Year: None.

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*(Continued)*

- (8) Amortization extensions or funding shortfall methods:
- a. Description of any amortization extensions sought or received during the Plan Year, if applicable: The Plan previously received approval for an automatic 5-year extension of the charge bases in the Funding Standard Account in effect on January 1, 2009.
  - b. Description as to whether the Plan used the shortfall funding method for the Plan Year, if applicable: N/A.

Upon written request to the Fund Office, any contributing employer or union is entitled to receive a copy of the Plan's Form 5500 filing, plan document and amendments, summary plan description, and/or summary of any material modification of the Plan. This information is available online at [www.wspensionbenefits.org](http://www.wspensionbenefits.org). Additionally, you may contact BeneSys, Inc. by phone at (800) 413-4928 or by mail at PMB #116, 5331 SW Macadam Ave, Ste 258, Portland, OR 97239. In no case shall a recipient be entitled to receive more than one copy of any such document during any one 12-month period. The Fund Office may make a reasonable charge to cover copying, mailing, and other costs of furnishing copies of this information.