

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

Exhibit 4

Western States Office and Professional Employees Pension Fund

Exhibit 4

Demonstration that Limits on Individual Suspensions Are Satisfied Pursuant to IRC Sections 432(e)(9)(D)(i) through (iii)

As required by Section 4.01 of Revenue Procedure 2016-27, the following examples are provided to illustrate how the proposed suspension effective June 1, 2018 satisfies the limitations on suspension. The proposed suspension does not affect a participant or beneficiary who is: (1) currently receiving less than 110% of the PBGC guarantee, (2) over age 80 as of the effective date, or (3) disabled under the Plan.

Example #2 illustrates the guarantee-based limitation under IRC §432(e)(9)(D)(i), Example #3 illustrates the disability-based limitation under IRC §432(e)(9)(D)(iii), and Example #4 illustrates the age-based limitation under IRC §432(e)(9)(D)(ii). We also provided an Example #1 that demonstrates the full proposed cut without limitation and Example #5 that demonstrates the age-based limitation for a participant at least age 80.

The Plan defines disability as the complete and continuous inability, resulting from sickness or injury, to engage in any and every gainful occupation for which a participant is reasonably qualified if such condition is expected to continue for a long and indefinite period. Prior to January 1, 2010, to be eligible for a disability benefit a participant must have worked at least 200 hours during the 12 months prior to disability and have at least five years of vesting credit. The monthly disability benefit was equal to the participant's unreduced Total Service Benefit and was only paid until age 62, at which time the participant would become eligible for a Normal Retirement Benefit. The Plan also had an Alternate Disability Benefit for participants who did not work at least 200 hours in the 12 months prior to disability and were not yet age 55. This benefit was equal to a reduced Total Service Benefit and was paid until the participant recovered from disability or died.

The original Rehabilitation Plan eliminated the Alternate Disability Benefit and significantly reduced the Disability Benefit effective January 1, 2010. To be eligible for a disability benefit under the new rules a participant must work at least 200 hours during the 12 months prior to disability, become disabled prior to age 55 and have at least five years of vesting credit. The monthly disability benefit is equal to 50% of the participant's Total Service Benefit and is only paid until age 55, at which time the participant may apply for an Early Retirement Benefit.

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Demonstration that Limits on Individual Suspensions Are Satisfied Pursuant to IRC Sections 432(e)(9)(D)(i) through (iii)

Example #1: Proposed benefit cut for pensioners and non-pensioners, no limitations apply

A. Date of Birth	5/1/1953
B. Date of Retirement	5/1/2015
C. Effective Date of Suspension	6/1/2018
D. Age at Retirement Date	62 years 0 month
E. Age at Suspension Date	65 years 1 month
F. Accrued Monthly Benefit	\$910.00
G. Credited Service	14
H. Participant Status	Retiree

Calculation of 110% of PBGC Guarantee

I. Yearly Accrual Rate for Monthly Benefit (F / G)	\$65.00
J. PBGC Guaranteed Accrual Rate ($100\% \times \$11$) + ($75\% \times \33)	\$35.75
K. PBGC Guaranteed Benefit ($J \times G$)	\$500.50
L. 110% of PBGC Guaranteed Benefit	\$550.55

Calculation of Monthly Benefit under Proposed Suspension

M. Reduction Percentage	30%
N. Amount Cut	\$273.00
O. Proposed Monthly Benefit	\$637.00
P. Does age-based limitation apply? (Participant over age 75 at Suspension Date)	No
Q. Does disability limitation apply? (Participant in disabled status, no reduction if disabled)	No
R. Does 110% PBGC limit apply? (Proposed Monthly Benefit less than 110% PBGC Benefit $O < L$)	No
S. Final Reduction Percentage	30%
T. Final Amount Cut	\$273.00
U. Final Benefit, reflecting proposed suspension and limits	\$637.00

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Demonstration that Limits on Individual Suspensions Are Satisfied Pursuant to IRC Sections 432(e)(9)(D)(i) through (iii)

Example #2: Proposed benefit cut for pensioners and non-pensioners, 110% PBGC limit applies

A. Date of Birth	2/1/1945
B. Date of Retirement	12/1/2006
C. Effective Date of Suspension	6/1/2018
D. Age at Retirement Date	61 years 10 months
E. Age at Suspension Date	73 years 4 months
F. Accrued Monthly Benefit	\$350.00
G. Credited Service	14
H. Participant Status	Retiree

Calculation of 110% of PBGC Guarantee

I. Yearly Accrual Rate for Monthly Benefit (F / G)	\$25.00
J. PBGC Guaranteed Accrual Rate ($100\% \times \$11$) + ($75\% \times \14)	\$21.50
K. PBGC Guaranteed Benefit ($J \times G$)	\$301.00
L. 110% of PBGC Guaranteed Benefit	\$331.10

Calculation of Monthly Benefit under Proposed Suspension

M. Reduction Percentage	30%
N. Amount Cut	\$105.00
O. Proposed Monthly Benefit	\$245.00
P. Does age-based limitation apply? (<i>Participant over age 75 at Suspension Date</i>)	No
Q. Does disability limitation apply? (<i>Participant in disabled status, no reduction if disabled</i>)	No
R. Does 110% PBGC limit apply? (<i>Proposed Monthly Benefit less than 110% PBGC Benefit $O < L$</i>)	Yes
S. Final Reduction Percentage	5.4%
T. Final Amount Cut	\$18.90
U. Final Benefit, reflecting proposed suspension and limits	\$331.10

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Demonstration that Limits on Individual Suspensions Are Satisfied Pursuant to IRC Sections 432(e)(9)(D)(i) through (iii)

Example #3: Proposed benefit cut for pensioners and non-pensioners, disability limit applies

A. Date of Birth	7/1/1969
B. Date of Retirement	4/1/2007
C. Effective Date of Suspension	6/1/2018
D. Age at Retirement Date	37 years 9 months
E. Age at Suspension Date	48 years 11 months
F. Accrued Monthly Benefit	\$640.00
G. Credited Service	8
H. Participant Status	Disabled

Calculation of 110% of PBGC Guarantee

I. Yearly Accrual Rate for Monthly Benefit (F / G)	\$80.00
J. PBGC Guaranteed Accrual Rate ($100\% \times \$11$) + ($75\% \times \33)	\$35.75
K. PBGC Guaranteed Benefit ($J \times G$)	\$286.00
L. 110% of PBGC Guaranteed Benefit	\$314.60

Calculation of Monthly Benefit under Proposed Suspension

M. Reduction Percentage	30%
N. Amount Cut	\$192.00
O. Proposed Monthly Benefit	\$448.00
P. Does age-based limitation apply? (<i>Participant over age 75 at Suspension Date</i>)	No
Q. Does disability limitation apply? (<i>Participant in disabled status, no reduction if disabled</i>)	Yes
R. Does 110% PBGC limit apply? (<i>Proposed Monthly Benefit less than 110% PBGC Benefit</i> $O < L$)	No
S. Final Reduction Percentage	0%
T. Final Amount Cut	\$0.00
U. Final Benefit, reflecting proposed suspension and limits	\$640.00

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Demonstration that Limits on Individual Suspensions Are Satisfied Pursuant to IRC Sections 432(e)(9)(D)(i) through (iii)

Example #4: Proposed benefit cut for pensioners and non-pensioners, age-based limitation applies

A. Date of Birth	3/1/1940
B. Date of Retirement	9/1/2001
C. Effective Date of Suspension	6/1/2018
D. Age at Retirement Date	61 years 6 months
E. Age at Suspension Date	78 years 3 months
F. Accrued Monthly Benefit	\$2,490.00
G. Credited Service	36
H. Participant Status	Retiree

Calculation of 110% of PBGC Guarantee

I. Yearly Accrual Rate for Monthly Benefit (F / G)	\$69.17
J. PBGC Guaranteed Accrual Rate ($100\% \times \$11$) + ($75\% \times \33)	\$35.75
K. PBGC Guaranteed Benefit ($J \times G$)	\$1,287.00
L. 110% of PBGC Guaranteed Benefit	\$1,415.70

Calculation of Monthly Benefit under Proposed Suspension

M. Reduction Percentage	30%
N. Amount Cut	\$747.00
O. Proposed Monthly Benefit	\$1,743.00
P. Does age-based limitation apply? (Participant over age 75 at Suspension Date)	Yes
Q. Does disability limitation apply? (Participant in disabled status, no reduction if disabled)	No
R. Does 110% PBGC limit apply? (Proposed Monthly Benefit less than 110% PBGC Benefit $O < L$)	No
S. Months between Suspension Date and Date Participant turns 80	21 months
T. Applicable percentage of cut (prorated by number of months ($T / 60$))	35.0%
U. Final Reduction Percentage ($M \times T$)	10.5%
V. Final Amount Cut	\$261.45
W. Final Benefit, reflecting proposed suspension and limits	\$2,228.55

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Example #5: Not suspended due to age over 80

A. Date of Birth	1/12/1935
B. Date of Retirement	2/1/1997
C. Effective Date of Suspension	6/1/2018
D. Age at Retirement Date	62 years 0 months
E. Age at Suspension Date	83 years 4 months
F. Accrued Monthly Benefit	\$833.00
G. Credited Service	17
H. Participant Status	Retiree

Calculation of 110% of PBGC Guarantee

I. Yearly Accrual Rate for Monthly Benefit (F / G)	\$49.00
J. PBGC Guaranteed Accrual Rate ($100\% \times \$11$) + ($75\% \times \33)	\$35.75
K. PBGC Guaranteed Benefit ($J \times G$)	\$607.75
L. 110% of PBGC Guaranteed Benefit	\$668.53

Calculation of Monthly Benefit under Proposed Suspension

M. Reduction Percentage	30%
N. Amount Cut	\$249.90
O. Proposed Monthly Benefit	\$583.10
P. Does age-based limitation apply? (Participant over age 75 at Suspension Date)	Yes
Q. Does disability limitation apply? (Participant in disabled status, no reduction if disabled)	No
R. Does 110% PBGC limit apply? (Proposed Monthly Benefit less than 110% PBGC Benefit $O < L$)	No
S. Months between Suspension Date and Date Participant turns 80	0 months
T. Applicable percentage of cut (prorated by number of months ($T / 60$))	0%
U. Final Reduction Percentage ($M \times T$)	0%
V. Final Amount Cut	\$0.00
W. Final Benefit, reflecting proposed suspension and limits	\$833.00