

**Automotive Industries Pension Plan
Checklist Item #12**

Does the application include a demonstration that the proposed suspension is not projected to materially exceed the level necessary to avoid insolvency, including illustrations regarding the plan's solvency ratio and available resources?

See section 4.03.

The application filed on behalf of the Automotive Industries Pension Plan includes an Actuarial Certification of Plan Solvency under ERISA Section 305(e)(9)(c)(i) and IRC Section 432(e)(9)(C)(i). This certification is attached as Document No. 7.1 to Checklist Item #7. Exhibit VI of the certification provides an illustration on a deterministic basis showing that the proposed suspension is reasonably estimated to avoid insolvency, but not to materially exceed the level needed to avoid insolvency throughout the extended period. Exhibit VI shows that suspending 5% less in benefits will result in the Pension Plan becoming insolvent in 2051. Exhibit VI includes a year-by-year solvency projection with the solvency ratio and also separately identifies the market value of assets, contributions, withdrawal liability payments, investment earnings, benefit payments and expenses.

Exhibit VII of the certification provides an illustration on a stochastic basis showing that the proposed suspension is reasonably estimated to avoid insolvency, but not to materially exceed the level needed to avoid insolvency throughout the extended period. Exhibit VII shows that suspending 5% less in benefits will result in the Pension Plan being reasonably estimated to avoid insolvency by less than 50% probability throughout the extended period.

Exhibits VI and VII of the certification is based on upon our interpretation of the requirements under Revenue Procedure 2016-27, Section 4.03.