

Western States Office and Professional Employees Pension Fund

SPECIAL FINANCIAL ASSISTANCE FILING

February 2, 2023

The Board of Trustees filed a Special Financial Assistance (“SFA”) application with the PBGC on December 29, 2022.¹ The PBGC is currently reviewing the application. Please note the following:

- The SFA application is for \$288,455,085. If this amount is approved:
 - the Plan will make lump sum payments for benefits suspended under MPRA² (addressed below); and
 - the Plan is projected to have sufficient assets to pay future benefits through 2051.
- The PBGC has 120 days to review the application. The PBGC can either approve or deny the application. The application is deemed approved if PBGC does not deny the application before the 120 day review period ends.
- The Plan will work with the PBGC during the review period to address any PBGC concerns. The Plan can refile if the PBGC denies the application.
- Important future dates:
 - Once the application is approved, the PBGC will provide the full amount of the Plan’s SFA funding request between 60 and 90 days after the approval.
 - Once the Plan receives the SFA funding, the Plan will make lump sum payments covering benefits suspended under MPRA, between October 1, 2018 and October 31, 2022. The Plan has 90 days to make the payments.³

Note: A Participant must be alive on the date the Plan receives the SFA funding in order to be eligible for a lump sum payment.
- Participants eligible for a lump sum payment can elect to:
 - receive the payment as cash (which is taxable); or
 - roll over the payment to an IRA or other qualified retirement plan (which is tax-free).
- **NO ACTION IS REQUIRED AT THIS TIME.** The Plan Office will send distribution election forms and notices to all eligible Participants after the SFA funding is received. You will need to timely respond to the Plan Office in order to receive a lump sum payment.
- The fastest way to receive updates from the Plan, including notifications related to the Plan’s SFA application, is to sign-up for email notifications. Please contact the Plan Office to authorize email notifications.

Board of Trustees

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¹ The “PBGC” refers to the Pension Benefit Guarantee Corporation, a part of the U.S. Department of Labor. The PBGC is responsible for reviewing and approving SFA applications.

² “MPRA” refers to the Multiemployer Pension Reform Act of 2014.

³ The Plan reinstated MPRA benefits cuts for Participants in pay status, starting November 1, 2022.