

**Western States Office and Professional Employees  
Pension Fund**

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May 15, 2018

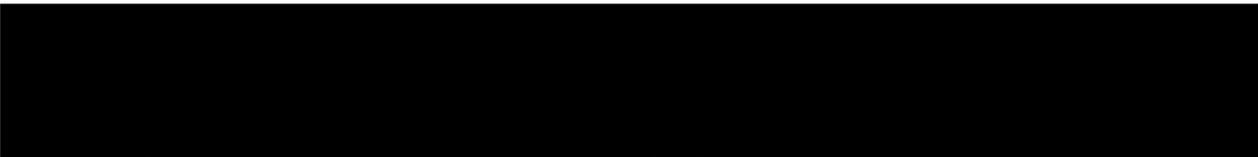
The Honorable Steven T. Mnuchin  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, D.C. 20220

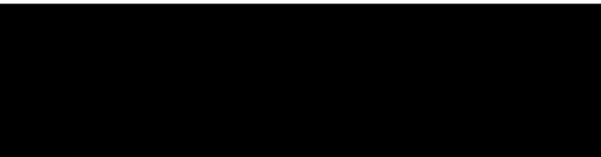
**Re: Application for Approval of the Suspension of Benefits under the Western States  
Office and Professional Employees Pension Fund**

Dear Secretary Mnuchin:

As authorized Trustees of the Board of Trustees for the Western States Office and Professional Employees Pension Fund ("Plan"), the Plan sponsor, we respectfully submit this application for approval of a proposed suspension of benefits pursuant to Section 432(e)(9) of the Internal Revenue Code of 1986, as amended, and Section 305(e)(9) of the Employee Retirement Income Security Act of 1974, as amended.

Respectfully Submitted:

  
**Michael Parmelee, Co-Chair**  
Authorized Trustee on behalf of the Board of  
Trustees for the Western States Office and  
Professional Employees Pension Fund

  
**Suzanne Mudge, Co-Chair**  
Authorized Trustee on behalf of the Board of  
Trustees for the Western States Office and  
Professional Employees Pension Fund

**WESTERN STATES OFFICE AND  
PROFESSIONAL EMPLOYEES PENSION FUND  
THIRD SUSPENSION APPLICATION**

**Appendix A**

**THIRD APPLICATION FOR APPROVAL OF BENEFIT  
SUSPENSION FOR THE  
WESTERN STATES OFFICE AND PROFESSIONAL  
EMPLOYEES PENSION FUND**

**CHECKLIST**

Response	Item number	Description of item	Page number in application
Yes No N/A	1.	Does the application include an original signature of the plan sponsor or an authorized representative of the plan sponsor? See section 2.01.	Cover Letter
Yes No N/A	2.	Does the application include a description of the proposed benefit suspension - calculated as if no other limitations apply - that includes: <ul style="list-style-type: none"> <li>the suspension's effective date (and its expiration date, if applicable),</li> <li>whether the suspension provides for different treatment of participants and beneficiaries,</li> <li>a description of the different categories or groups of individuals affected, and</li> <li>how the suspension affects these individuals differently?</li> </ul> See section 2.02.	4
Yes No N/A	3.	Does the application include a penalties-of-perjury statement signed by an authorized trustee on behalf of the board of trustees? See Section 2.03.	4 and Exhibit 1
Yes No N/A	4.	Does the application include a statement, signed by an authorized trustee on behalf of the board of trustees, acknowledging that the application and the application's supporting material will be publicly disclosed on the Treasury Department's website? See section 2.04.	4 and Exhibit 1
Yes No N/A	5.	Does the application include the plan actuary's certification of critical and declining status and the supporting illustrations, including: <ul style="list-style-type: none"> <li>the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and</li> <li>separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years?</li> </ul> See section 3.01.	6 and Exhibit 2
Yes No N/A	6.	Does the application include the plan actuary's certification that, taking into account the proposed suspension and, if applicable, a proposed partition, the plan is projected to avoid insolvency if the suspension takes effect, and the supporting illustrations, including: <ul style="list-style-type: none"> <li>the plan-year-by-plan-year projections demonstrating projected solvency during the relevant period,</li> <li>separately identifying the available resources (and the market value of assets and changes in cash flow) during each of those years?</li> </ul> See section 3.02.	6 and Exhibit 3
Yes No N/A	7.	Does the application include the plan sponsor's determination of projected insolvency that includes the documentation set forth in section 5 of the revenue procedure? See section 3.03.	6-10

# Western States Office and Professional Employees Pension Fund

Response	Item number	Description of item	Page number in application
Yes No N/A	8.	Does the application include a demonstration that the limitations on individual suspensions are satisfied, including a description of each benefit based on disability, as defined under the plan, that is paid to an individual under the plan (without regard to whether the disability benefits are available to newly disabled participants) and calculations regarding: <ul style="list-style-type: none"> <li>• the guarantee-based limitation,</li> <li>• the disability-based limitation,</li> <li>• the age-based limitation, taking into account the guarantee-based limitation, and</li> <li>• if applicable, the age-based limitation taking into account both the guarantee-based limitation and the disability-based limitation?</li> </ul> See section 4.01.	11 and Exhibit 4
Yes No N/A	9.	Does the application include a demonstration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period, including illustrations regarding the plan's solvency ratio and available resources? See section 4.02(1).	11 and Exhibit 5
Yes No N/A	10.	Does the application include an illustration that the proposed suspension is reasonably estimated to achieve the level necessary to avoid insolvency for the extended period utilizing stochastic projections? (This illustration is optional if the plan is not required to appoint a retiree representative under § 432(e)(9)(B)(v)(I).) See section 4.02(2).	N/A
Yes No N/A	11.	Does the application include a demonstration that the proposed suspension is not projected to materially exceed the level necessary to avoid insolvency, including: <ul style="list-style-type: none"> <li>• the plan-year-by-plan-year projections demonstrating projected insolvency during the relevant period, and</li> <li>• a separate identification of the available resources (and the market value of assets and changes in cash flow) during each of those years?</li> </ul> See section 4.03.	11 and Exhibit 6
Yes No N/A	12.	Does the application include a demonstration that the proposed suspension is equitably distributed, including: <ul style="list-style-type: none"> <li>• information on the effect of the suspension on the plan in the aggregate,</li> <li>• information on the effect of the suspension for different categories or groups,</li> <li>• a list of the factors taken into account,</li> <li>• an explanation of why none of the factors listed in § 432(e)(9)(D)(vi) were taken into account (if applicable),</li> <li>• for each factor taken into account that is not one of the factors listed in § 432(e)(9)(D)(vi), an explanation why the factor is relevant, and</li> <li>• an explanation of how any difference in treatment among categories or groups of individuals results from a reasonable application of the relevant factors?</li> </ul> See section 4.04.	11-12
Yes No N/A	13.	Does the application include a copy of the notices (excluding personally identifiable information) that meet the requirements under § 432(e)(9)(F)? See section 4.05(1).	12-13 and Appendix B
Yes No N/A	14.	Does the application include a description of the efforts that are being taken to contact participants, beneficiaries in pay status, and alternate payees? See section 4.05(2).	13

# Western States Office and Professional Employees Pension Fund

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Yes No <b>N/A</b>	15.	Does the application describe the steps the plan sponsor has taken to ensure that notices delivered electronically are reasonably accessible to the recipients? See section 4.05(3).  <b>The Pension Plan will only be mailing the Notice of Application and Individual Benefit Estimates via USPS First Class Mail.</b>	N/A
<b>Yes</b> No N/A	16.	Does the application include a list of each employer who has an obligation to contribute under the Plan and each employee organization representing participants under the Plan? See section 4.05(4).	14-19
<b>Yes</b> No N/A	17.	Does the application include information on past and current measures taken to avoid insolvency? See section 5.01.	6-10, 20
<b>Yes</b> No N/A	18.	Does the application include information regarding the plan factors described in § 432(e)(9)(C)(ii), for the past 10 plan years immediately preceding the plan year in which the application is submitted? See section 5.02.	6-10, 20 and Exhibit 8
<b>Yes</b> No N/A	19.	Does the application describe how the plan sponsor took into account – or did not take into account – the factors listed in section 5.02 in the determination that all reasonable measures were taken to avoid insolvency? See section 5.03.	6-10, 20
<b>Yes</b> No N/A	20.	Does the application describe how the plan sponsor took into account - or did not take into account - in the determination that all reasonable measures have been taken to avoid insolvency, the impact of: <ul style="list-style-type: none"> <li>• benefit and contribution levels on retaining active participants and bargaining groups under the plan, and</li> <li>• past and anticipated contribution increases under the plan on employer attrition and retention levels?</li> </ul> See section 5.03.	6-10, 20
<b>Yes</b> No N/A	21.	Does the application include a discussion of any other factors the plan sponsor took into account including how and why those factors were taken into account? See section 5.04.	6-10, 20
<b>Yes</b> No N/A	22.	Does the application include a copy of the proposed ballot, excluding the information regarding the statement in opposition, the individualized estimate, and the voting procedures? See section 6.01.	21 and Exhibit 7
<b>Yes</b> No N/A	23.	Does the application indicate whether the plan sponsor is requesting approval from PBGC of a proposed partition under section 4233 of ERISA? See section 6.02.	21
Yes No <b>N/A</b>	24.	If the answer to item 23 is yes, does the application specify the effective date of the proposed partition and include a plan-year-by-plan-year projection of the amount of the reduction in benefit payments attributable to the partition? See section 6.02.  <b>The Plan is not requesting a partition.</b>	N/A
<b>Yes</b> No N/A	25.	Does the application include: <ul style="list-style-type: none"> <li>• a description of each of the assumptions used in the projections required under sections 3.01, 3.02, 4.02(1), 4.02(2), and 4.03,</li> <li>• supporting evidence for the selection of those assumptions, and</li> <li>• an explanation of any differences among the assumptions used for various purposes?</li> </ul> See section 6.03 and Appendix B.	21 and Appendix C

# Western States Office and Professional Employees Pension Fund

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Yes No N/A	26.	Does the application describe the plan's experience with certain critical assumptions, including a disclosure for each of the 10 plan years immediately preceding the application that separately identifies: <ul style="list-style-type: none"> <li>• the total contributions,</li> <li>• the total contribution base units,</li> <li>• the average contribution rates,</li> <li>• the withdrawal liability payments, and</li> <li>• the rate of return on plan assets?</li> </ul> See section 6.04.	21 and Exhibit 8
Yes No N/A	27.	Does the application include deterministic projections of the sensitivity of the plan's solvency ratio throughout the extended period by taking into account the more conservative assumptions of investment experience and future contribution base units than assumed elsewhere in the application? See section 6.05.	21 and Exhibit 9
Yes No N/A	28.	Does the plan include deterministic projections for each year in the extended period of: <ul style="list-style-type: none"> <li>• the value of plan assets,</li> <li>• the plan's accrued liability, and</li> <li>• the plan's funded percentage?</li> </ul> See section 6.06.	21 and Exhibit 10
Yes No N/A	29.	Does the application include the plan sponsor's representation that, if it receives the Treasury Department's final authorization to suspend and then chooses to implement the suspension, it will also amend the plan: <ul style="list-style-type: none"> <li>• to provide that the suspension will cease upon the plan sponsor's failure to maintain a written record of its annual determination that (i) all reasonable measures continue to be taken to avoid insolvency and (ii) the plan would not be projected to avoid insolvency without a suspension,</li> <li>• to require that any future benefit improvements must satisfy § 432(e)(9)(E), and</li> <li>• to specify that the plan sponsor will not modify these amendments, notwithstanding any other provision of the plan document?</li> </ul> See section 6.07.	22 and Exhibit 11
Yes No N/A	30.	Does the application indicate whether the plan is a plan described in § 432(e)(9)(D)(vii) and, if it is, how that is reflected in the proposed benefit suspension? See section 6.08.	22
Yes No N/A	31.	Does the application include a narrative statement of the reasons the plan is in critical and declining status? See section 6.09.	22
Yes No N/A	32.	Does the application include the required plan sponsor identification information? See section 7.01.	23
Yes No N/A	33.	Does the application include the required plan identification information? See section 7.02.	23
Yes No N/A	34.	Does the application include the required retiree representative information (if applicable)? See section 7.03.  <b>The Plan is not required to have a retiree representative.</b>	23
Yes No N/A	35.	Does the application include the required enrolled actuary information? See section 7.04.	23 and Exhibit 12

# Western States Office and Professional Employees Pension Fund

Response	Item number	Description of item	Page number in application
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	36.	Does the application include a designation of power of attorney for each authorized representative who will represent the plan sponsor in connection with the application? See section 7.05 and Appendix C.	23 and Exhibit 13
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	37.	Does the application include: <ul style="list-style-type: none"> <li>• the required plan documents,</li> <li>• any recent amendments,</li> <li>• the summary plan description (SPD),</li> <li>• any summary of material modifications, and</li> <li>• the most recent determination letter?</li> </ul> See section 7.06.	23 and Exhibit 14
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	38.	Does the application include the required excerpts from the relevant collective bargaining agreements and side agreements? See section 7.07.	23 and Exhibit 15
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	39.	Does the application include the required excerpts from the most recently filed Form 5500? See section 7.08.	23 and Exhibit 16
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	40.	Does the application include the most recently updated rehabilitation plan? See section 7.09.	24 and Exhibit 17
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	41.	Does the application include the two most recent actuarial valuation reports? See section 7.10.	24 and Exhibit 18
<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="radio"/> N/A	42.	Does the application include this checklist, completed and placed on top of the application? See section 7.11 and Appendix D.	24 and Appendix A
<input type="radio"/> Yes <input checked="" type="radio"/> No <input type="radio"/> N/A	43.	If the application is being submitted for resubmission review, does the application include: <ul style="list-style-type: none"> <li>• cross-references to information in the prior application with respect to information that has not changed from the prior application,</li> <li>• a statement that the application is being submitted for resubmission review, and</li> <li>• the date on which the Treasury Department indicated that the application is a candidate for resubmission review?</li> </ul> See section 8.  <b>This is an original submission (Third Application).</b>	N/A

**Michael Parmelee, Co-Chair**  
 Authorized Trustee on behalf of the Board of Trustees for the Western States Office and Professional Employees Pension Fund

May 15, 2018  
 Date

**Suzanne Modé, Co-Chair**  
 Authorized Trustee on behalf of the Board of Trustees for the Western States Office and Professional Employees Pension Fund

5/15/18  
 Date