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August 17, 2016

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VIA ELECTRONIC MAIL

Eric Berger
Department of the Treasury
MPRA Office, Room 1224
1500 Pennsylvania Avenue, N.W.
Washington, DC 20220

Re: Provision of Additional Information and Documents relating to the United Furniture Workers Pension Fund A's Application for a Suspension of Benefits ("Application"); Submission Reference Codes 433a0ffd-543d-4d4a-baa3-c1e1b49cadf1 through 9c12b863-fc8e-4a06-9de4-d5967351bead

Dear Mr. Berger:

In connection with your Office's completeness review of the above-referenced Application and our telephone conference on Monday, August 15 regarding same, please accept this supplemental submission addressing each of the items that you identified on our call. This supplemental submission has been submitted to the Secretary via www.treasury.gov/mpra pursuant to the requirements of Revenue Procedure 2016-27 ("Rev. Proc. 2016-27").

1. Attached behind Tab 1 is the demonstration required pursuant to Section 4.01 of Rev. Proc. 2016-27. This demonstration is intended to supersede the demonstration provided in Exhibit 9 of the original submission of this Application.

2. Attached behind Tab 2, and as required pursuant to Section 4.05(1) of Rev. Proc. 2016-27, are redacted copies of each type of individualized benefit statement that was provided to participants and beneficiaries of the Pension Fund. These individualized notices were sent to all Pension Fund participants and beneficiaries with the model notice prepared by the PBGC and Treasury for joint partitioning/benefit suspension applications. The Pension Fund has 7 different statuses that required 17 different types of individualized notices, and redacted copies of each of those different types of notices are provided in Tab 2. The notices that were sent to contributing employers and to employee organizations representing participants under the Pension Fund did not include any of the individualized notices.

3. The Pension Fund's restated plan document as of October 30, 2009 and each of the Pension Fund's plan amendments following the restatement were provided to Treasury in Exhibit 18 of the original submission to this Application.

4. Attached behind Tab 3 are copies of the Pension Fund's two most recent actuarial valuation reports.

Please let me know if you require any additional information.

Very truly yours,

Redacted by the U.S. Department of the Treasury

Kyle P. Flaherty

Enclosures (Tab 1, Tab 2 and Tab 3)

cc: Dee Anne Walker, Pension Fund Director
Christian Benjaminson, Cheiron

Application of the United Furniture Workers Pension Fund A for Approval Of Suspension of Benefits - SUPPLEMENTAL SUBMISSION (8/17/16)

EIN: 13-5511877/PN:001

TAB 1

- Actuarial Demonstration that Limitations on Individual Suspensions are Satisfied (Rev. Proc. 2016-27-Section 4.01).

United Furniture Workers Pension Fund A
EIN: 13-5511877 / PN: 001

Revenue Procedure 2016-27, Section 4.01
Demonstration that Limitations on Individual Suspensions are Satisfied

As required by Section 4.01 of Revenue Procedure 2016-27, we prepared the following examples to illustrate how the proposed suspension effective May 1, 2017 satisfies the limitations on suspension. The proposed suspension does not affect participant or beneficiary who is: (1) currently receiving less than 110% of the PBGC guarantee, (2) over age 80 as of the effective date, and (3) disabled under the Plan.

Example #1 illustrates the guarantee-based limitation under IRC §432(e)(9)(D)(i), Example #2 the age-based limitation under IRC §432(e)(9)(D)(ii), and Example #3 the disability-based limitation under IRC §432(e)(9)(D)(iii). We also provided an Example #4 that combines all three limitations; however, given the disability there is no impact on the participant's final benefit.

Please note, the Plan's Disability Pension is payable to a participant who has been awarded a Social Security Disability. The monthly disability benefit is equal to the accrued benefit without reduction and is payable as of the date of entitlement established by Social Security. The benefit payable does not change upon reaching Normal Retirement Age.

These examples were prepared solely for the United Furniture Workers Pension Fund A for the purpose described. Other users of this information are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to such other users.

United Furniture Workers Pension Fund A

EIN: 13-5511877 / PN: 001

Revenue Procedure 2016-27, Section 4.01

Demonstration that Limitations on Individual Suspensions are Satisfied

		Example #1: Retiree Under Age 75	Example #2: Retiree Over Age 75	Example #3: Disabled Participant	Example #4: Disabled Participant, Over Age 75
1	Effective Date of Suspension	5/1/2017	5/1/2017	5/1/2017	5/1/2017
2	Birth Date	3/31/1949	4/20/1939	2/16/1950	1/4/1940
3	Months Until Age 80 [1]	142	23	153	32
4	Applicable Percentage ([3] ÷ 60, not greater than 100%)	100.00%	38.33%	100.00%	53.33%
5	Accrued Monthly Benefit	$1,259.36	$1,292.76	$228.34	$113.35
6	Credited Service	40.250	35.667		
7	Accrual Rate ([5] ÷ [6])	$31.2884	$36.2453		
8	PBGC Guaranteed Accrual Rate [2]	$26.2163	$29.9340		
9	PBGC Guaranteed Benefit [(6) x (8)]	$1,055.21	$1,067.66	*NOT APPLICABLE FOR DISABLED PARTICIPANTS*	*NOT APPLICABLE FOR DISABLED PARTICIPANTS*
10	110% PBGC Guaranteed Benefit (110% x [9], but not more than [5])	$1,160.73	$1,174.43		
11	Monthly Benefit Reduction ([5] – [10])	$98.63	$118.33		
12	Age-based Limitation ([4] x [11])	$98.63	$45.36		
13	Benefit After Suspension ([5] - [12])	$1,160.73	$1,247.40	$228.34	$113.35

[1] Number of months during the period beginning with the month after the month in which the suspension of benefits is effective and ending with the month during which the participant attains age 80, per Regulation §1.432(e)(9)-1(d)(3).

[2] 100% of first $11 plus 75% of the next $33

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Application of the United Furniture Workers Pension Fund A for Approval Of Suspension of Benefits - SUPPLEMENTAL SUBMISSION (8/17/16)

EIN: 13-5511877/PN:001

TAB 2

- Redacted copies of 17 different types of individualized notices that were distributed to Pension Fund participants and beneficiaries.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #1 -- BEFORE NORMAL RETIREMENT AGE, REDUCED**
STATUS: **ACTIVE PARTICIPANT**

If you start receiving your benefit on June 1, 2040 in the form of a Single Life Annuity, your monthly benefit without the proposed reduction would be $739.70. Under the proposed reduction your monthly benefit in the same form **would be reduced to $667.98.** These numbers are just estimates. The actual amount you receive will depend on how long you work and when you begin receiving payments. For more information, see the Plan's summary plan description.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is $739.70.
- You have 19.0833 years of credited service under the Plan.
- You will be age 42 as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $607.25.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #2 -- OVER NORMAL RETIREMENT AGE, REDUCED**
STATUS: **ACTIVE PARTICIPANT**

Your benefit without the proposed reduction as of March 1, 2016 in the form of a Single Life Annuity is $1,103.04. Under the proposed reduction your monthly benefit in the same form **will be reduced to $990.42.** These amounts will be different if you elect a Joint & Survivor form of payment, but the impact depends on your spouse's age.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is $1,103.04.
- You have 26.5833 years of credited service under the Plan.
- You will be age 69 and 5 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $900.38.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #3 -- NOT REDUCED**
STATUS: **ACTIVE PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is $12.34.
- You have 0.8333 years of credited service under the Plan.
- You will be age 37 and 6 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $11.55.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #4 -- REDUCED**
STATUS: **ALTERNATE PAYEE RECEIVING A PORTION OF YOUR FORMER SPOUSE'S BENEFIT**

Your current monthly benefit is $244.96. Under the proposed reduction your monthly benefit **will be reduced to $228.15** beginning May 1, 2017.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $244.96.
- Your former spouse had 22.7500 years of credited service under the Plan.
- You will be age 62 and 7 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $207.41.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #5 -- NOT REDUCED**
STATUS: **ALTERNATE PAYEE RECEIVING A PORTION OF YOUR FORMER SPOUSE'S BENEFIT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $76.88.
- Your former spouse had 28.1667 years of credited service under the Plan.
- Your former spouse will be age 69 and 10 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $70.05.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #6 -- NOT REDUCED**
STATUS: **BENEFICIARY ENTITLED TO A SURVIVORSHIP BENEFIT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $50.93.
- You have 28.4167 years of credited service under the Plan.
- Your spouse would have been age 55 and 11 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $50.93.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #7 -- REDUCED**
STATUS: **BENEFICIARY RECEIVING SURVIVORSHIP BENEFITS**

Your current monthly benefit is $328.43. Under the proposed reduction your monthly benefit **will be reduced to $323.69** beginning May 1, 2017.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $328.43.
- You have 17.0833 years of credited service under the Plan.
- You will be age 75 and 11 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $293.30.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #8 -- NOT REDUCED**
STATUS: **BENEFICIARY RECEIVING SURVIVORSHIP BENEFITS**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $84.63.
- You have 27.2500 years of credited service under the Plan.
- You will be age 74 and 10 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $84.63.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #9 -- NOT REDUCED (SINGLE)**
STATUS: **DISABLED PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $211.82.
- You have 18.0833 years of credited service under the Plan.
- You will be age 85 and 6 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You retired under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $208.59.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #10 -- NOT REDUCED (MARRIED)**
STATUS: **DISABLED PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $95.27 (with a $47.64 monthly survivor annuity for your spouse).
- You have 9.7500 years of credited service under the Plan.
- You will be age 74 and 5 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- You retired under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $95.27.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #11 -- REDUCED (SINGLE)**
STATUS: **RETIRED PARTICIPANT**

Your current monthly benefit is $578.28. Under the proposed reduction your monthly benefit **will be reduced to $548.75** beginning May 1, 2017.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $578.28.
- You have 19.1667 years of credited service under the Plan.
- You will be age 76 and 8 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $486.42.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #12 -- REDUCED (MARRIED)**
STATUS: **RETIRED PARTICIPANT**

Your current monthly benefit is $1,068.10 (with a $534.05 monthly survivor annuity for your spouse). Under the proposed reduction your monthly benefit **will be reduced to $976.97** (with a $534.05 monthly survivor annuity for your spouse) beginning May 1, 2017.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $1,068.10 (with a $534.05 monthly survivor annuity for your spouse).
- You have 31.6667 years of credited service under the Plan.
- You will be age 74 and 2 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $888.16.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #13 -- NOT REDUCED (SINGLE)**
STATUS: **RETIRED PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $59.19.
- You have 10.9167 years of credited service under the Plan.
- You will be age 84 as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $59.19.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #14 -- NOT REDUCED (MARRIED)**
STATUS: **RETIRED PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your current monthly benefit as of March 1, 2016 is $574.83 (with a $287.42 monthly survivor annuity for your spouse).
- You have 23.9167 years of credited service under the Plan.
- You will be age 83 and 3 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- You did not retire under a Disability Award Pension.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $496.89.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #15 -- BEFORE NORMAL RETIREMENT AGE, REDUCED**
STATUS: **TERMINATED VESTED PARTICIPANT**

If you start receiving your benefit on September 1, 2035 in the form of a Single Life Annuity, your monthly benefit without the proposed reduction would be \$491.93. Under the proposed reduction your monthly benefit in the same form **would be reduced to \$370.31.** These numbers are just estimates. The actual amount you receive will depend on how long you work and when you begin receiving payments. For more information, see the Plan's summary plan description.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is \$491.93.
- You have 9.4167 years of credited service under the Plan.
- You will be age 46 and 9 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be \$336.65.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: SAMPLE #16 -- OVER NORMAL RETIREMENT AGE, REDUCED
STATUS: TERMINATED VESTED PARTICIPANT

Your benefit without the proposed reduction as of March 1, 2016 in the form of a Single Life Annuity is $209.85. Under the proposed reduction your monthly benefit in the same form **will be reduced to $188.00.** These amounts will be different if you elect a Joint & Survivor form of payment, but the impact depends on your spouse's age.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is $209.85.
- You have 4.9167 years of credited service under the Plan.
- You will be age 68 and 5 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts). There is no reduction for participants or beneficiaries over age 80 and reductions are limited for participants or beneficiaries between ages 75 and 80.
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits

If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $170.91.

Plan Office Contact Information

If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

HOW YOUR MONTHLY PAYMENTS WILL BE AFFECTED IN THE UNITED FURNITURE WORKERS PENSION FUND A

This estimate of the effect of the proposed reduction of benefits has been prepared for:

NAME: **SAMPLE #17 -- NOT REDUCED**
STATUS: **TERMINATED VESTED PARTICIPANT**

Your monthly benefit would not change under the proposed reduction.

The proposed reduction is permanent.

This is an estimate of the effect of the proposed reduction on your benefit under the Plan. It is not a final benefit calculation. This was done assuming that the proposed benefit reduction starts on May 1, 2017. If the benefit reduction starts later, the effect of the proposed reduction on your benefit might be different.

This estimate is based on the following information from Plan records:

- Your accrued monthly benefit as of March 1, 2016 is $121.26.
- You have 12.3333 years of credited service under the Plan.
- You will be age 66 and 8 months as of May 31, 2017 (the last day of the month in which the benefit reduction starts).
- Your benefit is not based on disability.

In the event that the proposed suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated or retired participant, changes in marital status, and approval of a new QDRO or changes to an existing QDRO.

PBGC Guaranteed Benefits
If the Plan does not have enough money to pay benefits, your monthly benefit would be no larger than the amount guaranteed by PBGC. The amount of your monthly benefit guaranteed by PBGC is estimated to be $121.26.

Plan Office Contact Information
If you believe the information used to calculate your estimate is wrong, please contact the Plan office at 1910 Air Lane Drive, Nashville, TN 37210, (615) 889-8860.

Application of the United Furniture Workers Pension Fund A for Approval Of Suspension of Benefits - SUPPLEMENTAL SUBMISSION (8/17/16)

EIN: 13-5511877/PN:001

TAB 3

- Pension Fund's two most recent actuarial valuation reports.

Actuarial Valuation Report for the United Furniture Workers Pension Fund A

as of March 1, 2014

Produced by Cheiron

February 2015

Classic Values, Innovative Advice

Table of Contents

CHEIRON Classic Values, Innovative Advice

February 3, 2015

Board of Trustees
c/o Ms. Dee Anne Walker, Secretary-Treasurer/Director
United Furniture Workers Pension Fund A
1910 Air Lane Drive
Nashville, Tennessee 37210

Dear Trustees:

At your request, we have prepared this report to present the Actuarial Valuation of the United Furniture Workers Pension Fund A (the "Plan") as of March 1, 2014. This report contains information on the Plan's assets and liabilities and also discloses contribution levels, including the minimum required amount as mandated by Federal law. This report is for the use of the Plan and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

Your attention is called to the Foreword in which we refer to the general approach employed in the preparation of this report. The Summary section discusses the long-term funded status and emerging issues facing the Trustees. We also comment on the sources and reliability of both the data and the actuarial assumptions used. Those comments are the basis for our certification that this report is complete to the best of our knowledge. The results of this report are only applicable to the 2014 Plan Year and rely on future Plan experience conforming to the underlying assumptions. To the extent that actual Plan experience deviates from the underlying assumptions and methods, or there are any changes in Plan provisions or applicable laws, the results would vary accordingly.

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

1000 Atrium Way, Suite 403, Mount Laurel, NJ 08054 Tel: 877.243.4766 · Fax: 609.257.0093 www.cheiron.us

Board of Trustees
United Furniture Workers Pension Plan A
February 3, 2015

This report was prepared solely for the Plan for the purposes described herein. This valuation report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

Sincerely,
Cheiron

Redacted by the U.S. Department of the Treasury

Christian E. Benjaminson, FSA, EA, MAAA
Principal Consulting Actuary

Redacted by the U.S. Department of the Treasury

Gene M. Kalwarski, FSA, EA, MAAA
Principal Consulting Actuary

FOREWORD

Cheiron has performed the Actuarial Valuation of the United Furniture Workers Pension Fund A as of March 1, 2014. The purpose of this report is to:

1) **Measure and disclose,** as of the valuation date, the financial condition of the Plan;

2) **Provide specific information** and documentation required by the Federal Government and the auditors of the Plan; and

3) **Review past and expected trends** in the financial conditions of the Plan.

An actuarial valuation establishes and analyzes Plan assets, liabilities and contributions on a consistent basis, and traces the progress of each from one year to the next. It includes measurement of the Plan's investment performance as well as an analysis of Actuarial Liability gains and losses.

Section I – Summary presents key valuation results and compares this year's results to last year's results.

Section II – Assets contains exhibits relating to the valuation of assets.

Section III – Liabilities shows the various measures of liabilities.

Section IV – Contributions develops the minimum and maximum contributions.

Section V – Unfunded Vested Benefits (UVB) shows the development of the UVB as of March 1, 2014 that would be allocated to employers that withdraw before February 28, 2015.

Section VI – Reorganization Status contains a demonstration that the Plan is not in reorganization.

Section VII – FASB ASC Topic #960 Disclosure provides information required by the Plan's auditor.

The appendices to this report contain a summary of the Plan's membership at the valuation date, a summary of the major provisions of the Plan, and the actuarial methods and assumptions used in the valuation.

In preparing our report, we relied on information (some oral and some written) supplied by the Fund Office and Joseph Warren & Co, A Division of Rogoff and Company PC. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23.

The actuarial assumptions, taken individually, reflect our understanding and best estimate of the likely future experience of the Plan. The results of this report are dependent upon future experience conforming to these assumptions. To the extent that the actual Plan experience deviates from the underlying assumptions and methods, or there are any changes in Plan provisions or applicable laws, the results would vary accordingly.

Finally, in preparing this report, we have conformed to generally accepted actuarial principles and practices which are consistent with the Code of Professional Conduct, and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board.

SECTION I
SUMMARY

The table below sets out the principal results of this year's valuation and compares them to last year's results.

Table I-1
United Furniture Workers Pension Fund A
Summary of Principal Results

		3/1/2013		3/1/2014	Change
Participant Counts					
Actives		1,358		1,105	(18.6%)
Terminated Vesteds		3,420		3,487	2.0%
In Pay Status		5,624		5,596	(0.5%)
Total		10,402		10,188	(2.1%)
Financial Information					
Market Value of Assets (MVA)	$	78,766,444	$	77,060,732	(2.2%)
Actuarial Value of Assets (AVA)		75,375,639		74,249,342	(1.5%)
AVA as a % of MVA		95.7%		96.4%	
Present Value of Future Benefits	$	174,843,385	$	174,603,761	(0.1%)
Actuarial / PPA Liability	$	168,065,456	$	168,388,149	0.2%
Surplus / (Unfunded) based on Actuarial Value of Assets	$	(92,689,817)	$	(94,138,807)	1.6%
Funded Ratio based on Actuarial Value of Assets		44.8%		44.1%	
Present Value of Vested Benefits	$	167,514,376	$	167,900,413	0.2%
Surplus / (Unfunded) based on Market Value of Assets	$	(88,747,932)	$	(90,839,681)	2.4%
Gain / (Loss), Minimum Funding, and Cash Flows					
Actuarial Asset Gain / (Loss)	$	(3,275,024)	$	4,596,770	
Liability Gain / (Loss)	$	32,255		(568,018)	
Total Normal Cost (Unit Credit plus Admin. Expenses)	$	2,032,964	$	2,047,388	0.7%
ERISA Minimum Funding before Credit Balance		9,290,923		12,080,801	30.0%
ERISA Credit Balance (Beginning of Year)		(13,752,769)		(20,415,717)	48.4%
Prior Year Contributions (net from all sources)	$	3,422,872	$	7,552,748	120.7%
Prior Year Benefit Payments		13,270,161		13,367,997	0.7%
Prior Year Administrative Expenses		1,140,659		1,155,762	1.3%
Prior Year Total Investment Income (net of expenses)		5,489,670		9,170,731	

SECTION I
SUMMARY

Following is an analysis of the Plan's results for the prior year followed by historical results for the last ten years. After that, a projection of future results is shown. Please note this valuation was prepared using census data and financial information as of the valuation date, March 1, 2014. Therefore, events following that date are not, and should not be, reflected in this report. The next valuation will reflect all membership and investment experience changes through February 28, 2015.

General Comments on Prior Year Results:

Investment and liability experience and their effect on future costs traditionally have been the focus of year to year analyses.

- The Market Value of Assets returned 12.51% for the Plan Year ending February 28, 2014. For long-term planning the Plan develops an Actuarial Value of Assets using a smoothing method which phases in investment gains and losses over five years. On this basis the Actuarial Value of Assets returned 13.84%. Comparing this return to the long-term investment assumption of 7.50% results in an actuarial asset gain of $4.60 million.

- The Plan experienced a liability loss totaling $0.57 million. Combined with the actuarial investment gain of $4.60 million, the Plan had a net actuarial gain of $4.03 million.

- The funding ratio (Actuarial Value of Assets as a percentage of Actuarial Liability) decreased from 44.8% to 44.1%. Based on Market Value of Assets, the funding ratio decreased from 46.9% to 45.8%.

The Pension Protection Act of 2006 (PPA) added a significant layer of new considerations related to the Plan's PPA Funded status.

- The Plan remains in "Critical" status under the Pension Protection Act (PPA) for the 2014 Plan Year because of the current Funding Deficiency. The PPA status is re-determined annually.

- A Rehabilitation Plan was prepared in December 2008 modifying adjustable benefits and requiring annual contribution increases of 5.5% beginning March 1, 2009. This Rehabilitation Plan is based on the reasonable measure (exhaustion) method and is annually monitored.

- In May, we certified that the Fund is making scheduled progress because all active employers have adopted the Rehabilitation Plan provisions for the duration of their most recent collective bargaining agreement

- The funding ratio is an important measure that is used in determining the PPA zone, which as noted, has declined over the past year.

- The period of time until a Funding Deficiency occurs is also an important measure that is used for PPA testing. The Plan currently has a Funding Deficiency which increased from $13.8 million as of March 1, 2013 to $20.4 million as of March 1, 2014. The Funding Deficiency is projected to grow, however under the PPA there is no excise tax due as long as the Plan has a valid Rehabilitation Plan.

SECTION I
SUMMARY

In addition, please note that:

- Active membership declined by 18.6% over last year, mainly due to the withdrawals of Filmco Ind. and Hufcor Inc.

- The Plan received $7.55 million in contributions (including Withdrawal Liability payments of $4.2 million) and paid $14.52 million in benefits and expenses for the year ending February 28, 2014. Comparing these two amounts shows a negative net cash flow of $6.97 million, which means the Plan is currently using investment returns to pay for benefits and expenses not covered by contributions.

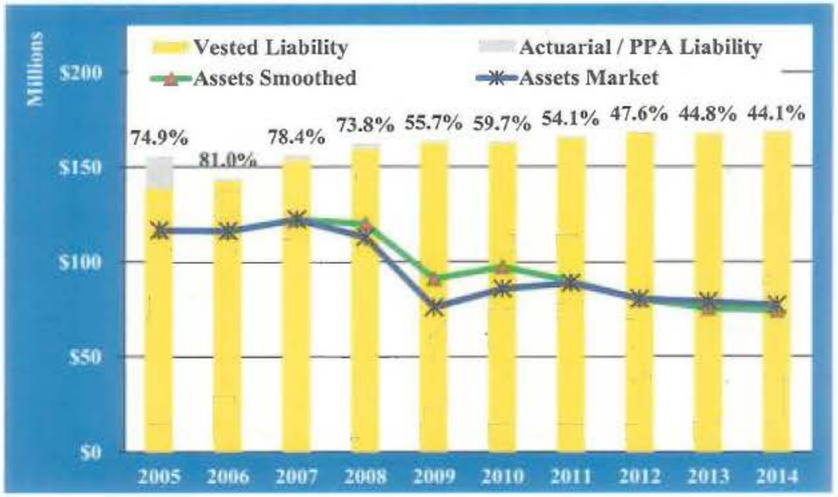
- The large increase in the Minimum Required Contribution was due to a credit base being almost completely recognized. The remaining amount will be recognized this year.

- The Plan assesses Withdrawal Liability based on a 7.00% interest rate assumption. The Unfunded Vested Benefits (UVB) decreased from $102.1 million as of March 1, 2013 to $100.3 million as of March 1, 2014.

Historical Review: It is important to take a step back from the results and view them in the context of the Plan's recent history. On the next few pages, we present a series of charts which display key results from the last ten years.

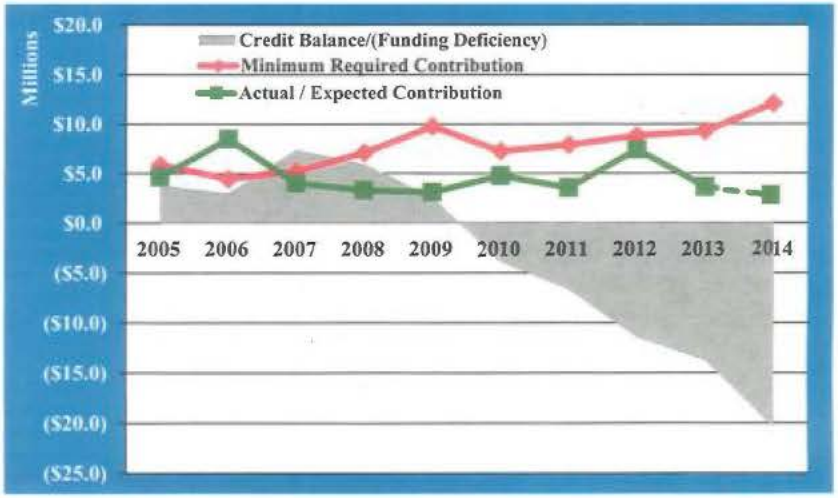
SECTION I
SUMMARY

Assets & Liabilities: In this graph the gold bars represent the value of vested benefits already earned and the gray bars are the additional benefits if all participants were fully vested. The lines represent the Actuarial Value of Assets and Market Value of Assets, respectively. The percentages shown are ratios of the Actuarial Value of Assets to the Actuarial Liability.



- The Funded Ratio (assets at Actuarial Value as a percent of Actuarial Liabilities) has decreased over the last four years and is now 44.1%.
- The five-year average compounded investment return is 13.0% on the Market Value and 7.7% on the Actuarial Value; as compared to our 7.5% assumption.

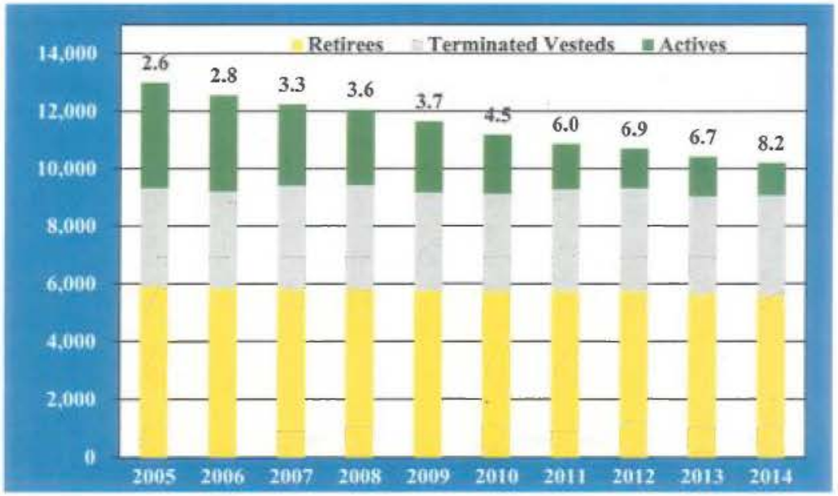
Minimum Funding: The next chart shows the contributions paid to the Plan (green line), the Minimum Required Contribution before the Credit Balance (red line) and the Credit Balance (gray area). When the red line is greater than the green line the Credit Balance generally decreases.



- Contributions have been less than the Minimum Required Contribution since 2007.
- A Funding Deficiency occurred at the end of the 2009 Plan Year and will continue to grow if actual contributions continue to be less than the Minimum Required Contribution. However, under the PPA there is no excise tax due as long as the Plan has a valid Rehabilitation Plan.

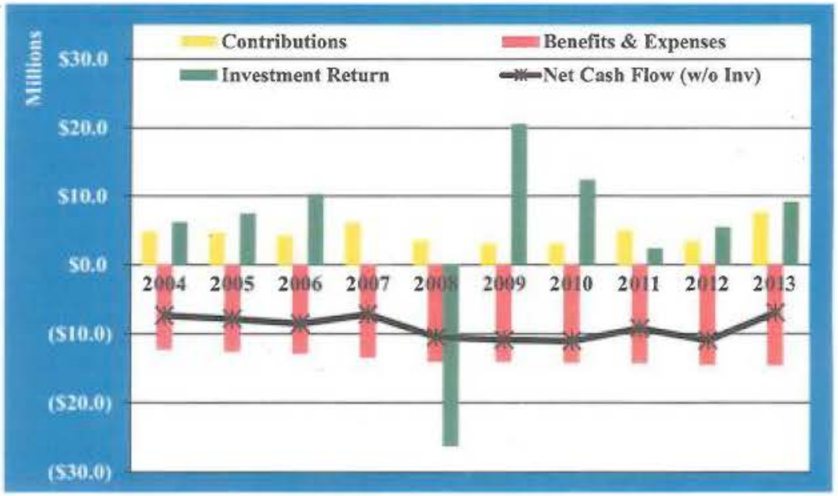
SECTION I
SUMMARY

Participation: The chart below shows the participants of the Plan at successive valuations. The numbers above each bar represent the number of inactive members to active members at each valuation date.



- The inactive-to-active ratio has more than tripled over the nine-year period shown above. Primarily due to employer withdrawals the ratio jumped to 8.2 inactives to every one active in the Plan.
- The active population has declined steadily over the period shown, with an average annual decline of 12.4% per year during the nine-year period shown and 10.7% per year for the prior three years.

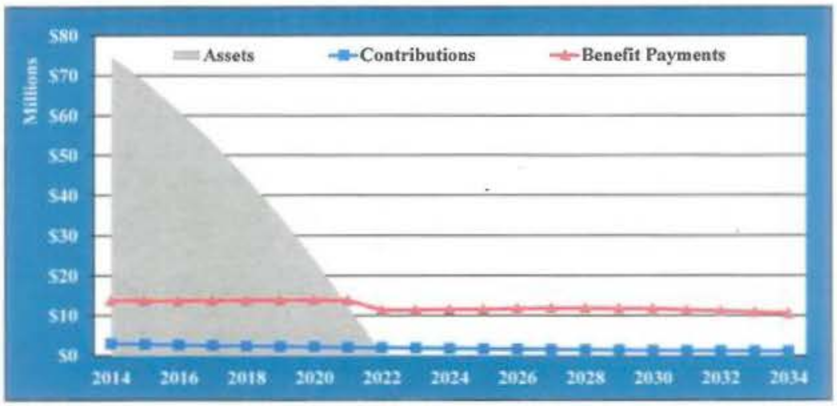
Cash Flow: Plan cash flow is a critical measure, as it reflects the ability to have funds available to meet benefit payments without having to make difficult investment decisions, especially during volatile markets.



- The Plan's net cash flow has averaged negative $9.1 million per year for the period shown, which represents approximately 12% of the current Market Value of Assets.
- The implications of a plan in negative cash flow are that the impact of market fluctuations can be more severe. This is because as assets are being depleted to pay benefits in down markets, there is less principal that is available to be reinvested during favorable return periods.

Future Outlook:

In this section we move away from viewing a single year's results or historical trends and focus on the future of the Plan. Below we present a projection of the Plan's assets, contributions, and benefit payments. This projection assumes annual returns of 7.50%, a 10% annual membership decline, and 5.5% compounding contribution increases. The Plan is projected to be insolvent shortly after March 1, 2021. At that time the benefit payments would drop to the PBGC guarantee level as illustrated in the graph and the PBGC would provide financial assistance to the Plan.



SECTION II
ASSETS

Assets at Market Value:

Market values represent "snap-shot" or "cash-out" values which provide the principal basis for measuring financial performance from one year to the next.

Table II - 1
Statement of Assets at Market Value, March 1

	2013	2014
Assets		
Short Term Obligations	$ 285,675	$ 521,691
Common Stocks	5,439,582	5,479,771
Intech Institutional Large Cap Growth Fund	6,324,339	6,344,495
Fidelity Growth International Fund	9,477,899	6,175,892
Fidelity Emerging Markets Fund	1,163,098	696,793
Rothchild SMID Fund	3,858,083	6,063,210
Pimco Bond Fund	14,659,765	14,597,028
BPIF Non-Taxable LP	9,213,225	7,847,418
State Street Global - MSCI	0	3,078,000
Wellington Global Total Return Fund	5,580,448	4,369,390
JPMCB Strategic Property Fund	9,265,968	8,339,847
State Street Global - Daily	0	2,922,000
Robeco BP - All Cap Value Fund	4,764,272	5,736,405
Mortgage Receivable	1,300,000	1,260,000
Cash	1,022,264	1,136,951
Fixed Assets less accumulated depreciation	22,312	34,066
Receivables		
Employer Contributions	$ 6,520,433	$ 2,592,801
Accrued Interest & Dividends	14,037	15,452
Liabilities		
Accrued Expenses and payroll taxes	$ (144,956)	$ (150,478)
Total Market Value	**$ 78,766,444**	**$ 77,060,732**

Assets at Actuarial Value:

For long-term planning, actuaries commonly use smoothing techniques to mitigate the short-term volatility exhibited by the capital markets. The Plan currently phases in investment gains and losses over five years. The Actuarial Value of Assets is also constrained so that it cannot exceed 120% of the Market Value and cannot be less than 80% of the Market Value. The table below shows the development of the Actuarial Asset Value.

Table II - 2
Development of Actuarial Value of Assets as of March 1, 2014

Market Value of Assets as of March 1, 2014				$ 77,060,732
Plan Year	Investment Gains / (Losses)	Percent Recognized	Percent Deferred	Amount Deferred
2009	$ 15,359,240	100%	0%	$ 0
2010	6,511,385	80%	20%	1,302,277
2011	(3,803,566)	60%	40%	(1,521,426)
2012	(4,321)	40%	60%	(2,593)
2013	3,791,415	20%	80%	3,033,132
Total				$ 2,811,390
Preliminary Actuarial value as of March 1, 2014				$ 74,249,342
Corridor for Actuarial Value				
80% of Market Value				$ 61,648,586
120% of Market Value				$ 92,472,878
Actuarial Value of Assets as of March 1, 2014				$ 74,249,342
- as a percent of Market Value of Assets				96.4%

SECTION II
ASSETS

Changes in Market Value:

The components of asset change are:

- Contributions
- Benefit payments
- Expenses
- Investment income (realized and unrealized)

The specific changes during the 2013 Plan Year are presented below:

Table II - 3
Changes in Market Values

Total Value of Assets — March 1, 2013	$	78,766,444
Contributions	$	3,643,116
Investment Return (Net)		9,170,731
Benefit Payments		(13,367,997)
Other Income / Adjustments		4,200
Administrative Expenses		(1,155,762)
Total Value of Assets — March 1, 2014	$	77,060,732

Market Value for valuation purposes was determined as follows:

Table II - 4
Reconciliation with Market Value from Financial Statement

		March 1, 2014
Market Value of Assets on Financial Statement	$	75,065,931
Additional Employer Contributions	$	2,337,801
Withdrawal Liability Payments Receivable		(343,000)
Net		1,994,801
Market Value of Assets for Valuation Purposes	$	77,060,732

Actuarial Gains/Losses from Investment Performance:

The following table calculates the investment related gain/loss for the Plan year on both a Market Value and Actuarial Value basis. The Market Value gain/loss is an appropriate measure for comparing the actual asset performance to the long-term 7.50% assumption. The gain/loss on the Actuarial Value basis is one component of the Plan's experience gain/loss recognized in minimum funding.

Table II - 5
Asset Gain / (Loss)

Item	Market Value	Actuarial Value
March 1, 2013 Value	$ 78,766,444	$ 75,375,639
Contributions	3,643,116	3,643,116
Benefit Payments	(13,367,997)	(13,367,997)
Administrative Expenses	(1,155,762)	(1,085,000) *
Expected Investment Earnings (7.50%)	5,379,316	5,086,814
Other	4,200	N/A
Expected Value on February 28, 2014	$ 73,269,317	$ 69,652,572
Investment Gain / (Loss)	3,791,415	4,596,770
March 1, 2014 Value	$ 77,060,732	$ 74,249,342
Return	12.51%	13.84%

*Assumed Expenses, payable beginning of year

SECTION III
LIABILITIES

In this section, we present detailed information on Plan liabilities including:

- **Disclosure of plan liabilities** at March 1, 2013 and March 1, 2014; and
- Statement of **changes** in these liabilities during the year.

Disclosure:

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them.

- **Present Value of Future Benefits:** Used for analyzing the financial outlook of the Plan, this represents the amount of money needed today to fully pay off all future benefits assuming participants continue to accrue benefits.
- **Actuarial Liabilities:** Used for communicating the current levels of liabilities for funding purposes. These liabilities are used to determine statutory Minimum Funding Requirements and maximum tax deductible contributions. These liabilities represent the total amount of money needed to fully pay off all obligations of the Trust using funding assumptions and assuming no further accrual of benefits. For the Plan, the Trustee's chose the Unit Credit Cost Method to determine the liability.
- **Accrued Liabilities:** These liabilities are required for determining PPA funded status and for accounting disclosure purposes (FASB ASC 960). For that purpose they are referred to as the present value of accumulated benefits. These liabilities are determined using the Unit Credit Cost Method, and so, for the Plan will equal the Actuarial Liabilities.
- **Vested Liabilities:** Required for accounting purposes, this liability represents that portion of the Accrued Liabilities which are vested.
- **Current Liabilities:** Used for Federal Government compliance purposes, the calculation of this liability is defined by the Internal Revenue Code regulations and is used to determine maximum allowable tax deductible contributions.

The table below discloses most of these liabilities for the current valuation and the prior one. With respect to each disclosure, a subtraction of the appropriate value of Plan assets yields an **unfunded liability** for each respective type.

SECTION III
LIABILITIES

Table III - 1
Liabilities/Net Surplus (Unfunded)

		3/1/2013		3/1/2014
ACTUARIAL / PPA LIABILITY				
Actuarial / PPA Liability	$	**168,065,456**	$	**168,388,149**
Actuarial Value of Assets		75,375,639		74,249,342
Net Surplus (Unfunded)	$	**(92,689,817)**	$	**(94,138,807)**
VESTED LIABILITY				
Actuarial / PPA Liability	$	168,065,456	$	168,388,149
Less Present Value of Non-Vested Benefits		551,080		487,736
Vested Liability	$	**167,514,376**	$	**167,900,413**
Market Value of Assets		78,766,444		77,060,732
Net Surplus (Unfunded)	$	**(88,747,932)**	$	**(90,839,681)**
CURRENT LIABILITY (RPA 1994)	$	**281,383,375**	$	**283,826,417**
Market Value of Assets		78,766,444		77,060,732
Net Surplus (Unfunded)	$	**(202,616,931)**	$	**(206,765,685)**

SECTION III
LIABILITIES

Allocation of Liabilities by Type:

The Plan's participants may qualify for a benefit upon death, termination, and disability as well as upon retirement. The value of the liabilities arising from each of these sources is shown in the following table:

Table III - 2
ALLOCATION OF LIABILITIES BY TYPE
March 1, 2014

Benefit Type	Retirement	Termination	Death	Disability	Total
Unit Credit Normal Cost	$ 727,564	$ 118,292	$ 19,154	$ 32,378	$ 897,388
Actuarial / PPA Liability					
Actives	$ 23,491,260	$ 2,704,291	$ 581,386	$ 824,502	$ 27,601,439
Terminated Vesteds	0	38,557,276	0	0	38,557,276
Retirees and Beneficiaries	83,676,523	0	6,855,432	11,697,479	102,229,434
Total	$ 107,167,783	$ 41,261,567	$ 7,436,818	$ 12,521,981	$ 168,388,149
RPA Current Liability Normal Cost	$ 1,469,546	$ 410,836	$ 15,887	$ 66,378	$ 1,962,647
RPA Current Liability					
Actives	$ 45,095,824	$ 8,716,586	$ 453,288	$ 1,628,620	$ 55,894,318
Terminated Vesteds	0	82,026,160	0	0	82,026,160
Retirees and Beneficiaries	117,274,979	0	9,430,945	19,200,015	145,905,939
Total	$ 162,370,803	$ 90,742,746	$ 9,884,233	$ 20,828,635	$ 283,826,417
Vested RPA Current Liability					
Actives	$ 32,371,308	$ 21,149,130	$ 449,736	$ 1,604,536	$ 55,574,710
Terminated Vesteds	0	82,026,160	0	0	82,026,160
Retirees and Beneficiaries	117,274,979	0	9,430,945	19,200,015	145,905,939
Total	$ 149,646,287	$ 103,175,290	$ 9,880,681	$ 20,804,551	$ 283,506,809

SECTION III
LIABILITIES

Changes in Liabilities:

The liability shown in Table III-3 is subject to change at successive valuations as the experience of the Plan varies from that assumed in the valuation. The liability may change for any of several reasons, including:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments
- Interest on Actuarial Liabilities
- Benefits paid to retirees
- Participants leaving employment at rates different from expected
- Changes in actuarial assumptions
- Changes in actuarial methods

There were no changes to assumptions, methods, or Plan provisions since last year.

Table III - 3 Actuarial (PPA) Liability		
Liabilities 3/1/2013	$	168,065,456
Liabilities 3/1/2014		168,388,149
Liability Increase (Decrease)		322,693
Change due to:		
Plan Amendment	$	0
Assumption Change		0
Accrual of Benefits		947,964
Actual Benefits		(13,367,997)
Passage of Time		12,174,708
Other Sources		0
Actuarial (Gain)/Loss		568,018

SECTION IV
CONTRIBUTIONS

In this section, we present detailed information on Plan contributions from two perspectives:

- **Minimum Required Contributions**, based on the Unit Credit funding method; and
- **Government Limits** which could affect the above.

Minimum Required Contributions:

For this Plan, the funding method used is the **Unit Credit** method. The Minimum Required Contribution is determined in two parts.

The first part is the Unit Credit Normal Cost. The Normal Cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming Plan Year. The Normal Cost includes a provision for administrative expenses.

The second part is an amortization payment to pay off the Unfunded Actuarial Liability (UAL). The UAL is the difference between the Actuarial Value of Assets at the valuation date and the Actuarial Liability determined by the actuarial cost method. The amortization schedule is established by the minimum funding rules in the Internal Revenue Code.

Government Limitations:

ERISA and the IRS tax code place various limits on the contributions made to qualified pension plans. The limits impact the minimum that must be paid, the maximum that can be deducted and the timing of contributions.

To ensure that minimum contributions are met, pension plans are required to retain an Enrolled Actuary to complete Schedule MB to Form 5500 on an annual basis. In the past, bargained contributions exceeded the Minimum Required Contribution and the Plan built up a Credit Balance. The Credit Balance can be used to make up the difference between the Minimum Required Contribution and the bargained contribution. However, for the past few years the Plan has exhausted the Credit Balance and has a Funding Deficiency (i.e. a negative Credit Balance) for the current Plan Year.

The Minimum Required Contribution for 2014 is shown below compared to various Government Limits and the estimated employer contributions. The table also shows the per capita Minimum Required Contribution and contribution.

Table IV - 1
Contributions for 2014

Minimum Required Contribution		
Unit Credit Normal Cost (with Expenses)	$	2,047,388
Amortization Payment		9,190,566
Interest to End of Year		842,847
Total	$	12,080,801
Government Limits		
Maximum Deductible Contribution	$	330,698,324
Minimum Contribution (before Credit Balance)		12,080,801
Credit Balance with Interest		(21,946,896)
Estimated Employer Contributions with Interest	$	3,050,331
Count of Active Participants		1,105
Per Capita Minimum Required Contribution	$	10,933
Per Capita Contribution	$	2,760

SECTION IV
CONTRIBUTIONS

The tables on the following pages show the development of the minimum and maximum contributions for the 2014 Plan Year.

Table IV - 2
FUNDING STANDARD ACCOUNT FOR PLAN YEARS ENDING

	2/28/2014	2/28/2015
1. Charges for Plan Year		
a. Prior Year Funding Deficiency	$ 13,752,769	$ 20,415,717
b. Normal Cost with Expenses	2,032,964	2,047,388
c. Amortization Charges	16,887,313	16,762,867
d. Interest on a., b., and c. to Year End	2,450,478	2,941,948
e. Additional Funding Charge	N/A	N/A
f. Interest Charge due to Late Quarterly Contributions	N/A	N/A
g. Total Charges	$ 35,123,524	$ 42,167,920
2. Credits for Plan Year		
a. Prior Year Credit Balance	$ 0	$ 0
b. Contributions for Minimum Funding (actual / ***expected***)	3,643,116	***2,942,000***
c. Amortization Credits	10,277,558	7,572,301
d. Interest on a., b., and c. to Year End	787,133	579,698
e. Full Funding Limit Credit	0	0
f. Total Credits	$ 14,707,807	$ 11,093,999
3. Credit Balance at End of Year [2. - 1.]	$ (20,415,717)	$ (31,073,921)

SECTION IV
CONTRIBUTIONS

Table IV - 3
CALCULATION OF THE MAXIMUM DEDUCTIBLE CONTRIBUTION FOR THE PLAN YEAR STARTING MARCH 1, 2014

1. "Fresh Start" Method		
a. Unit Credit Normal Cost with Expenses	$	2,047,388
b. Net Charge to Amortize Unfunded Actuarial Liability Over 10 Years		12,757,860
c. Interest on a. and b. to Year End		1,110,394
d. Total		15,915,642
e. Minimum Required Contribution at Year End		34,027,697
f. Larger of d. and e.		34,027,697
g. Full Funding Limit		189,626,403
h. Preliminary Maximum Deductible Contribution [lesser of f. and g.]	$	34,027,697
2. 140% of Current Liability Calculation		
a. RPA 1994 Current Liability at Start of Year	$	283,826,417
b. Present Value of Benefits Estimated to Accrue during Year		1,962,647
c. Expected Benefit Payments		13,771,637
d. Net Interest on a., b. and c. at Current Liability Interest Rate (3.63%)		10,126,416
e. Expected Current Liability at End of Year [a. + b. – c. + d.]		282,143,843
f. 140% of e.		395,001,380
g. Actuarial Value of Assets		74,249,342
h. Expected Expenses		1,150,000
i. Net Interest on c., g., and h. at Valuation Interest Rate (7.50%)		4,975,351
j. Estimated Value of Assets [g. – c. – h. + i.]		64,303,056
k. Unfunded Current Liability at Year End [f. – j.], not less than $0	$	330,698,324
3. Maximum Deductible Contribution at Year End, greater of 1.h. and 2.k.	$	330,698,324

SECTION IV
CONTRIBUTIONS

Table IV - 4
DEVELOPMENT OF ACTUARIAL GAIN / (LOSS)
FOR THE YEAR ENDED FEBRUARY 28, 2014

1. Unfunded Actuarial Liability at Start of Year (not less than zero)	$	92,689,817
2. Normal Cost and Expenses at Start of Year		2,032,964
3. Interest on 1. and 2. to End of Year		7,104,209
4. Contributions for Prior Year		3,643,116
5. Interest on 4. to End of Year		16,315
6. Change in Unfunded Actuarial Liability Due to Changes in Methods		0
7. Change in Unfunded Actuarial Liability Due to Changes in Assumptions		0
8. Change in Unfunded Actuarial Liability Due to Changes in Plan Design		0
9. Expected Unfunded Actuarial Liability at End of Year [1. + 2. + 3. – 4. – 5. + 6. + 7. + 8.]	$	98,167,559
10. Actual Unfunded Actuarial Liability at End of Year (not less than zero)		94,138,807
11. Actuarial Gain / (Loss) [9. – 10.]	$	4,028,752
12. Amortization Factor for Actuarial Gain / (Loss)		9.4892
13. Amortization Credit / (Charge) for Actuarial Gain / (Loss)	$	424,564

SECTION IV
CONTRIBUTIONS

Table IV - 5
SCHEDULE OF AMORTIZATIONS REQUIRED FOR MINIMUM REQUIRED CONTRIBUTION AS OF MARCH 1, 2014

Type of Base	Date Established	Initial Amount	Initial Amortization Years	3/1/2014 Outstanding Balance	Remaining Amortization Years	Beg of Yr Amortization Amount
CHARGES						
1. Initial Unfunded	3/1/1978	$ 16,575,006	40	$ 4,273,993	4	$ 1,187,046
2. Plan Amendment	3/1/1989	63,848	30	21,401	5	4,921
3. Method Change	3/1/1989	15,842,844	30	5,310,791	5	1,221,061
4. Plan Amendment	3/1/1993	5,282,693	30	2,809,778	9	409,749
5. Plan Amendment	3/1/2000	1,738,637	15	181,067	1	181,067
6. Actuarial Loss	3/1/2000	7,511,951	30	5,772,875	16	587,443
7. Actuarial Loss	3/1/2001	11,966,014	15	2,409,867	2	1,248,485
8. Actuarial Loss	3/1/2002	13,842,899	15	4,044,980	3	1,446,927
9. Actuarial Loss	3/1/2003	22,582,575	15	8,713,806	4	2,420,148
10. Actuarial Loss	3/1/2005	3,018,172	15	1,599,986	6	317,086
11. Actuarial Loss	3/1/2006	2,642,095	15	1,582,869	7	277,997
12. Assumption Change	3/1/2007	8,194,633	30	7,498,215	23	645,442
13. Actuarial Loss	3/1/2007	2,180,614	15	1,446,961	8	229,801
14. Actuarial Loss	3/1/2008	15,092,752	15	10,906,721	9	1,590,527
15. Actuarial Loss	3/1/2009	28,127,155	15	21,872,036	10	2,964,137
16. Actuarial Loss	3/1/2011	7,919,489	15	6,939,915	12	834,583
17. Assumption Change	3/1/2012	2,075,229	15	1,910,360	13	218,695
18. Actuarial Loss	3/1/2012	6,035,275	15	5,555,797	13	636,018
19. Actuarial Loss	3/1/2013	3,242,769	15	3,118,613	14	341,734
TOTAL CHARGES				$ 95,970,031		$ 16,762,867

SECTION IV
CONTRIBUTIONS

Table IV - 6
SCHEDULE OF AMORTIZATIONS REQUIRED FOR MINIMUM REQUIRED CONTRIBUTION AS OF MARCH 1, 2014

Type of Base	Date Established	Initial Amount	Initial Amortization Years	3/1/2014 Outstanding Balance	Remaining Amortization Years	Beg of Yr Amortization Amount
CREDITS						
1. Combined Base	3/1/2007	$ 48,962,861	7.6038	$ 4,945,865	0.6038	$ 4,945,865
2. Funding Method Change	3/1/2008	6,945,571	10	3,389,091	4	941,276
3. Plan Amendment	3/1/2009	590,517	15	459,192	10	62,231
4. Actuarial Gain	3/1/2010	11,371,471	15	9,424,041	11	1,198,365
5. Actuarial Gain	3/1/2014	4,028,752	15	4,028,752	15	424,564
TOTAL CREDITS				$ 22,246,941		$ 7,572,301
NET CHARGE				$ 73,723,090		$ 9,190,566

SECTION IV
CONTRIBUTIONS

Table IV - 7
ACCUMULATED RECONCILIATION ACCOUNT AND BALANCE TEST AS OF MARCH 1, 2014

1. Amount due to Additional Interest Charges in prior years	$	0
2. Amount due to Additional Funding Charges in prior years		NA
3. Reconciliation Account at Start of Year [1. + 2.]	$	0
4. Net Outstanding Amortization Bases	$	73,723,090
5. Credit Balance at Start of Year	$	(20,415,717)
6. Unfunded Actuarial Liability at Start of Year from Funding Equation [4. - 3. - 5.]	$	94,138,807
7. Actuarial Liability at Start of Year	$	168,388,149
8. Actuarial Value of Assets at Start of Year	$	74,249,342
9. Unfunded Actuarial Liability at Start of Year from Liability Calculation [7. - 8.]	$	94,138,807

The Plan passes the Balance Test because line 6. equals line 9.

SECTION IV
CONTRIBUTIONS

Table IV - 8
DEVELOPMENT OF FULL FUNDING LIMITATION
FOR THE YEAR BEGINNING MARCH 1, 2014

	Minimum	Maximum
1. Actuarial / PPA Liability Full Funding Limit Calculation		
a. Actuarial / PPA Liability	$ 168,388,149	$ 168,388,149
b. Normal Cost with Expenses	2,047,388	2,047,388
c. Lesser of Market Value and Actuarial Value of Assets	74,249,342	74,249,342
d. Credit Balance at Start of Year, not less than zero	0	N/A
e. Net Interest on a., b., c., and d. at Funding Interest Rate (7.50%)	7,213,965	7,213,965
f. Actuarial / PPA Liability Full Funding Limit [a. + b. – c. + d. + e.], limited to zero	$ 103,400,160	$ 103,400,160
2. Full Funding Limit Override (RPA 1994)		
a. RPA 1994 Current Liability at Start of Year	$ 283,826,417	$ 283,826,417
b. Present Value of Benefits Estimated to Accrue during Year	1,962,647	1,962,647
c. Expected Benefit Payments	13,771,637	13,771,637
d. Net Interest on a., b. and c. at Current Liability Interest Rate (3.63%)	10,126,416	10,126,416
e. Expected Current Liability at End of Year [a. + b. – c. + d.]	282,143,843	282,143,843
f. 90% of e.	253,929,459	253,929,459
g. Actuarial Value of Assets	74,249,342	74,249,342
h. Expected Expenses	1,150,000	1,150,000
i. Net Interest on c., g., and h. at Valuation Interest Rate (7.50%)	4,975,351	4,975,351
j. Estimated Value of Assets [g. – c. – h. + i.]	64,303,056	64,303,056
k. RPA 1994 Full Funding Limit Override [f. – j.], limited to zero	$ 189,626,403	$ 189,626,403
3. Full Funding Limitation at End of Plan Year, greater of 1.f. and 2.k.	$ 189,626,403	$ 189,626,403

SECTION V
UNFUNDED VESTED BENEFITS

The allocation of the Unfunded Vested Benefits (UVB) is determined under the Presumptive method as defined in the Multiemployer Pension Plan Amendments Act of 1980 (MEPPA). If an employer withdraws between March 1, 2014 and February 28, 2015, they will be assessed Withdrawal Liability based on their share of the UVB. The Present Value of Vested Benefits (PVVB) is valued using a 7.00% interest rate assumption.

Under the Presumptive method, "pools" are created each year based on the change in the Plan's Unfunded Vested Benefits (UVB). The UVB is calculated as the difference between the PVVB and the Market Value of Assets (MVA). In addition, the pools may include an adjustment for uncollectible Withdrawal Liability for prior withdrawn employers and statutory limits. Each pool is then written down over 20 years and allocated among the employers based on their proportional share of contributions.

Table V - 1
UNFUNDED VESTED BENEFITS

	2/28/2013	**2/28/2014**
1. Present Value of Vested Benefits (valued at 7.00%)		
a. Retirees and Beneficiaries	$ 105,229,922	$ 105,541,627
b. Terminated Vested Participants	39,161,633	41,569,783
c. Active Participants	30,211,252	27,901,834
d. Total	$ 174,602,807	$ 175,013,244
2. Market Value of Assets on Financial Statement (without the Withdrawal Liability Payments Receivable)	$ 72,519,011	$ 74,722,931
3. Unfunded Vested Benefits [1.d - 2.]	$ 102,083,796	$ 100,290,313
4. Funded Ratio [2. ÷ 1.d]	41.5%	42.7%

SECTION VI
REORGANIZATION STATUS

Table VI - 1
DEMONSTRATION THAT THE PLAN IS NOT IN REORGANIZATION
FOR THE YEAR STARTING MARCH 1, 2014

MPPAA requires accelerated funding for an underfunded multiemployer plan which has a large proportion of inactive vested participants. Such plans are labeled "in Reorganization" and are subject to requirements for more stringent funding and solvency testing, as well as notification to each contributing employer and each employee organization representing plan participants. Among other things, such plans have slightly higher minimum funding requirements. The calculation of a Plan's "Reorganization Index" and its Vested Benefits Charge is specified in MPPAA and its regulations. These calculations begin with determining a "Base Plan Year".

The Base Plan Year is the plan year ending at least six months before the Relevant Effective Date. The Relevant Effective Date is the earliest date of all Relevant Bargaining Agreements in force during the plan year. Relevant Bargaining Agreements are contracts that as of the end of the plan year have been in force at least six months but no more than 36 months. If there are no Relevant Bargaining Agreements, the Base Plan Year is the plan year ending at least 12 months before the beginning of the plan year. An Adjustment Date is also defined as the day ending 90 days before the Relevant Effective Date.

Based on the bargaining agreements in effect on 3/1/2014 we have determined the following applicable dates:

Relevant Effective Date	6/1/2012
End of Base Plan Year	2/28/2011
Adjustment Date	3/3/2012

The Reorganization Index and Vested Benefits Charge can be based on the actuarial valuation as of the last day of the Base Plan Year adjusted for any decrease of 5% or more in the value of plan assets or increase of 5% or more in the number of participants in pay status during the first day of the plan year following the Base Plan Year and ending on the Adjustment Date. However, the Trustees can opt to use an actuarial valuation as of the Adjustment Date or any later date before the last day of the year for which the determination is being made. Therefore, we used the 3/1/2012 valuation for the Reorganization Test, the first annual valuation date following the Adjustment Date.

Vested Benefits Charge for 2014 based on the 3/1/2012 Valuation:

1. Present Value of Vested Benefits for Retirees	$	102,505,977
2. Present Value of Vested Benefits for Non-Retirees		65,197,451
3. Actuarial Value of Assets		80,082,383
4. Retiree UVB (1. - 3.), but not less than zero		22,423,594
5. Non-Retiree UVB (1. + 2. - 3. - 4.), but not less than zero		65,197,451
6. 10-year Amortization of (4.)		3,038,886
7. 25-year Amortization of (5.)		5,440,844
8. Vested Benefits Charge (6. + 7.)		8,479,729
9. Net Charges to Funding Standard Account for 2014		11,237,954
10. Reorganization Index (8. - 9.)		0

The Plan is not in Reorganization because the Reorganization Index is zero.

SECTION VII
FASB ASC TOPIC #960

Table VII - 1
PRESENT VALUE OF ACCUMULATED BENEFITS AS OF MARCH 1, 2014 IN ACCORDANCE WITH ASC TOPIC NO. 960

	Amounts	Vested Counts
1. Actuarial Present Value of Vested Benefits		
For Retirees and Beneficiaries	$ 102,229,434	5,596
Terminated Vesteds	38,557,276	3,487
Active Participants	27,113,703	884
Total Vested Benefits	$ 167,900,413	9,967
2. Non-Vested Benefits	$ 487,736	221
3. Accumulated Benefits	$ 168,388,149	10,188
4. Market Value of Assets on Financial Statement (without the Withdrawal Liability Payments Receivable)	$ 74,722,931	
5. Funded Ratios		
Vested Benefits	44.5%	
Accumulated Benefits	44.4%	

RECONCILIATION OF PRESENT VALUE OF ACCUMULATED BENEFITS

1. Actuarial Present Value at Start of Prior Plan Year	$ 168,065,456
2. Increase (Decrease) over Prior Year due to:	
Benefit Accruals	$ 947,964
Benefit Payments	(13,367,997)
Increase for Interest	12,174,708
Experience (Gains)/Losses	568,018
Changes in Assumptions	0
Plan Amendments	0
Total	$ 322,693
3. Actuarial Present Value at End of Prior Year	$ 168,388,149

APPENDIX A
MEMBERSHIP INFORMATION

The data for this valuation was provided by the Fund Office as of March 1, 2014. Cheiron did not audit any of the data; however, it was reviewed to ensure that it complies with generally accepted actuarial standards.

The following is a list of data charts contained in this section:

- Summary of Participant Data
- Changes in Plan Membership
- Age/Service Distribution for Active Participants
- Counts and Average Benefit Amount by Age for Retirees, Beneficiaries, and Disabled Participants
- Counts and Average Benefit Amount by Age for Terminated Vested Participants

SUMMARY OF PARTICIPANT DATA

	March 1, 2013	March 1, 2014
Active Participants		
Count	1,358	1,105
Average Age	47.6	47.7
Average Benefit Service	14.7	14.9
Retirees and Beneficiaries Receiving Payments		
Count	5,624	5,596
Annual Benefits	$ 13,098,595	$ 13,206,363
Average Annual Benefit	2,329	2,360
Terminated Vested Participants		
Count	3,420	3,487
Annual Benefits	$ 9,198,104	$ 9,441,383
Average Annual Benefit	2,690	2,708

APPENDIX A
MEMBERSHIP INFORMATION

Changes in Plan Membership from March 1, 2012 to March 1, 2013

	Actives	Terminated Vested	Retired	Disabled	Beneficiaries	Total
1. March 1, 2013 Valuation	**1,358**	**3,420**	**4,554**	**333**	**737**	**10,402**
2. Additions						
a. New entrants	75	0	0	0	0	75
b. Inactive but not in prior year's data	0	11	17	3	5	36
c. Total	75	11	17	3	5	111
3. Reductions						
a. Terminated Nonvested	(80)	0	0	0	0	(80)
b. Benefits expired	0	0	0	0	(5)	(5)
c. Died without beneficiary	0	0	(177)	(10)	(37)	(224)
d. Assumed deceased	0	(9)	0	0	0	(9)
e. Total	(80)	(9)	(177)	(10)	(42)	(318)
4. Changes in Status						
a. Terminated Vested	(227)	227	0	0	0	0
b. Returned to work	4	(4)	0	0	0	0
c. Retired	(21)	(125)	146	0	0	0
d. Disabled	(2)	(8)	(5)	15	0	0
e. Died with beneficiary	(2)	(18)	(43)	(5)	68	0
f. Data correction	0	(7)	(1)	1	0	(7)
g. Total	(248)	65	97	11	68	(7)
5. March 1, 2014 Valuation	**1,105**	**3,487**	**4,491**	**337**	**768**	**10,188**

APPENDIX A
MEMBERSHIP INFORMATION

AGE / SERVICE DISTRIBUTION OF ACTIVE PARTICIPANTS AS OF MARCH 1, 2014

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	14	21	0	0	0	0	0	0	0	0	35
25 to 29	15	24	10	1	0	0	0	0	0	0	50
30 to 34	10	31	16	27	3	0	0	0	0	0	87
35 to 39	6	18	26	39	33	1	0	0	0	0	123
40 to 44	9	16	17	38	36	14	5	0	0	0	135
45 to 49	2	22	21	31	37	21	15	0	0	0	149
50 to 54	2	14	18	35	42	26	26	20	3	0	186
55 to 59	2	7	13	28	42	28	28	26	8	0	182
60 to 64	1	5	11	16	21	8	14	18	12	6	112
65 to 69	0	2	3	7	5	4	5	6	2	8	42
70 & up	0	0	0	3	0	0	0	0	0	1	4
Total	61	160	135	225	219	102	93	70	25	15	1,105

Average Age = 47.7

Average Service = 14.9

APPENDIX A
MEMBERSHIP INFORMATION

AGE DISTRIBUTION OF INACTIVE PARTICIPANTS
PENSIONERS AND BENEFICIARIES RECEIVING BENEFITS AS OF MARCH 1, 2014

	Disability Retirements			Normal, Early Deferred Vested Retirements			Surviving Spouses and Beneficiaries Receiving Benefits			Total		
Age	Number		Monthly Benefit	Number		Monthly Benefit	Number		Monthly Benefit	Number		Monthly Benefit
Under 55	49	$	20,028	0	$	0	29	$	2,700	78	$	22,727
55-59	54		19,890	234		50,674	31		4,448	319		75,012
60-64	59		25,391	527		115,632	64		7,259	650		148,283
65-69	54		21,645	838		184,461	99		10,463	991		216,569
70-74	48		10,833	838		180,396	105		11,888	991		203,117
75-79	30		7,327	743		152,028	137		13,213	910		172,568
80 & Over	43		8,056	1,311		226,408	303		27,790	1,657		262,254
Total	337	$	113,170	4,491	$	909,599	768	$	77,761	5,596	$	1,100,530

DEFERRED VESTED PARTICIPANTS AND SURVIVING SPOUSES ENTITLED TO FUTURE BENEFITS

Age	Number	Monthly Benefit Payable at Normal Retirement Date
Under 45	702	$ 155,048
45-49	459	109,623
50-54	750	219,167
55-59	727	157,048
60-64	551	105,337
65 & Over	298	40,560
Total	3,487	$ 786,782

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

The following is a summary of the major provisions. Please refer to the plan document for a more complete description.

1. **Effective Date**

   The Plan was established on March 1, 1962. The most recent amendment was effective March 1, 2009.

2. **Participation**

   Employees become Participants as of the date their employer is obligated to begin contributions to the Plan on their behalf.

3. **Past Service**

   Participants shall, after 36 months of contributions have been made, be credited with a year of Past Service during any calendar year prior to the employer's applicable effective date in which they were employed for at least six months.

4. **Effective Service**

   Participants on July 1, 1974 shall be credited with Effective Service for each month for which contributions were made on their behalf through January 1, 1971.

5. **Future Eligibility Service**

   A Participant shall be credited with a year of Future Eligibility Service for each calendar year beginning January 1, 1971 during which contributions were made on their behalf and they worked at least 1,000 hours.

6. **Normal Retirement**

   Eligibility: The later of age 65 and 5th anniversary of Plan participation.

   Benefit: The monthly benefit is equal to the sum of the following, but not less than $50:

   (A) Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the number of years of Past Service by the applicable percentage. The percentage ranges from 1.8% to 2.2% depending on when participation began and how many months employer contributions were made.

   (B) Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the Effective Service Credit by 3.0%.

   (C) Multiply the total amount contributed on behalf of the participant from January 1, 1971 to August 31, 2003 by 3%.

   (D) Multiply the total amount contributed on behalf of the participant from September 1, 2003 to August 31, 2006 by 2%.

   (E) Multiply the total amount contributed on behalf of the participant after August 31, 2006 by 1%.

   Effective March 1, 2009, the monthly benefit for participants not yet retired will have no 36-month guarantee feature.

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

7. Early Retirement

Eligibility: Age 55 and five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998).

Benefit: The normal retirement benefit described above reduced by 5/9 of 1% for each month the Participant is less than 65 and by 5/12 of 1% for each month the Participant is less than 62.

Effective March 1, 2009, the subsidized reduction described above is only applied to Participants retiring directly from active status. All other retirements will be actuarially reduced to reflect early commencement of benefits.

8. Disability Retirement

Eligibility: Five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998) and awarded a Social Security Disability Award.

Benefit: The normal retirement benefit earned to date will be payable without reduction for age.

9. Deferred Vested Pension

Eligibility: Five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998).

Benefit: Accrued benefit payable at normal retirement.

10. Joint & Survivor Annuity Benefit

Eligibility: Participant must be eligible for early, normal or disability pension on their date of death.

Benefit: The actuarial equivalence of 50% or 75% of the accrued benefit with reduction for early retirement if applicable.

11. Normal Form

If Single: Straight Life Annuity

If Married: 50% Joint & Survivor, actuarial equivalence

12. Changes to Plan Provisions Since Last Valuation

None.

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions

1. **Investment Return (net of investment expenses)**

Funding & ASC 960 purposes	7.50% per year
Current Liability under RPA 1994	3.63% per year
Withdrawal Liability purposes	7.00% per year

2. **Administrative Expenses**

Average expenses from the most recent two years rounded to the nearest $5,000; this year the assumption is $1,150,000.

3. **Rates of Mortality**

Funding & ASC 960:
- Healthy Lives: RP2000 with blue collar adjustment, projected 5-years with Scale AA
- Disabled Lives: same with ages set-forward five years

RPA '94 Current Liability:
- 2014 Current Liability Combined Mortality Table

Terminated Vested Participants over age 80 are assumed to be deceased.

In accordance with Actuarial Standard of Practice #35, we have considered the effect of mortality improvement prior to and subsequent to the measurement date in developing this assumption.

4. Rates of Turnover

	Service			
Age	0 - 1	1 – 2	2 - 3	3+
25	20.5%	20.5%	19.0%	15.0%
35	16.9	16.9	16.9	11.3
45	15.0	15.0	12.4	7.8
55	15.0	15.0	7.0	7.0
62	15.0	15.0	7.0	7.0

5. **Rates of Disability**

Age	Rate
25	0.050%
35	0.065
45	0.244
55	0.406
65	0.000

6. **Rates of Retirement**

Age	Rate
55 - 59	3.00%
60	5.00
61	10.00
62 - 64	15.00
65 - 69	50.00
70	100.00

7. **Normal Form** Life Annuity

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

8. Changes in Assumptions Since the Last Valuation

The RPA '94 current liability interest rate was changed from 3.72% to 3.63% to comply with appropriate guidance.

The RPA '94 current liability mortality table changed from the 2013 static mortality table to the 2014 static mortality table to comply with appropriate guidance.

B. Actuarial Methods

1. Actuarial Cost Method

The cost method for determining liabilities for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.

2. Asset Valuation Method

The actuarial value of assets is determined in accordance with Section 3.16 of Revenue Procedure 2000-40 using a five-year smoothing period. Specifically, the actuarial value of assets as of March 1, 2007 is set equal to the market value of assets. For each subsequent plan year, the actuarial value shall be the market value minus a decreasing fraction (4/5, 3/5, 2/5, 1/5) of each gain or loss for each of the preceding four plan years. Gains or losses prior to March 1, 2007 are ignored. The resulting actuarial value of assets is then limited to be no greater than 120% and no less than 80% of the market value of assets on the valuation date.

3. Withdrawal Liability Method

The Plan uses the Presumptive method with the Unfunded Vested Benefits calculated as the difference between the market value of assets and the present value of vested benefits valued at 7.00%.

4. Changes in Actuarial Methods Since the Last Valuation

None.

CHEIRON

Classic Values, Innovative Advice

United Furniture Workers Pension Fund

Actuarial Valuation Report as of March 1, 2015

Produced by Cheiron

April 2016

TABLE OF CONTENTS

April 20, 2016

Board of Trustees
c/o Ms. Dee Anne Walker, Secretary-Treasurer/Director
United Furniture Workers Pension Fund A
1910 Air Lane Drive
Nashville, Tennessee 37210

Dear Trustees:

At your request, we have performed the March 1, 2015 Actuarial Valuation of the United Furniture Workers Pension Fund A (the "Plan"). The purpose of this report is to present information on the Plan's assets and liabilities and to disclose contribution levels, including the minimum required amount as mandated by Federal law to the Trustees. This report is for the use of the Plan and its auditors in preparing financial reports in accordance with applicable law and accounting requirements.

In the Foreword we refer to the general approach employed in the preparation of this report. The Summary section discusses the long-term funded status and emerging issues facing the Trustees. We also comment on the sources and reliability of both the data and the actuarial assumptions. The results of this report are only applicable to the 2015 Plan Year and rely on future Plan experience conforming to the underlying assumptions. Future valuation reports may differ significantly from the current results presented in this report due to such factors as the following: Plan experience differing from that anticipated by the assumptions, changes in assumptions, and changes in Plan provisions or applicable law.

To the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

Board of Trustees
United Furniture Workers Pension Plan A
April 20, 2016

This report was prepared exclusively for the Plan for the purposes described herein. Other users of this report are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

Sincerely,
Cheiron

Redacted by the U.S. Department of the Treasury

Christian E. Benjaminson, FSA, EA, MAAA
Principal Consulting Actuary

Redacted by the U.S. Department of the Treasury

Gene M. Kalwarski, FSA, EA, MAAA
Principal Consulting Actuary

FOREWORD

Cheiron has performed the Actuarial Valuation of the United Furniture Workers Pension Fund A as of March 1, 2015. The purpose of this report is to:

1) **Measure and disclose**, as of the valuation date, the financial condition of the Plan;

2) **Provide specific information** and documentation required by the Federal Government and the auditors of the Plan; and

3) **Review past and expected trends** in the financial conditions of the Plan.

An actuarial valuation establishes and analyzes Plan assets, liabilities and contributions on a consistent basis, and traces the progress of each from one year to the next. It includes measurement of the Plan's investment performance as well as an analysis of actuarial liability gains and losses. This valuation report is organized as follows:

Section I – Summary presents key valuation results and compares this year's results to last year's results. It also provides the historical summary and future outlook of the Plan.

Section II – Assets contains exhibits relating to the valuation of assets.

Section III – Liabilities shows the various measures of liabilities.

Section IV – Contributions shows the development of the minimum and maximum contributions.

Section V – Unfunded Vested Benefits (UVB) shows the development of the UVB as of March 1, 2015 that would be allocated to employers that withdraw before February 29, 2016.

Section VI – FASB ASC Topic #960 Disclosure provides information required by the Plan's auditor.

Finally, at the end of this report we present appendices that contain a summary of the Plan's membership at the valuation date, a summary of the major provisions of the Plan, and the actuarial methods and assumptions used in the valuation.

In preparing our report, we relied on information (some oral and some written) supplied by the Fund Office and Joseph Warren & Co, A Division of Rogoff and Company PC. This information includes, but is not limited to, the Plan provisions, employee data, and financial information. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23.

The actuarial assumptions, taken individually, reflect our understanding and best estimate of the likely future experience of the Plan. The results of this report are dependent upon future experience conforming to these assumptions. To the extent that future experience deviates from the actuarial assumptions, the true cost of the Plan could vary from our results.

Finally, in preparing this report, we have conformed to generally accepted actuarial principles and practices which are consistent with the Code of Professional Conduct, and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board.

SECTION I –SUMMARY

The table below sets out the principal results of this year's valuation and compares them to last year's results.

Table I-1
Summary of Principal Results

Participant Counts	**3/1/2014**	**3/1/2015**	**% Change**
Actives	1,105	1,029	(6.9)%
Terminated Vesteds	3,487	3,471	(0.5)%
In Pay Status	5,596	5,563	(0.6)%
Total	10,188	10,063	(1.2)%
Financial Information			
Market Value of Assets	$ 77,060,732	$ 70,887,468	(8.0)%
Actuarial Value of Assets	74,249,342	69,965,653	(5.8)%
Present Value of Future Benefits	$ 174,603,761	$ 187,800,158	7.6 %
Actuarial / PPA Liability	$ 168,388,149	$ 181,564,343	7.8 %
Surplus / (Unfunded) based on Actuarial Value of Assets	$ (94,138,807)	$ (111,598,690)	18.5 %
Funded Ratio based on Actuarial Value of Assets	44.1%	38.5%	
Present Value of Vested Benefits	$ 167,900,413	$ 181,058,453	7.8 %
Surplus / (Unfunded) based on Market Value of Assets	$ (90,839,681)	$ (110,170,985)	21.3 %
Gain / (Loss), Minimum Funding, and Cash Flows			
Actuarial Asset Gain / (Loss)	$ 4,596,770	$ 1,357,542	
Liability Gain / (Loss)	(568,018)	(1,125,905)	
Total Normal Cost (Unit Credit plus Admin. Expenses)	$ 2,047,388	$ 2,064,551	0.8 %
ERISA Minimum Funding before Funding Deficiency	12,080,801	18,183,029	50.5 %
ERISA Funding Deficiency (Beginning of Year)	20,415,717	29,886,971	46.4 %
Prior Year Contributions (net from all sources)	$ 7,552,748	$ 3,958,319	(47.6)%
Prior Year Benefit Payments	13,367,997	13,604,248	1.8 %
Prior Year Administrative Expenses	1,155,762	1,198,244	3.7 %
Prior Year Total Investment Income (net of expenses)	9,170,731	4,506,559	

SECTION I –SUMMARY

General Comments

Following is an analysis of the Plan's results for the prior year followed by historical results for the last ten years. After that, a projection of future results is shown. Please note this valuation was prepared using census data and financial information as of the valuation date, March 1, 2015. Therefore, events following that date are not, and should not be, reflected in this report. The next valuation will reflect all membership and investment experience changes through February 29, 2016.

Prior Year Results:

Investment and liability experience and their effect on future costs traditionally have been the focus of year to year analyses.

- The Market Value of Assets returned 6.28% for the Plan Year ending February 28, 2015. For long-term planning the Plan develops an Actuarial Value of Assets using a smoothing method which phases in investment gains and losses over five years. On this basis the Actuarial Value of Assets returned 9.21%. Comparing this return to the prior year's long-term investment assumption of 7.50% results in an actuarial asset gain of $1.36 million.
- The Plan experienced a liability loss totaling $1.13 million. Combined with the actuarial investment gain of $1.36 million, the Plan had a net actuarial experience gain of $0.23 million.
- Effective with this valuation, we made an assumption change to reduce the discount rate from 7.50% to 6.75%. This change resulted in a $12.6 million increase in the liability as well as an increase in the Minimum Required Contribution. Please refer to Appendix C for more details on the actuarial assumptions.
- The funding ratio (Actuarial Value of Assets as a percentage of Actuarial Liability) decreased from 44.1% to 38.5%. Based on Market Value of Assets, the funding ratio decreased from 45.8% to 39.0%.

The Pension Protection Act of 2006 (PPA) added a significant layer of new considerations related to the Plan's PPA Funded status.

- The Plan was certified as "Critical and Declining" status under the Pension Protection Act (PPA) as amended by the Multiemployer Pension Reform Act of 2014 (MPRA) for the 2015 Plan Year because of the current Funding Deficiency and is projected insolvent within the next 19 years. The PPA status is re-determined annually.
- A Rehabilitation Plan was prepared in December 2008 modifying adjustable benefits and requiring annual contribution increases of 5.5% beginning March 1, 2009. This Rehabilitation Plan is based on the reasonable measures (exhaustion) method and is annually monitored.
- The funding ratio is an important measure that is used in determining the PPA zone, which as noted, has declined over the past year.
- The period of time until a Funding Deficiency occurs is usually an important measure that is used for PPA testing. The Plan already has a Funding Deficiency which increased from $20.4 million as of March 1, 2014 to $29.9 million as of March 1, 2015 and is projected to grow. However, under PPA there is no excise tax due as long as the Plan has a valid Rehabilitation Plan.

In addition, please note that:

- Active membership declined by 6.9% over last year, mainly due to the withdrawal of Sealy Components.

- The Plan received $3.96 million in contributions (including Withdrawal Liability payments of $0.30 million) and paid $14.80 million in benefits and expenses for the year ending February 28, 2015. Comparing these two amounts shows a negative net cash flow of $10.84 million, which means the Plan is currently using investment returns to pay for benefits and expenses not covered by contributions.

- The increase in the Minimum Required Contribution was partially due to (1) a large credit base being completely recognized last year and no longer available for the current Plan Year, and (2) the decrease in the investment return assumption.

- The Plan assesses Withdrawal Liability based on a 6.25% interest rate assumption (7.00% last year) which is 0.5% less than the discount rate assumption used for funding. The Unfunded Vested Benefits increased from $100.3 million as of March 1, 2014 to $121.5 million as of March 1, 2015.

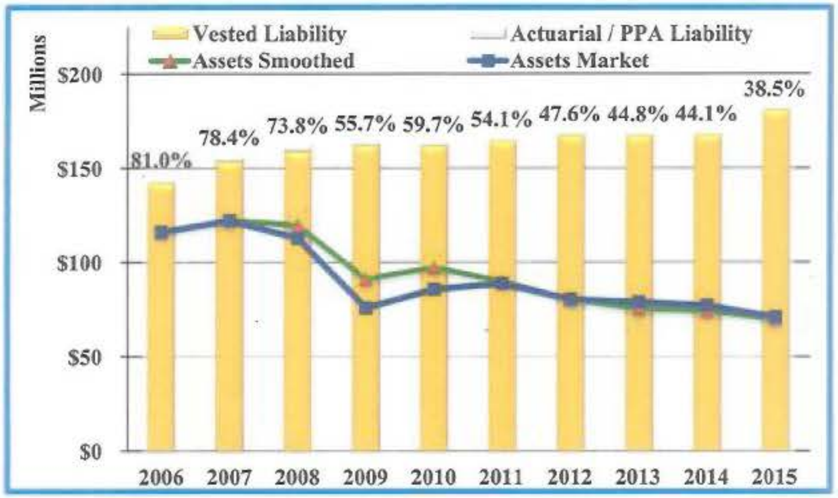
Historical Review:

It is important to take a step back from the results and view them in the context of the Plan's recent history. On the next few pages, we present a series of charts which display key results in the valuations of the last ten years.

SECTION I –SUMMARY

Assets & Liabilities:

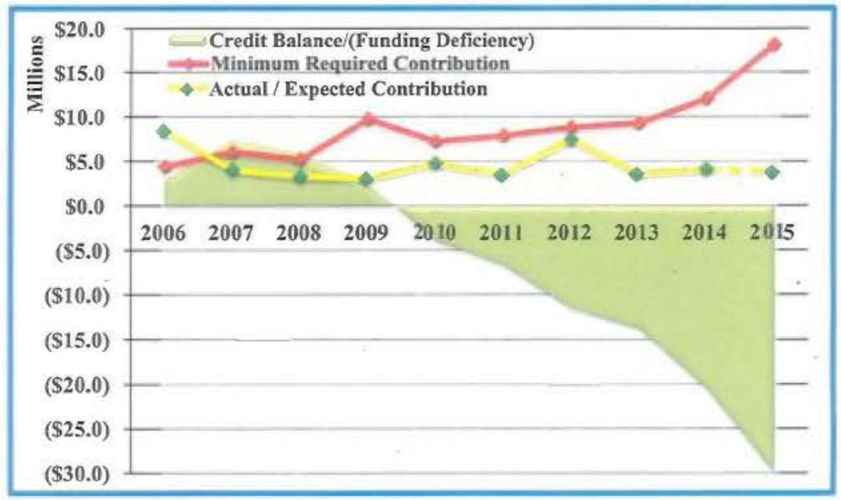
In this graph, the gold bars represent the present value of vested benefits while the gray bars add the additional non-vested benefits making up the Actuarial Liability. The blue line is the Market Value of Assets and the green line is the Actuarial Value of Assets. The percentages shown are the funding ratios (Actuarial Value of Assets as a percent of the Actuarial Liability).



- The funding ratio has decreased every year except 2010 and is now 38.5% funded. This decline is projected to continue.
- The increase in the Actuarial Liability for 2015 is due to the change in the discount rate, from 7.50% to 6.75%.
- The five-year average compounded investment return is 8.72% on the Market Value and 5.75% on the Actuarial Value; as compared to our 6.75% assumption.

Minimum Funding:

The next graph shows the contributions paid to the Plan (yellow line), the Minimum Required Contribution before the Credit Balance (red line) and the Credit Balance (green area). When the red line is greater than the yellow line the Credit Balance generally decreases. A Funding Deficiency occurs when the Credit Balance becomes negative.

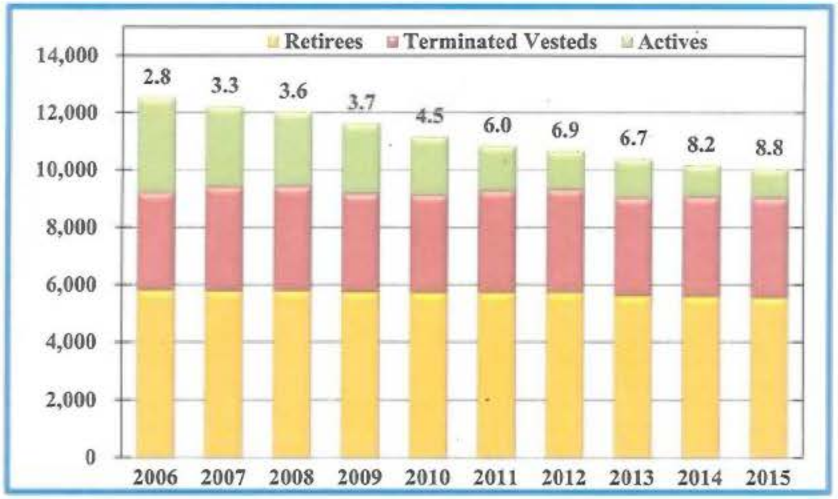


- Contributions have been less than the Minimum Required Contribution since 2007.
- A Funding Deficiency occurred at the end of the 2009 Plan Year and has grown every year since. However, under the PPA there is no excise tax due as long as the Plan has a valid Rehabilitation Plan.

SECTION I –SUMMARY

Participation:

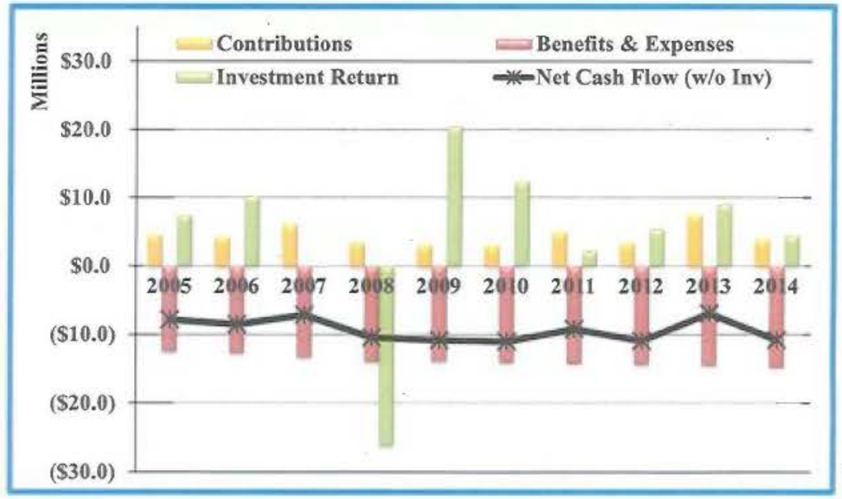
The graph below shows the participants of the Plan at successive valuations. The numbers above each bar represent the number of inactive members (retirees and terminated vested) to active members at each valuation date (called the support ratio).



- The support ratio has more than tripled over this nine-year period. Primarily due to employer withdrawals the ratio jumped to 8.8 inactives to every one active in the Plan.
- The active population has declined steadily over the period shown, with an average annual decline of 12.2% per year during the nine-year period shown and 8.6% per year for the prior three years.

Cash Flow:

Plan cash flow is a critical measure, as it reflects the ability to have funds available to meet benefit payments without having to make difficult investment decisions, especially during volatile markets.



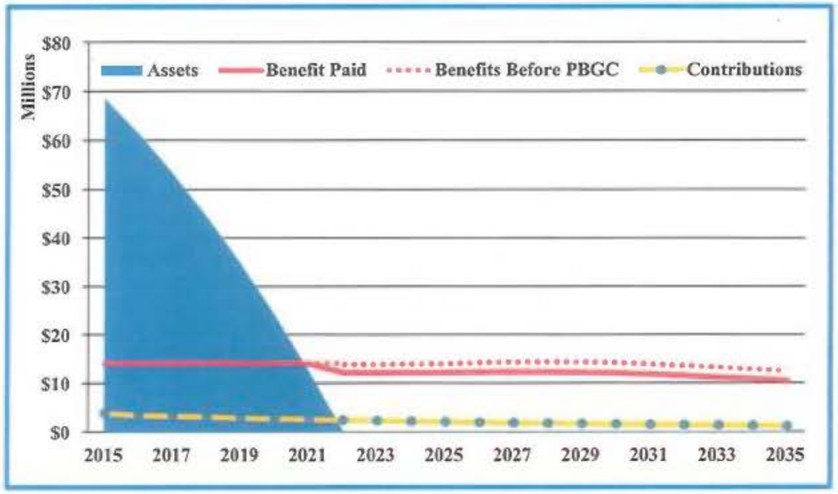
- The Plan's net cash flow has averaged negative $9.4 million per year for the period shown, which represents almost 14% of the current Market Value of Assets.
- The implications of a plan in negative cash flow are that the impact of market fluctuations can be more severe. This is because as assets are being depleted to pay benefits in down markets, there is less principal that is available to be reinvested during favorable return periods.

Future Outlook:

In this section we focus on the future of the Plan and provide a projection of the Plan's assets, contributions, and benefit payments over the next 20 years.

This projection scenario assumes the assets earn exactly 6.75% each year on their market value, including the current plan year, and all other assumptions are met. We also factor in the current Rehabilitation Plan with annual 5.5% contribution increases and the Trustees' industry assumption of 10% annual membership declines.

Under this scenario, the Plan is projected to be insolvent shortly after March 1, 2022. At that time the benefit payments would drop to the PBGC guarantee level and the PBGC would provide financial assistance to the Plan. The drop in benefit payments is illustrated in the graph; the solid red line represents the benefit actually paid which are cut to the PBGC guarantee at the point of insolvency. The dotted red line represents the benefit payments prior to reduction to the PBGC guarantee.



SECTION II – ASSETS

Assets at Market Value:

Market values represent "snap-shot" or "cash-out" values which provide the principal basis for measuring financial performance from one year to the next.

Table II - 1
Statement of Assets at Market Value, March 1

Assets	2014	2015
Short Term Obligations	$ 521,691	$ 264,333
Common Stocks	5,479,771	5,234,786
Intech Institutional Large Cap Growth Fund	6,344,495	5,772,886
Fidelity Growth International Fund	6,175,892	5,083,707
Fidelity Emerging Markets Fund	696,793	582,499
Rothchild SMID Fund	6,063,210	4,564,317
Pimco Bond Fund	14,597,028	6,421,005
BPIF Non-Taxable LP	7,847,418	8,231,939
State Street Global - MSCI	3,078,000	3,032,140
Wellington Global Total Return Fund	4,369,390	3,272,743
JPMCB Strategic Property Fund	8,339,847	8,828,137
State Street Global - Daily	2,922,000	3,235,289
Robeco BP - All Cap Value Fund	5,736,405	5,215,651
Loomis Sayles Credit Long/Short	0	5,901,800
Mortgage Receivable	1,260,000	1,260,000
Cash	1,136,951	1,292,443
Fixed Assets less accumulated depreciation	34,066	28,701
Receivables		
Employer Contributions	$ 2,592,801	$ 2,827,951
Accrued Interest & Dividends	15,452	13,475
Liabilities		
Accrued Expenses and payroll taxes	$ (150,478)	$ (176,334)
Total Market Value	$ 77,060,732	$ 70,887,468

Assets at Actuarial Value:

For long-term planning, actuaries commonly use smoothing techniques to mitigate the short-term volatility exhibited by the capital markets. The Plan currently phases in investment gains and losses over five years. The Actuarial Value of Assets is also constrained so that it cannot exceed 120% of the Market Value and cannot be less than 80% of the Market Value. The table below shows the development of the Actuarial Asset Value.

Table II - 2
Development of Actuarial Value of Assets as of March 1, 2015

Market Value of Assets as of March 1, 2015				**$ 70,887,468**
Plan Year	Investment Gains / (Losses)	Percent Recognized	Percent Deferred	Amount Deferred
2010	$ 6,511,385	100%	0%	$ 0
2011	(3,803,566)	80%	20%	(760,713)
2012	(4,321)	60%	40%	(1,728)
2013	3,791,415	40%	60%	2,274,849
2014	(738,241)	20%	80%	(590,593)
Total				$ 921,815
Preliminary Actuarial value as of March 1, 2015				$ 69,965,653
Corridor for Actuarial Value				
80% of Market Value				$ 56,709,975
120% of Market Value				$ 85,064,961
Actuarial Value of Assets as of March 1, 2015				**$ 69,965,653**
- as a percent of Market Value of Assets				98.7%

Changes in Market Value:

The components of change in market value are:

- Contributions
- Benefit payments
- Expenses
- Investment income (realized and unrealized)

The specific changes since the prior valuation are presented below:

Table II - 3
Changes in Market Values

Total Value of Assets — March 1, 2014	**$**	**77,060,732**
Contributions	$	4,120,469
Investment Return (Net)		4,506,559
Benefit Payments		(13,604,248)
Other Income / Adjustments		2,200
Administrative Expenses		(1,198,244)
Total Value of Assets — March 1, 2015	**$**	**70,887,468**

Market Value for valuation purposes was determined as follows:

Table II - 4
Reconciliation with Market Value from Financial Statement

		March 1, 2015
Market Value of Assets on Financial Statement	$	69,335,517
Additional Employer Contributions	$	2,499,951
Withdrawal Liability Payments Receivable		(948,000)
Net		1,551,951
Market Value of Assets for Valuation Purposes	$	**70,887,468**

Actuarial Gains/Losses from Investment Performance:

The following table calculates the investment related actuarial gain/loss for the plan year on both a Market Value and Actuarial Value basis. Because the Actuarial Value of Assets is used to establish the Minimum Required Contribution and the Internal Revenue Code limits and contribution requirements, the actuarial gain/loss on the Actuarial Value of Assets most directly impacts the valuation results. We derive the gain/(loss) on both values of assets in the following table:

Table II - 5
Asset Gain / (Loss)

	Market Value	*Actuarial Value*
March 1, 2014 Value	**$ 77,060,732**	**$ 74,249,342**
Contributions	4,120,469	4,120,469
Benefit Payments	(13,604,248)	(13,604,248)
Administrative Expenses	(1,198,244)	(1,150,000) *
Expected Investment Earnings (7.50%)	5,244,800	4,992,548
Other	2,200	N/A
Expected Value on February 28, 2015	$ 71,625,709	$ 68,608,111
Investment Gain / (Loss)	(738,241)	1,357,542
March 1, 2015 Value	**$ 70,887,468**	**$ 69,965,653**
Return	6.28%	9.21%

*Assumed Expenses, payable beginning of year

SECTION III – LIABILITIES

In this section, we present detailed information on Plan liabilities including:

- **Disclosure of Plan liabilities** at March 1, 2014 and March 1, 2015;
- Statement of **changes** in these liabilities during the year; and
- **Development** of the actuarial liability gain/loss during the year.

Disclosure:

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them.

- **Present Value of Future Benefits:** Used for analyzing the financial outlook of the Plan, this represents the amount of money needed today to fully pay off all future benefits assuming participants continue to accrue benefits.
- **Actuarial Liabilities:** Used in determining Minimum Funding Requirements, maximum tax deductible contributions, and long-term funding targets. These liabilities represent the total amount of money needed to fully pay off all obligations of the Plan using funding assumptions and assuming no further accrual of benefits. For this Plan, the Trustee's chose the Unit Credit Cost Method to determine the liability.
- **Accrued Liabilities:** These liabilities are required for determining PPA funded status and for accounting disclosure purposes (FASB ASC 960). For that purpose they are referred to as the present value of accumulated benefits. These liabilities are determined using the Unit Credit Cost Method, and so, for the Plan will equal the Actuarial Liabilities.
- **Vested Liabilities:** Required for accounting purposes, this liability represents the portion of the Accrued Liabilities which are vested.
- **Current Liabilities:** Used for Federal Government compliance purposes, the calculation of this liability is defined by the Internal Revenue Code and regulations to determine maximum allowable tax deductible contributions.

The table on the following page discloses most of these liabilities for the current valuation and the prior one. With respect to each disclosure, a subtraction of the appropriate value of Plan assets yields an **unfunded liability** for each respective type.

SECTION III – LIABILITIES

Table III - 1 Liabilities/Net Surplus (Unfunded)				
		3/1/2014		**3/1/2015**
FUNDING DISCOUNT RATE ASSUMPTION		**7.50%**		**6.75%**
ACTUARIAL / PPA LIABILITY				
Actuarial / PPA Liability	**$**	**168,388,149**	**$**	**181,564,343**
Actuarial Value of Assets		74,249,342		69,965,653
Net Surplus (Unfunded)	**$**	**(94,138,807)**	**$**	**(111,598,690)**
VESTED LIABILITY				
Actuarial / PPA Liability	$	168,388,149	$	181,564,343
Less Present Value of Non-Vested Benefits		487,736		505,890
Vested Liability	**$**	**167,900,413**	**$**	**181,058,453**
Market Value of Assets		77,060,732		70,887,468
Net Surplus (Unfunded)	**$**	**(90,839,681)**	**$**	**(110,170,985)**
RPA DISCOUNT RATE		**3.63%**		**3.44%**
CURRENT LIABILITY (RPA 1994)	$	**283,826,417**	$	**290,549,936**
Market Value of Assets		77,060,732		70,887,468
Net Surplus (Unfunded)	$	**(206,765,685)**	$	**(219,662,468)**

Allocation of Liabilities by Type:

The Plan participants may qualify for a benefit upon death, termination, and disability as well as upon retirement. The value of the liabilities arising from each of these sources is shown in the following table:

Table III - 2
ALLOCATION OF LIABILITIES BY TYPE
March 1, 2015

Benefit Type	Retirement	Termination	Death	Disability	Total
Unit Credit Normal Cost	$ 728,023	$ 114,240	$ 18,650	$ 28,638	$ 889,551
Actuarial / PPA Liability					
Actives	$ 22,737,823	$ 2,392,125	$ 553,878	$ 689,013	$ 26,372,839
Terminated Vesteds	0	45,764,390	0	0	45,764,390
Retirees and Beneficiaries	89,542,664	0	7,348,683	12,535,767	109,427,114
Total	**$ 112,280,487**	**$ 48,156,515**	**$ 7,902,561**	**$ 13,224,780**	**$ 181,564,343**
RPA Current Liability Normal Cost	$ 1,355,813	$ 344,027	$ 13,963	$ 55,077	$ 1,768,880
RPA Current Liability					
Actives	$ 40,570,196	$ 6,684,322	$ 390,461	$ 1,279,745	$ 48,924,724
Terminated Vesteds	0	89,993,573	0	0	89,993,573
Retirees and Beneficiaries	121,890,937	0	9,799,733	19,940,969	151,631,639
Total	**$ 162,461,133**	**$ 96,677,895**	**$ 10,190,194**	**$ 21,220,714**	**$ 290,549,936**
Vested RPA Current Liability					
Actives	$ 30,107,072	$ 16,634,292	$ 385,454	$ 1,247,852	$ 48,374,670
Terminated Vesteds	0	89,993,573	0	0	89,993,573
Retirees and Beneficiaries	121,890,937	0	9,799,733	19,940,969	151,631,639
Total	**$ 151,998,009**	**$ 106,627,865**	**$ 10,185,187**	**$ 21,188,821**	**$ 289,999,882**

Changes in Liabilities:

The Actuarial Liability shown in the preceding table changes at successive valuations based on as the experience of the Plan. The liability may change for any of several reasons, including:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments
- Interest on Actuarial Liability
- Benefits paid to retirees and beneficiaries
- Participants leaving employment at rates different than expected
- Changes in actuarial assumptions
- Changes in actuarial methods

The following table shows the change in the Actuarial Liability measure since the last valuation. There were no changes to methods or Plan provisions since last year. However, we made an assumption change to reduce the discount rate from 7.50% to 6.75% per annum resulting in a $12.6 million increase in the liability. Please refer to Appendix C for more details on the actuarial assumptions.

Table III - 3
Actuarial (PPA) Liability

Liabilities 3/1/2014	$	168,388,149
Liabilities 3/1/2015		181,564,343
Liability Increase (Decrease)		13,176,194
Change due to:		
Plan Amendment	$	0
Assumption Change		12,570,893
Accrual of Benefits		897,388
Actual Benefits		(13,604,248)
Passage of Time		12,186,256
Other Sources		0
Actuarial (Gain)/Loss		1,125,905

SECTION IV – CONTRIBUTIONS

In this section, we present detailed information on Plan contributions from two perspectives:

- **Minimum Required Contributions**, based on the Unit Credit Cost Method; and
- **Government Limitations** which could affect the above.

Minimum Required Contributions:

For this Plan, the funding method used is the **Unit Credit** Cost Method. The Minimum Required Contribution is determined in two parts.

The first part is the Unit Credit Normal Cost. This is the cost for the benefits expected to be earned in the current year for each active participant. The Normal Cost includes a provision for administrative expenses.

The second part is an amortization payment to pay off the Unfunded Actuarial Liability (UAL). The UAL is the difference between the Actuarial Value of Assets at the valuation date and the Actuarial Liability determined by the actuarial cost method. The amortization payment is determined using the amortization schedule required by the minimum funding rules in the Internal Revenue Code.

Government Limitations:

ERISA and the Internal Revenue Code place various limits on the contributions made to qualified pension plans. The limits impact the minimum that must be paid, the maximum that can be deducted, and the timing of contributions.

To ensure that Minimum Required Contributions are met, pension plans are required to retain an Enrolled Actuary to complete Schedule MB to Form 5500 on an annual basis. In the past, bargained contributions exceeded the Minimum Required Contribution and the Plan built up a Credit Balance. The Credit Balance can be used to make up the difference between the Minimum Required Contribution and the bargained contribution. However, for the past several years the Plan has exhausted the Credit Balance and has a Funding Deficiency (i.e. a negative Credit Balance) for the current Plan Year.

The Minimum Required Contribution for 2015 is shown below compared to the Government Limitations and the estimated employer contributions. The table also shows the per capita cost and contribution.

Table IV - 1 Contributions for 2015		
Minimum Required Contribution		
Unit Credit Normal Cost (with Expenses)	$	2,064,551
Amortization Payment		14,968,731
Interest to End of Year		1,149,747
Total	**$**	**18,183,029**
Government Limits		
Maximum Deductible Contribution	$	344,395,488
Minimum Contribution (before Funding Deficiency)		18,183,029
Funding Deficiency with Interest		31,904,342
Estimated Employer Contributions with Interest	$	3,977,816
Count of Active Participants		1,029
Per Capita Minimum Required Contribution	$	17,671
Per Capita Contribution	$	3,866

SECTION IV – CONTRIBUTIONS

The tables on the following pages show the IRS Funding Standard Account, as well as the development of the minimum and maximum contributions for the 2015 Plan Year.

Table IV - 2
FUNDING STANDARD ACCOUNT FOR PLAN YEARS ENDING

	2/28/2015	2/29/2016
1. Charges for Plan Year		
a. Prior Year Funding Deficiency	$ 20,415,717	$ 29,886,971
b. Normal Cost with Expenses	2,047,388	2,064,551
c. Amortization Charges	16,762,867	17,562,499
d. Interest on a., b., and c. to Year End	2,941,948	3,342,196
e. Additional Funding Charge	N/A	N/A
f. Interest Charge due to Late Quarterly Contributions	N/A	N/A
g. Total Charges	$ 42,167,920	$ 52,856,217
2. Credits for Plan Year		
a. Prior Year Credit Balance	$ 0	$ 0
b. Contributions for Minimum Funding (actual / ***expected***)	4,120,469	***3,850,000***
c. Amortization Credits	7,572,301	2,593,768
d. Interest on a., b., and c. to Year End	588,179	190,267
e. Full Funding Limit Credit	0	0
f. Total Credits	$ 12,280,949	$ 6,634,035
3. Credit Balance / (Funding Deficiency) at End of Year [2. - 1.]	$ (29,886,971)	$ (46,222,182)

SECTION IV – CONTRIBUTIONS

Table IV - 3
CALCULATION OF THE MAXIMUM DEDUCTIBLE CONTRIBUTION FOR THE PLAN YEAR STARTING MARCH 1, 2015

1. "Fresh Start" Method		
a. Unit Credit Normal Cost with Expenses	$	2,064,551
b. Net Charge to Amortize Unfunded Actuarial Liability Over 10 Years		14,712,901
c. Interest on a. and b. to Year End		1,132,478
d. Total		17,909,930
e. Minimum Required Contribution at Year End		50,087,371
f. Larger of d. and e.		50,087,371
g. Full Funding Limit		200,360,669
h. Preliminary Maximum Deductible Contribution [lesser of f. and g.]	**$**	**50,087,371**
2. 140% of Current Liability Calculation		
a. RPA 1994 Current Liability at Start of Year	$	290,549,936
b. Present Value of Benefits Estimated to Accrue during Year		1,768,880
c. Expected Benefit Payments		14,065,072
d. Net Interest on a., b. and c. at Current Liability Interest Rate (3.44%)		9,815,894
e. Expected Current Liability at End of Year [a. + b. – c. + d.]		288,069,638
f. 140% of e.		403,297,493
g. Actuarial Value of Assets		69,965,653
h. Expected Expenses		1,175,000
i. Net Interest on c., g., and h. at Valuation Interest Rate (6.75%)		4,176,424
j. Estimated Value of Assets [g. – c. – h. + i.]		58,902,005
k. Unfunded Current Liability at Year End [f. – j.], not less than $0	$	344,395,488
3. Maximum Deductible Contribution at Year End, greater of 1.h. and 2.k.	**$**	**344,395,488**

SECTION IV – CONTRIBUTIONS

Table IV - 4 DEVELOPMENT OF ACTUARIAL GAIN / (LOSS) FOR THE YEAR ENDED FEBRUARY 28, 2015		
1. Unfunded Actuarial Liability at Start of Year (not less than zero)	$	94,138,807
2. Normal Cost and Expenses at Start of Year		2,047,388
3. Interest on 1. and 2. to End of Year		7,213,964
4. Contributions for Prior Year		4,120,469
5. Interest on 4. to End of Year		20,256
6. Change in Unfunded Actuarial Liability Due to Changes in Methods		0
7. Change in Unfunded Actuarial Liability Due to Changes in Assumptions		12,570,893
8. Change in Unfunded Actuarial Liability Due to Changes in Plan Design		0
9. Expected Unfunded Actuarial Liability at End of Year [1. + 2. + 3. – 4. – 5. + 6. + 7. + 8.]	$	111,830,327
10. Actual Unfunded Actuarial Liability at End of Year (not less than zero)		111,598,690
11. Actuarial Gain / (Loss) [9. – 10.]	$	231,637
12. Amortization Factor for Actuarial Gain / (Loss)		9.8781
13. Amortization Credit / (Charge) for Actuarial Gain / (Loss)	$	23,450

SECTION IV – CONTRIBUTIONS

Table IV - 5
SCHEDULE OF AMORTIZATIONS REQUIRED FOR MINIMUM REQUIRED CONTRIBUTION AS OF MARCH 1, 2015

Type of Base	Date Established	Initial Amount	Initial Amortization Years	3/1/2015 Outstanding Balance	Remaining Amortization Years	Beg of Yr Amortization Amount
CHARGES						
1. Initial Unfunded	3/1/1978	$ 16,575,006	40	$ 3,318,468	3	$ 1,179,144
2. Plan Amendment	3/1/1989	63,848	30	17,716	4	4,872
3. Method Change	3/1/1989	15,842,844	30	4,396,460	4	1,209,031
4. Plan Amendment	3/1/1993	5,282,693	30	2,580,031	8	400,839
5. Actuarial Loss	3/1/2000	7,511,951	30	5,574,339	15	564,313
6. Actuarial Loss	3/1/2001	11,966,014	15	1,248,486	1	1,248,486
7. Actuarial Loss	3/1/2002	13,842,899	15	2,792,907	2	1,442,045
8. Actuarial Loss	3/1/2003	22,582,575	15	6,765,682	3	2,404,035
9. Actuarial Loss	3/1/2005	3,018,172	15	1,379,118	5	312,980
10. Actuarial Loss	3/1/2006	2,642,095	15	1,402,737	6	273,556
11. Assumption Change	3/1/2007	8,194,633	30	7,366,731	22	611,008
12. Actuarial Loss	3/1/2007	2,180,614	15	1,308,447	7	225,456
13. Actuarial Loss	3/1/2008	15,092,752	15	10,014,909	8	1,555,936
14. Actuarial Loss	3/1/2009	28,127,155	15	20,325,991	9	2,891,493
15. Actuarial Loss	3/1/2011	7,919,489	15	6,563,232	11	809,729
16. Assumption Change	3/1/2012	2,075,229	15	1,818,540	12	211,632
17. Actuarial Loss	3/1/2012	6,035,275	15	5,288,762	12	615,477
18. Actuarial Loss	3/1/2013	3,242,769	15	2,985,145	13	329,865
19. Assumption Change	3/1/2015	12,570,893	15	12,570,893	15	1,272,602
TOTAL CHARGES				$ 97,718,594		$ 17,562,499

SECTION IV – CONTRIBUTIONS

Table IV - 6
SCHEDULE OF AMORTIZATIONS REQUIRED FOR MINIMUM REQUIRED CONTRIBUTION AS OF MARCH 1, 2015

Type of Base	Date Established	Initial Amount	Initial Amortization Years	3/1/2015 Outstanding Balance	Remaining Amortization Years	Beg of Yr Amortization Amount
CREDITS						
1. Funding Method Change	3/1/2008	$ 6,945,571	10	$ 2,631,401	3	$ 935,010
2. Plan Amendment	3/1/2009	590,517	15	426,733	9	60,705
3. Actuarial Gain	3/1/2010	11,371,471	15	8,842,602	10	1,165,787
4. Actuarial Gain	3/1/2014	4,028,752	15	3,874,502	14	408,816
5. Actuarial Gain	3/1/2015	231,637	15	231,637	15	23,450
TOTAL CREDITS				$ 16,006,875		$ 2,593,768
NET CHARGE				$ 81,711,719		$ 14,968,731

SECTION IV – CONTRIBUTIONS

Table IV - 7
ACCUMULATED RECONCILIATION ACCOUNT AND BALANCE TEST
AS OF MARCH 1, 2015

1. Amount due to Additional Interest Charges in prior years	$	0
2. Amount due to Additional Funding Charges in prior years		NA
3. Reconciliation Account at Start of Year [1. + 2.]	$	0
4. Net Outstanding Amortization Bases	$	81,711,719
5. Funding Deficiency at Start of Year	$	29,886,971
6. Unfunded Actuarial Liability at Start of Year from Funding Equation [4. - 3. - 5.]	$	111,598,690
7. Actuarial Liability at Start of Year	$	181,564,343
8. Actuarial Value of Assets at Start of Year	$	69,965,653
9. Unfunded Actuarial Liability at Start of Year from Liability Calculation [7. - 8.]	$	111,598,690

The Plan passes the Balance Test because line 6. equals line 9.

SECTION IV – CONTRIBUTIONS

Table IV - 8
DEVELOPMENT OF FULL FUNDING LIMITATION
FOR THE YEAR BEGINNING MARCH 1, 2015

	Minimum	*Maximum*
1. Actuarial / PPA Liability Full Funding Limit Calculation		
a. Actuarial / PPA Liability	$ 181,564,343	$ 181,564,343
b. Normal Cost with Expenses	2,064,551	2,064,551
c. Lesser of Market Value and Actuarial Value of Assets	69,965,653	69,965,653
d. Credit Balance at Start of Year, not less than zero	0	N/A
e. Net Interest on a., b., c., and d. at Funding Interest Rate (6.75%)	7,672,269	7,672,269
f. Actuarial / PPA Liability Full Funding Limit [a. + b. – c. + d. + e.], limited to zero	**$ 121,335,510**	**$ 121,335,510**
2. Full Funding Limit Override (RPA 1994)		
a. RPA 1994 Current Liability at Start of Year	$ 290,549,936	$ 290,549,936
b. Present Value of Benefits Estimated to Accrue during Year	1,768,880	1,768,880
c. Expected Benefit Payments	14,065,072	14,065,072
d. Net Interest on a., b. and c. at Current Liability Interest Rate (3.44%)	9,815,894	9,815,894
e. Expected Current Liability at End of Year [a. + b. – c. + d.]	288,069,638	288,069,638
f. 90% of e.	259,262,674	259,262,674
g. Actuarial Value of Assets	69,965,653	69,965,653
h. Expected Expenses	1,175,000	1,175,000
i. Net Interest on c., g., and h. at Valuation Interest Rate (6.75%)	4,176,424	4,176,424
j. Estimated Value of Assets [g. – c. – h. + i.]	58,902,005	58,902,005
k. RPA 1994 Full Funding Limit Override [f. – j.], limited to zero	**$ 200,360,669**	**$ 200,360,669**
3. Full Funding Limitation at End of Plan Year, greater of 1.f. and 2.k.	**$ 200,360,669**	**$ 200,360,669**

SECTION V – UNFUNDED VESTED BENEFITS

The allocation of the Unfunded Vested Benefits (UVB) is determined under the Presumptive method as defined in the Multiemployer Pension Plan Amendments Act of 1980 (MEPPA). If an employer withdraws between March 1, 2015 and February 29, 2016, they will be assessed Withdrawal Liability based on their share of the UVB. The Present Value of Vested Benefits (PVVB) is valued using a 6.25% interest rate assumption (7.00% for Plan Year ending 2/28/2014), and the same provisions as disclosed in Appendix B with the exception that disability benefits are excluded.

Under the Presumptive method, "pools" are created each year based on the change in the Plan's Unfunded Vested Benefits (UVB). The UVB is calculated as the difference between the PVVB and the Market Value of Assets (MVA). In addition, the pools may include an adjustment for uncollectible Withdrawal Liability for prior withdrawn employers and statutory limits. Each pool is then written down over 20 years and allocated among the employers based on their proportional share of contributions.

Table V - 1
UNFUNDED VESTED BENEFITS

	2/28/2014	2/28/2015
1. Present Value of Vested Benefits		
a. Retirees and Beneficiaries	$ 105,541,627	$ 113,139,696
b. Terminated Vested Participants	41,569,783	49,471,348
c. Active Participants	27,901,834	27,316,651
d. Total	$ 175,013,244	$ 189,927,695
2. Interest Rate	7.00%	6.25%
3. Market Value of Assets on Financial Statement (without the Withdrawal Liability Payments Receivable)	$ 74,722,931	$ 68,387,517
4. Unfunded Vested Benefits [1.d - 3.]	$ 100,290,313	$ 121,540,178
5. Funded Ratio [3. ÷ 1.d]	42.7%	36.0%

SECTION VI – FASB ASC TOPIC #960

Table VI - 1
PRESENT VALUE OF ACCUMULATED BENEFITS AS OF MARCH 1, 2015 IN ACCORDANCE WITH ASC TOPIC NO. 960

	Amounts	Vested Counts
1. Actuarial Present Value of Vested Benefits		
For Retirees and Beneficiaries	$ 109,427,114	5,563
Terminated Vesteds	45,764,390	3,471
Active Participants	25,866,949	713
Total Vested Benefits	$ 181,058,453	9,747
2. Non-Vested Benefits	$ 505,890	316
3. Accumulated Benefits	$ 181,564,343	10,063
4. Market Value of Assets on Financial Statement (without the Withdrawal Liability Payments Receivable)	$ 68,387,517	
5. Funded Ratios		
Vested Benefits	37.8%	
Accumulated Benefits	37.7%	

RECONCILIATION OF PRESENT VALUE OF ACCUMULATED BENEFITS

1. Actuarial Present Value at Start of Prior Plan Year	$ 168,388,149
2. Increase (Decrease) over Prior Year due to:	
Benefit Accruals	$ 897,388
Benefit Payments	(13,604,248)
Increase for Interest	12,186,256
Experience (Gains)/Losses	1,125,905
Changes in Assumptions	12,570,893
Plan Amendments	0
Total	$ 13,176,194
3. Actuarial Present Value at End of Prior Year	$ 181,564,343

APPENDIX A – MEMBERSHIP INFORMATION

The data for this valuation was provided by the Fund Office as of March 1, 2015. Cheiron did not audit any of the data. However, we did perform an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice No. 23.

The following is a list of data charts contained in this section:

- Summary of Participant Data
- Changes in Plan Membership
- Age/Service Distribution for Active Participants
- Counts and Average Benefit Amount by Age for Retirees, Beneficiaries, and Disabled Participants
- Counts and Average Benefit Amount by Age for Terminated Vested Participants

SUMMARY OF PARTICIPANT DATA

Active Participants	March 1, 2014	March 1, 2015
Count	1,105	1,029
Average Age	47.7	47.1
Average Benefit Service	14.9	13.1
Retirees and Beneficiaries Receiving Payments		
Count	5,596	5,563
Annual Benefits	$ 13,206,363	$ 13,462,349
Average Annual Benefit	2,360	2,420
Terminated Vested Participants		
Count	3,487	3,471
Annual Benefits	$ 9,441,383	$ 9,913,931
Average Annual Benefit	2,708	2,856

APPENDIX A – MEMBERSHIP INFORMATION

PARTICIPANT RECONCILIATION FROM MARCH 1, 2014 TO MARCH 1, 2015

	Actives	Terminated Vested	Retired	Disabled	Beneficiaries	Total
1. March 1, 2014 valuation	**1,105**	**3,487**	**4,491**	**337**	**768**	**10,188**
2. Additions						
a. New entrants	152	0	0	0	0	152
b. Inactive but not in prior year's data	0	6	17	0	2	25
c. New QDRO	0	0	0	0	1	1
d. Total	152	6	17	0	3	178
3. Reductions						
a. Terminated Nonvested	(41)	0	0	0	0	(41)
b. Benefits expired	0	0	0	0	0	0
c. Died without beneficiary	0	(13)	(179)	(8)	(51)	(251)
d. Assumed deceased	0	(6)	0	0	0	(6)
e. Total	(41)	(19)	(179)	(8)	(51)	(298)
4. Changes in Status						
a. Terminated Vested	(168)	168	0	0	0	0
b. Returned to work	5	(3)	0	0	0	2
c. Retired	(21)	(155)	176	0	0	0
d. Disabled	(3)	(4)	0	7	0	0
e. Beneficiary commencing	0	(2)	0	0	2	0
f. Died with beneficiary	0	(5)	(41)	(3)	49	0
g. Data Correction	0	(2)	0	(1)	(4)	(7)
h. Total	(187)	(3)	135	3	47	(5)
5. March 1, 2015 Valuation	**1,029**	**3,471**	**4,464**	**332**	**767**	**10,063**

APPENDIX A – MEMBERSHIP INFORMATION

AGE / SERVICE DISTRIBUTION OF ACTIVE PARTICIPANTS AS OF MARCH 1, 2015

	Service										
Age	Under 1	1 to 4	5 to 9	10 to 14	15 to 19	20 to 24	25 to 29	30 to 34	35 to 39	40 & up	Total
Under 25	32	19	0	0	0	0	0	0	0	0	51
25 to 29	31	31	8	0	0	0	0	0	0	0	70
30 to 34	11	28	16	12	0	0	0	0	0	0	67
35 to 39	12	22	17	36	22	3	0	0	0	0	112
40 to 44	16	27	13	18	28	7	2	0	0	0	111
45 to 49	13	19	20	24	33	11	14	1	0	0	135
50 to 54	10	18	15	26	32	17	29	7	2	0	156
55 to 59	8	11	7	25	45	23	29	21	6	1	176
60 to 64	2	4	11	17	24	15	11	18	7	5	114
65 to 69	0	2	1	6	6	3	4	3	5	6	36
70 & up	0	0	0	1	0	0	0	0	0	0	1
Total	135	181	108	165	190	79	89	50	20	12	1,029

Average Age = 47.1 Average Service = 13.1

APPENDIX A – MEMBERSHIP INFORMATION

AGE DISTRIBUTION OF INACTIVE PARTICIPANTS PENSIONERS AND BENEFICIARIES RECEIVING BENEFITS AS OF MARCH 1, 2015

	Disability Retirements		Normal, Early Deferred Vested Retirements		Surviving Spouses and Beneficiaries Receiving Benefits		Total	
Age	Number	Monthly Benefit	Number	Monthly Benefit	Number	Monthly Benefit	Number	Monthly Benefit
Under 55	45	$ 19,171	0	$ 0	23	$ 2,641	68	$ 21,812
55-59	53	21,592	220	48,472	24	2,552	297	72,616
60-64	57	24,209	527	119,143	69	9,297	653	152,649
65-69	47	19,640	822	185,687	91	9,733	960	215,060
70-74	56	15,398	849	188,377	110	11,910	1,015	215,685
75-79	31	7,284	760	157,237	144	15,894	935	180,415
80 & Over	43	8,440	1,286	227,224	306	27,961	1,635	263,625
Total	332	$ 115,734	4,464	$ 926,140	767	$ 79,988	5,563	$ 1,121,862

DEFERRED VESTED PARTICIPANTS AND SURVIVING SPOUSES ENTITLED TO FUTURE BENEFITS

Age	Number	Monthly Benefit Payable at Normal Retirement Date
Under 45	691	$ 165,774
45-49	441	107,567
50-54	735	230,569
55-59	734	165,332
60-64	553	112,170
65 & Over	317	44,749
Total	**3,471**	**$ 826,161**

APPENDIX B – SUMMARY OF MAJOR PLAN PROVISIONS

The following is a summary of the major provisions. Please refer to the Plan document for a more complete description.

1. Effective Date

The Plan was established on March 1, 1962. The most recent amendment was effective March 1, 2009.

2. Participation

Employees become Participants as of the date their employer is obligated to begin contributions to the Plan on their behalf.

3. Past Service

Participants shall, after 36 months of contributions have been made, be credited with a year of Past Service during any calendar year prior to the employer's applicable effective date in which they were employed for at least six months.

4. Effective Service

Participants on July 1, 1974 shall be credited with Effective Service for each month for which contributions were made on their behalf through January 1, 1971.

5. Future Eligibility Service

A Participant shall be credited with a year of Future Eligibility Service for each calendar year beginning January 1, 1971 during which contributions were made on their behalf and they worked at least 1,000 hours.

6. Normal Retirement

<u>Eligibility:</u> The later of age 65 and 5th anniversary of Plan participation.

<u>Benefit:</u> The monthly benefit is equal to the sum of the following, but not less than $50:

(A) Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the number of years of Past Service by the applicable percentage. The percentage ranges from 1.8% to 2.2% depending on when participation began and how many months employer contributions were made.

(B) Multiply the average annual contribution made on the Participant's behalf after January 1, 1971 by the Effective Service Credit by 3.0%.

(C) Multiply the total amount contributed on behalf of the participant from January 1, 1971 to August 31, 2003 by 3%.

(D) Multiply the total amount contributed on behalf of the participant from September 1, 2003 to August 31, 2006 by 2%.

(E) Multiply the total amount contributed on behalf of the participant after August 31, 2006 by 1%.

Effective March 1, 2009, the monthly benefit for participants not yet retired will have no 36-month guarantee feature.

APPENDIX B – SUMMARY OF MAJOR PLAN PROVISIONS

7. Early Retirement

Eligibility: Age 55 and five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998).

Benefit: The normal retirement benefit described above reduced by 5/9 of 1% for each month the Participant is less than 65 and by 5/12 of 1% for each month the Participant is less than 62.

Effective March 1, 2009, the subsidized reduction described above is only applied to Participants retiring directly from active status. All other retirements will be actuarially reduced to reflect early commencement of benefits.

8. Disability Retirement

Eligibility: Five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998) and awarded a Social Security Disability Award.

Benefit: The normal retirement benefit earned to date will be payable without reduction for age.

9. Deferred Vested Pension

Eligibility: Five years of service (ten years of service if the participant did not have at least one hour of service after March 1, 1998).

Benefit: Accrued benefit payable at normal retirement.

10. Joint & Survivor Annuity Benefit

Eligibility: Participant must be eligible for early, normal or disability pension on their date of death.

Benefit: The actuarial equivalence of 50% or 75% of the accrued benefit with reduction for early retirement if applicable.

11. Normal Form

If Single: Straight Life Annuity

If Married: 50% Joint & Survivor, actuarial equivalence

12. Changes to Plan Provisions Since Last Valuation

None.

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions

1. Investment Return (net of investment expenses)

Funding & ASC 960 purposes	6.75% per year
Current Liability under RPA 1994	3.44% per year
Withdrawal Liability purposes	6.25% per year

2. Administrative Expenses

Average expenses from the most recent two years rounded to the nearest $5,000; this year the assumption is $1,175,000.

3. Rates of Mortality

Funding & ASC 960:
- Healthy Lives: RP2000 with blue collar adjustment, projected 5-years with Scale AA
- Disabled Lives: same with ages set-forward five years

RPA '94 Current Liability:
- 2015 Current Liability Combined Mortality Table

Terminated Vested Participants over age 80 are assumed to be deceased.

In accordance with Actuarial Standard of Practice #35, we have considered the effect of mortality improvement prior to and subsequent to the measurement date in developing this assumption.

4. Rates of Turnover

	Service			
Age	0 - 1	1 – 2	2 - 3	3+
25	20.5%	20.5%	19.0%	15.0%
35	16.9	16.9	16.9	11.3
45	15.0	15.0	12.4	7.8
55	15.0	15.0	7.0	7.0
62	15.0	15.0	7.0	7.0

5. Rates of Disability

Age	Rate
25	0.050%
35	0.065
45	0.244
55	0.406
65	0.000

6. Rates of Retirement

Age	Rate
55 - 59	3.00%
60	5.00
61	10.00
62 - 64	15.00
65 - 69	50.00
70	100.00

7. Normal Form Life Annuity

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

8. Justification for Economic Assumptions

In accordance with Actuarial Standard of Practice No. 27, the rationale for our 6.75% discount rate is based on the Trustees risk preference, the Fund's current asset allocation, and the investment managers capital market outlook.

Based on the current asset allocation, the investment manager's 10-year projected real return is 3.46%. Using Cheiron's long term price inflation of 3.25% increases the expected return to 6.71%. Furthermore, it is expected that a 30-year forecast may provide for higher returns.

9. Changes in Assumptions Since the Last Valuation

The RPA '94 current liability interest rate was changed from 3.63% to 3.44% to comply with appropriate guidance.

The RPA '94 current liability mortality table changed from the 2014 static mortality table to the 2015 static mortality table to comply with appropriate guidance.

The investment return assumption was reduced from 7.50% to 6.75% to better reflect future investment expectation given the current risk tolerance.

The investment return assumption for withdrawal liability purposes was reduced from 7.00% to 6.25%.

APPENDIX C – ACTUARIAL ASSUMPTIONS AND METHODS

B. Actuarial Methods

1. Actuarial Cost Method

The cost method for determining liabilities for this valuation is the Unit Credit Cost method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The Actuarial Liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.

2. Asset Valuation Method

The actuarial value of assets is determined in accordance with Section 3.16 of Revenue Procedure 2000-40 using a five-year smoothing period. Specifically, the actuarial value of assets as of March 1, 2007 is set equal to the market value of assets. For each subsequent plan year, the actuarial value shall be the market value minus a decreasing fraction (4/5, 3/5, 2/5, 1/5) of each gain or loss for each of the preceding four plan years. Gains or losses prior to March 1, 2007 are ignored. The resulting actuarial value of assets is then limited to be no greater than 120% and no less than 80% of the market value of assets on the valuation date.

3. Withdrawal Liability Method

The Plan uses the Presumptive method with the Unfunded Vested Benefits calculated as the difference between the market value of assets and the present value of nonforfeitable benefits valued at 6.25%.

4. Changes in Actuarial Methods Since the Last Valuation

None.