Western Conference of Teamsters Pension Plan

January 1, 2016 Actuarial Valuation

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August 31, 2016

Board of Trustees
Western Conference of Teamsters Pension Plan

Dear Trustees:

As requested, we performed an actuarial valuation of the Western Conference of Teamsters Pension Plan as of January 1, 2016, for the Plan Year ending December 31, 2016. Our findings are set forth in this actuary's report.

In preparing this report, we relied, without audit, on information supplied by the administrative office, the Plan's independent auditor and the Plan's attorney. This information includes, but is not limited to, Plan documents and provisions, employee data, and financial information. The financial information was taken from a draft of the audit report and is, hence, subject to finalization. We found this information to be reasonably consistent and comparable with information used for other purposes. The valuation results depend on the integrity of this information. If any of this information is inaccurate or incomplete our results may be different and our calculations may need to be revised.

For actuarial requirements under ERISA, all costs, liabilities, rates of interest, and other factors under the Plan (except when mandated directly by the Internal Revenue Code and its regulations) have been determined on the basis of actuarial assumptions and methods which are individually reasonable (taking into account the experience of the Plan and reasonable expectations) and which, in combination, offer our best estimate of anticipated experience under the Plan. We completed this actuarial valuation in accordance with our understanding of IRS minimum funding requirements as amended by subsequent legislation, including the Pension Protection Act of 2006 (PPA), the Pension Relief Act of 2010 (PRA) and the Multiemployer Pension Reform Act of 2014 (MPRA), and reflecting all proposed regulations and guidance issued to date.

Future actuarial measurements may differ significantly from the current measurements presented in this report due to many factors, including: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the Plan's funded status); and changes in plan provisions or applicable law. Due to the limited scope of our assignment, we did not perform an analysis of the potential range of future measurements. Actuarial computations under ERISA are to determine the minimum required, and maximum allowable funding amounts, and the unfunded vested benefit liability for purposes of withdrawal liability for an ongoing plan. The calculations in the enclosed report have been made on a basis consistent with our understanding of ERISA.

For actuarial requirements under FASB ASC Topic 960, all liabilities, rates of interest, and other factors under the Plan have been determined on the basis of actuarial assumptions and methods which are reasonable and consistent with our understanding of FASB ASC Topic 960. Results for other purposes may be significantly different than the results in this report; other calculations may be needed for other purposes, such as judging benefit security at plan termination.

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The consultants who worked on this assignment are pension actuaries. Milliman's advice is not intended to be a substitute for qualified legal or accounting counsel.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, this report is complete and accurate and has been prepared in accordance with generally recognized and accepted actuarial principles and practices. We are members of the American Academy of Actuaries and meet the Qualification Standards to render the actuarial opinion contained herein.

We respectfully submit the following report, and we look forward to discussing it with you.

Sincerely,

Peter R. Sturdivan, FSA, EA, MAAA
Principal and Consulting Actuary

PRS:ccg

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Summary of Valuation Results

Overview of Results

($ in thousands)	Actuarial Valuation for Plan Year Beginning January 1, 2015	January 1, 2016
Assets		
Market Value of Assets	$36,739,196	$36,288,138
Actuarial Value of Assets	$36,878,833	$37,692,694
Investment Return (non-dedicated assets)		
Market Value of Assets	7.56%	2.22%
Actuarial Value of Assets	7.46%	5.47%
Funded Status		
Actuarial Accrued Liability	$40,167,611	$41,074,199
Market Funded Percentage	91.5%	88.3%
Actuarial (Pension Protection Act) Funded Percentage	91.8%	91.7%
Withdrawal Liability		
Present Value of Vested Benefits	$38,337,368	$39,234,177
Assets for Withdrawal Liability	$34,284,858	$35,963,376
Unfunded Vested Benefit Liability (UVBL)	$4,052,510	$3,270,801
Credit Balance and Contribution Requirements		
Actuarial Accrued Liability	$40,167,611	$41,074,199
Actuarial Value of Assets	$36,878,833	$37,692,694
Unfunded Actuarial Accrued Liability	$3,288,778	$3,381,505
Credit Balance at End of Prior Year (per IRS approval)	$3,304,054	$3,727,967
Normal Cost (including expenses)	$849,190	$890,316
Anticipated Contributions	$1,500,000	$1,617,000
Contribution to Maintain Credit Balance (Middle of Year)	$1,176,945	$1,261,812
Actual Contributions	$1,596,395	To Be Determined
Amortization Period		
Actuarial Value of Assets	6.7 years	6.0 years
Market Value of Assets	7.1 years	9.5 years
Participant Data		
Retirees & Beneficiaries(1)	221,502	223,971
Vested Inactive Participants	166,440	165,920
Active Participants	197,120	202,940
Total Participants in Valuation	585,062	592,831
Certification Status	Green	Green

(1)The figures above are estimated counts. The retired life valuation included 257,987 and 261,743 records as of January 1, 2015, and January 1, 2016, respectively.

A. Purpose of this Report

This report has been prepared for the Western Conference of Teamsters Pension Plan as of January 1, 2016 to:

- Review the Plan's funded status as of January 1, 2016.
- Review the experience for the plan year ending December 31, 2015, including the Plan's trust fund activity and investment return, and changes in plan participant demographics that impact liabilities.
- Calculate the Plan's funding requirements under ERISA for the plan year beginning January 1, 2016.
- Determine the Plan's Amortization Period as of January 1, 2016.
- Determine the Plan's Unfunded Vested Benefit Liability for withdrawal liability purposes as of December 31, 2015, in accordance with the Multiemployer Pension Plan Amendments Act of 1980.
- Determine the actuarial present value of accumulated plan benefits as of December 31, 2015, for purposes of disclosing the Plan's liabilities under FASB ASC Topic 960.

B. Plan Provisions

The valuation reflects the plan provisions in effect on January 1, 2016. The following changes occurred during the plan year ending December 31, 2015:

- Several bargaining units chose PEER coverage for the first time, or chose more valuable PEER coverage. These actions increased the Plan's actuarial liability by approximately $2 million. The increases in contributions due to the associated contribution rate increases serve to offset the impact on the unfunded actuarial liability over time.

In addition, the following change was made to the Plan's provisions:

- Amendments to rules on limited past service credit for out-of-area units

This valuation was not affected by this amendment.

C. Actuarial Methods and Assumptions

Other than the assumptions mandated by the IRS, the following changes were made to the assumptions for this valuation in order to reflect recent and anticipated plan experience:

- The discount rate used for the 1982/1984 Annuity Account was changed to 8.41% for 2016 from 5.87% for 2015, and the discount rate used for the SBA Dedication was changed to 4.69% for 2016 from 4.88% for 2015.

The change in discount rates increased the Plan's actuarial liability by about $31 million.

In addition, the following changes were made:

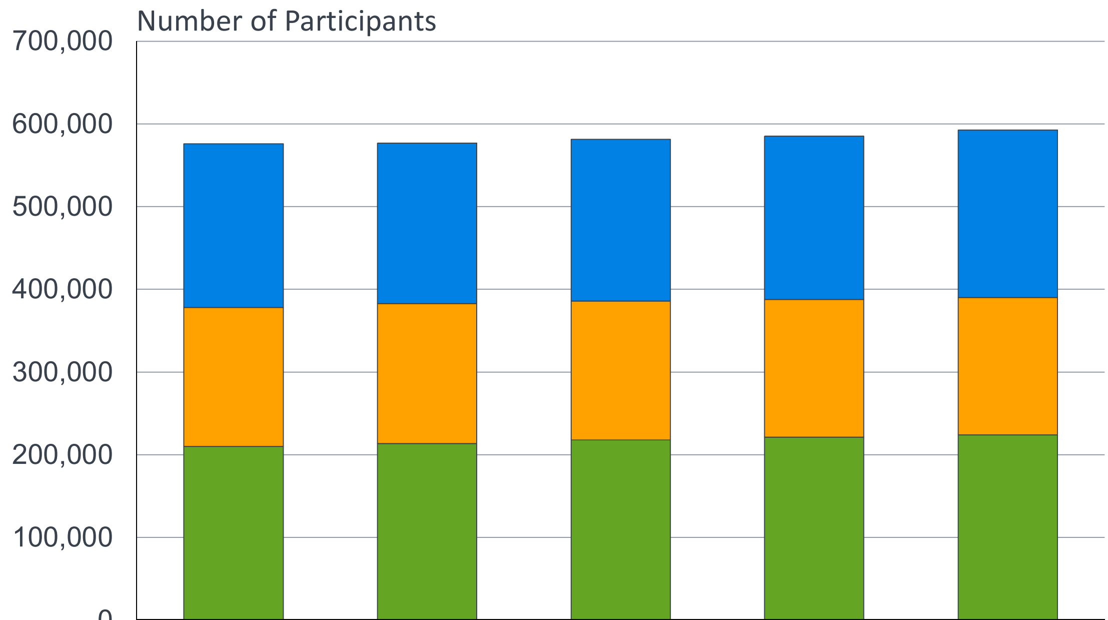
- The anticipated annual employer contributions were increased to $1.617 billion for purposes of projecting the 2016 Funding Standard Account and determining the Amortization Period.

On July 28, 2016, the IRS approved the request, submitted in December of 2012, to change to the unit credit cost method. As part of the change in method, the IRS required that the ERISA Credit Balance be restated beginning January 1, 2009, to exclude the 2008 Net Investment Loss charge bases from the combine and offset method applied to all other charge and credit bases. The cumulative result of the restatement was an increase in the ERISA Credit Balance from $2,714,643 to $3,304,054 as of December 31, 2014. The restated credit balance has been reflected in this valuation report.

D. Participant Information

Participant Counts

The following chart shows the number of participants included in this valuation, along with comparable information from the last several valuations.

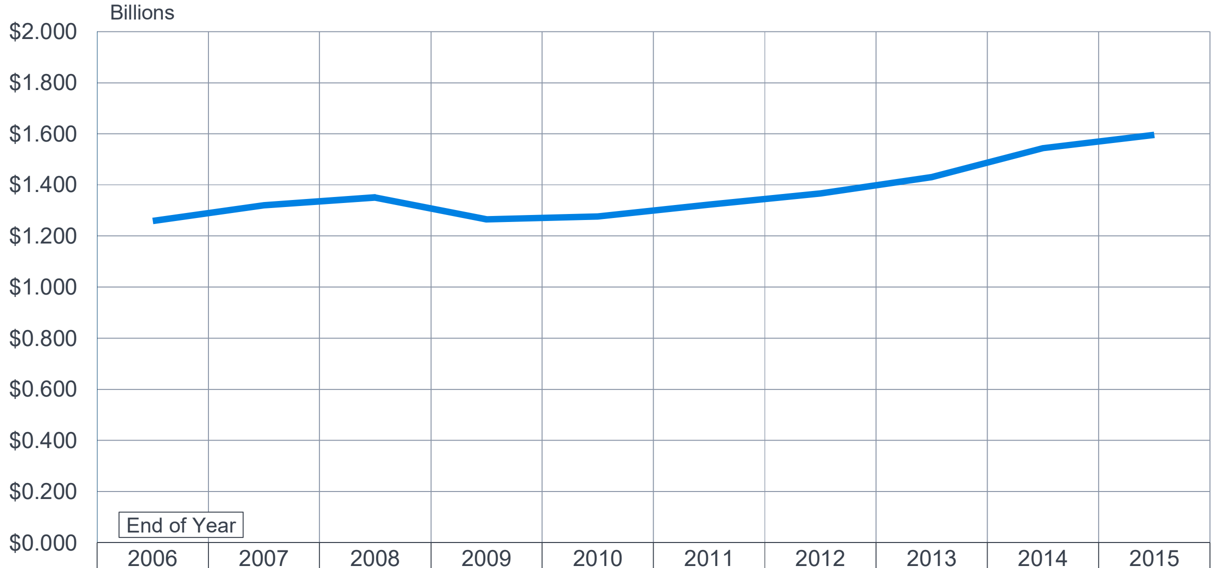


	2012	2013	2014	2015	2016
Active	197,900	194,080	195,620	197,120	202,940
Vested Inactive	168,080	169,020	167,940	166,440	165,920
In Pay	210,123	213,780	217,924	221,502	223,971
Totals	576,103	576,880	581,484	585,062	592,831

For valuation purposes, an active participant is not retired, terminated or deceased on the valuation date, has satisfied the participation requirements of the Plan, and worked at least 250 hours in the plan year immediately prior to the valuation date, or worked at least one hour in the plan year immediately prior to the valuation date and worked at least 250 hours in the second plan year preceding the valuation date.

Contributions

Based on the hours assumptions and the contribution rates in effect for December 31, 2015, contributions for the plan year beginning January 1, 2016, are expected to be $1,617,000,000. The graph below shows how this level compares with the Plan's historical level of contributions.



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Contributions	$1.259	$1.320	$1.351	$1.265	$1.276	$1.323	$1.367	$1.431	$1.544	$1.596

E. Plan Assets

The Plan's market value of assets is the value of net assets available for benefits as shown on the Plan's financial statements. The Plan's assets are split into dedicated assets and non-dedicated assets.

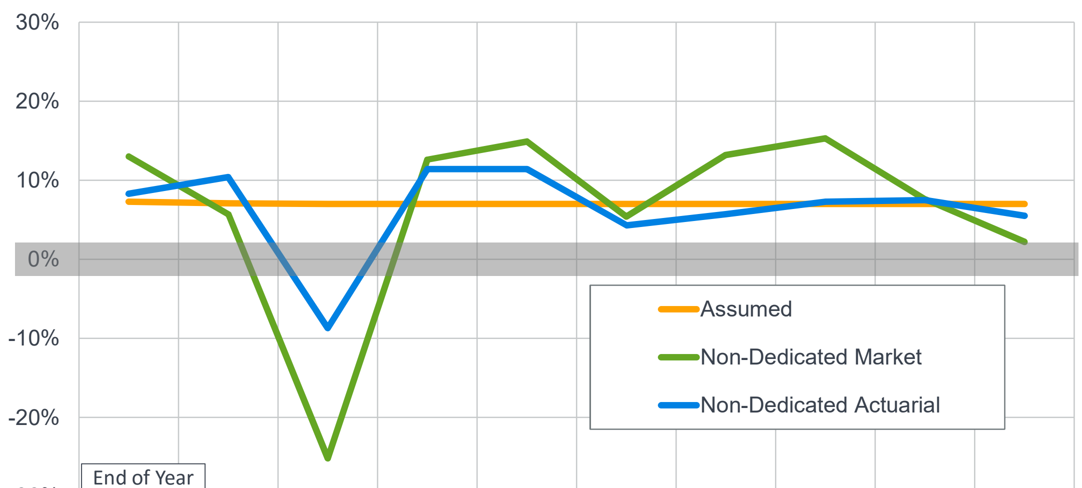
The dedicated assets include the Fixed Dollar Account (FDA), the 1982/84 Annuity Account (82/84 Account), and the Strategic Bond Account (SBA). The FDA is held at book value. The FDA includes the Supplemental Bond Fund, which is an additional amount necessary to maintain cash flow matching and it is held at amortized cost. The two other accounts are also held at amortized cost.

The Plan uses an asset smoothing method on the non-dedicated portion of the assets that recognizes market value investment gains and losses over a period of five years, except that the Trustees elected to recognize the 2008 investment loss over 10 years under the Pension Relief Act of 2010. For purposes of developing the Unfunded Vested Benefit Liability, the Pension Relief Act of 2010 election is ignored.

The sum of the dedicated assets and the smoothed value of non-dedicated assets is called the actuarial value of assets, and is used for determining the PPA funded percentage, the minimum and maximum contributions under ERISA, and computation of the Amortization Period. The table below shows these values along with the Plan's rate of investment return, net of investment expenses, over the past five years.

	Prior Year Rate of Return		($ in thousands)		
January 1,	**Market**	**Actuarial**	**Market Value of Assets**	**ERISA Actuarial Value of Assets**	**UVBL Actuarial Value of Assets**
2016	1.78%	5.26%	$36,288,138	$37,692,694	$35,963,376
2015	7.56	7.08	36,739,196	36,878,833	34,284,858
2014	12.59	7.33	35,193,014	35,478,550	32,019,915
2013	11.93	5.82	32,309,867	34,132,485	29,809,192
2012	6.26	4.62	29,891,186	33,310,140	29,851,506

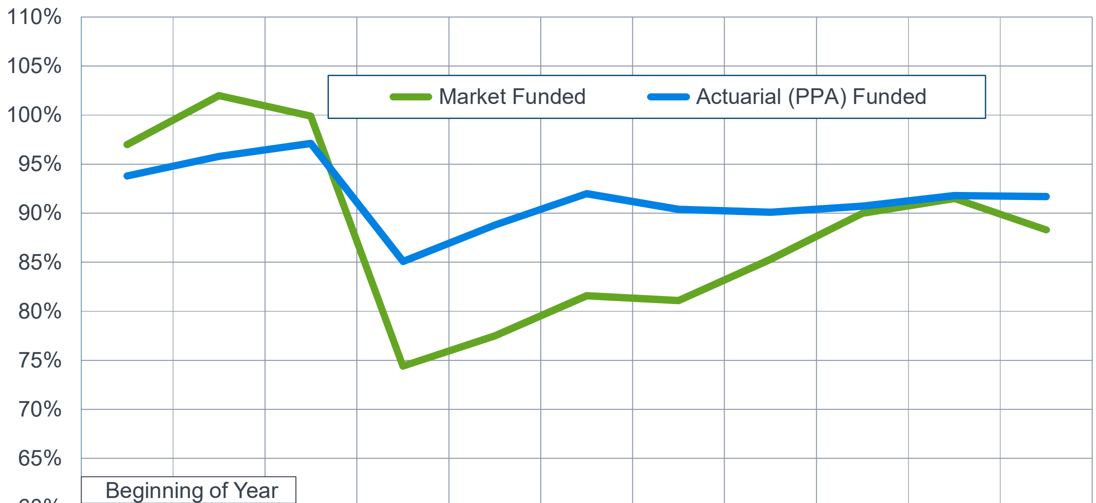
Over the past 20 years, the Plan's total assets have averaged a 6.96% return on a market value basis, net of investment expenses. The Plan's non-dedicated assets have averaged a 7.67% return on a market value basis, net of investment expenses over the same time period. The numerical history can be found on Exhibit 3.3 in this report. The graph below shows the Plan's annual returns on the non-dedicated assets over the last ten years, compared with the Plan's investment return assumption.



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Assumed	7.3%	7.1%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%	7.0%
Non-Dedicated Market	13.0%	5.7%	-25.2%	12.6%	14.9%	5.4%	13.2%	15.3%	7.6%	2.2%
Non-Dedicated Actuarial	8.3%	10.4%	-8.7%	11.4%	11.4%	4.3%	5.7%	7.3%	7.5%	5.5%

F. Funded Status

An important indicator of the Plan's funded status is the ratio of the Plan's *market value of assets* to the Plan's liability for all benefits earned to date, called the actuarial accrued liability. For purposes of determining the Plan's zone status under the PPA, the Plan's *actuarial value of assets* is compared with this liability measurement. Below is a chart showing a historical comparison of these measurements



	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Market Funded	97.0%	102.0%	99.9%	74.4%	77.5%	81.6%	81.1%	85.3%	90.0%	91.5%	88.3%
Actuarial (PPA) Funded	93.8%	95.8%	97.1%	85.1%	88.8%	92.0%	90.4%	90.1%	90.7%	91.8%	91.7%

Below is a table that details the relevant information for the past several valuations.

January 1,	Actuarial Accrued Liability ($ in thousands)				Market Value Funded %	Actuarial Value (PPA) Funded %
	Retirees & Beneficiaries	Vested Inactive	Active	Total		
2016	$23,289,314	$4,591,771	$13,193,114	$41,074,199	88.3%	91.7%
2015	22,796,728	4,494,421	12,876,462	40,167,611	91.5	91.8
2014	22,111,382	4,422,913	12,581,733	39,116,028	90.0	90.7
2013	20,981,370	4,465,074	12,419,003	37,865,447	85.3	90.1
2012	20,394,735	4,247,924	12,204,678	36,847,337	81.1	90.4

The **Annual Funding Notice** to participants must be distributed within 120 days of the end of the plan year and will include the actuarial (PPA) funded percentage for 2014, 2015, and 2016, as shown above.

G. Contribution Requirements

Actuarial Accrued Liability

For computing ERISA minimum and maximum funding requirements, the actuarial cost method takes into account benefits that are earned to date. The resulting liability is called the actuarial accrued liability, and is compared with the actuarial value of assets, as shown below.

January 1,	($ in thousands) Actuarial Accrued Liability	Actuarial Value of Assets	Unfunded Actuarial Accrued Liability
2016	$41,074,199	$37,692,694	$3,381,505
2015	40,167,611	$36,878,833	3,288,778
2014	39,116,028	35,478,550	3,637,478
2013	37,865,447	34,132,485	3,732,962

Development of Minimum Required Contribution and Credit Balance

The Plan's minimum required contribution consists of two components:

- Gross normal cost, which includes the cost of benefits allocated to the next plan year and administrative expenses expected to be paid in the next plan year, and
- Amortization payments to the unfunded actuarial accrued liability.

If contributions do not meet these costs, the Plan's credit balance, which was created by contributions in excess of minimum required contributions in past years, may be used to offset the costs. The table below summarizes the Plan's contribution requirements, actual contributions, and credit balance over the last several years.

($ in thousands)						
December 31,	Normal Cost	Net Amortization Payment	Annual Cost, Beginning of Year	Contribution To Maintain Credit Balance	Actual Contribution	Credit Balance, End of Year
2016	$890,316	$574,107	$1,464,423	$1,261,812	$1,617,000(1)	$4,085,920
2015	849,190	505,410	1,354,600	1,176,945	1,596,395	3,727,967
2014	798,458	490,486	1,288,944	1,136,983	1,544,129	3,304,054
2013	767,700	494,331	1,262,031	1,129,715	1,431,091	2,891,317
2012	744,736	455,766	1,200,502	1,085,306	1,367,269	2,587,401

(1) Expected based on hours assumption for valuation.

H. Amortization Period

The Plan's amortization period is a measure of the long-term financial solvency of the Plan. The amortization period is the number of years necessary for a level excess of anticipated employer contributions over the normal cost and administrative expenses to pay off the unfunded actuarial liability or funding shortfall. The unfunded actuarial liability is the difference between the actuarial liability and the actuarial value of assets. The funding shortfall is the difference between the actuarial liability and the market value of assets.

PPA requires plans to amortize changes in the unfunded actuarial liability (i.e. annual experience gains and losses, changes in assumptions and plan amendments) over a 15-year period. The average amortization period at any point in time under PPA is about 10 years. Therefore, based on the unfunded actuarial liability, an amortization period of less than 10 years is desired.

Amortization Period ($ in thousands)		
	January 1, 2015	January 1, 2016
Unfunded Actuarial Liability (UAL)	$ 3,288,778	$ 3,381,505
Expected Employer Contributions	1,500,000	1,617,000
Expected Expenses	97,000	97,000
Normal Cost (payable monthly)	783,722	826,375
Excess Contributions	$ 619,278	$ 693,625
Years to Amortize UAL	6.7	6.0
Funding Shortfall on a Market Value basis	$ 3,428,415	$ 4,786,061
Years to Amortize Market Funding Shortfall	7.1	9.5

I. Unfunded Vested Benefit Liability

Withdrawing employers are assessed a portion of the Plan's unfunded vested benefit liability for withdrawal liability, which is determined by subtracting the Plan's assets for withdrawal liability purposes (calculated in Exhibit 3.5) from the liability for all *vested* benefits earned to date. The assets for withdrawal liability are identical to the actuarial value of assets except that the 2008 investment loss is recognized over five years rather than 10 years. The table below summarizes this information for the past several years.

($ in thousands)			
December 31,	Present Value of Vested Benefits	Assets For Withdrawal Liability	Unfunded Vested Benefit Liability
2015	$39,234,177	$35,963,376	$3,270,801
2014	38,337,368	34,284,858	4,052,510
2013	37,280,381	32,019,915	5,260,466
2012	36,108,886	29,809,192	6,299,694
2011	34,993,567	29,851,506	5,142,061

J. Zone Status

Zone Status

The following chart shows the Plan's Zone Status that has been reported in the Actuarial Certification since PPA became effective beginning in 2008.

Plan Year Beginning January 1,	Zone Status
2016	**Green**
2015	**Green**
2014	**Green**
2013	**Green**
2012	**Green**
2011	**Green**
2010	**Green**
2009	**Green**
2008	**Green**

As shown above, the Plan is neither endangered nor critical for the plan year beginning January 1, 2016.

Benefit Restrictions

The Plan is subject to certain restrictions on Plan amendments increasing benefits because the Trustees elected funding relief under the Pension Relief Act of 2010. In general, such a plan amendment cannot go into effect unless the plan actuary certifies that the increase is paid for out of additional contributions that were not allocated to the plan at the end of the prior plan year. This restriction will remain in effect through December 31, 2016.

K. Plan Experience

Initial Observations

We note the following comparisons from last year's valuation:

- Employer contributions in 2015 (exclusive of withdrawal liability payments) increased by 4.6% to $1.58 billion from $1.51 billion in 2014.
- Benefit payments increased by 2.7% to $2.60 billion in 2015 from $2.53 billion in 2014.
- Operating expenses in 2015 amounted to 5.9% of total employer contributions; compared with 5.7% in 2014.
- The net assets available for plan benefits on a market value basis decreased by $450 million during 2015, compared with an increase of $1.5 billion during the previous year.

Impact of Plan Experience during Prior Plan Year

Actuarial gains are produced from more favorable experience than assumed in the previous valuation. On the other hand, actuarial losses are produced from experience less favorable than assumed. The most important of these gains and losses are shown below and described in the paragraphs that follow.

Investment Return

The estimated investment return on the net market value of assets was approximately 1.8% for 2015. The corresponding returns for 2014 and 2013 were 7.6% and 12.6% respectively.

The estimated market value investment return for 2015 on non-dedicated assets was about 2.2%, resulting in an approximate $1.6 billion loss over the assumed net investment return of 7.0%. In the same year, the net investment return on the actuarial value of non-dedicated assets was approximately 5.5%, resulting in an approximate $504 million loss. The investment return on the actuarial value of non-dedicated assets trails the investment return on the market value of non-dedicated assets because of the smoothing of investment gains and losses. Due to the election of PRA 2010 relief, the 2008 investment loss continues to be recognized at about $865 million annually (over ten years) while other non-dedicated investment gains and losses are recognized over five years. The last portion of the 2008 investment loss will be fully recognized by January 1, 2018.

The investment return on the actuarial value of total assets was estimated to be 5.3%. This resulted in an actuarial loss of about $564 million.

Demographic Experience

The gains and losses due to all non-investment experience during 2015 decreased the Plan's actuarial liability by approximately $2 million. The commentary below identifies the major components of the demographic gains and losses experienced during 2015.

Contribution Rates and Hours Expectations

Various bargaining parties negotiated increases in contribution rates which, due to the Plan's benefit formula, increased benefits earned during 2015. We estimated that the increase in the Plan's liabilities was about $27 million.

Continuing active participants earned larger benefits during 2015 due to higher hours than expected under the current assumptions. Also, actual new entrants displayed different demographic characteristics than expected, and likely earned larger benefits that expected under the new entrant assumption.

We note that, the increase in liability due to higher contribution rates and higher hours is offset by higher contributions to the Trust and in aggregate, the unfunded actuarial liability is reduced due to contributions exceeding the value of the additional benefits.

The following is a summary of the remaining major demographic gains and losses.

Demographic Losses

A continuing source of demographic loss was the Plan's experience for mortality for healthy male retirees and both male and female disabled retirees. Participants continue to live longer than expected under the current assumptions.

Another continuing source of demographic loss was the Plan's experience for termination from active status. During 2015, individuals were not terminating as quickly as assumed.

Demographic Gains

The largest source of demographic gain was from retirement from active status and inactive status. Individuals chose to work and/or delay retirement when compared with the current assumptions. The gain from retirement is consistent with the Plan's retirement experience in recent years.

Comments

The overall loss is small indicating that, in the aggregate, the current assumptions produced reasonable results. However, given the experience detailed above and in our mortality study, we will review the following assumptions for possible changes in the 2017 valuation or a future valuation:

- Retirement from active and inactive status
- Termination from active status
- Postretirement and preretirement male mortality
- Postretirement disability mortality

Sensitivity of Results

The results presented in this report are dependent upon the actuarial assumptions being realized in the future. To the extent that actual Plan experience differs from the assumptions, future actuarial costs will differ from those presented in this report. For example, actuarial gains and losses emerge in plan years where actual contribution amounts differ from those anticipated by our assumptions.

SECTION 2
Introduction

The purpose of this actuarial valuation of the Western Conference of Teamsters Pension Plan is to review last year's activity, compute this year's cost, and test the Plan's funded status. Specifically:

- In Section 3, we summarize the Plan's trust fund activity and measure its investment return.
- In Section 4, we evaluate the Plan's contribution requirements, determine the appropriate charges and credits to the ERISA minimum Funding Standard Account for the plan year ending December 31, 2015, and estimate the credit balance at the end of this year. We also calculate the maximum tax-deductible contribution for the plan year ending December 31, 2016, and the Amortization Period as of January 1, 2016.
- In Section 5, we test the Plan's funded status by comparing the market value of assets with the actuarial present value of accumulated plan benefits, computed in accordance with FASB ASC Topic 960. We also summarize the Plan's Present Value of Vested Benefits in Exhibit 5.3 and calculate the Plan's Unfunded Vested Benefit Liability for withdrawal liability purposes.
- In Section 6, we compare the significant results of this valuation with those of the last four valuations, and provide a 20-year projection of the Plan's expected benefit payments.

The appendices present a summary of the Plan, participant statistics (active, retired, inactive vested), a description of the unit credit actuarial cost method, and a summary of our actuarial assumptions.

SECTION 3
Trust Fund Activity

In this section, we show the present status of the Plan's trust fund, trust activity over the past year, and historical investment return.

Exhibit 3.1 lists the types of assets held and their market value.

Exhibit 3.2 summarizes the fund's receipts and disbursements during the past year.

Exhibit 3.3 summarizes the fund's investment return, net of investment-related expenses. The exhibit displays annual rates of return at market value on all assets and non-dedicated assets for each of the last 20 years. For the plan year ended December 31, 2015, the assets of the fund experienced a 1.78% investment return, net of investment-related expenses, when measured at market value. The non-dedicated assets experienced a 2.22% investment return, net of investment expenses for the plan year ending December 31, 2015. This should be compared with our assumed rate of 7.00% net of investment expenses.

Exhibit 3.4 develops the actuarial value of assets as of December 31, 2015, and reflects 10-year smoothing of the 2008 net investment loss, as elected under the Pension Relief Act of 2010.

Operation of the Actuarial Asset Valuation Method for Non-Dedicated Assets presents the recognition of investment gains and losses on a market value basis over actuarial expectation.

Exhibit 3.5 develops the assets as of December 31, 2015, for the purpose of determining employer liability upon withdrawal from the Plan during 2016. The 2008 net investment loss has been fully recognized.

Exhibit 3.6 presents the progress of the fund balance for the past 20 years in terms of employer contributions, benefit payments, operating expenses, and net investment income.

Exhibit 3.1

Market Value of Assets
(December 31, 2015)

ASSETS	2015
INVESTMENTS - at fair value	
103-12 investment entities	$ 802,130,084
Cash and cash equivalents	1,346,587,477
Common/collective trusts	10,168,716,479
Corporate debt securities	2,571,928,581
Equity securities	4,018,184,458
Insurance company contracts	8,692,237,129
Limited partnerships	4,477,976,473
Mutual fund	335,181,811
Other private equity	1,050,370,067
Pooled separate account	50,444,287
Real estate	1,165,539,150
U.S. Government and Government Agency obligations	459,131,500
	35,138,427,496
Securities on loan	
Corporate debt securities	16,452,486
Equity securities	433,281,035
Insurance company contracts	1,893,313,564
U.S. Government and Government Agency obligations	90,589,889
	2,433,636,974
Fair value of collateral held for securities on loan	2,376,430,442
Total investments	39,948,494,912
RECEIVABLES	
Due from broker for securities sold	149,527,181
Contributions due from employers - net	124,139,064
Withdrawal liability receivable - net	0
Accrued investment income	65,282,119
Swaps receivable from counterparties	610,936
Forward foreign currency contracts	54,364
Total receivables	339,613,664
OTHER ASSETS	3,523,570
CASH	6,723,956
Total assets	40,298,356,102
LIABILITIES AND NET ASSETS	
LIABILITIES	
Liability to return collateral held for securities on loan	2,488,327,032
Securities sold, not yet purchased	1,257,329,393
Due to broker for securities purchased	234,355,116
Accounts payable and accrued expenses	26,837,452
Swaps payable to counterparties	3,312,168
Forward foreign currency contracts	56,959
Total liabilities	4,010,218,120
NET ASSETS AVAILABLE FOR BENEFITS	$ 36,288,137,982

Exhibit 3.1
(Continued)

($ in thousands)		
	Year Ending December 31, 2014	Year Ending December 31, 2015
a. Fixed Dollar Account (Including Supplemental Bond Account)	$ 94,100	$ 98,223
b. 1982/1984 Annuity Account	60,521	44,447
c. Strategic Bond Account	3,775,869	3,378,254
d. All Remaining Assets	32,808,706	32,767,214
e. Net Assets Available for Plan Benefits	$ 36,739,196	$ 36,288,138

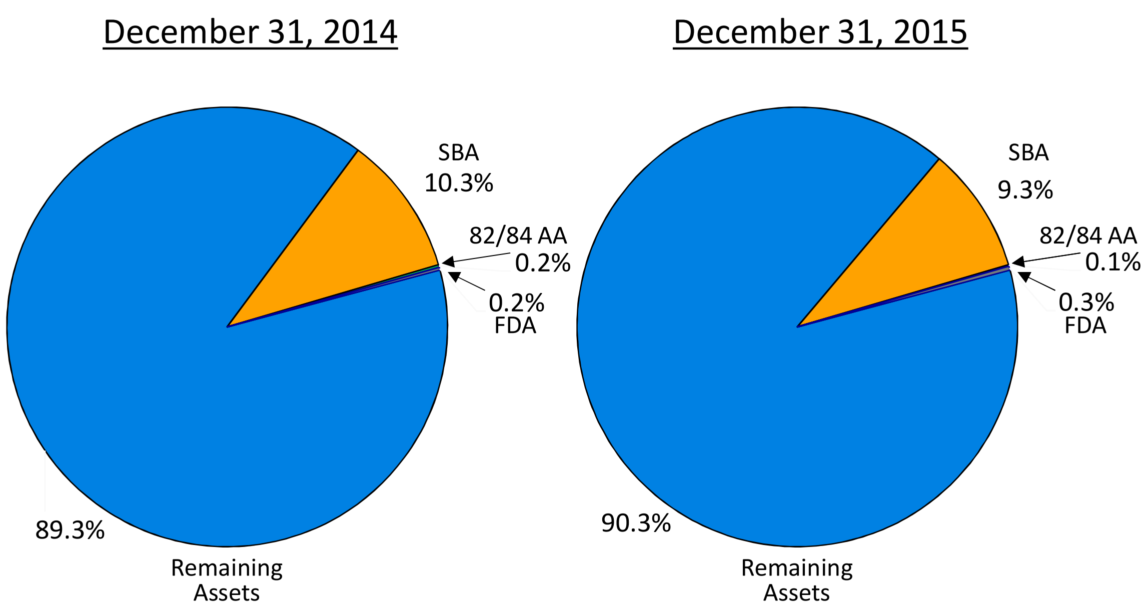


Exhibit 3.2

Receipts and Disbursements
(Year Ended December 31, 2015)

	2015
ADDITIONS	
Investment income	
Interest, dividends and other investment income	$ 902,550,035
Net appreciation/(depreciation) in fair value of investments	(77,856,688)
Net appreciation/(depreciation) in fair value of collateral held for securities on loan	(13,612,586)
	811,080,761
Less investment expenses	(166,608,239)
Investment income - net	644,472,522
Employer contributions	1,577,395,872
Employer withdrawal liability income	18,999,045
Other income	4,538,098
Total additions	2,245,405,537
DEDUCTIONS	
Pension benefits	2,598,765,577
Administrative expenses	93,896,717
Income tax expense	3,801,645
Total deductions	2,696,463,939
NET CHANGE	(451,058,402)
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of year	36,739,196,384
Adjustment to beginning of year assets	0
End of year	$ 36,288,137,982

Exhibit 3.3

Investment Return

Market Value of Assets Annual Rate of Investment Return					
Annual Rate for One-Year Period			Average Annual Rate for Period Ending December 31, 2015		
Plan Year Ending December 31,	All Assets	Non-Dedicated Assets	Period	All Assets	Non-Dedicated Assets
2015	1.78%	2.22%	1	1.78%	2.22%
2014	7.56%	7.56%	2	4.63%	4.86%
2013	12.59%	15.25%	3	7.22%	8.21%
2012	11.93%	13.15%	4	8.38%	9.43%
2011	6.26%	5.35%	5	7.95%	8.60%
2010	13.53%	14.87%	6	8.86%	9.62%
2009	10.96%	12.60%	7	9.16%	10.04%
2008	-20.58%	-25.23%	8	4.90%	4.85%
2007	5.41%	5.67%	9	4.96%	4.94%
2006	10.61%	12.98%	10	5.51%	5.72%
2005	6.05%	6.55%	11	5.56%	5.79%
2004	9.49%	10.22%	12	5.88%	6.16%
2003	16.33%	20.76%	13	6.65%	7.21%
2002	-2.29%	-7.56%	14	5.99%	6.08%
2001	2.05%	0.89%	15	5.72%	5.73%
2000	3.35%	0.46%	16	5.57%	5.39%
1999	8.08%	14.06%	17	5.72%	5.88%
1998	14.86%	16.28%	18	6.20%	6.44%
1997	19.22%	23.21%	19	6.85%	7.26%
1996	9.11%	15.69%	20	6.96%	7.67%

All rates reflect total investment return, net of investment-related expenses.

Exhibit 3.4

Actuarial Value of Assets
(January 1, 2016)

Non-Dedicated Asset Reconciliation
($ in thousands)

Year	(1) Market Value of Assets beginning of year	(2) Contributions	(3) Benefit Payments	(4) Operating Expenses	(5) Other Transactions	(6) Cash Flow (2)-(3)-(4)+(5)	(7) Actual Investment Income	(8) Market Value of Assets End of Year (1)+(6)+(7)
2015	$32,808,706	$1,596,395	$2,254,987	$93,897	($7,636)	($760,125)	$718,633	$32,767,214
2014	31,170,197	1,544,129	2,169,123	88,635	20,755	(692,874)	2,331,383	32,808,706
2013	27,575,124	1,431,091	2,079,846	87,541	169,439	(566,857)	4,161,930	31,170,197
2012	25,024,396	1,367,269	1,972,420	83,759	(5,047)	(693,957)	3,244,685	27,575,124

Development of the Actuarial Value of Assets
($ in thousands)

Year	Market Investment Rate of Return	Market Investment Return	Expected Investment Return	Difference between Actual and Expected
2015	2.22%	$718,633	$2,270,005	($1,551,372)
2014	7.56%	2,331,383	2,157,663	173,720
2013	15.25%	4,161,930	1,904,668	2,257,262
2012	13.15%	3,244,685	1,727,419	1,517,265

Market Value of Non-Dedicated Assets on January 1, 2016	$	32,767,214
Add back 80% of $1,551,372 loss		1,241,098
Subtract 60% of $173,720 gain		(104,232)
Subtract 40% of $2,257,262 gain		(902,905)
Subtract 20% of $1,517,265 gain		(303,453)
Add back 20% of 2008 investment loss of $8,646,585*		1,729,317
Actuarial Value of Non-Dedicated Assets on January 1, 2016	$	34,427,039
Preliminary Actuarial Value as a Percentage of Market Value		105%
Actuarial Value of Non-dedicated Assets (limited to 80%-120% of Market Value)	$	34,427,039
Actuarial Value of Dedicated Funds: FDA, 82/84AA, SBA (see Appendix C)		3,265,654
Actuarial Value of Assets on January 1, 2016	$	37,692,694

* Investment loss for 2008 is recognized over 10 years as elected under the Pension Relief Act of 2010.

Exhibit 3.4
(Continued)

Operation of the Actuarial Asset Valuation Method for Non-Dedicated Assets ($ in thousands)

Investment Gain / (Loss) Recongized as of January 1, 2016

	Investment Gain / (Loss) Market over Actuarially Expected	Investment Gain / (Loss) Recognition in Past Years					Investment Gain / (Loss) Recognized in Current Year	Investment Gain / (Loss) Recognized in Future Years			
Year		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
2008	($8,646,585)	($864,659)	($864,659)	($864,659)	($864,659)	($864,659)	($864,659)	($864,659)	($864,659)		
2011	($395,250)		($79,050)	($79,050)	($79,050)	($79,050)	($79,050)				
2012	$1,517,265			$303,453	$303,453	$303,453	$303,453	$303,453			
2013	$2,257,262				$451,452	$451,452	$451,452	$451,452	$451,452		
2014	$173,720					$34,744	$34,744	$34,744	$34,744	$34,744	
2015	($1,551,372)						($310,274)	($310,274)	($310,274)	($310,274)	($310,274)
Net Gains / (Losses) Recognized by Year							($464,333)	($385,284)	($688,737)	($275,530)	($310,274)
Interest on Prior Year Gains / (Losses)							($40,095)	($116,188)	($89,218)	($41,006)	($21,719)
Additional Gains / (Losses) Recognized in Current year because of 80% - 120% Corridor							$0				
Total Gain / (Loss) Recognized by year							($504,428)	($501,471)	($777,955)	($316,537)	($331,994)
Total Gains / (Losses) Deferred and to be Recognized in Future Years							($1,659,825)	($1,274,541)	($585,805)	($310,274)	$0

Exhibit 3.5

Assets for Withdrawal Liability
(January 1, 2016)

Non-Dedicated Asset Reconciliation
($ in thousands)

Year	(1) Market Value of Assets beginning of year	(2) Contributions	(3) Benefit Payments	(4) Operating Expenses	(5) Other Transactions	(6) Cash Flow (2)-(3)-(4)+(5)	(7) Actual Investment Income	(8) Market Value of Assets End of Year (1)+(6)+(7)
2015	$32,808,706	$1,596,395	$2,254,987	$93,897	($7,636)	($760,125)	$718,633	$32,767,214
2014	31,170,197	1,544,129	2,169,123	88,635	20,755	(692,874)	2,331,383	32,808,706
2013	27,575,124	1,431,091	2,079,846	87,541	169,439	(566,857)	4,161,930	31,170,197
2012	25,024,396	1,367,269	1,972,420	83,759	(5,047)	(693,957)	3,244,685	27,575,124

Development of the Actuarial Value of Assets
($ in thousands)

Year	Market Investment Rate of Return	Market Investment Return	Expected Investment Return	Difference between Actual and Expected
2015	2.22%	$718,633	$2,270,005	($1,551,372)
2014	7.56%	2,331,383	2,157,663	173,720
2013	15.25%	4,161,930	1,904,668	2,257,262
2012	13.15%	3,244,685	1,727,419	1,517,265

Market Value of Non-Dedicated Assets on January 1, 2016	$	32,767,214
Add back 80% of $1,551,372 loss		1,241,097
Subtract 60% of $173,720 gain		(104,232)
Subtract 40% of $2,257,262 gain		(902,905)
Subtract 20% of $1,517,265 loss		(303,453)
Actuarial Value of Non-Dedicated Assets on January 1, 2016	$	32,697,722
Preliminary Actuarial Value as a Percentage of Market Value		100%
Actuarial Value of Non-dedicated Assets (limited to 80%-120% of Market Value)	$	32,697,722
Actuarial Value of Dedicated Funds: FDA, 82/84AA, SBA (see Appendix C)		3,265,654
Actuarial Value of Assets on January 1, 2016	$	35,963,376

Exhibit 3.6

Net Cash Flow

($ in thousands)

December 31,	Contributions	Operating Expenses	Benefit Payments	Net Cash Flow	Net Investment Income	Net Cash Flow + Investment Income
1996	764,490	43,644	1,052,921	(332,075)	1,432,608	1,100,533
1997	800,461	43,259	1,109,959	(352,757)	3,211,930	2,859,173
1998	873,273	48,964	1,174,440	(350,131)	2,892,689	2,542,558
1999	912,445	50,024	1,230,062	(367,641)	1,776,796	1,409,155
2000	981,425	52,791	1,352,093	(423,459)	784,219	360,760
2001	1,008,409	54,737	1,437,374	(483,702)	893,971	410,269
2002	1,030,563	57,454	1,557,808	(584,699)	(550,761)	(1,135,460)
2003	1,068,717	59,761	1,649,918	(640,962)	3,741,095	3,100,133
2004	1,117,378	59,232	1,746,603	(688,457)	2,466,296	1,777,839
2005	1,199,154	64,061	1,838,524	(703,431)	1,679,009	975,578
2006	1,258,898	71,638	1,919,384	(732,124)	3,045,672	2,313,548
2007	1,320,358	73,833	1,996,396	(749,871)	1,677,254	927,383
2008	1,350,530	80,375	2,059,601	(789,446)	(6,570,632)	(7,360,078)
2009	1,264,683	87,502	2,154,335	(977,154)	2,683,399	1,706,245
2010	1,276,476	84,716	2,232,529	(1,040,769)	3,537,349	2,496,580
2011	1,322,549	83,757	2,305,404	(1,066,612)	1,792,951	726,339
2012	1,367,269	83,759	2,367,600	(1,084,090)	3,502,770	2,418,680
2013	1,431,091	87,541	2,458,053	(1,114,503)	3,974,410	2,859,907
2014	1,544,129	88,635	2,530,265	(1,074,771)	2,620,954	1,546,183
2015	1,596,395	93,897	2,598,766	(1,096,268)	645,209	(451,058)
20-year total as of 12/31/15	$23,488,693	$1,369,580	$36,772,035	($14,652,922)	$35,237,188	$20,584,267

SECTION 4
Contribution Requirements and Amortization Period

In this section, we calculate the projected ERISA minimum Funding Standard Account and the maximum tax-deductible limit under the Internal Revenue Code. Under the law, an Enrolled Actuary must calculate costs using an approved actuarial cost method and actuarial assumptions which, in combination, are his best estimate of future Plan experience. We also determine the Plan's Amortization Period which provides the Trustees an additional indication of the Plan's ability to pay all benefits expected to be paid for by the Plan. Our actuarial cost method and assumptions are fully explained in Appendices C and D: the following discussion explains only the highlights of our cost method.

The actuarial present value of projected plan benefits is made up of liabilities for benefits being paid to current retirees and their beneficiaries and of liabilities that are projected to be paid to future retirees. The chart below illustrates the allocation of the actuarial present value of projected plan benefits among these categories of participants.

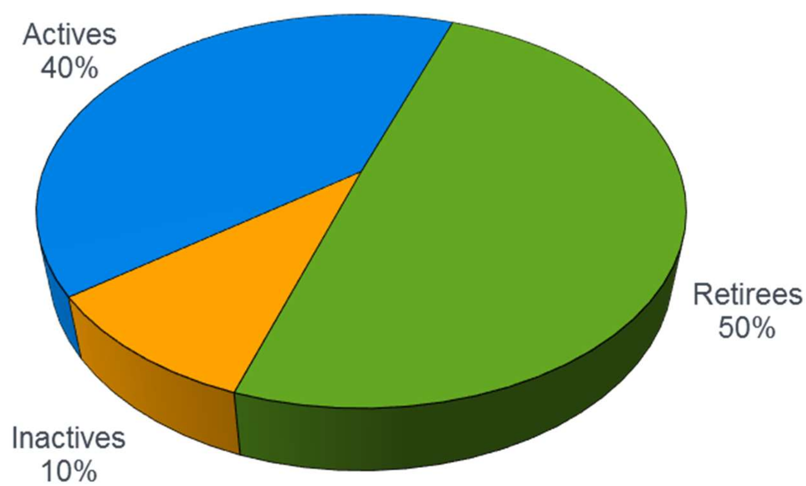


Exhibit 4.1 contains information on the actuarial balance sheet. Plan requirements consist of the actuarial present value of projected plan benefits on January 1, 2016. As illustrated above, 60% of the Plan's liabilities are for benefits to be paid to participants for whom contributions are no longer being made to the Plan. Plan resources consist of the actuarial value of assets and expected contributions to pay for projected future normal costs and expected future payments to eliminate the Plan's unfunded actuarial liability.

Exhibit 4.2 details the changes in the value of the Plan's unfunded actuarial liability from January 1, 2015, to January 1, 2016. Unfunded actuarial (accrued) liability changes during the year result from benefit accruals, contributions to the Plan, and actuarial gains and losses, which arise from actual experience different from expected. Changes to Plan provisions, actuarial assumptions, or the Plan's funding method can also impact the unfunded actuarial liability.

This year's normal cost is shown in Exhibit 4.3. The normal cost is the annual cost of benefits allocated to a plan year by the cost method and includes an allowance for operating expenses expected during the plan year.

ERISA Minimum Funding Requirements

Exhibit 4.4 details the entries to the Plan’s Funding Standard Account for the plan year ending December 31, 2015.

Exhibit 4.5 projects the Plan’s Funding Standard Account through December 31, 2016, and provides detail on the amortization charges and credits. A positive credit balance is produced by cumulative contributions sufficient to pay normal costs and to amortize the unfunded actuarial liability faster than required.

Maximum Deductible Contribution

Exhibit 4.6 calculates the maximum deductible contribution for the 2016 plan year. The anticipated contributions are less than the maximum deductible contribution, and are therefore expected to be fully deductible.

Amortization Period

Exhibit 4.7 displays the calculation of the period to amortize the Plan’s unfunded actuarial liability using the actuarial value of assets and the market value of assets.

Exhibit 4.1

Actuarial Balance Sheet
(January 1, 2016)

Requirements
($ in thousands)

Present Value of Projected Benefits				
Retired Participants			$	23,289,314
Vested Inactive Participants				4,591,771
Active Participants				
Retirement	$	16,797,325		
Vested Withdrawal		1,544,841		
Death		316,021		
Disability		519,823		19,178,010
Total Present Value of Projected Benefits			$	47,059,095

Resources
($ in thousands)

Actuarial Value of Assets	$	37,692,694
Present Value of Future Normal Costs		5,984,896
Unfunded Actuarial Liability		3,381,505
Total	$	47,059,095

Exhibit 4.2

Analysis of Change in the Unfunded Actuarial Liability (January 1, 2016)

Expected Unfunded Actuarial Liability on January 1, 2016		**($ in thousands)**
Unfunded Actuarial Liability as of January 1, 2015		$ 3,288,778
Normal Cost, Including Expenses		849,190
Interest on the above items		289,658
Contributions		(1,596,395)
Interest on Contributions		(45,656)
Expected Unfunded Actuarial Liability as of January 1, 2016		$ 2,785,575
Changes		
Assumption changes	$ 0	
Discount rate changes on dedicated funds	31,318	
PEER Level changes	2,107	
Increase in Contribution Rates	26,776	
Demographic (Gain)/Loss	(28,716)	
Asset (Gain)/Loss	564,445	
Total		595,930
Unfunded Actuarial Liability on January 1, 2016		$ 3,381,505

Exhibit 4.3

Normal Cost
(January 1, 2016)

Unit Credit Normal Cost		**($ in thousands)**		
Retirement	$	648,035		
Vested Withdrawal		99,449		
Death		12,094		
Disability		23,971	$	783,549
New Entrant Adjustment				13,240
Expenses ($97,000,000 Payable Mid-Year)				93,527
Total Normal Cost (Beginning of Year)			$	890,316

Exhibit 4.4

Funding Standard Account
(Year Ending December 31, 2015)

Charges to Funding Standard Account	($ in thousands)
Prior Year Fund Deficiency, if any	$ 0
Normal Cost for Year	849,190
Amortization Charges	673,646*
Interest on Fund Deficiency, Normal Cost, and Amortization Charges	106,599
Total Charges	$ 1,629,435
Credits to Funding Standard Account	
Prior Year Credit Balance, if any	$ 3,304,054*
Employer Contributions	1,596,395
Amortization Credits	168,236*
Interest on Credit Balance, Amortization Credits, and Contributions	288,717
Total Credits	$ 5,357,402
Balance	
Projected Credit Balance, if any	$ 3,727,967

* Restated per IRS approval of change in funding method

Exhibit 4.5

Projected Funding Standard Account
(Year Ending December 31, 2016)

Charges to Funding Standard Account	**($ in thousands)**
Prior Year Fund Deficiency, if any	$ 0
Normal Cost for Year	890,316
Amortization Charges*	673,646
Interest on Fund Deficiency, Normal Cost, and Amortization Charges	109,477
Total Charges	$ 1,673,439
Credits to Funding Standard Account	
Prior Year Credit Balance, if any	$ 3,727,967
Expected Employer Contributions	1,617,000
Amortization Credits*	99,539
Interest on Credit Balance, Amortization Credits, and Contributions	314,853
Total Credits	$ 5,759,359
Balance	
Projected Credit Balance, if any	$ 4,085,920
Minimum Required Contribution	$ 0

* *See table on the following page for detail.*

Amortization Bases

The following table depicts the various entries used to establish the year-by-year charges and credits with respect to the Funding Standard Account.

Before Combine/Offset

($ in thousands)	Year Established	Original Balance	1/1/2016 Balance	Years Remaining	Amortization Payment
Charges					
2008 Net Investment Loss	2009	$4,407,752	$3,971,046	22.000	$335,519
2008 Net Investment Loss	2010	$588,120	$535,988	22.000	$45,286
2008 Net Investment Loss	2011	$671,272	$619,441	22.000	$52,338
2008 Net Investment Loss	2012	$467,560	$437,331	22.000	$36,951
2008 Net Investment Loss	2013	$875,912	$831,391	22.000	$70,245
2008 Net Investment Loss	2014	$1,635,968	$1,577,758	22.000	$133,307
Experience Loss	2016	$562,505	$562,505	15.000	$57,720
PEER Changes	2016	$2,107	$2,107	15.000	$216
Assumption Changes	2016	$31,318	$31,318	15.000	$3,214
Total Charges		$9,242,514	$8,568,885		$734,796
Credits					
Prior Combined/Offset Base	2015	$1,532,174	$1,459,413	12.397	$168,236
Total Credits		$1,532,174	$1,459,413		$168,236
Net Charges/(Credits)			$7,109,472		$566,560

Combined/Offset

($ in thousands)	Year Established	Original Balance	1/1/2016 Balance	Years Remaining	Amortization Payment
Charges					
2008 Net Investment Loss	2009	$4,407,752	$3,971,046	22.000	$335,519
2008 Net Investment Loss	2010	$588,120	$535,988	22.000	$45,286
2008 Net Investment Loss	2011	$671,272	$619,441	22.000	$52,338
2008 Net Investment Loss	2012	$467,560	$437,331	22.000	$36,951
2008 Net Investment Loss	2013	$875,912	$831,391	22.000	$70,245
2008 Net Investment Loss	2014	$1,635,968	$1,577,758	22.000	$133,307
Total Charges		$8,646,584	$7,972,955		$673,646
Credits					
Combined/Offset Base	2016	$863,483	$863,483	12.397	$99,539
Total Credits		$863,483	$863,483		$99,539
Net Charges/(Credits)			$7,109,472		$574,107

Exhibit 4.6

Maximum Tax-Deductible Contribution
(Plan Year Ending December 31, 2016)

1. Ten Year Amortization Limitation:				
(IRC Section 404(a)(1)(A)(iii))		**($ in thousands)**		
Normal Cost	$	890,316		
Amortization of Unfunded Actuarial Liability	+	449,953		
Interest	+	93,819	$	1,434,088
2. Full Funding Limitation:				
(IRC Section 412(c)(7)(A)(i))				
Actuarial Liability at Beginning of Year	$	41,074,199		
Unit Credit Normal Cost, including expenses, at Beginning of Year	+	890,316		
Test Value of Assets, at Beginning of Year	-	36,288,138		
Interest	+	397,346	$	6,073,723
3. Unfunded Current Liability				
90% of RPA Current Liability, at End of Year	$	61,537,703		
Actuarial Value of Assets Projected to End of Year	-	36,052,735	$	25,484,968
4. Unfunded Current Liability Limitation:				
(IRC Section 404(a)(1)(D))				
140% of Current Liability at Year End	$	95,725,315		
Actuarial Value of Assets at Year End	-	37,656,005		
Unfunded Current Liability			$	58,069,310
5. Maximum Tax-Deductible Contribution			$	58,069,310
Lesser of (1) or (2), but not less than (3) or (4)				

There are alternative calculations of the Maximum Deductible Contribution under IRC Section 404 that may produce a different amount than illustrated above. Please consult your tax advisors regarding the deductibility of cash contributions.

Exhibit 4.6
(Continued)

The current liability defined under IRC Section 404(a)(1)(D) is developed in the following table. Current liability is determined using a 3.28% interest assumption and mortality as specified by the IRS. The 3.28% interest assumption is within the required corridor of the weighted average of 30-Year Treasury Bond Rates published by the IRS.

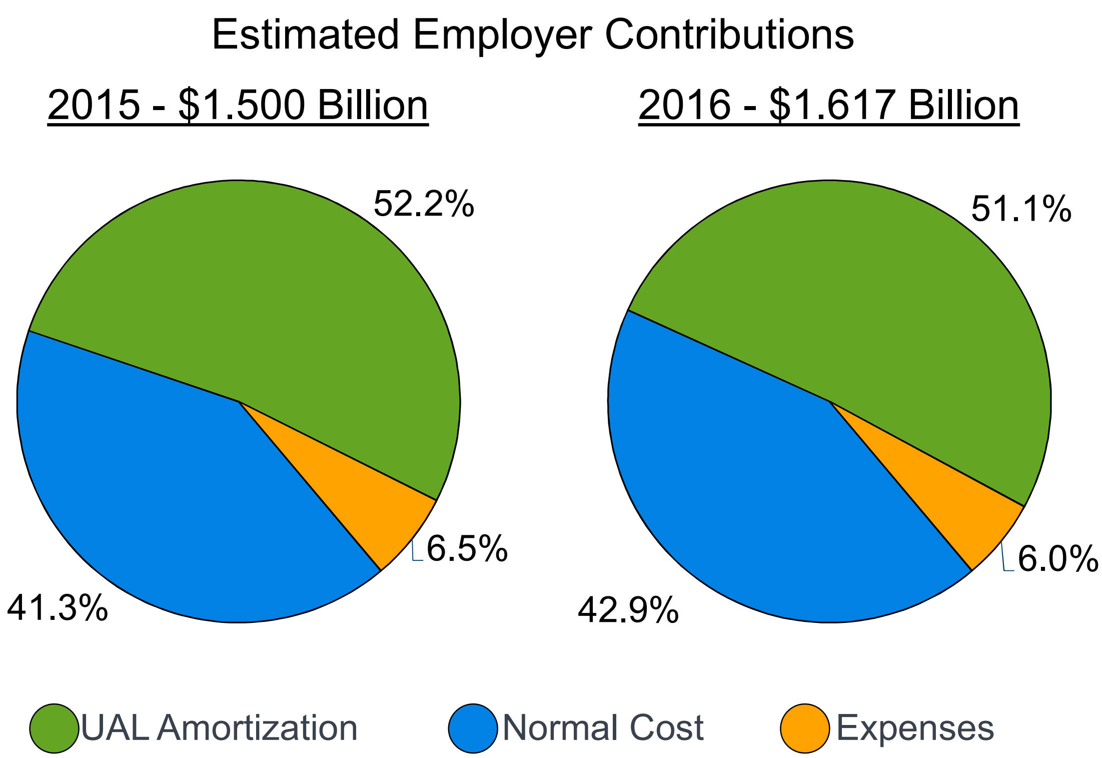
		($ in thousands)
Current Liability, Beginning of Year		
Retirees	$	32,324,534
Vested Inactive Participants		8,915,217
Active Participants		25,841,859
Total	$	67,081,610
Changes Expected During 2016 Plan Year		
Accrual of Benefits	$	1,761,262
Expected Benefit Payments	-	2,681,713
Interest	+	2,214,066
Total	$	1,293,615
Current Liability, End of Year	$	68,375,225

The amortization limitation required by IRC Section 404(a)(1)(A)(iii) is based on a 10-year level dollar amortization of the Unfunded Actuarial Liability of $1,434,088.

Exhibit 4.7
Amortization Period

Exhibit 4.7 shows the amortization periods as of the current and prior valuation dates.

($ in thousands)			
		January 1, 2015	January 1, 2016
a.	Estimated Employer Contributions	$1,500,000	$1,617,000
b.	Expenses	$97,000	$97,000
c.	Normal Cost (payable monthly)	$783,722	$826,375
d.	Estimated Employer Contribution to Amortize Unfunded Actuarial Liability (a.-b.-c.)	$619,278	$693,625
e.	Unfunded Actuarial Liability	$3,288,778	$3,381,505
f.	Amortization Period	6.7 years	6.0 years
g.	Estimated Period to Amortize the Unfunded Actuarial Liability using Market Value of Assets	7.1 years	9.5 years



SECTION 5
Funded Status

In this section, we provide the Plan's funded status by comparing the Fund's Market Value of Assets with the Actuarial Present Value of Accumulated Plan Benefits and the Plan's Present Value of Vested Benefits under FASB ASC Topic 960. As shown on Exhibit 5.1, the Market Value of the Plan's Assets is less than the Present Value of Accumulated Plan Benefits as of December 31, 2015. Exhibit 5.2 shows the change in the Present Value of Accumulated Plan Benefits from December 31, 2014, to December 31, 2015.

Exhibit 5.3 shows the Plan's Unfunded Vested Benefits Liability for purposes of determining withdrawal liability. As of December 31, 2015, the Assets for Withdrawal Liability are less than the Present Value of Vested Benefits. This determination will impact withdrawal liability calculations for employers withdrawing from the Plan during the 2016 plan year.

Exhibit 5.1

Statement of Actuarial Present Value of Accumulated Plan Benefits

	FASB ASC Topic 960 ($ in thousands)	
	December 31, 2014	**December 31, 2015**
Vested Benefits		
Retirees & Beneficiaries	$ 22,789,078	$ 23,282,149
Vested Inactive Participants	4,494,421	4,591,771
Active Participants	11,053,869	11,360,257
Total	$ 38,337,368	$ 39,234,177
Non-Vested Benefits		
Active and Other Non-Vested Benefits	1,830,243	1,840,022
Total	$ 1,830,243	$ 1,840,022
Actuarial Present Value of Accumulated Plan Benefits	$ 40,167,611	$ 41,074,199
Assets		
Market Value of Assets (MV)	$ 36,739,196	$ 36,288,138
Actuarial Value of Assets (AV)	$ 36,878,833	$ 37,692,694
Funding Ratios		
Ratio of MV to Present Value of Vested Benefits	95.8%	92.5%
Ratio of MV to Present Value of Accumulated Plan Benefits	91.5%	88.3%
PPA Funding Ratio		
Ratio of AV to Present Value of Accumulated Plan Benefits	91.8%	91.7%

Exhibit 5.2

Statement of Changes in Actuarial Present Value of Accumulated Plan Benefits

	($ in thousands)
Value as of December 31, 2014	$ 40,167,611
Changes	
Benefits Accumulated	755,663
Actuarial (Gain)/Loss	(985)
Plan Amendments	2,107
Interest	2,717,251
Benefit Payments	(2,598,766)
Assumption Changes	31,318
Net Change	$ 906,588
Value as of December 31, 2015	$ 41,074,199

Exhibit 5.3

Unfunded Vested Benefit Liability

	($ in thousands) December 31, 2014	December 31, 2015
Actuarial Present Value of Vested Benefits		
Active Participants	$ 11,053,869	$ 11,360,257
Vested Inactive Participants	4,494,421	4,591,771
Retirees & Beneficiaries	22,789,078	23,282,149
Total	$ 38,337,368	$ 39,234,177
UVBL Asset Value*	$ 34,284,858	$ 35,963,376
Unfunded Vested Benefit Liability	$ 4,052,510	$ 3,270,801
Excess of the Actuarial Value of Assets over the Vested Benefit Liability	NA	NA
Percentage Funded	89.4%	91.7%

*The UVBL Asset Values were determined without regard to the Pension Relief Act election previously mentioned – i.e., for this calculation, five-year smoothing was used for all market value gains and losses.

SECTION 6
History and Projections

Exhibit 6.1 shows five years of the more important Plan statistics.

- **Investment Return.** Investment return often represents the largest source of actuarial gain or loss.
- **Participant Statistics.** Changes, if any, in the active and inactive participants' characteristics over time can cause significant changes in costs.

Exhibit 6.2 provides a projection of benefit payments. This can be useful for the investment manager in planning future liquidity requirements.

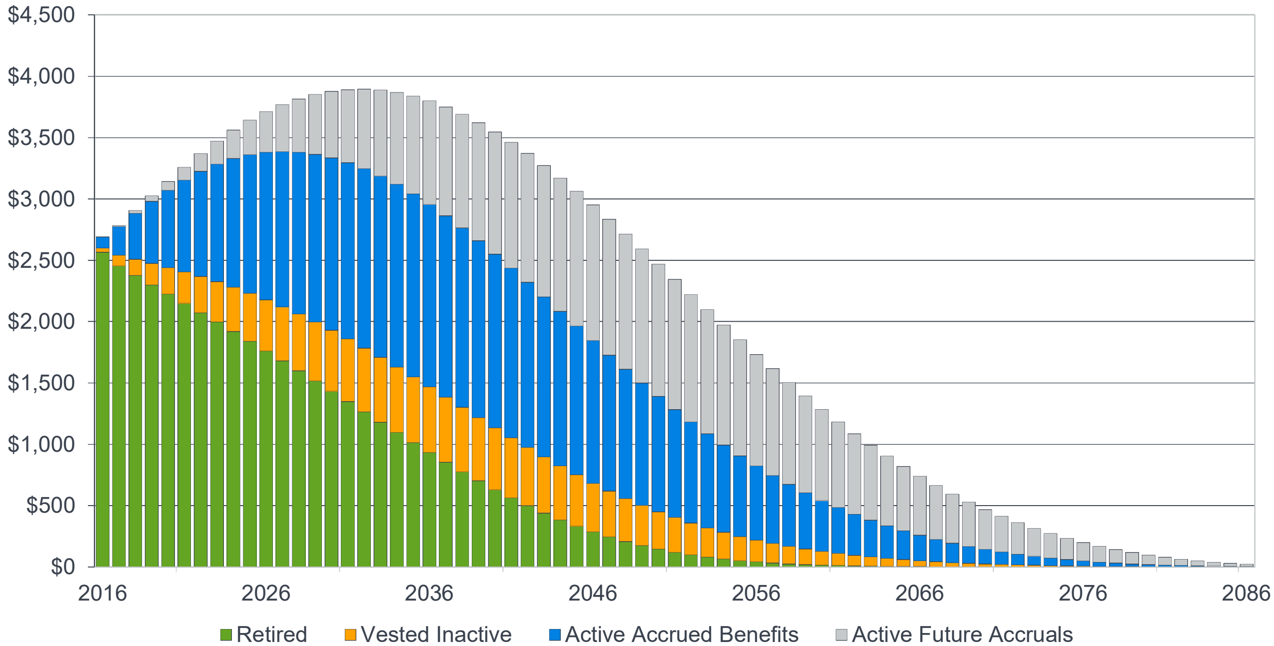
Exhibit 6.1

Historical Statistics
($ in thousands)

	January 1, 2012	January 1, 2013	January 1, 2014	January 1, 2015	January 1, 2016
Actuarial Present Value of Accumulated Plan Benefits					
Vested Benefits					
Retirees	$ 20,386,683	$ 20,973,585	$ 22,103,238	$ 22,789,078	$ 23,282,149
Inactives	4,247,074	4,464,195	4,422,913	4,494,421	4,591,771
Actives	10,359,810	10,671,106	10,754,230	11,053,869	11,360,257
Total	$ 34,993,567	$ 36,108,886	$ 37,280,381	$ 38,337,368	$ 39,234,177
Non-Vested Benefits	$ 1,853,770	$ 1,756,561	$ 1,835,647	$ 1,830,243	$ 1,840,022
Accumulated Plan Benefits	$ 36,847,337	$ 37,865,447	$ 39,116,028	$ 40,167,611	$ 41,074,199
Assets					
Market Value of Fund	$ 29,891,186	$ 32,309,867	$ 35,193,014	$ 36,739,196	$ 36,288,138
Market Value Return in Prior Year	6.26%	11.93%	12.95%	7.56%	1.78%
Actuarial Value for Funding	$ 33,310,140	$ 34,132,485	$ 35,478,550	$ 36,878,833	$ 37,692,694
Participant Statistics					
Retired Participants and Beneficiaries					
Number of Retirees and Beneficiaries	210,123	213,780	217,924	221,502	223,971
Total Annual Benefits	$ 2,305,404	$ 2,367,600	$ 2,458,053	$ 2,530,265	$ 2,598,766
Active Participants					
Number of Participants	197,900	194,080	195,620	197,120	202,940
Average Age	43.4	43.6	43.7	43.4	43.3
Average Credited Service	12.1	12.3	12.4	12.3	12.0
Vested Inactive Participants					
Number of Participants	168,080	169,020	167,940	166,440	165,920
Actuarial Assumptions					
Interest Assumption	7.00%	7.00%	7.00%	7.00%	7.00%
Expected Contributions	$ 1,320,000	$ 1,375,000	$ 1,401,000	$ 1,500,000	$ 1,617,000
Actual Contributions	$ 1,367,269	$ 1,431,091	$ 1,544,129	$ 1,596,395	TBD

Exhibit 6.2

Projected Benefit Payments
($ in millions)



Detail of Total Projected Payments for Next 20 Years
($ in thousands)

Plan Year	Estimated Payout of Retirement Benefits	Plan Year	Estimated Payout of Retirement Benefits
2016	$2,691,606	2026	$3,711,567
2017	2,784,903	2027	3,768,360
2018	2,906,164	2028	3,814,632
2019	3,024,924	2029	3,851,625
2020	3,142,365	2030	3,876,877
2021	3,257,421	2031	3,890,109
2022	3,368,877	2032	3,894,810
2023	3,471,961	2033	3,887,549
2024	3,562,115	2034	3,868,932
2025	3,642,503	2035	3,839,933

Appendix A

Summary of the Plan

1. **Active Participation**

   Non-Seasonal employees for whom contributions are required to be made to the Trust under the terms of a pension agreement become "Active Participants" on the day on which they first accumulate 750 covered hours in the current and immediately preceding calendar years. Seasonal employees become "Active Participants" if they satisfy one-half of the covered hour requirement of Non-Seasonal employees.

2. **Monthly Pension at Normal Retirement**

   The monthly pension earned for service prior to 1987 is determined based on the 1986 Plan provisions as outlined in the Actuarial Report as of January 1, 1986. The final five-year average contribution rate used for this determination recognizes contribution rates applicable to all 500 hour years through 1991.

   For service after 1986, monthly pension benefits are earned as follows:

Calendar Year	Contribution Percentage	
	First 20 Years	After 20 Years
1987-1991	2.00%	2.65%
1992-1996	2.30%	3.05%
1997-1999	2.46%	3.26%
2000-2002	2.70%	3.58%
1/2003-6/2003	2.20%	2.92%
7/2003-2006	1.20%	1.20%
2007	1.65%	1.65%
2008	2.00%	2.65%
2009+	1.20%	1.20%

3. **Past Service Credits**

   A participant is granted credit for the number of years and months of specified types of unbroken employment rendered prior to his or her first covered hour, subject to limits specified in the Plan.

4. **Vesting Service**

   A Plan member earns a vesting service year for each year after 1975 during which he or she is credited with at least 500 covered hours (250 covered hours for Seasonal Plan members). For service before 1976, a Plan member is credited with a vesting service year for each year of continuous coverage under the Plan.

5. **Normal Retirement Age**

   A participant reaches Normal Retirement Age upon the later of age 65 or an Active participant's age on the second anniversary of his or her first covered hour.

6. Normal Pension Form

The normal form of pension for unmarried participants is a Life Only Pension. In general, married participants who do not elect otherwise receive a reduced Employee and Spouse Pension. This reduced amount is an "actuarial equivalent" of the Life Only Pension. Participants who retired under the Employee and Spouse Pension Option will have their pension restored to the amount payable under the Normal Form if the spouse dies first. In the event that the participant dies first, the amount of spouse pension is 66 2/3% of the retiree's pension for those who retired after 1991 with recent coverage; otherwise the amount of spouse pension is 50% of the retiree's pension. In both instances, the actuarial reduction factor for the Employee and Spouse Pension amount is calculated as though the spouse pension benefit would be 50% of the reduced Employee and Spouse Pension.

7. Other Pension Forms

An Optional Employee and Spouse Pension providing a 75% spouse pension is available. Participants retiring under age 65 may elect a Benefit Adjustment Option with or without the regular or Optional Employee and Spouse Pension.

8. Early Retirement Eligibility Date

In general, this date is the first day of the month coincident with or immediately following the later of the participant's 55th birthday or the date the individual becomes a vested participant. However, a participant with recent coverage may retire at any age if he or she meets the Rule of 84 (or Rule of 82 or Rule of 80) under the Program for Enhanced Early Retirement (PEER program); that is, the sum of his or her attained age plus years of contributory service is equal to or greater than 84 (or 82 or 80).

9. Monthly Pension at Early Retirement for a Participant with Recent Coverage

If a participant meets the Rule of 84 and has recent coverage, the monthly pension benefit is reduced by the sum of 0.45% for each of the first 60 months that the early retirement date precedes his or her 62nd birthday plus 0.33% for each month that the early retirement date precedes his or her 57th birthday.

If a participant has recent coverage but does not meet the Rule of 84, his or her monthly pension benefit is reduced by the sum of 0.60% for each of the first 60 months that the early retirement date precedes his or her 62nd birthday plus 0.40% for each month that the early retirement date precedes his or her 57th birthday.

10. Monthly Pension at Early Retirement for a Participant with Current PEER Coverage

If a participant meets the Rule of 84 (or Rule of 82 or Rule of 80), is a member of a bargaining unit which has negotiated PEER 84 (or PEER 82 or PEER 80) contribution surcharges, and has current PEER coverage, the early retirement benefit equals 100% of the earned pension benefits. A participant has current PEER coverage at his or her retirement effective date if the applicable PEER contributions have been paid for at least 1,000 covered hours in the 24-month period immediately preceding his or her retirement effective date.

Note: If a participant is in a category of early retirement where benefits are subsidized (as described in paragraph 1 of Item 9 or in Item 10) and accumulates 25 years of service under the Plan while so covered, then his or her subsidized early retirement benefits are "locked-in" and cannot be forfeited.

11. Disability Benefit

Upon a vested participant's total and permanent disability before age 65, the monthly benefit is the greater of (a) 85% of the earned monthly pension benefit or (b) the early retirement pension otherwise payable, provided the vested participant has met the specified recent coverage requirement on the disability onset date.

12. Vested Benefit Upon Termination of Employment

Upon termination of employment, a participant is vested in his or her accrued pension, based on past and future service credits, if he or she has completed at least 5 years of vesting service, one of which was completed during or after 1991.

A terminated vested participant may elect early commencement of the earned retirement benefit at any time on or after the Early Retirement Eligibility Date. If the participant does not have recent coverage and has not "locked-in" rights to unreduced pension benefits by having completed 25 years of Plan service before termination, the benefit is reduced by the sum of 0.60% per month for each of the first 60 months that the early retirement date precedes the participant's 65th birthday plus 0.40% per month for each month that such early retirement date precedes the participant's 60th birthday.

Vested participants who are not covered by the current Plan provisions may be subject to additional limitations on their benefits.

13. Extra Check

An annual "Extra Check" is payable to: (i.) pre-1985 retirees in the amount of $540 and to (ii.) their eligible survivors in the amount of $450.

14. Death Benefits

Upon the death of a participant or pensioner who has met the specified recent coverage requirement, a temporary monthly pension is payable to the surviving children under conditions specified in the Plan.

A pre-retirement benefit to the surviving spouse is payable upon the death of a vested participant. If a married participant had recent coverage at the time of death, the spouse receives an immediate benefit based on the participant's earned benefit. The earned benefit is reduced to reflect early retirement, as specified in the Plan, and the appropriate Employee and Spouse Pension factor. 66 2/3% of the resulting amount is then payable immediately to the spouse. If the participant does not have recent coverage, the benefit is calculated as described above, but a 50% factor is applied in lieu of the 66 2/3% factor, and, if the participant was not eligible to retire on the date of death, commencement of the pension is deferred until the time the participant would have been first eligible to retire.

A single sum death benefit equal to 50% of contributions, subject to a maximum of $10,000, is payable upon the death of an Active or Terminated participant who has completed at least 5 years of vesting service. In addition, for unmarried vested participants who satisfy the recent coverage requirements and would otherwise be eligible to retire, a death benefit of 48 times the participant's accrued pension, reduced to reflect early retirement as specified in the Plan, is payable as a lump sum amount.

Upon the death of a pensioner with a retirement date before January 1, 1992, a single sum benefit of 12 times the monthly normal form pension (Life Only annuity), subject to a maximum of $10,000 is payable. Beginning with retirements in 1992, beneficiaries of retirees with recent coverage who elect a Life Only or Benefit Adjustment Option (without the Spouse Pension) receive a 4-Year Certain death benefit payment equal to 48 times the pensioner's Life Only benefit minus the total monthly payments already received by the pensioner.

If a pensioner retires after January 1, 1992, he or she may elect an Optional Lump Sum Death Benefit equal to 12 times the monthly normal form pension (Life Only annuity). The Optional Lump Sum Death Benefit is paid for by reducing the pensioner's monthly payment.

15. Transition Provisions

Certain minimum benefits are provided to participants who were covered by prior versions of the Plan.

PLAN AMENDMENT HISTORY

The following is a summary of the Plan changes since 1984 that impact the valuation.

Effective Date	Description of Change
1/1/2011	Annual "Extra Checks" to pre-1985 retirees and their eligible survivors were made a permanent part of the Plan.
1/1/2009	A 75% Optional Employee and Spouse Pension was added. Also, a $40 million reserve for extra check payments was established.
1/1/2008	Effective for calendar year 2008 only, the percentages used to calculate Plan participant account benefits have been increased from 1.20% to 2.00% for participants who have not completed 20 years of service, and from 1.20% to 2.65% for participants who have completed at least 20 years of service. The percentages for years 2009 and later remain at 1.20%.
1/1/2007	Effective for calendar year 2007 only, the percentage used to calculate Plan participant account benefits was increased from 1.20% to 1.65%. The percentages for years 2008 and later remain at 1.20%.
7/1/2003	Effective July 1, 2003, the percentage used to calculate Plan participant account benefits has been reduced to 1.20% for the second half of 2003 and all subsequent years.
1/1/2000	Effective for calendar years 2000, 2001 and 2002, the percentage used to calculate Plan participant account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.70% instead of 2.16% for contributions credited in this period if he/she has not completed 20 year of service. If such participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 3.58% instead of 2.86% during this same period. Effective for calendar years 2003, 2004 and 2005, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.20% instead of 2.00% for contributions credited in this period, if he/she has not completed 20 years of service. If such participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 2.92% instead of 2.65% during this same period. Effective with calendar year 2000, all Disability Pensioner benefits have been increased to 85% of his/her Normal Retirement Benefit unless said Disability Pensioner's benefits are already payable in a greater amount. Spouses of certain deceased Disability Pensioners have had their benefits appropriately adjusted, as applicable. The same 85% "floor" monthly pension benefit shall be paid to all Disability Pensioners and, as applicable, to their spouses for Plan participants who become Disabled Pensioners after calendar year 1999.

PLAN AMENDMENT HISTORY

Effective Date	Description of Change
1/1/2000 (Continued)	Effective with calendar year 2000, the maximum Child Survivor Benefits have been increased to $1,000 and such increased benefits shall be payable, in general, upon the death of a person who was an Active Participant on 1/1/1987 or thereafter and who otherwise satisfied the applicable recency of employment requirements at the time of death. Effective with calendar year 2000, PEER eligible participants with 25 years of contributory service “lock-in” PEER coverage by working at least 1,000 covered hours during any consecutive 24 month period that ends on or after completion of 25 years of contributory service.
1/1/1999	Effective with retirements in calendar year 1999, a vested participant who has not suffered a forfeiture of service after 1975 may quality to have pre-1976 forfeited contributory service credit restored.
1/1/1998	Effective for calendar years 1997, 1998 and 1999, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.46% instead of 2.00% for contributions credited in this period if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 3.26% instead of 2.65% during this same period. Effective for calendar years 2000, 2001 and 2002, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.16% instead of 2.00% for contributions credited in this period, if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 2.86% instead of 2.65% of contributions during this same period.
1/1/1994	Effective for calendar years 1994, 1995 and 1996, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.3% instead of 2.00% for contributions credited in 1992 through 1996, inclusive, if he/she has not completed 20 years of contributory service. If a participant has completed at least 20 years of such service, he/she will earn a monthly pension benefit of 3.05% instead of 2.65% during this same period. The “Rule of 85” early retirement test was lowered to a “Rule of 84” test for both the PEER program supported by 6.5% surcharge contributions and regular enhanced early retirement features.

PLAN AMENDMENT HISTORY

Effective Date	Description of Change
1/1/1994 (Continued)	The Program for Enhanced Early Retirement (PEER) was expanded to allow participants who meet the Rule of 82 (or Rule of 80) to retire with no early retirement reduction. To qualify, a participant must have current PEER coverage and must retire from a bargaining unit that has negotiated 11.5% PEER 82 surcharge contributions, effective on or after 8/1/1993, or 16.5% PEER 80 surcharge contributions, effective on or after 8/1/1994. The Plan's recent coverage provisions were liberalized to provide protection to participants with at least 25 years of contributory service. Participants who satisfy the latter condition and who leave covered employment under age 55 now have access to the Plan's enhanced early retirement, death and survivor benefits. The Plan's minimum disability pension has been increased from 55% to 62%.
1/1/1992	A Plan participant is vested in his or her accrued pension if he/she has completed at least 5 years of vesting service, one of which was earned in 1991 or later. Prior to this date, a participant became vested upon completion of 10 years of vesting service. Effective for calendar years 1992 and 1993, Plan participants will receive a 15% increase in the percentage used to calculate his/her Contribution Account Benefit. A participant will earn a monthly pension benefit of 2.3% instead of 2.00% for contributions credited in 1992 and 1993 if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 3.05% instead of 2.65%. Pre-Retirement Death Benefits were modified as follows: • The temporary spouse survivor benefit is eliminated; • For married vested participants who die with recent coverage, a 66-2/3% Spouse Lifetime Pension is payable immediately; and • For non-married vested participants who die with recent coverage, a single sum death benefit is payable to their designated beneficiaries. The lump sum amount equals 48 times the participant's monthly accrued benefit.

PLAN AMENDMENT HISTORY

Effective Date	Description of Change
1/1/1992 (Continued)	Post-Retirement Death Benefits were revised as follows: • For participants who retire with recent coverage, the After Retirement Spouse Lifetime Pension is increased from 50% to 66-2/3%. If a participant retires without recent coverage, the After Retirement Spouse Lifetime Pension remains at 50%. • Non-married vested participants or married vested participants who did not elect the Employee and Spouse Pension, who retired with recent coverage and die before receiving 4 years of benefit payments will have the remainder of 4 years benefits paid to their designated beneficiary. Enhanced early retirement benefits became available for participants with recent coverage if the sum of their attained age and years of contributory service is equal to or greater than 85 (the “Rule of 85”). Reduction for early retirement under this provision is cut by approximately 25%. The Program for Enhanced Early Retirement (PEER) also became available. Under this program, participants who meet the Rule of 85, who retire from a bargaining unit that has negotiated 6.5% surcharge PEER contributions, and who have current PEER coverage can retire with no early retirement reduction, regardless of their age. There is a 9 month period (4/1/1991 to 12/31/1991) where members with pension effective dates or application requests (and recent coverage) within this time frame were permitted to rescind their 1991 pension effective dates and defer them until 1/1/1992 in order to benefit from Plan improvements effective on that date. Members electing to rescind and defer their pension effective dates were required to repay any benefit amounts paid to them. Also, pension increases effective after 1991 are governed by the new death and survivor benefit rules.
7/1/1988	The Plan was modified to provide an additional optional pension form: The Employee and Spouse Pension with Benefit Adjustment Option.

PLAN AMENDMENT HISTORY

Effective Date	Description of Change
1/1/1987	Two formulas were used to compute a participant's retirement benefit: An improved version of the Plan's pre-1987 5-Year Average Benefit formula (used to determine the retirement benefit for service before January 1, 1987 and applicable only if a participant first became covered by the Plan before 1987) and the Contribution Account Benefit (used to determine the retirement benefit for a participant's contributory service under the Plan after 1986). Note, participants that are active in the Plan both before and after January 1, 1987 had their retirement benefit based on the sum of their 5-Year Average Benefit and their Contribution Account Benefit. Also, participants who first became covered by the Plan after 1986 might have qualified for a Non-contributory Service benefit based on any past employment either before or after January 1, 1987. • 5-Year Average Benefit: A participant's monthly retirement benefit was based on his/her total prior Plan past and future service credits earned as of 12/31/1986 multiplied by his/her 5-year average rate benefit factor. The maximum prior Plan credits were increased from 30 credits to 33-1/3 credits. Also, when determining a participant's 5-year average contribution rate, the formula recognized employer contributions after 1986 up to the end of 1991 (or participant's retirement date, if earlier). • Contribution Account Benefit: A participant's monthly retirement benefit is based on a percentage of the total Employer Contributions made on his/her behalf for contributory service after 1986. The percentage that applies is: 2% of all the employer contributions made for a participant's covered employment (after 1986) during the first 20 calendar years of service PLUS 2.65% of all the employer contributions made for a participant's covered employment (after 1986) that comes after the end of his/her 20th calendar year of service.

PLAN AMENDMENT HISTORY

Effective Date	Description of Change
1/1/1987 (Continued)	• Non-contributory Service Benefit: If a participant first started working in covered employment after 1986, the value of this benefit is based on 2% of the participant's average annual contribution in his/her first five 500 covered hour years multiplied by the participant's years of non-contributory service (to a maximum of 10).
1/1/1985	A 25% increase in retirement and survivor benefits calculated under the Plan's 5-year average contribution rate benefit schedule was adopted. To be eligible, a participant must have had a pension effective date on or after January 1, 1985 and have earned 250 or more covered hours in a single calendar year beginning on or after January 1, 1983.
8/1/1984	Pre-retirement spouse benefits were extended to the surviving spouses of all vested participants who die before the effective date of their retirement benefit. Under the old rules, a pre-retirement spouse benefit was only payable if the vested participant attained age 55 and was in active service under the Plan for at least one calendar month ending after his 55th birthday. The rule requiring reduction of the spouse survivor benefit by the amount of any pre-retirement spouse benefit was eliminated.

Appendix B

Participant Statistics

The sources of WCT Plan participant data for our actuarial calculations are: (a) extracts from Prudential Investments' Annuitant Benefit Consolidation (ABC) System file, (b) extracts from the T2 Participant Data File (PDF) maintained by Northwest Administrators and Prudential Investments, and (c) extracts from the Western States Food data base supplied by Northwest Administrators.

The following paragraphs describe how the data were prepared for valuation purposes and present statistical characteristics of the data base.

1. Data Base for Non-Retired Plan Participants

Northwest Administrators sent us a December 31, 2015, valuation data file that included T2 extract records for all non-retired plan participants who have not incurred a permanent break in service, and all claims and deaths for the last ten years.

From this file containing 530,128 records, we selected the 5% sample valuation file for all active participants, (both vested and non-vested), and for all vested inactive participants. A participant was considered Active as of January 1, 2016 if he or she was not included on the ABC file as retired as of the valuation date, and if he/she earned at least 250 covered hours during 2015, or earned at least 1 covered hour in 2015 and at least 250 covered hours in 2014.

9,603 Non-Seasonal Active 5% sample records representing 192,060 participants were included in the valuation. For this purpose, Active participant records with non-seasonal industry codes or with 1,000 or more covered hours in each of the last two years were considered Non-Seasonal.

544 Seasonal Active 5% sample records representing 10,880 participants were included in the valuation. Active participants with a seasonal industry code and less than 1,000 covered hours in one or both of the last two years were considered Seasonal.

8,296 Vested Inactive 5% sample records representing 165,920 participants were included in the valuation.

511,685 T2 extract records were not used for the valuation. These records primarily represent non-5% sample participant records, pre-valuation date claims, and non-vested inactives.

2. Statistical Information

Highlights of the data characteristics for Active Plan participants on January 1, 2016 are shown below, together with corresponding information from the January 1, 2015 and January 1, 2014 Actuarial Reports.

- For actuarial valuation purposes, the Active participant population was 195,620 as of January 1, 2014, 197,120 as of January 1, 2015, and 202,940 as of January 1, 2016. The aggregate proportion of Active participants covered under PEER is 84.5% (including Non-Seasonal and Seasonal employees) on January 1, 2016. All information summarized below was based on 5% sample data.

NUMBER OF ACTIVE PLAN PARTICIPANTS			
Industry	As of 1/1/2014	As of 1/1/2015	As of 1/1/2016
All Actives			
Non-Seasonal	184,040	186,620	192,060
Seasonal	11,580	10,500	10,880
Total	195,620	197,120	202,940
PEER Units			
Non-Seasonal PEER 80	58,020	59,740	59,080
Non-Seasonal PEER 82	4,980	4,920	4,960
Non-Seasonal PEER 84	91,760	92,920	97,520
Seasonal PEER 80	7,740	7,580	7,760
Seasonal PEER 82	460	400	340
Seasonal PEER 84	2,420	1,880	1,860
Total PEER Participants	165,380	167,440	171,520
Non-PEER Units			
Non-Seasonal	29,280	29,040	30,500
Seasonal	960	640	920
Total Non-PEER Participants	30,240	29,680	31,420

- The average attained age of Active Plan participants included in the valuation is 43.1 years for Non-Seasonal participants and 47.6 years for Seasonal participants. The corresponding ages as of January 1, 2015 were 43.2 years for Non-Seasonal employees and 47.5 years for Seasonal employees. The average attained ages for all Active participants for the last three years, including the separate PEER units, are summarized below.

AVERAGE ATTAINED AGES FOR ACTIVE PLAN PARTICIPANTS			
Industry	As of 1/1/2014	As of 1/1/2015	As of 1/1/2016
All Actives			
Non-Seasonal	43.4	43.2	43.1
Seasonal	48.2	47.5	47.6
PEER Units			
Non-Seasonal PEER 80	44.9	44.7	44.9
Non-Seasonal PEER 82	45.4	45.1	45.5
Non-Seasonal PEER 84	41.3	41.3	40.9
Seasonal PEER 80	49.9	49.0	48.9
Seasonal PEER 82	44.2	46.3	45.4
Seasonal PEER 84	44.7	43.7	43.6
Non-PEER Units			
Non-Seasonal	46.6	46.0	46.1
Seasonal	46.0	42.4	45.8

- The average number of years of contributory service for Active Plan participants is 12.0 years for Non-Seasonal participants and 11.8 years for Seasonal participants. As of January 1, 2015 the corresponding average number of years of contributory service was 12.3 years for Non-Seasonal employees and 12.0 years for Seasonal employees. The average number of years of contributory service for Active participants during the last three years is compared below.

AVERAGE CONTRIBUTORY SERVICE YEARS FOR ACTIVE PLAN PARTICIPANTS

Industry	As of 1/1/2014	As of 1/1/2015	As of 1/1/2016
All Actives			
Non-Seasonal	12.4	12.3	12.0
Seasonal	11.9	12.0	11.8
PEER Units			
Non-Seasonal PEER 80	16.5	16.2	16.2
Non-Seasonal PEER 82	13.3	13.4	13.4
Non-Seasonal PEER 84	11.1	11.1	10.7
Seasonal PEER 80	14.1	13.9	13.4
Seasonal PEER 82	8.0	8.2	9.1
Seasonal PEER 84	6.6	7.1	6.9
Non-PEER Units			
Non-Seasonal	8.4	8.0	8.1
Seasonal	9.7	5.8	9.8

- The end of year average basic hourly contribution rate for Non-Seasonal Actives included in the valuation was $4.05 as of December 31, 2014, and $4.22 as of December 31, 2015. The average basic hourly contribution rate for Seasonal Actives included in this valuation was $1.00 as of December 31, 2014, and $1.02 as of December 31, 2015. This information is displayed for Active participants, including separate data for PEER units, in the following table.

AVERAGE BASIC HOURLY CONTRIBUTIONS FOR ACTIVE PLAN PARTICIPANTS

Industry	As of 12/31/2013	As of 12/31/2014	As of 12/31/2015
All Actives			
Non-Seasonal	$3.91	$4.05	$4.22
Seasonal	$0.95	$1.00	$1.02
PEER Units			
Non-Seasonal PEER 80	$5.20	$5.43	$5.67
Non-Seasonal PEER 82	$4.01	$4.13	$4.29
Non-Seasonal PEER 84	$3.90	$3.99	$4.20
Seasonal PEER 80	$1.17	$1.22	$1.22
Seasonal PEER 82	$0.11	$0.11	$0.11
Seasonal PEER 84	$0.31	$0.27	$0.23
Non-PEER Units			
Non-Seasonal	$1.39	$1.43	$1.48
Seasonal	$1.13	$1.11	$1.23

- The average contribution rates increased by 4% for non-seasonal active participants and 2% for seasonal active participants during 2015.

3. <u>Comparison of Sample Data Characteristics with Full Population Data Characteristics</u>

Each year, we receive Employee Census Reports from the Administrative Office based on the T2 Participant Data File (PDF) for both the full population of the Plan participants and the 5% sample. A comparison of key information from the full population and 5% reports is used to corroborate our assumption that the sample records adequately represent the total population.

4. Procedures to Account for Data with Missing or Invalid Birthdates or Gender Codes

Records with missing or invalid birthdates were accounted for by creating valuation input records with imputed dates of birth. Since the average entry age has been approximately 31 in recent years, we assigned dates of birth 31 years prior to the first covered hour date. All remaining fields were taken from the T2 records provided by the administrative office.

Records with missing gender codes were assumed to represent males in the Non-Seasonal group and females in the Seasonal group. We have concluded that this assumption is reasonable based on the population characteristics illustrated in this section.

There were 166 non-retired valuation records, representing 3,320 participants with missing dates of birth. There were 1,855 Non-Seasonal non-retired sample valuation records with missing or invalid gender codes that are assumed to be males and 122 Seasonal non-retired sample valuation records with missing or invalid gender codes that are assumed to be female.

5. Age Retirees, Disability Retirees, and Surviving Beneficiaries

We based our actuarial calculations for retired lives on extracts from the ABC retired file provided by Prudential Investments. This file contains records for all Pensioners and Beneficiaries.

We received 273,428 records from Prudential. Of these, 11,685 were disregarded (10,666 deaths, 279 expirations, and 740 other rejects such as cancellations, post-valuation date retirements, etc.). This resulted in the inclusion of 261,743 records representing all benefits for 223,971 pensioners and beneficiaries. Approximately 78.2% of these records are for Age Retirees, 7.9% are for Disability Retirees, and 13.9% are for Beneficiaries. There were no missing birthdates in these records.

TABLES OF STATISTICAL DATA

In the process of completing the actuarial valuation, we have compiled a considerable amount of statistical information that may prove useful in understanding the operation of the Plan. This information is illustrated in the following tables:

- **TABLE 2016-1 Active Participant Data Summary**
  Participant counts, average hours and average contribution rates are provided for Active participants. The table provides breakdowns of the data by eighty-cent rate bands through $10.40, and for rates over $10.40.

- **TABLES 2016-2N and 2S Distribution of Non-Seasonal and Seasonal Active Participants in PEER and Non-PEER Units by Contribution Rate**
  These tables show the distribution of Non-Seasonal and Seasonal Actives in PEER and Non-PEER units by their basic hourly contribution rates.

- **TABLES 2016-3N, 3S and 3VI Distributions of Non-Seasonal and Seasonal Active Participants by Attained Age and Contributory Service, and of Vested Inactive Participants by Attained Age.**
  The first two tables show how Non-Seasonal and Seasonal active life participants are distributed by attained age and length of service. The third table shows how PEER and Non-PEER vested inactive participants are distributed by attained age, and shows average monthly accrued benefits by age band.

- **TABLE 2016-4 Data Build-Through Report/Participant Reconciliation**
  This table exhibits data reconciliation by status for Active and Vested Terminated participants.

- **TABLE 2016-5 and 2016-6 New 2015 Pensioners and Beneficiaries; Recent History of New Pensioners**
  Table 2016-5 shows the counts and average monthly pensions for Age Pensioners, Disabled Pensioners and Beneficiaries who were new to the December 31, 2015, retiree data file. The data for Age Pensioners is shown by option election.

  Table 2016-6 compares the counts and average monthly pensions of new Pensioners during the most recent three-year period.

- **TABLE 2016-7 Historical Statistics by Year of Retirement**
  For this table, all records representing Age Pensioners were analyzed by year of retirement.

- **TABLE 2016-8 through 2016-10 Age/Longevity of Age Pensioners, Beneficiaries and Disabled Pensioners**
  These tables show the distribution of Pensioners and Beneficiaries by attained age group and number of years since retirement or pension commencement, as applicable.

  The count for Disabled Pensioners is somewhat inflated by the existence of record pairs for many of the Disabled Retirees receiving an increase because of the increase in the floor percentage from 62% to 85%, effective January 1, 2000.

TABLE 2016-1 Active Participant Data Summary			
	5% Sample		
Contribution Rates	No. of Participants (Times 20)	Avg. 2015 Hrs. per Participant	Avg. 2015 Contrib. Rate
Seasonals - Food Processing			
All Contribution Rates	10,880	600	$1.02
Regulars - Food Processing			
All Contribution Rates	7,740	1,899	$1.83
Non-Seasonals - Non-Food Processing			
$0.80 and under	10,500	1,594	$0.40
Over $0.80 but not more than $1.60	29,360	1,739	$1.21
Over $1.60 but not more than $2.40	18,980	1,792	$1.99
Over $2.40 but not more than $3.20	15,400	1,863	$2.82
Over $3.20 but not more than $4.00	26,080	1,879	$3.60
Over $4.00 but not more than $4.80	15,220	1,869	$4.39
Over $4.80 but not more than $5.60	11,260	1,924	$5.13
Over $5.60 but not more than $6.40	4,520	2,027	$6.05
Over $6.40 but not more than $7.20	6,100	1,680	$6.74
Over $7.20 but not more than $8.00	17,420	1,190	$7.59
Over $8.00 but not more than $8.80	21,220	1,736	$8.43
Over $8.80 but not more than $9.60	5,360	1,734	$9.13
Over $9.60 but not more than $10.40	2,840	1,955	$9.80
Over $10.40	60	2,080	$11.05
Total Non-Seasonals - Non-Food Processing	184,320	1,745	$4.32

TABLE 2016-2N **Distribution of Non-Seasonal Active Participants** **in PEER and Non-PEER Units by Contribution Rate**			
End of Year Contribution Rate	Number of PEER Actives	Number of Non-PEER Actives	Total Number of Actives
$0.80 and under	2,940	7,920	10,860
Over $0.80 but not more than $1.60	19,860	12,520	32,380
Over $1.60 but not more than $2.40	17,560	4,740	22,300
Over $2.40 but not more than $3.20	13,080	3,360	16,440
Over $3.20 but not more than $4.00	24,740	1,340	26,080
Over $4.00 but not more than $4.80	15,060	160	15,220
Over $4.80 but not more than $5.60	10,980	280	11,260
Over $5.60 but not more than $6.40	4,360	160	4,520
Over $6.40 but not more than $7.20	6,080	20	6,100
Over $7.20 but not more than $8.00	17,420	0	17,420
Over $8.00 but not more than $8.80	21,220	0	21,220
Over $8.80 but not more than $9.60	5,360	0	5,360
Over $9.60 but not more than $10.40	2,840	0	2,840
Over $10.40	60	0	60
Total for All Rates	161,560	30,500	192,060

PEER Eligibility Statistics (Non-Seasonal Actives)			
PEER Unit	Number of Actives	Percentage of Non-Seasonal Actives by PEER Unit	Prior Year's Percentage of Non-Seasonal Actives by PEER Unit
Non-PEER	30,500	15.9%	15.6%
PEER 84	97,520	50.7%	49.8%
PEER 82	4,960	2.6%	2.6%
PEER 80	59,080	30.8%	32.0%

TABLE 2016-2S **Distribution of Seasonal Active Participants** **in PEER and Non-PEER Units by Contribution Rate**			
End of Year Contribution Rate	Number of PEER Actives	Number of Non-PEER Actives	Total Number of Actives
$0.40 and under	2,460	140	2,600
Over $0.40 but not more than $0.80	0	0	0
Over $0.80 but not more than $1.20	20	100	120
Over $1.20 but not more than $1.60	7,260	640	7,900
Over $1.60 but not more than $2.00	160	0	160
Total for Rates $2.00 and under	9,900	880	10,780
Over $2.00 but not more than $2.40	60	0	60
Over $2.40 but not more than $2.80	0	0	0
Over $2.80 but not more than $3.20	0	40	40
Over $3.20 but not more than $3.60	0	0	0
Over $3.60 but not more than $4.00	0	0	0
Total for Rates over $2.00 but not more than $4.00	60	40	100
Total for Rates over $4.00	0	0	0
Total for All Rates	9,960	920	10,880

PEER Eligibility Statistics (Seasonal Actives)			
PEER Unit	Number of Actives	Percentage of Seasonal Actives by PEER Unit	Prior Year's Percentage of Seasonal Actives by PEER Unit
Non-PEER	920	8.5%	6.1%
PEER 84	1,860	17.1%	17.9%
PEER 82	340	3.1%	3.8%
PEER 80	7,760	71.3%	72.2%

TABLE 2016-3N Distribution of Non-Seasonal Active Participants by Attained Age and Contributory Service								
	Years of Contributory Service							
Age Last Birthday	Less than 5	5 – 9	10 - 14	15 - 19	20 – 24	25 – 29	30 and Over	Total
Under 20	640	0	0	0	0	0	0	640
20 - 24	11,600	560	0	0	0	0	0	12,160
25 - 29	10,540	6,220	1,480	0	0	0	0	18,240
30 - 34	9,800	5,660	6,240	1,020	0	0	0	22,720
35 - 39	5,880	5,060	5,880	4,680	720	0	0	22,220
40 - 44	5,420	4,080	5,420	4,360	3,380	660	0	23,320
45 - 49	4,160	4,340	5,220	4,780	4,180	3,980	320	26,980
50 - 54	3,360	3,280	4,420	4,720	3,840	4,580	2,780	26,980
55 - 59	2,740	3,220	4,060	3,360	2,420	3,020	4,360	23,180
60 - 64	1,500	1,560	2,320	1,840	1,360	1,540	3,300	13,420
65 - 69	360	380	340	200	140	120	360	1,900
70 and Over	140	100	40	20	0	0	0	300
Total	56,140	34,460	35,420	24,980	16,040	13,900	11,120	192,060

TABLE 2016-3S

Distribution of Seasonal Active Participants by Attained Age and Contributory Service

Age Last Birthday	Years of Contributory Service							
	Less than 5	5 - 9	10 - 14	15 - 19	20 – 24	25 - 29	30 and Over	Total
Under 20	100	0	0	0	0	0	0	100
20 - 24	640	80	0	0	0	0	0	720
25 - 29	320	100	20	0	0	0	0	440
30 - 34	660	100	160	0	0	0	0	920
35 - 39	260	120	160	60	0	0	0	600
40 - 44	440	180	180	160	20	0	0	980
45 - 49	340	340	220	200	160	120	0	1,380
50 - 54	360	240	420	380	240	260	20	1,920
55 - 59	300	280	200	280	340	260	220	1,880
60 - 64	120	240	160	240	160	300	280	1,500
65 - 69	60	60	60	20	60	20	20	300
70 and Over	20	80	0	20	0	0	20	140
Total	3,620	1,820	1,580	1,360	980	960	560	10,880

TABLE 2016-3VI

Distribution of Vested Inactive Participants by Attained Age

Ages	Number PEER	Average Monthly Benefit	Number Non PEER	Average Monthly Benefit
20 - 24	0	$0	60	$31
25 - 29	0	$0	2,220	$318
30 - 34	0	$0	7,760	$353
35 - 39	0	$0	11,680	$436
40 - 44	0	$0	18,520	$493
45 - 49	120	$2,255	29,260	$513
50 - 54	500	$1,723	34,720	$549
55 - 59	620	$1,851	30,720	$538
60 - 64	460	$1,859	20,560	$442
65 - 69	100	$1,434	6,220	$309
70 and over	20	$1,835	2,380	$176
Total	1,820	$1,822	164,100	$486

TABLE 2016-4 Data Build-Through Report Participant Reconciliation		
Active Participants 1/1/2015		**197,120**
New Participants		
	Non-Vested	23,580
	Vested	460
	Rehires	1,720
Terminations		
	Non-Vested	(8,200)
	Vested	(7,060)
Retirements		(4,200)
Deaths		(100)
Data Adjustments		(380)
Active Participants 1/1/2016		**202,940**
Vested Terminations 1/1/2015		**166,440**
	New Vested Terminations	7,520
	Rehires	(1,720)
	Retirements	(4,620)
	Deaths	(140)
	Data Adjustments	(1,560)
Vested Terminations 1/1/2016		**165,920**

TABLE 2016-5
New 2015 Pensioners and Beneficiaries
Option Elections, Average Pensions and Average Ages
(Based on Number of Participants)

Option	Count	Average Monthly Pension	Average Age as of January 1 2016
Life	2,622	$899	64.0
Employee and Spouse 50%	325	$360	64.2
Employee and Spouse 67%	776	$1,376	64.3
Employee and Spouse 75%	897	$1,142	64.5
Benefit Adjustment	2,294	$1,374	59.4
Employee and Spouse 50% with Benefit Adjustment	150	$472	60.3
Employee and Spouse 67% with Benefit Adjustment	581	$2,011	59.6
Employee and Spouse 75% with Benefit Adjustment	748	$1,715	60.2
All Age Pensioners	8,393	$1,220	62.1
Disabled Pensioners	502	$1,054	54.9
Surviving Beneficiaries	483	$709	54.9
Total	9,378	$1,185	61.4
Total Last Year	9,846	$1,167	61.2

Notes: This exhibit includes all pensions associated with participants new to the December 31, 2015, ABC file.

The average monthly pension amount shown for the Benefit Adjustment Option and the Employee and Spouse with Benefit Adjustment Option is the sum of the lifetime portion of the benefit, plus any temporary benefit remaining as of December 31, 2015.

TABLE 2016-6

Recent History of New Pensioners
Option Elections and Average Monthly Pensions
(Based on Number of Participants)

	2015		2014		2013	
Option	Count	Average Monthly Pension	Count	Average Monthly Pension	Count	Average Monthly Pension
Life Only	2,622	$899	2,627	$908	2,668	$874
Benefit Adjustment	2,294	$1,374	2.464	$1,405	2,654	$1,361
Employee and Spouse	1,998	$1,106	1,999	$1,081	2,046	$1,058
Employee and Spouse with Benefit Adjustment	1,479	$1,705	1,592	$1,560	1,783	$1,668
All Age Pensioners	8,393	$1,220	8,682	$1,208	9,151	$1,211
Disabled Pensioners	502	$1,054	722	$1,072	825	$1,045
Surviving Beneficiaries	483	$709	442	$518	478	$501
Total	9,378	$1,185	9,846	$1,167	10,454	$1,165

Notes: This exhibit includes all pensions associated with participants new to the ABC file as of December 31, 2013, 2014, and 2015.

The average monthly pension amount shown for the Benefit Adjustment Option and the Employee and Souse with Benefit Adjustment Option is the sum of the lifetime portion of the benefit, plus any temporary benefit remaining as of December 31, 2015.

TABLE 2016-7

Historical Statistics by Year of Retirement
(Based on Number of Records)

Year of Retirement	Number of Surviving Retirees	Average Age at Retirement	Average Age as of 1/1/2016	Average Monthly Pension Normal Form
1990 and prior	18,265	58.7	88.0	$473
1991 - 1995	20,607	59.3	81.5	$831
1996 – 2000	29,499	59.7	76.9	$934
2001 - 2005	42,983	60.3	72.6	$1,076
2006 – 2010	48,463	61.1	68.5	$957
2011 - 2015	44,841	61.3	63.9	$1,111
Total	204,658	60.4	72.6	$956
Total Last Year	201,165	60.3	72.4	$947

TABLE 2016-8

Age / Longevity of Age Pensioners
(Based on Number of Records)

Attained Age Group	Years Since Pension Commencement						
	Less than 1	1 – 4	5 - 9	10 - 14	15 - 19	Greater than 19	Total
Under 50	15	52	26	7	2	0	102
50 - 54	335	779	150	28	13	0	1,305
55 - 59	1,440	6,533	1,938	149	19	4	10,083
60 - 64	2,273	10,108	9,541	2,298	99	26	24,345
65 - 69	2,123	17,906	12,586	10,604	1,279	66	44,564
70 - 74	76	3,160	20,559	12,055	8,869	608	45,327
75 - 79	2	34	3,525	14,561	10,178	7,332	35,632
80 - 84	0	3	118	3,199	6,954	11,457	21,731
85 - 89	0	2	9	68	2,024	11,767	13,870
90 - 94	0	0	8	11	41	5,974	6,034
95 - 99	0	0	3	3	18	1,449	1,473
100 and Over	0	0	0	0	3	189	192
Total	6,264	38,577	48,463	42,983	29,499	38,872	204,658

TABLE 2016-9 **Age / Longevity of Beneficiaries** (Based on Number of Records)								
	Years Since Pension Commencement							
Attained Age Group	Deferred	Less than 1	1 - 4	5 - 9	10 - 14	15 - 19	Greater than 19	Total
39 and Under	8	105	677	582	312	77	24	1,785
40 - 44	20	4	57	78	38	14	19	230
45 - 49	52	23	131	126	71	55	60	518
50 - 54	80	48	256	253	208	144	113	1,102
55 - 59	33	57	454	563	409	286	263	2,065
60 - 64	11	45	436	909	828	541	515	3,285
65 - 69	1	11	285	905	1,390	1,080	1,003	4,675
70 - 74	0	5	109	576	1,281	1,692	2,229	5,892
75 - 79	0	1	11	156	741	1,575	3,588	6,072
80 - 84	0	0	4	56	173	571	4,077	4,881
85 - 89	0	0	1	4	58	172	3,232	3,467
90 - 94	0	0	0	1	6	41	1,795	1,843
95 - 99	0	0	0	0	0	5	424	429
100 and Over	0	0	0	0	0	2	67	69
Total	205	299	2,421	4,209	5,515	6,255	17,409	36,313

TABLE 2016-10

Age / Longevity of Disabled Pensioners
(Based on Number of Records)

Attained Age Group	Years Since Pension Commencement: Less than 1	1 - 4	5 - 9	10 - 14	15 - 19	Greater than 19	Total
39 and Under	0	23	28	5	0	0	56
40 - 44	0	50	61	37	5	0	153
45 - 49	9	105	169	95	47	18	443
50 - 54	19	368	370	235	103	48	1,143
55 - 59	43	841	784	505	239	206	2,618
60 - 64	38	816	1,180	875	370	466	3,745
65 - 69	4	243	847	1,228	659	835	3,816
70 - 74	0	0	137	787	884	1,387	3,195
75 - 79	0	0	0	124	588	1,938	2,650
80 - 84	0	0	0	0	69	1,666	1,735
85 - 89	0	0	0	0	2	868	870
90 - 94	0	0	0	1	2	293	296
95 - 99	0	0	0	0	0	51	51
100 and Over	0	0	0	0	0	1	1
Total	113	2,446	3,576	3,892	2,968	7,777	20,772

Appendix C

Actuarial Assumptions and Cost Methods

Actuarial Assumptions

Investment Earnings Assumptions

Fixed Dollar Account

The assumed rate of return for these assets, which is used to value the pension benefits[1] for Pensioners and Beneficiaries whose benefits commenced on or before August 1, 1982 (as identified by Prudential Investments), is 6.50%.

1982/1984 Annuity Account

The assumed rate of return for these assets, which is used to value the pension benefits[1] for Pensioners and Beneficiaries whose benefits commenced from September, 1982 through December, 1984 (as identified by Prudential Investments), is 8.41%.

Strategic Bond Account (SBA)

The assumed rate of return for these assets is 4.69%. This assumption is used to value 85.20% of the pension benefits[1] related to service through December 31, 1985, based on December 31, 1984, Plan provisions and not covered by the prior asset dedications.

Remaining Assets

The assumed rate of investment return which is used to value all benefits expected to be paid out of remaining assets and future contributions is 7.00%, net of investment expenses.

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[1]Single sum death benefits are not valued using the investment earnings assumptions described above. Instead, the “Remaining Assets” assumption is used.

Post-retirement Mortality Rates

For males

- Rates based on RP 2000 mortality tables
- Ages up through 29, male employee table,
- Ages 30-49, male employee table with blue collar adjustment
- Ages 50-70, custom blend of the healthy male annuitant and the employee tables, starting at 50%/50% at age 50, to 98%/2% at age 70. The blended table is adjusted by male blue collar adjustments
- Ages 70 and above, healthy male annuitant, adjusted by blue collar adjustments
- All projected to 2015 using male Scale AA

For females

- Rates based on RP 2014 mortality tables
- Ages up through 49, female employee table set forward one year, with blue collar adjustment
- Ages 50-78, healthy female annuitant table set forward one year, with blue collar adjustment
- Ages 79-119, 95% of healthy female annuitant table, set forward one year, with blue collar adjustment
- All projected to 2020 using Scale BB, set forward one year

Special mortality tables, reflecting Plan experience, are used for disabled pensioners. Examples of mortality rates used are shown in the table below:

Annual Probability of Death						
Age Last Birthday	Non-Retired Participants		Age Retirees & Beneficiaries		Disabled Retirees	
	Male	Female	Male	Female	Male	Female
25	0.0003	0.0002	0.0003	0.0002	0.0244	0.0176
40	0.0012	0.0005	0.0012	0.0005	0.0244	0.0176
55	0.0027	0.0020	0.0046	0.0043	0.0252	0.0182
70	0.0156	0.0076	0.0222	0.0151	0.0336	0.0242
85	0.1086	0.0677	0.1086	0.0677	0.1362	0.0981

Pre-retirement Mortality Rates

The assumed annual rates of healthy mortality for males is based on the RP 2000 Mortality Tables for Male Employees adjusted for Blue Collar and projected by Scale AA to 2015.

The assumed annual rates of healthy mortality for females is based on the RP 2014 Mortality Tables for Female Employees, set forward one year, adjusted for Blue Collar and projected by Scale BB, set forward one year, to 2020.

Provision for Non-investment Expenses

Administrative expenses are assumed to be $97 million per year, payable mid-year.

Age Retirement Rates

Age retirement rates apply only to retirement eligible participants.

We use five retirement rate tables. Their values are displayed in the three columns of table (1), and the fourth and fifth columns of table (2), below. (Note that the first two columns of table (1), and the first two columns of table (2), represent the same two tables).

In general, for a given participant in a PEER unit, two or more of these tables may be accessed during a single run, with the under 25 years of service rates applying until the participant is projected to attain the required number of age plus service points, (80, 82, or 84) at which time the 25 or more years of service rates apply.

Participants with fewer than 25 Years of Service

Age Last Birthday	Non-PEER Eligible Actives	PEER Eligible Actives	Non-PEER Eligible Vested Terminated
49	0.030	0.150	NA
50	0.030	0.150	NA
51	0.030	0.150	NA
52	0.030	0.150	NA
53	0.030	0.150	NA
54	0.080	0.160	0.160
55	0.060	0.120	0.120
56	0.060	0.120	0.060
57	0.060	0.120	0.060
58	0.060	0.120	0.060
59	0.100	0.200	0.100
60	0.100	0.200	0.100
61	0.350	0.350	0.300
62	0.350	0.350	0.200
63	0.150	0.150	0.150
64	0.300	0.300	0.300
65	0.300	0.300	0.200
66	0.200	0.200	0.060
67	0.200	0.200	0.060
68	0.200	0.200	0.060
69	1.000	1.000	1.000

Participants with 25 or more Years of Service

Age Last Birthday	Non-PEER Eligible Actives	PEER Eligible Actives	Non-PEER Eligible Vested Terminated	PEER Eligible Vested Terminated
49	0.030	0.150	0.150	0.230
50	0.030	0.150	0.150	0.230
51	0.030	0.150	0.150	0.230
52	0.030	0.150	0.150	0.230
53	0.030	0.150	0.150	0.230
54	0.080	0.160	0.160	0.350
55	0.060	0.120	0.120	0.250
56	0.060	0.120	0.090	0.200
57	0.060	0.120	0.090	0.180
58	0.060	0.120	0.090	0.180
59	0.100	0.200	0.150	0.300
60	0.100	0.200	0.150	0.300
61	0.350	0.350	0.350	0.350
62	0.350	0.350	0.350	0.350
63	0.150	0.150	0.150	0.150
64	0.300	0.300	0.300	0.300
65	0.300	0.300	0.300	0.300
66	0.200	0.200	0.200	0.200
67	0.200	0.200	0.200	0.200
68	0.200	0.200	0.200	0.200
69	1.000	1.000	1.000	1.000

Disability Retirement

Disability rates apply only to employees with 4 or more years of vesting service.

Age Last Birthday	Examples of Annual Probability of Disability Retirement
32	0.0006
37	0.0008
42	0.0011
47	0.0017
52	0.0030
57	0.0052

Employee Termination Rates

The termination rates shown below exclude death, disability and retirement rates. Termination rates are not applied when an individual is eligible for age retirement. Below are examples of annual probabilities of employment termination for active employees with less than 9 years of coverage.

Non-Seasonal Employees				
Age Last Birthday At First Covered Hour	Years Since First Covered Hour			
	0	1	2	8
22	0.0945	0.1795	0.2272	0.1120
32	0.0844	0.1478	0.1914	0.0896
42	0.0776	0.1214	0.1674	0.0784
52	0.0641	0.0898	0.1435	0.0784
62	0.0574	0.0686		
Seasonal Employees				
Age Last Birthday At First Covered Hour	Years Since First Covered Hour			
	0	1	2	8
22	0.7004	0.5443	0.3039	0.1600
32	0.6254	0.4482	0.2559	0.1280
42	0.5754	0.3682	0.2240	0.1120
52	0.4753	0.2721	0.1920	0.1120
62	0.4253	0.2081		

Examples of annual probabilities for termination are listed below for Non-Seasonal and Seasonal Active employees with 9 or more years of coverage.

Non-Seasonal and Seasonal Employees		
Age Last Birthday	After 9 or more Years Since First Covered Hour	
	Non-Seasonal	Seasonal
32	0.0734	0.0978
42	0.0435	0.0790
52	0.0422	0.0562
62	0.0077	0.0102

Future Annual Hours and Contributions

Projected benefit amounts for future years were calculated assuming that: (a) Active Non-Seasonal employees work an average of 1800 hours per year; (b) Active Seasonal employees work an average of 600 hours per year; and (c) contribution rates in effect as of December 31 prior to the valuation date.

A non-retired participant was considered Active as of the valuation date, if he or she earned at least 250 covered hours during the prior year, or at least 1 covered hour in the prior year and at least 250 covered hours in second prior year.

Expected Annual Employer Contributions

The annual employer contributions expected during 2016 have been assumed to be $1.617 billion. This amount is used to determine the projected Funding Standard Account and the expected amortization period of the UAL.

Sample Valuation Data

We have relied on data supplied by Prudential Investments and Northwest Administrators. The actuarial values for non-retired participants are based on a sample of the employees covered under the Plan, as described in Appendix B. The actuarial values for records with valid data are adjusted for sampling and incomplete data, and the results are assumed to represent the values of the entire covered group.

Form of Payment

Participants without recent coverage are assumed to elect the single life annuity. Participants with recent coverage are assumed to elect a four year certain and life annuity. A factor of 1.0039 is applied in order to account for the availability of a subsidized joint and survivor benefit.

Probability of Marriage

Non-retired participants are assumed to be married at various percentages. Below is a brief summary of these percentages.

Age	Probability of Marriage
32	69.8%
42	75.5%
52	82.0%
62	82.0%

Spouse Age Difference

Where applicable, husbands are assumed to be two years older than their wives.

Past Employment

Total past employment (continuous past employment plus special past employment) for each employee was calculated as the number of years from year of union membership until year of coverage, but not less than the known continuous past employment for the employee.

Survivor Benefit Costs

The family composition of covered employees was assumed to be similar to that tabulated in the 15th Actuarial Valuation published by the Railroad Retirement Board. This assumption was used to estimate the probability that an employee will be survived by a beneficiary eligible for a survivor benefit and to establish the probable duration of the benefit.

Inactive Participants

Vested inactive participants who are 75 or older as of the valuation date are assumed to be deceased and excluded from this valuation. Inactive participants who are coded as a claim for more than one year are expected to be either deceased or not eligible for a benefit from the Plan. We assume that any such participants do not have and will not create any liability for the Plan.

Assumption Changes Incorporated in This Valuation

- The current liability interest rate was decreased from 3.51% to 3.28% to remain within the IRS prescribed corridor.
- The current liability mortality tables were changed from annuitant / non-annuitant projected version of the RP-2000 Mortality Tables for 2015 to the annuitant / non-annuitant projected version of the RP-2000 Mortality Tables for 2015 as prescribed by the IRS.
- The discount rate used for the 1982/1984 Annuity Account was changed to 8.41% for 2016 from 5.87% for 2015, and the discount rate used for the SBA Dedication was changed to 4.69% for 2016 from 4.88% for 2015.

The following assumptions were changed to better reflect recent and expected future experience:

- The anticipated annual employer contributions were increased to $1.617 billion for purposes of projecting the 2016 Funding Standard Account and determining the Amortization Period.

Actuarial Value of Assets

The Prudential Investments Fixed Dollar Account (FDA), in general, was valued at book value. However, to the extent that cash flows from the FDA are not sufficient to provide the projected FDA benefits, certain bonds valued at amortized cost were assigned to the FDA so that all projected FDA benefits were supported by dedicated assets. The 1982/1984 Annuity Account and the SBA were valued on an amortized cost basis. Below is a summary of the actuarial value of the dedicated asset as of the valuation date:

Dedicated Account	($ in thousands)
FDA	$ 98,223
1982/1984 Annuity Account	43,393
SBA	3,124,038
Total Actuarial Value of Dedicated Assets	$ 3,265,654

The remaining assets were valued using a smoothing procedure under which the 2008 market value loss is recognized at the rate of 10% per year for ten years. All other market value gains and losses are recognized at the rate of 20% per year over five years. The actuarial value of the remaining assets may not be greater than 120% or less than 80% of the market value.

The actuarial value of assets for purposes of determining the unfunded vested benefit liability is the same method used for ERISA funding purposes, except the Pension Relief Act of 2010 election to smooth the 2008 investment loss is not used.

Actuarial Cost Method

The Unit Credit actuarial cost method was used for this valuation.

Under this method, the Actuarial Liability is the Accrued Benefit Liability for all participants included on the valuation date.

The Normal Cost is:

(i.) the expected increase in Accrued Benefit Liability for these participants resulting from benefits earned during the current year, plus,

(ii.) as permitted under section 1.412(c)(3)-1(d)(2) of the Regulations, the expected increase in Accrued Benefit Liabilities resulting from new participants who are covered employees on the valuation date. The additional cost for these employees is based on a sample population that has the same demographic characteristics of a representative cross-section of recent new entrants, reflecting the actuary's best estimate of the number of new hires and number of hours worked by covered employees who are expected to become new participants in the Plan.

On July 28, 2016, the IRS approved the change in cost method submitted in December of 2012. The approved method is described above.

As part of the approval, the IRS requested that the ERISA Credit Balance be restated beginning January 1, 2009, to exclude the 2008 Net Investment Loss charge bases from the combine and offset method applied to all other bases.

This table shows the number of years of life expectancy for retirees according to the mortality tables (see Appendix C for description of tables) used to value liabilities under the Plan. The long periods over which age retirees are expected to receive payments indicate the significant assets required to fund benefits for participants who are already retired. The shorter life expectancies for Disabled Pensioners imply a lower level of assets required for males and females who retire under the Plan's disability provisions.

Years of Life Expectancy

	Age Pensioner		Disabled Pensioner	
Age	Male	Female	Male	Female
45	35.2	38.7	24.5	28.3
50	30.5	33.9	22.4	25.7
55	26.0	29.5	20.1	22.9
60	21.7	25.2	17.5	20.0
62	20.0	23.5	16.5	18.7
65	17.7	21.0	14.8	16.9
70	14.0	17.1	11.8	13.6
75	10.7	13.5	9.0	10.5
80	7.8	10.3	6.7	8.1
85	5.6	7.5	5.0	6.2
90	3.9	5.3	3.7	4.7
95	2.8	3.7	2.7	3.7
100	2.2	2.6	1.9	2.6

Note: Life expectancies change only when retired life mortality rates are revised.