# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▸ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

**2016**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** This return/report is for:
- [X] a multiemployer plan
- [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- [ ] a single-employer plan
- [ ] a DFE (specify) ____

**B** This return/report is:
- [ ] the first return/report
- [ ] the final return/report
- [ ] an amended return/report
- [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here. . . . . ▸ [X]

**D** Check box if filing under:
- [X] Form 5558
- [ ] automatic extension
- [ ] the DFVC program
- [ ] special extension (enter description)

## Part II Basic Plan Information—enter all requested information

**1a** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**1b** Three-digit plan number (PN) ▸ 001

**1c** Effective date of plan
08/27/1956

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

**2b** Employer Identification Number (EIN)
25-6029946

**2c** Plan Sponsor's telephone number
412-362-4200

**2d** Business code (see instructions)
525100

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| **SIGN HERE** | Filed with authorized/valid electronic signature.<br>**Signature of plan administrator** | 10/16/2017<br>Date | ROBERT CLEARY<br>Enter name of individual signing as plan administrator |
| **SIGN HERE** | **Signature of employer/plan sponsor** | Date | Enter name of individual signing as employer or plan sponsor |
| **SIGN HERE** | **Signature of DFE** | Date | Enter name of individual signing as DFE |

Preparer's name (including firm name, if applicable) and address (include room or suite number)

Preparer's telephone number

| | | | |
|---|---|---|---|
| **3a** | Plan administrator's name and address [X] Same as Plan Sponsor | **3b** Administrator's EIN | |
| | | **3c** Administrator's telephone number | |
| **4** | If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report: | **4b** EIN | |
| **a** | Sponsor's name | **4c** PN | |
| **5** | Total number of participants at the beginning of the plan year | **5** | 22856 |
| **6** | Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a(1)** | Total number of active participants at the beginning of the plan year | **6a(1)** | 5167 |
| **a(2)** | Total number of active participants at the end of the plan year | **6a(2)** | 4189 |
| **b** | Retired or separated participants receiving benefits | **6b** | 9183 |
| **c** | Other retired or separated participants entitled to future benefits | **6c** | 5917 |
| **d** | Subtotal. Add lines **6a(2)**, **6b**, and **6c**. | **6d** | 19289 |
| **e** | Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. | **6e** | 3299 |
| **f** | Total. Add lines **6d** and **6e**. | **6f** | 22588 |
| **g** | Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | **6g** | |
| **h** | Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | **6h** | 262 |
| **7** | Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | **7** | 125 |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:

1A

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)
- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)
- **(1)** [ ] Insurance
- **(2)** [ ] Code section 412(e)(3) insurance contracts
- **(3)** [X] Trust
- **(4)** [ ] General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**
- **(1)** [X] **R** (Retirement Plan Information)
- **(2)** [X] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- **(3)** [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**
- **(1)** [X] **H** (Financial Information)
- **(2)** [ ] **I** (Financial Information – Small Plan)
- **(3)** [ ] ___ **A** (Insurance Information)
- **(4)** [X] **C** (Service Provider Information)
- **(5)** [X] **D** (DFE/Participating Plan Information)
- **(6)** [ ] **G** (Financial Transaction Schedules)

## Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

**11a** If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ........................……..…. ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

**11b** Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ……..... ☐ Yes ☐ No

**11c** Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code______________________

# SCHEDULE MB (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

# Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2016**

**This Form is Open to Public Inspection**

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

**D** Employer Identification Number (EIN)
25-6029946

**E** Type of plan: **(1)** [X] Multiemployer Defined Benefit **(2)** [ ] Money Purchase (see instructions)

**1a** Enter the valuation date: Month 01 Day 01 Year 2016

| | | |
|---|---|---|
| **b** Assets | | |
| **(1)** Current value of assets | **1b(1)** | 656304285 |
| **(2)** Actuarial value of assets for funding standard account | **1b(2)** | 707698725 |
| **c (1)** Accrued liability for plan using immediate gain methods | **1c(1)** | 1563498440 |
| **(2)** Information for plans using spread gain methods: | | |
| **(a)** Unfunded liability for methods with bases | **1c(2)(a)** | |
| **(b)** Accrued liability under entry age normal method | **1c(2)(b)** | |
| **(c)** Normal cost under entry age normal method | **1c(2)(c)** | |
| **(3)** Accrued liability under unit credit cost method | **1c(3)** | 1563498440 |
| **d** Information on current liabilities of the plan: | | |
| **(1)** Amount excluded from current liability attributable to pre-participation service (see instructions) | **1d(1)** | |
| **(2)** "RPA '94" information: | | |
| **(a)** Current liability | **1d(2)(a)** | 2726411320 |
| **(b)** Expected increase in current liability due to benefits accruing during the plan year | **1d(2)(b)** | 21515434 |
| **(c)** Expected release from "RPA '94" current liability for the plan year | **1d(2)(c)** | |
| **(3)** Expected plan disbursements for the plan year | **1d(3)** | 133006247 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

Signature of actuary — Date: 10/11/2017

RANDEE W. SEKOL
Type or print name of actuary

17-03192
Most recent enrollment number

BEYER-BARBER COMPANY
Firm name

610-435-9577
Telephone number (including area code)

1136 HAMILTON STREET, SUITE 103, ALLENTOWN, PA 18101
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions [ ]

**2** Operational information as of beginning of this plan year:

**a** Current value of assets (see instructions) — **2a** 656304285

**b** "RPA '94" current liability/participant count breakdown:

| | (1) Number of participants | (2) Current liability |
|---|---|---|
| (1) For retired participants and beneficiaries receiving payment | 12478 | 1692854184 |
| (2) For terminated vested participants | 5211 | 329473396 |
| (3) For active participants: | | |
| (a) Non-vested benefits | | 24445004 |
| (b) Vested benefits | | 679638736 |
| (c) Total active | 5167 | 704083740 |
| (4) Total | 22856 | 2726411320 |

**c** If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage — **2c** 24.07%

**3** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | (c) Amount paid by employees | (a) Date (MM-DD-YYYY) | (b) Amount paid by employer(s) | c) Amount paid by employees |
|---|---|---|---|---|---|
| 08/01/2016 | 61489534 | 0 | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | | | |
| | | | Totals ► 3(b) | 61489534 | 3(c) 0 |

**4** Information on plan status:

**a** Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) — **4a** 45.3%

**b** Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5 — **4b** C

**c** Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? [X] Yes [ ] No

**d** If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? [ ] Yes [X] No

**e** If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date — **4e**

**f** If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge.
If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here [X] — **4f** 2028

**5** Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

**a** [ ] Attained age normal **b** [ ] Entry age normal **c** [X] Accrued benefit (unit credit) **d** [ ] Aggregate
**e** [ ] Frozen initial liability **f** [ ] Individual level premium **g** [ ] Individual aggregate **h** [ ] Shortfall
**i** [ ] Other (specify):

**j** If box h is checked, enter period of use of shortfall method — **5j**

**k** Has a change been made in funding method for this plan year? [ ] Yes [X] No

**l** If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? [ ] Yes [ ] No

**m** If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method — **5m**

**6** Checklist of certain actuarial assumptions:

| | | | | | |
|---|---|---|---|---|---|
| **a** Interest rate for "RPA '94" current liability | **6a** | 3.28% | | | |
| | | Pre-retirement | | Post-retirement | |
| **b** Rates specified in insurance or annuity contracts | | ☐ Yes ☒ No ☐ N/A | | ☐ Yes ☒ No ☐ N/A | |
| **c** Mortality table code for valuation purposes: | | | | | |
| **(1)** Males | **6c(1)** | A | | A | |
| **(2)** Females | **6c(2)** | A | | A | |
| **d** Valuation liability interest rate | **6d** | 8.00% | | 8.00 % | |
| **e** Expense loading | **6e** | 25.9% | ☐ N/A | % | ☐ N/A |
| **f** Salary scale | **6f** | % | ☐ N/A | | |
| **g** Estimated investment return on actuarial value of assets for year ending on the valuation date | **6g** | 4.9% | | | |
| **h** Estimated investment return on current value of assets for year ending on the valuation date | **6h** | 0.7% | | | |

**7** New amortization bases established in the current plan year:

| **(1)** Type of base | **(2)** Initial balance | **(3)** Amortization Charge/Credit |
|---|---|---|
| 1 | 31482181 | 3405601 |
| 4 | -21490603 | -2324756 |
| | | |

**8** Miscellaneous information:

| | | |
|---|---|---|
| **a** If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval | **8a** | |
| **b(1)** Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **b(2)** Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule. | | ☒ Yes ☐ No |
| **c** Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? | | ☒ Yes ☐ No |
| **d** If line c is "Yes," provide the following additional information: | | |
| **(1)** Was an extension granted automatic approval under section 431(d)(1) of the Code? | | ☒ Yes ☐ No |
| **(2)** If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended | **8d(2)** | 5 |
| **(3)** Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? | | ☐ Yes ☒ No |
| **(4)** If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) | **8d(4)** | |
| **(5)** If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension | **8d(5)** | |
| **(6)** If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? | | ☐ Yes ☐ No |
| **e** If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) | **8e** | -254031500 |

**9** Funding standard account statement for this plan year:

**Charges to funding standard account**:

| | | | |
|---|---|---|---|
| **a** Prior year funding deficiency, if any | **9a** | | 27328846 |
| **b** Employer's normal cost for plan year as of valuation date | **9b** | | 11563524 |
| **c** Amortization charges as of valuation date: | | Outstanding balance | |
| **(1)** All bases except funding waivers and certain bases for which the amortization period has been extended | **9c(1)** | 1000710868 | 129972132 |
| **(2)** Funding waivers | **9c(2)** | | |
| **(3)** Certain bases for which the amortization period has been extended | **9c(3)** | | |
| **d** Interest as applicable on lines 9a, 9b, and 9c | **9d** | | 13509160 |
| **e** Total charges. Add lines 9a through 9d | **9e** | | 182373662 |

**Credits to funding standard account**:

| | | | | |
|---|---|---|---|---|
| **f** | Prior year credit balance, if any | | **9f** | 0 |
| **g** | Employer contributions. Total from column (b) of line 3 | | **9g** | 61489534 |
| | | Outstanding balance | | |
| **h** | Amortization credits as of valuation date **9h** | 172239999 | | 24287651 |
| **i** | Interest as applicable to end of plan year on lines 9f, 9g, and 9h | | **9i** | 3992663 |
| **j** | Full funding limitation (FFL) and credits: | | | |
| | **(1)** ERISA FFL (accrued liability FFL) **9j(1)** | 962743139 | | |
| | **(2)** "RPA '94" override (90% current liability FFL) **9j(2)** | 3160186293 | | |
| | **(3)** FFL credit | | **9j(3)** | 0 |
| **k** | **(1)** Waived funding deficiency | | **9k(1)** | 0 |
| | **(2)** Other credits | | **9k(2)** | 0 |
| **l** | Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) | | **9l** | 89769848 |
| **m** | Credit balance: If line 9l is greater than line 9e, enter the difference | | **9m** | |
| **n** | Funding deficiency: If line 9e is greater than line 9l, enter the difference | | **9n** | 92603814 |

| | | | |
|---|---|---|---|
| **9 o** | Current year's accumulated reconciliation account: | | |
| | **(1)** Due to waived funding deficiency accumulated prior to the 2016 plan year | **9o(1)** | |
| | **(2)** Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code: | | |
| | **(a)** Reconciliation outstanding balance as of valuation date | **9o(2)(a)** | |
| | **(b)** Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) | **9o(2)(b)** | |
| | **(3)** Total as of valuation date | **9o(3)** | |
| **10** | Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) | **10** | 92603814 |

**11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions. ☒ Yes ☐ No

| **SCHEDULE C (Form 5500)**<br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | **Service Provider Information**<br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | OMB No. 1210-0110<br>**2016**<br>**This Form is Open to Public Inspection.** |
|---|---|---|

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

| | |
|---|---|
| **A** Name of plan<br>WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND | **B** Three-digit plan number (PN) ▶ 001 |
| **C** Plan sponsor's name as shown on line 2a of Form 5500<br>W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES | **D** Employer Identification Number (EIN)<br>25-6029946 |

## Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

### 1 Information on Persons Receiving Only Eligible Indirect Compensation

**a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . . . . . . . . . . . . [X] Yes [ ] No

**b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

SEGAL SELECT INSURANCE SERVICES

46-0619194

**(b)** Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

WALTER SCOTT GROUP

76-6192146

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 52 | NONE | 686584 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

PRUDENTIAL INVESTMENT MANAGEMENT

22-2540245

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 52 | NONE | 552125 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

ALCENTRA

46-2961489

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 426173 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

WICK, STREIFF, MEYER, ET AL

25-1647131

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 29 | NONE | 385657 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

FIERA CAPITAL CORPORATION

1 ADELAIDE ST. EAST, SUITE 600
TORONTO M5C 2V9 CA

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 328414 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

ALBANESE SINCHAR SMITH & CO.

46-1686881

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 10 | NONE | 266488 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

LOOMIS SAYLES & COMPANY, LP

94-6799945

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 266071 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

BEYER-BARBER COMPANY

23-2503024

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 11 | NONE | 207889 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

WINDWARD ASSET MANAGEMENT, LLC

04-3247857

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 188131 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

WESTERN ASSET MANAGEMENT CO.

95-2705767

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 139303 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

NEW ENGLAND PENSION CONSULTANTS INC

04-2927339

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 27 | NONE | 130250 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

GERALDINE TALERICO

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 81337 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

GROSSMAN YANAK & FORD

25-1638525

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 10 | NONE | 73395 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

STACEY L DIRENZO

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 45856 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

LAURA M. MOMICH

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 45756 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

ALLEN BATES ASSOCIATES, INC.

25-1460327

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 15 | NONE | 44588 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

JANET RAKAR

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 44343 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

ROSANNE DUHIG

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 44246 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**2. Information on Other Service Providers Receiving Direct or Indirect Compensation.** Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

**(a)** Enter name and EIN or address (see instructions)

MAUREEN L. BELL

900 PARISH STREET, SUITE 101
PITTSBURGH, PA 15220

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 30 | EMPLOYEE | 44061 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

PARAMETRIC

1918 EIGHTH AVENUE, SUITE 3100
SEATTLE, WA 98101

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 28 51 | NONE | 37500 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

**(a)** Enter name and EIN or address (see instructions)

FREDANI PRINTING COMPANY

25-0997119

| (b) Service Code(s) | (c) Relationship to employer, employee organization, or person known to be a party-in-interest | (d) Enter direct compensation paid by the plan. If none, enter -0-. | (e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor) | (f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures? | (g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-. | (h) Did the service provider give you a formula instead of an amount or estimated amount? |
|---|---|---|---|---|---|---|
| 36 50 | NONE | 16844 | Yes ☐ No ☒ | Yes ☐ No ☐ | | Yes ☐ No ☐ |

## Part I Service Provider Information (continued)

**3.** If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

| **(a)** Enter service provider name as it appears on line 2 | **(b)** Service Codes (see instructions) | **(c)** Enter amount of indirect compensation |
|---|---|---|
| | | |

| **(d)** Enter name and EIN (address) of source of indirect compensation | **(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation. |
|---|---|
| | |

## Part II Service Providers Who Fail or Refuse to Provide Information

**4** Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

| **(a)** Enter name and EIN or address of service provider (see instructions) | **(b)** Nature of Service Code(s) | **(c)** Describe the information that the service provider failed or refused to provide |
|---|---|---|
| | | |

**Part III** **Termination Information on Accountants and Enrolled Actuaries (see instructions)**
(complete as many entries as needed)

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | |
|---|---|
| **a** Name: | **b** EIN: |
| **c** Position: | |
| **d** Address: | **e** Telephone: |

Explanation:

| | | |
|---|---|---|
| **SCHEDULE D (Form 5500)**<br>Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration | **DFE/Participating Plan Information**<br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).<br>▶ **File as an attachment to Form 5500.** | OMB No. 1210-0110<br>**2016**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan or DFE sponsor's name as shown on line 2a of Form 5500
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

**D** Employer Identification Number (EIN)
25-6029946

## Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ARTISAN MULTIPLE INVESTMENT TRUST

**b** Name of sponsor of entity listed in (a): SEI TRUST COMPANY

**c** EIN-PN 26-3653822-021 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 68750050

**a** Name of MTIA, CCT, PSA, or 103-12 IE: EATON VANCE TR. CO. COLL. INV. TR.

**b** Name of sponsor of entity listed in (a): EATON VANCE TRUST COMPANY

**c** EIN-PN 32-0225130-001 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 40351122

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WTC-CIF II GLOBAL MGD. RISK PORTF.

**b** Name of sponsor of entity listed in (a): WELLINGTON TRUST COMPANY

**c** EIN-PN 04-6913417-115 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 37821712

**a** Name of MTIA, CCT, PSA, or 103-12 IE: NHIT MULTISECTOR FULL DISRC. TRUST

**b** Name of sponsor of entity listed in (a): LOOMIS SAYLES TRUST COMPANY, LLC

**c** EIN-PN 20-8080381-005 | **d** Entity code C | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 34355501

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WS&P LTD TRUST GROUP GLOBAL FUND

**b** Name of sponsor of entity listed in (a): BNY MELLON INVST. MGMT. CAYMAN LTD.

**c** EIN-PN 76-6192146-003 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 73703865

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WESTERN ASSET GLOBAL MULTI-SECTOR

**b** Name of sponsor of entity listed in (a): WESTERN ASSET MANAGEMENT COMPANY

**c** EIN-PN 20-8830082-001 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 25668271

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ALCENTRA MULTI-STRAT. EURO CR. FUND

**b** Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

**c** EIN-PN 80-6263676-001 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 21428353

**a** Name of MTIA, CCT, PSA, or 103-12 IE: WESTERN ASSET MACRO OPP. PORTFOLIO

**b** Name of sponsor of entity listed in (a): WESTERN ASSET MANAGEMENT COMPANY

| **c** EIN-PN 45-4652841-001 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 9504197 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: ALCENTRA EUROPEAN CR. OPP. FUND

**b** Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

| **c** EIN-PN 61-6496775-001 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 7218340 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE: EUROPEAN CREDIT OPP. FUND II

**b** Name of sponsor of entity listed in (a): THE BANK OF NEW YORK MELLON

| **c** EIN-PN 47-4109552-001 | **d** Entity code E | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 5214305 |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

**a** Name of MTIA, CCT, PSA, or 103-12 IE:

**b** Name of sponsor of entity listed in (a):

| **c** EIN-PN | **d** Entity code | **e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) |
|---|---|---|

## Part II Information on Participating Plans (to be completed by DFEs)
(Complete as many entries as needed to report all participating plans)

| | |
|---|---|
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |
| **a** Plan name | |
| **b** Name of plan sponsor | **c** EIN-PN |

| SCHEDULE H (Form 5500) | Financial Information | OMB No. 1210-0110 |
|---|---|---|
| Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).<br>▶ **File as an attachment to Form 5500.** | **2016**<br>**This Form is Open to Public Inspection** |

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

**D** Employer Identification Number (EIN)
25-6029946

## Part I Asset and Liability Statement

**1** Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

| Assets | | (a) Beginning of Year | (b) End of Year |
|---|---|---|---|
| **a** Total noninterest-bearing cash | 1a | 143609 | 198114 |
| **b** Receivables (less allowance for doubtful accounts): | | | |
| (1) Employer contributions | 1b(1) | 14901384 | 98815548 |
| (2) Participant contributions | 1b(2) | | |
| (3) Other | 1b(3) | 674063 | 4655963 |
| **c** General investments: | | | |
| (1) Interest-bearing cash (include money market accounts & certificates of deposit) | 1c(1) | 38847274 | 67339268 |
| (2) U.S. Government securities | 1c(2) | 7406560 | 10285264 |
| (3) Corporate debt instruments (other than employer securities): | | | |
| (A) Preferred | 1c(3)(A) | | |
| (B) All other | 1c(3)(B) | 5425940 | 5398418 |
| (4) Corporate stocks (other than employer securities): | | | |
| (A) Preferred | 1c(4)(A) | 14353 | 5390 |
| (B) Common | 1c(4)(B) | 100110034 | 93713142 |
| (5) Partnership/joint venture interests | 1c(5) | 39538520 | 31308452 |
| (6) Real estate (other than employer real property) | 1c(6) | 69236611 | 54704607 |
| (7) Loans (other than to participants) | 1c(7) | | |
| (8) Participant loans | 1c(8) | | |
| (9) Value of interest in common/collective trusts | 1c(9) | 181176331 | 181278385 |
| (10) Value of interest in pooled separate accounts | 1c(10) | | |
| (11) Value of interest in master trust investment accounts | 1c(11) | | |
| (12) Value of interest in 103-12 investment entities | 1c(12) | 145574138 | 142737331 |
| (13) Value of interest in registered investment companies (e.g., mutual funds) | 1c(13) | 33627429 | 0 |
| (14) Value of funds held in insurance company general account (unallocated contracts) | 1c(14) | | |
| (15) Other | 1c(15) | 30386891 | 32440657 |

| | | | **(a)** Beginning of Year | **(b)** End of Year |
|---|---|---|---|---|
| **1d** | Employer-related investments: | | | |
| | **(1)** Employer securities | 1d(1) | | |
| | **(2)** Employer real property | 1d(2) | | |
| **e** | Buildings and other property used in plan operation | 1e | 10997 | 9873 |
| **f** | Total assets (add all amounts in lines 1a through 1e) | 1f | 667074134 | 722890412 |
| | **Liabilities** | | | |
| **g** | Benefit claims payable | 1g | 339977 | 180084 |
| **h** | Operating payables | 1h | 282650 | 288958 |
| **i** | Acquisition indebtedness | 1i | | |
| **j** | Other liabilities | 1j | | 4000000 |
| **k** | Total liabilities (add all amounts in lines 1g through1j) | 1k | 622627 | 4469042 |
| | **Net Assets** | | | |
| **l** | Net assets (subtract line 1k from line 1f) | 1l | 666451507 | 718421370 |

## Part II Income and Expense Statement

**2** Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

| | **Income** | | **(a)** Amount | **(b)** Total |
|---|---|---|---|---|
| **a** | **Contributions:** | | | |
| | **(1)** Received or receivable in cash from: **(A)** Employers | 2a(1)(A) | 144616015 | |
| | **(B)** Participants | 2a(1)(B) | | |
| | **(C)** Others (including rollovers) | 2a(1)(C) | | |
| | **(2)** Noncash contributions | 2a(2) | | |
| | **(3)** Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)** | 2a(3) | | 144616015 |
| **b** | **Earnings on investments:** | | | |
| | **(1)** Interest: | | | |
| | **(A)** Interest-bearing cash (including money market accounts and certificates of deposit) | 2b(1)(A) | 89652 | |
| | **(B)** U.S. Government securities | 2b(1)(B) | | |
| | **(C)** Corporate debt instruments | 2b(1)(C) | 4398 | |
| | **(D)** Loans (other than to participants) | 2b(1)(D) | | |
| | **(E)** Participant loans | 2b(1)(E) | | |
| | **(F)** Other | 2b(1)(F) | 9045 | |
| | **(G)** Total interest. Add lines **2b(1)(A)** through **(F)** | 2b(1)(G) | | 103095 |
| | **(2)** Dividends: **(A)** Preferred stock | 2b(2)(A) | | |
| | **(B)** Common stock | 2b(2)(B) | 600646 | |
| | **(C)** Registered investment company shares (e.g. mutual funds) | 2b(2)(C) | | |
| | **(D)** Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)** | 2b(2)(D) | | 600646 |
| | **(3)** Rents | 2b(3) | | |
| | **(4)** Net gain (loss) on sale of assets: **(A)** Aggregate proceeds | 2b(4)(A) | 145656107 | |
| | **(B)** Aggregate carrying amount (see instructions) | 2b(4)(B) | 143412190 | |
| | **(C)** Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result | 2b(4)(C) | | 2243917 |
| | **(5)** Unrealized appreciation (depreciation) of assets: **(A)** Real estate | 2b(5)(A) | 9337471 | |
| | **(B)** Other | 2b(5)(B) | -11190310 | |
| | **(C)** Total unrealized appreciation of assets. Add lines **2b(5)(A)** and **(B)** | 2b(5)(C) | | -1852839 |

| | | (a) Amount | (b) Total |
|---|---|---|---|
| (6) Net investment gain (loss) from common/collective trusts | 2b(6) | | 25011184 |
| (7) Net investment gain (loss) from pooled separate accounts | 2b(7) | | |
| (8) Net investment gain (loss) from master trust investment accounts | 2b(8) | | |
| (9) Net investment gain (loss) from 103-12 investment entities | 2b(9) | | 29536981 |
| (10) Net investment gain (loss) from registered investment companies (e.g., mutual funds) | 2b(10) | | -11421554 |
| c Other income | 2c | | 586143 |
| d Total income. Add all **income** amounts in column (b) and enter total | 2d | | 189423588 |

### Expenses

| | | (a) Amount | (b) Total |
|---|---|---|---|
| e Benefit payment and payments to provide benefits: | | | |
| (1) Directly to participants or beneficiaries, including direct rollovers | 2e(1) | 131565722 | |
| (2) To insurance carriers for the provision of benefits | 2e(2) | | |
| (3) Other | 2e(3) | | |
| (4) Total benefit payments. Add lines **2e(1)** through **(3)** | 2e(4) | | 131565722 |
| f Corrective distributions (see instructions) | 2f | | |
| g Certain deemed distributions of participant loans (see instructions) | 2g | | |
| h Interest expense | 2h | | |
| i Administrative expenses: **(1)** Professional fees | 2i(1) | 1012456 | |
| (2) Contract administrator fees | 2i(2) | | |
| (3) Investment advisory and management fees | 2i(3) | 2867652 | |
| (4) Other | 2i(4) | 2007895 | |
| (5) Total administrative expenses. Add lines **2i(1)** through **(4)** | 2i(5) | | 5888003 |
| j Total expenses. Add all **expense** amounts in column (b) and enter total | 2j | | 137453725 |

### Net Income and Reconciliation

| | | (a) Amount | (b) Total |
|---|---|---|---|
| k Net income (loss). Subtract line **2j** from line **2d** | 2k | | 51969863 |
| l Transfers of assets: | | | |
| (1) To this plan | 2l(1) | | |
| (2) From this plan | 2l(2) | | |

## Part III Accountant's Opinion

**3** Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

**a** The attached opinion of an independent qualified public accountant for this plan is (see instructions):

**(1)** [X] Unqualified **(2)** [ ] Qualified **(3)** [ ] Disclaimer **(4)** [ ] Adverse

**b** Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [ ] Yes [X] No

**c** Enter the name and EIN of the accountant (or accounting firm) below:

**(1)** Name: GROSSMAN YANAK & FORD LLP **(2)** EIN: 25-1638525

**d** The opinion of an independent qualified public accountant is **not attached** because:

**(1)** [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

## Part IV Compliance Questions

**4** CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

| During the plan year: | | Yes | No | Amount |
|---|---|---|---|---|
| **a** Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.) | 4a | | X | |
| **b** Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.) | 4b | | X | |

| | | | Yes | No | Amount |
|---|---|---|---|---|---|
| c | Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.) | 4c | | X | |
| d | Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.) | 4d | | X | |
| e | Was this plan covered by a fidelity bond? | 4e | X | | 5000000 |
| f | Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 4f | | X | |
| g | Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4g | | X | |
| h | Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser? | 4h | | X | |
| i | Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.) | 4i | X | | |
| j | Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.) | 4j | X | | |
| k | Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | 4k | | X | |
| l | Has the plan failed to provide any benefit when due under the plan? | 4l | | X | |
| m | If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 4m | | | |
| n | If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3. | 4n | | | |
| o | Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service? | 4o | | | |

**5a** Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year. ☐ Yes ☒ No **Amount:**

**5b** If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

| **5b(1)** Name of plan(s) | **5b(2)** EIN(s) | **5b(3)** PN(s) |
|---|---|---|
| | | |
| | | |
| | | |
| | | |

**5c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☒ Yes ☐ No ☐ Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4067074. (See instructions.)

## Part V Trust Information

| **6a** Name of trust | **6b** Trust's EIN |
|---|---|
| | |

| **6c** Name of trustee or custodian | **6d** Trustee's or custodian's telephone number |
|---|---|
| | |

| SCHEDULE R (Form 5500) | Retirement Plan Information | OMB No. 1210-0110 |
|---|---|---|
| Department of the Treasury<br>Internal Revenue Service<br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).<br>▶ **File as an attachment to Form 5500.** | **2016**<br>**This Form is Open to Public Inspection.** |

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

**D** Employer Identification Number (EIN)
25-6029946

## Part I Distributions

**All references to distributions relate only to payments of benefits during the plan year.**

**1** Total value of distributions paid in property other than in cash or the forms of property specified in the instructions ........ **1** 0

**2** Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 25-6029946 ______________

**Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.**

**3** Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year ........ **3** 0

## Part II Funding Information

(If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)

**4** Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ........ ☐ **Yes** ☒ **No** ☐ **N/A**

**If the plan is a defined benefit plan, go to line 8.**

**5** If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month ______ Day ______ Year ______

**If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.**

**6** **a** Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) ........ **6a**

**b** Enter the amount contributed by the employer to the plan for this plan year ........ **6b**

**c** Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) ........ **6c**

**If you completed line 6c, skip lines 8 and 9.**

**7** Will the minimum funding amount reported on line 6c be met by the funding deadline? ........ ☐ **Yes** ☐ **No** ☐ **N/A**

**8** If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ........ ☐ **Yes** ☐ **No** ☒ **N/A**

## Part III Amendments

**9** If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ........ ☐ **Increase** ☐ **Decrease** ☐ **Both** ☒ **No**

## Part IV ESOPs

(see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

**10** Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ........ ☐ **Yes** ☐ **No**

**11** **a** Does the ESOP hold any preferred stock? ........ ☐ **Yes** ☐ **No**

**b** If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ........ ☐ **Yes** ☐ **No**

**12** Does the ESOP hold any stock that is not readily tradable on an established securities market? ........ ☐ **Yes** ☐ **No**

## Part V Additional Information for Multiemployer Defined Benefit Pension Plans

**13** Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

**a** Name of contributing employer UNITED PARCEL SERVICE INC.

**b** EIN 31-1426500 **c** Dollar amount contributed by employer 28126387

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month 07 Day 31 Year 2018

**e** Contribution rate information *(If more than one rate applies, check this box* ☒ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☒ Weekly ☐ Unit of production ☐ Other (specify):

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ____________________

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ____________________

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ____________________

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ____________________

**a** Name of contributing employer

**b** EIN **c** Dollar amount contributed by employer

**d** Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _______ Day _______ Year _______

**e** Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) ____________
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): ____________________

**14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

| | | |
|---|---|---|
| **a** The current year | **14a** | 10586 |
| **b** The plan year immediately preceding the current plan year | **14b** | 10483 |
| **c** The second preceding plan year | **14c** | 10431 |

**15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

| | | |
|---|---|---|
| **a** The corresponding number for the plan year immediately preceding the current plan year | **15a** | 101.00 |
| **b** The corresponding number for the second preceding plan year | **15b** | 101.50 |

**16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

| | | |
|---|---|---|
| **a** Enter the number of employers who withdrew during the preceding plan year | **16a** | 3 |
| **b** If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers | **16b** | 1546588 |

**17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

## Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

**18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

**19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

**a** Enter the percentage of plan assets held as:

Stock: 80.0 % Investment-Grade Debt: 0.9 % High-Yield Debt: 0.0 % Real Estate: 8.8 % Other: 10.3 %

**b** Provide the average duration of the combined investment-grade and high-yield debt:

☐ 0-3 years ☒ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

**c** What duration measure was used to calculate line 19(b)?

☒ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

## Part VII IRS Compliance Questions

| | |
|---|---|
| **20a** Is the plan a 401(k) plan? If "No," skip b | ☐ Yes ☐ No |
| **20b** How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: | ☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A |
| **21a** What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: | ☐ Ratio percentage test ☐ Average benefit test ☐ N/A |
| **21b** Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules? | ☐ Yes ☐ No |

**22a** If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter ____/____/____ and the serial number __________.

**22b** If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter ____/____/____.

GROSSMAN YANAK & FORD LLP
Certified Public Accountants and Consultants

# WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

## Financial Statements for the Years Ended December 31, 2016 and 2015, Supplemental Schedules for the Year Ended December 31, 2016 and Independent Auditors' Report

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**

TABLE OF CONTENTS



Schedules not included herein are omitted because of the absence of conditions under which they are required.

**INDEPENDENT AUDITORS' REPORT**

To the Board of Trustees
Western Pennsylvania Teamsters and Employers Pension Fund

We have audited the accompanying financial statements of the Western Pennsylvania Teamsters and Employers Pension Fund (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, the related statements of changes in net assets available for benefits and professional fees and administrative expenses for the years then ended, and the related notes to the financial statements.

**Responsibility for the Financial Statements**

You are responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Plan's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Plan as of December 31, 2016 and 2015, and the changes in its net assets available for benefits for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Report on Supplemental Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules listed in the accompanying table of contents are presented for the purpose of additional analysis and are not a required part of the financial statements but are supplemental information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. Such information is your responsibility and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Grossman Yanak & Ford LLP

Pittsburgh, Pennsylvania
June 13, 2017

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
DECEMBER 31, 2016 AND 2015

| | 2016 | 2015 |
|---|---|---|
| ASSETS: | | |
| Cash and cash equivalents | $ 198,114 | $ 143,609 |
| Investments, at fair value | 619,210,914 | 651,344,081 |
| Due from brokers for securities sold | 4,198,841 | 211,236 |
| Receivables, net | 98,815,548 | 14,901,384 |
| Prepaid expenses | 457,122 | 462,827 |
| Property and equipment, net | 9,873 | 10,997 |
| Total assets | 722,890,412 | 667,074,134 |
| LIABILITIES: | | |
| Due to brokers for securities purchased | 4,000,000 | - |
| Accounts payable | 180,084 | 339,977 |
| Accrued expenses | 288,958 | 282,650 |
| Total liabilities | 4,469,042 | 622,627 |
| NET ASSETS AVAILABLE FOR BENEFITS | $ 718,421,370 | $ 666,451,507 |

See notes to financial statements.

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

| | 2016 | 2015 |
|---|---|---|
| ADDITIONS: | | |
| Contribution income: | | |
| Employer | $ 54,526,110 | $ 53,186,936 |
| Withdrawal assessments | 90,089,905 | 1,044,024 |
| Total | 144,616,015 | 54,230,960 |
| Investment income: | | |
| Net appreciation (depreciation) in fair value of investments | 40,005,256 | (7,797,129) |
| Dividends | 4,113,080 | 6,057,273 |
| Interest | 103,094 | 19,786 |
| Class action settlements | 90,249 | 155,344 |
| Investment expenses | (2,867,652) | (3,432,300) |
| Net investment income (loss) | 41,444,027 | (4,997,026) |
| Other income | 495,894 | 734,121 |
| Net additions | 186,555,936 | 49,968,055 |
| DEDUCTIONS: | | |
| Benefits: | | |
| Pensions | 131,056,080 | 129,282,275 |
| Burial | 509,642 | 488,910 |
| Total benefits | 131,565,722 | 129,771,185 |
| Professional fees and administrative expenses | 3,020,351 | 3,974,140 |
| Total deductions | 134,586,073 | 133,745,325 |
| NET INCREASE (DECREASE) IN NET ASSETS AVAILABLE FOR BENEFITS | 51,969,863 | (83,777,270) |
| NET ASSETS AVAILABLE FOR BENEFITS, BEGINNING OF THE YEAR | 666,451,507 | 750,228,777 |
| NET ASSETS AVAILABLE FOR BENEFITS, END OF THE YEAR | $ 718,421,370 | $ 666,451,507 |

See notes to financial statements.

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**

STATEMENTS OF PROFESSIONAL FEES AND ADMINISTRATIVE EXPENSES
FOR THE YEARS ENDED DECEMBER 31, 2016 AND 2015

| | 2016 | 2015 |
|---|---|---|
| Professional fees: | | |
| Actuarial | $ 211,209 | $ 211,177 |
| Legal | 384,216 | 394,849 |
| Compliance auditing | 265,884 | 315,221 |
| External audit, consulting and tax services | 63,985 | 67,552 |
| Accounting | 37,696 | 19,928 |
| System consulting and web hosting | 49,466 | 38,170 |
| Total | 1,012,456 | 1,046,897 |
| Administrative expenses: | | |
| Office salaries | 294,428 | 309,153 |
| Employee benefit plans | 248,449 | 249,061 |
| Payroll taxes and processing fees | 18,296 | 30,957 |
| Fiduciary liability insurance | 429,967 | 421,481 |
| Pension benefit guaranty insurance | 617,112 | 603,070 |
| Fidelity bond expense | 8,818 | 7,884 |
| General liability and worker's compensation insurance | 3,006 | 3,169 |
| Office and storage rents | 51,722 | 51,057 |
| Supplies and printing | 50,574 | 47,055 |
| Postage | 41,005 | 49,760 |
| Telephone | 6,418 | 7,624 |
| Office equipment expense | 27,705 | 17,020 |
| Depreciation | 6,520 | 5,422 |
| Bad debt expense | 85,925 | 979,019 |
| Trustee meetings and expenses | 23,187 | 42,578 |
| Bank charges | 90,273 | 98,738 |
| Pension benefit information processing | 2,040 | 1,940 |
| Dues | 2,450 | 2,255 |
| Total | 2,007,895 | 2,927,243 |
| Total professional fees and administrative expenses | $ 3,020,351 | $ 3,974,140 |

See notes to financial statements.

## 1. DESCRIPTION OF THE PLAN

The following description of the Western Pennsylvania Teamsters and Employers Pension Fund (the "Plan") is provided for general information purposes only. Participants should refer to the plan document for more complete information.

*General* - The Plan was established on August 27, 1956 by an Agreement and Declaration of Trust ("Trust Agreement") to provide for the payment of retirement benefits to eligible employees in collective bargaining units represented by local unions ("Unions") affiliated with Joint Council of Teamsters No. 40 of the International Brotherhood of Teamsters, or any other union or employer, as defined in the Plan, approved by the Trustees pursuant to the provisions of the Trust Agreement, which agrees in writing to contribute to the Plan on behalf of its eligible employees and to be bound by the obligations of a contributing employer as set forth in the Trust Agreement and the Plan.

Plan employees perform management and administrative functions with oversight by the Board of Trustees, which is comprised of five teamster and five employer representatives.

Pursuant to the Agreement and Declaration of Trust, the Plan is a defined benefit pension plan within the meaning of and in compliance with the Employee Retirement Income Security Act of 1974 ("ERISA") and its related regulations.

In conformity with collective bargaining or participation agreements with the Plan, employers and Unions affiliated with Joint Council of Teamsters No. 40 may apply to have eligible employees participate in the Plan. An employee's participation generally commences upon completion of required periods of covered employment and ceases with a break-in-service, as defined in the Plan. Benefits under the Plan are based on unit multipliers set forth in the Plan and credited service (including certain pre-participation covered employment).

Employers contribute to the Plan at rates required by and set forth in the collective bargaining agreements or participation agreements for participants not covered under collective bargaining agreements. The Board of Trustees of the Plan is empowered to establish or to amend the level of Plan benefits to be paid based upon employer contribution rates negotiated through collective bargaining. Although individual Trustees may participate in collective bargaining in their capacities as employer or union representatives, the Plan itself is not a party to such negotiations.

Collective bargaining agreements are in effect for varying terms; related provisions of such contracts establish the employer contribution rates required to be paid to the Plan throughout those periods on behalf of qualifying employees whose occupations are classified in collective bargaining units represented by Unions affiliated with Joint Council of Teamsters No. 40.

*Benefits and Funding Status* - On May 10, 2006, the Trustees adopted and approved an amendment which modified the unit multiplier for service earned on or after July 1, 2006 to 2% of the contributions made by a contributing employer on a participant's behalf. This change applied only to a participant whose current unit multiplier was greater than 2% of the contributions. This amendment did not impact or change the pension benefits each participant accrued prior to July 1, 2006 and did not affect or change the pension benefits currently received or accrued by any retirees, participants or those with deferred vested benefits.

On August 17, 2006, the Pension Protection Act of 2006 ("PPA") was signed into law. The PPA called for comprehensive pension reform, including new funding requirements for multiemployer plans and categorized plans based on their funded percentages. On April 25, 2008, the Plan's actuary issued a certification that stated the Plan was in Endangered Status for 2008. As required by the PPA, on May 21, 2008, the Trustees adopted a Funding Improvement Plan that became effective August 1, 2008. The amendment did not impact or change the pension benefits each participant earned prior to August 1, 2008, and did not affect or change the pension benefits currently received or earned by any retirees. The specific changes were as follows:

- The normal retirement age for a participant who first becomes covered with the Plan on or after August 1, 2008 will be 62. Prior to August 1, 2008, the age eligibility requirement for normal retirement was age 60. A participant who was covered by the Plan prior to August 1, 2008 can still retire at age 60, but an actuarially determined early retirement reduction applies for the portion of the benefit earned on or after August 1, 2008 if the participant retires prior to the age of 62.

- The early retirement reduction for service earned on or after August 1, 2008 will apply to each month the early retirement precedes age 62. However, the early retirement reduction for service earned prior to August 1, 2008 will continue to be applied for each month the early retirement precedes age 60. Revised early retirement reduction factors are actuarially determined.

- Accrued "25-And-Out Benefits" and "30-And-Out Benefits," with retirement at any age, continue to be in effect after August 1, 2008 for all participants who meet specified eligibility requirements. However, an actuarial reduction is applied for the period of service from the retirement date to age 62 for the service earned on or after August 1, 2008.

- The Special "25-And-Out Benefits" and "30-And-Out Benefits" continue on and after August 1, 2008 for a participant only if the weekly contribution rate reached $225 or greater by December 31, 2008, and the participant eventually meets all of the eligibility requirements for the special benefit. However, early retirement and benefit options (other than straight life) are subject to actuarial reductions.

- For service earned prior to August 1, 2008, the Joint and Survivor actuarial reduction does not apply to the "Joint and 50% Survivor Benefit" and the "Ten Year Certain Benefit," but does apply to the "Joint and 75% Survivor Benefit" and "100% Survivor Benefit". Also, actuarial factors used to compute joint and survivor benefits on service earned on or after August 1, 2008 were reduced.

- Unit multipliers were reduced to a range of .4% to 1% for service earned on or after August 1, 2008.

On March 31, 2010, the Plan's actuary issued its report of Actuarial Certification of Funding Status under the PPA. The certification acknowledged that the Plan was deemed to be in Critical Status, and that a rehabilitation plan in accordance with PPA was required to be implemented to stabilize the Plan's financial position. On November 23, 2010, the Plan formally adopted the 2010 Rehabilitation Plan. Benefit provisions were effective February 1, 2011. The Trustees adopted two Rehabilitation Plan Schedules (a "Preferred Schedule" and a "Default Schedule"), which were effective as of the aforementioned date. This 2010 Rehabilitation Plan offers bargaining parties a choice of benefit and contribution structures replacing those offered under the Plan's 2008 Funding Improvement Plan. The specific changes were as follows:

- A reduction of future benefit accruals for all participants which involved the reduction or elimination of early retirement and survivor subsidies for some participants on benefits earned prior to August 1, 2008.

- If the bargaining party selected either the Preferred or Default Schedule anytime during 2011, the benefits are provided under that Schedule retroactive to February 1, 2011. However, if a schedule was not selected by the end of 2011, until such time as a schedule is selected or imposed, the unit multiplier is reduced by 50% effective February 1, 2011.

- Under the Preferred Schedule, future benefit accruals are based on a normal retirement age of 65 taken as a straight life annuity, the maximum unit multiplier was reduced from 1% of contributions to 0.5% of contributions, the death benefit is eliminated except for those in retiree status prior to February 1, 2011, the disability benefit is eliminated effective February 1, 2011 except for those in pay status, and the subsidized portions of early retirement and survivor benefits earned prior to August 1, 2008 are reduced for participants who are not eligible to retire by February 1, 2011.

- Under the Default Schedule, the unit multiplier was frozen based on the contribution rate in effect on January 31, 2011. Future contribution increases are non-benefit bearing and there is no increase in the unit multiplier corresponding to the required increases in the contribution rate. All future benefit accruals are based on a normal retirement age of 65 taken as a straight life annuity, the death benefit is eliminated except for those in retiree status prior to February 1, 2011, the "10-Year Certain Pre-Retirement Survivor Benefit" is eliminated, the disability benefit is eliminated, and the subsidized portions of early retirement and survivor benefits earned prior to August 1, 2008 are totally eliminated.

- The Preferred Schedule and the Default Schedule require that the bargaining parties (participating employers and Unions) provide for contribution increases of at least six (6%) percent and eight (8%) percent, respectively, compounded annually, in pending, renewed or amended collective bargaining agreements and participation agreements.

- "Inactive Vested Participants" who never had covered service under the Rehabilitation Plan Preferred Schedule shall be covered under the terms of the Default Schedule.

- Changes that are common to both the Preferred and Default Schedules are:

  - the Burial Benefit is eliminated except for those that were retired,

  - the Disability Benefit is eliminated, except for those in pay status, and

  - five years vesting for new participants entering the Plan after January 31, 2011.

On December 3, 2013, the Plan adopted an update to the 2010 Rehabilitation Plan which includes a provision whereby a qualified Distressed Employer, as determined by the Trustees in their sole discretion, upon application, may be eligible for the Distressed Employer schedule. The Trustees, in their sole discretion, may accept a collective bargaining agreement with contribution rates not in compliance with either the Preferred or Default Schedules in circumstances where a large employer's financial condition had deteriorated and its creditors compel it to reorganize its ownership interests and labor obligations as a condition of forbearing default. On a case by case basis, the Trustees will accept non-conforming contributions and grant corresponding reduced benefits. There was one employer contributing under a Distressed Employer Contribution schedule as of December 31, 2016 and 2015.

The above-noted amendments were incorporated into the Amended and Restated Pension Plan, the most recent version of which is dated January 1, 2014.

Plan year updates to the Rehabilitation Plan for 2015 and 2016 did not provide for changes to the required annual contribution increases under the Preferred and Default Schedules.

On March 30, 2017, the Plan's actuary certified that the Plan is in Critical and Declining status for the plan year beginning January 1, 2017. Critical and Declining status is a new status created under the Multiemployer Pension Reform Act ("MPRA") of 2014. The Plan is considered to be Critical and Declining status because it has funding and liquidity problems and an accumulated funding deficiency since the 2015 plan year. In addition, it is projected to be "insolvent" in less than 15 years. The Multiemployer Pension Reform Act of 2014 provides that plans which have been certified to be in critical and declining status may propose a temporary or permanent suspension of accrued benefits, including benefits of current retirees. Such a proposal would first need to be formalized by the Trustees and set forth in a lengthy application to be filed with the Treasury Department. While the Trustees are currently studying alternatives, as of June 13, 2017 they have neither adopted a proposed benefit suspension plan nor filed a MPRA suspension application with the Treasury Department.

*Employer Contributions* - Employer contributions are recognized as revenue when earned by employees on the basis of weekly pension service credits and a contribution rate attributable to each week of service, as defined in the collective bargaining agreement, for the participating employee.

Independent verification of participating employers' payroll and related records is conducted throughout the year on behalf of the Plan and the Western Pennsylvania Teamsters and Employers Welfare Fund, a related plan that provides health and welfare benefits. Costs of operating the compliance program are allocated based on actual time spent fulfilling the audit objectives on behalf of each Plan. Employer assessments identified through this process are included in employer contributions.

*Employer Withdrawal Assessments* - Under the Multiemployer Pension Plan Amendments Act of 1980 ("MPPAA"), a contributing employer initiating an action deemed a complete or partial withdrawal from the Plan, as defined by statute, becomes liable to the Plan for an amount known as withdrawal liability, calculated by a formula set forth in the MPPAA. Such liability represents the withdrawing employer's allocable share of the Plan's unfunded vested liability as of the effective date of the complete or partial withdrawal.

The Presumptive Method of Allocation, used by the Plan, is one of several available methods for the allocation of unfunded vested benefits permitted by the statute and applies unless one of the other expressly permitted discretionary methods or an alternative method, approved by the Pension Benefit Guaranty Corporation ("PBGC"), applies. For each annual allocation required under the Presumptive Method of Allocation, each withdrawing employer's share of unfunded vested benefits is determined by an allocation of the ratio that the individual employer's contribution history since entering the Plan, or twenty-year history, whichever is shorter, bears to all employers' contribution histories over the same period. Prior to 2016, an employer's share of the present value of the unfunded vested liability for withdrawal purposes was calculated using an 8% interest rate, the same rate used for funding purposes. Effective for withdrawals occurring on January 1, 2016 and thereafter, the present value of the unfunded liability used for withdrawal calculations is based on a blended rate which is a combination of the following:

(a) PBGC interest rates (2.48% for the first 20 years and 2.96% thereafter) and mortality tables issued by the PBGC
(b) Interest rate of 8% and mortality tables disclosed in Note 6

In determining the blended rate, the actuary uses the PBGC rates for that portion/percentage of the obligation that is funded by the Plan's assets and the 8% rate for the unfunded portion/percentage of the obligation. Withdrawal obligations are generally due under payment schedule provisions described in MPPA which provide for monthly installments, including interest, to be paid over a period not to exceed 20 years, unless the employer chooses to negotiate a prepayment of the MPPA schedule. The payment duration is a function of the employer's highest contribution rate for the 10 year period ending in the year of withdrawal times the highest three consecutive year average of contribution base units (weeks worked) in the ten years preceding the plan year of withdrawal.

The Trustees have also conditionally adopted an amendment to the Plan which would apply an optional, alternative method of withdrawal liability called a "Hybrid Withdrawal Liability Method." This amendment is subject to and effective upon approval by the PBGC and is incorporated into the restated plan document. Similar hybrid withdrawal liability methods have been approved by PBGC for other multiemployer pension funds. Under the amendment, a "new employer direct attribution pool" is created, consisting of assets and liabilities directly attributable to new employer. An existing employer may transition into the new employer pool by paying its withdrawal liability. New and transitioning employers will be able to mitigate the risk of potential withdrawal liability because the new employer pool consists solely of defined benefit liabilities arising from service after the employer is accepted into the new employer pool and because the liabilities and assets are designed so that the attributed liabilities will not exceed the assets.

The Plan has undertaken procedures to identify employers subject to the withdrawal liability provisions of the MPPAA and to assess and collect their respective share of the Plan's unfunded vested benefits. As a result of: (1) uncertainties related to: (a) future interpretation and application of the MPPAA's provisions, (b) the unpredictability of ultimate collection of assessments, and (2) the potential reduction or waiver of withdrawal liability in certain circumstances, the Plan recognizes assessments upon providing notification of withdrawal and demand for payment. During the years ended December 31, 2016 and 2015, the Plan recognized income of $90,089,905 and $1,044,024, respectively, related to employer withdrawals.

Under ERISA Section 4210, plans are permitted to adopt a "free look period". This allows plans to adopt a provision in which new contributing employers can withdraw in their first few years in a plan without incurring withdrawal liability. Under Section 4210, the free look period cannot be longer than the number of years the plan requires for vesting. Another provision of ERISA Section 4210 indicates that the free look provision does not apply if "the ratio of the assets of the plan for the plan year preceding the first plan year for which the employer was required to contribute to the plan to the benefit payments made during that plan year was not at least 8 to 1." In 2016 and 2015, this ratio was 5.48 to 1 and 5.16 to 1, respectively. Therefore, the free look provision was not available for employers that entered the Plan in 2015 or 2016. Plan counsel, along with the Plan actuary, will review the asset-to-benefit ratio in subsequent years, but it is likely that the free look provision may not apply in future years.

*Voluntary Employee Contributions* - The Plan has a voluntary employee contribution program, which is available under specified circumstances, for certain active participants whose employment in covered service ceased on or after January 1, 1999 due to the participant's employer involuntarily ceasing participation in the Plan, to voluntarily contribute to the Plan for limited periods, after having satisfied the defined eligibility requirements. Participant contributions are recognized as revenue for the appropriate monthly periods within the calendar year, upon the Plan's receipt of written notice of the participant's intention to contribute to the Plan for the purpose set forth therein. There were no voluntary employee contributions made during the years ended December 31, 2016 or 2015.

*Funding Policy* - Contribution rates are determined via negotiations between participating employers and Unions and are set forth in collective bargaining or participation agreements. While the minimum funding standards of ERISA have not been satisfied for the years ended December 31, 2016 or 2015, the Pension Protection Act of 2006 permits participating employers to avoid an excise tax equal to 100% of the funding deficiency as long as the Trustees have taken all reasonable measures in developing and maintaining the Rehabilitation Plan.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

*Basis of Accounting* - The financial statements of the Plan are prepared on the accrual basis of accounting.

*Use of Estimates* - The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the Trustees to make estimates and assumptions that affect the reported amounts of assets and liabilities at the dates of the financial statements and the reported amounts of increases and decreases in net assets available for benefits during the reporting periods. Actual results could differ from those estimates.

The actuarial value of accumulated plan benefits are prepared based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimation and assumption process, it is at least reasonably possible that changes in these estimates and assumptions in the near term could be material to the financial statements. Additionally, the Plan's assets are comprised of various investment securities which are exposed to various risks, such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities and the level of uncertainty related to changes in the value of investment securities, it is at least reasonably possible that changes in the near term could materially affect the net assets available for benefits.

*Investment Valuation and Income Recognition* - Investments are reported at fair value. Generally accepted accounting principles establish a framework for measuring fair value of financial instruments which provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access;

Level 2 Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

The Plan, using available market information and appropriate valuation methodologies, has determined the estimated fair value of its financial instruments. However, considerable judgment is required in interpreting data to develop the estimates of fair value.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2016 or 2015.

*Short-Term Investments:* Valued at quoted market prices reported on the inactive markets in which the individual securities are traded (level 2 inputs).

*Corporate Debt Instruments:* Corporate bonds are valued under a discounted cash flow approach that maximizes observable inputs, such as current yields of similar instruments, but includes adjustments for certain risks that may not be observable, such as credit and liquidity risks (level 2 inputs).

*Index and Exchange Traded Funds:* Valued at the closing price reported on the active market on which the individual funds are traded (level 1 inputs).

*Registered Investment Companies:* Valued at quoted market prices reported on an active market, which represent the net value of shares held by the Plan at year end (level 1 inputs).

*Commingled Trusts:* Valued at the net asset values per share as determined by the commingled trusts as of the valuation date and as reflected in each trust's audited financial statements.

*Hedge Funds and Limited Partnerships:* Valued at the net asset values per share as determined by the limited partnerships and hedge funds in which the Plan is invested. Net asset values in hedge funds and limited partnerships are consistent with the respective audited financial statements of each investment.

*Real Estate Investments (Investments in partnership interests comprised of real estate investments and real estate-related assets):* Real estate investments are valued at net asset values per share as reflected in each investment's audited financial statements which are determined in part based upon independently prepared property appraisals using best practices prevailing within the real estate appraisal and real estate investment management industries.

*Derivative Instruments*: Valued at quoted market prices reported on the active markets in which the individual securities are treated (level 1 inputs).

These methods may produce fair value calculations that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Trustees believe the valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in different fair value measurements at the reporting dates.

Purchases and sales of securities are reflected on a trade-date basis. Gains or losses on sales of securities are based on the specific cost of the security sold. Income from investments is recorded as earned. The Plan presents the net appreciation or depreciation in the fair value of its investments, which consists of the realized gains or losses and the unrealized appreciation (depreciation) on these investments in the statement of changes in net assets available for benefits.

*Receivables* - Receivables relate primarily to monthly contributions due from employers as well as withdrawal assessments for companies which have discontinued participation in the Plan. A valuation allowance is provided for those receivables for which collection is estimated as doubtful; uncollectible accounts are written off and charged against the allowance. Increases in the allowance are charged to administrative expenses. Accounts are judged to be delinquent with consideration being given to, among other things, how recently and how frequently payments have been received and the financial position of the company that has withdrawn.

During 2015, the Plan reflected bad debt expense of $979,019 related to receivables originating in prior years. This change in estimate served to increase the reported decrease in net assets available for benefits for the year ended December 31, 2015. During 2016, the Plan's bad debt expense was limited to $85,925. The allowances of $292,000 and $300,000 at December 31, 2016 and 2015, respectively, represent the Trustees' estimates. It is at least reasonably possible that the assessment of doubtful accounts will be further revised in the near term and that actual results could differ from these estimates.

*Property and Equipment* - Property and equipment are stated at cost. Depreciation is provided using various methods, considering the estimated useful lives of the respective assets, which range from three to five years.

*Payment of Benefits* - Benefits are generally paid in the month of entitlement. The Plan periodically has benefits payable related to retirement applications filed after the date of eligibility.

*Professional Fees and Administrative Expenses* - Professional fees and administrative expenses are paid from Plan assets.

*Income Taxes* - Accounting principles generally accepted in the United States of America require the Trustees to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Trustees have analyzed the tax positions taken by the Plan and have concluded that, as of December 31, 2016, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The Plan is no longer subject to income tax examinations for years prior to December 31, 2013.

*Reclassifications* - Certain amounts in the 2015 statement of changes in net assets available for benefits have been reclassified to conform to the 2016 financial statement presentation.

*Subsequent Events* - Subsequent events have been analyzed for recognition and disclosure purposes through June 13, 2017, the date the financial statements were available to be issued; there are no subsequent events that require recognition or disclosure under accounting principles generally accepted in the United States of America except the documentation of Critical and Declining status explained in Note 1.

## 3. INVESTMENTS

The following table presents the fair value of the Plan's investments, all of which are held by the Bank of New York Mellon ("BNY Mellon"), at December 31, 2016 and 2015:

| | 2016 | 2015 |
|---|---|---|
| Short-term investments | $ 52,551,218 | $ 27,720,161 |
| Corporate debt instruments | 198,777 | 209,523 |
| Index and exchange traded funds | 22,975,611 | 32,568,958 |
| Registered investment companies | - | 33,627,429 |

| | | |
|---|---|---|
| Commingled trusts | $ 458,493,031 | $ 449,333,397 |
| Hedge funds and limited partnerships | 30,334,073 | 38,622,396 |
| Real estate investments | 54,704,607 | 69,236,611 |
| Derivative instruments | (46,403) | 25,606 |
| Total | $ 619,210,914 | $ 651,344,081 |

The Plan periodically utilizes derivative instruments such as over-the-counter and exchange-traded futures, forward contracts, swaps, options, options on futures, swaptions, structured notes and market access products to obtain long or short term exposure to a particular security, asset class, region, industry, currency, commodity or index, or to other securities, groups of securities or events.

New England Pension Consultants Inc. ("NEPC") serves as Investment Advisor and Consultant to the Plan. NEPC assists the Trustees in selecting and monitoring the performance of investment managers, determining appropriate asset allocations and investment objectives, and providing advice to the Trustees concerning matters related to the management and performance of Plan investments. NEPC also advises the Trustees with respect to the continuing review of the Plan's investment policy, asset allocations, investment alternatives and fees.

The Plan utilized the following investment managers during the reporting periods:

- Aetos Capital
- Alecentra Capital Corporation
- AQR Capital Management LLC
- Artisan Partners L.P.
- Bank of New York Mellon
- Calamos Advisors, LLC
- Crescent Capital Group
- Eaton Vance
- Entrust Capital, Inc.
- Fiera Asset Management L.P.
- J.P. Morgan Investment Management, Inc.
- Loomis Sayles & Company, L.P.
- Morgan Stanley Alternative Investment Partners
- Pacific Investment Management Company (PIMCO)
- Parametric Portfolio Associates, LLC
- Permal
- Prudential Investment and Management, Inc.
- TCW Capital Trust
- Walter Scott and Partners Ltd.
- Wellington Management Company
- Western Asset Management Company
- Windhaven Investment Management, Inc.

J.P. Morgan Investment Management, Inc., Morgan Stanley Alternative Investment Partners and TCW Capital Trust are in the process of liquidation. As of December 31, 2016 and 2015, the value of the Plan's investment with these managers is as follows:

| | 2016 | 2015 |
|---|---|---|
| JP Morgan Investment Management, Inc. | $ 163,330 | $ 183,592 |
| Morgan Stanley Alternative Investment Partners | 1,331,358 | 1,757,057 |
| TCW Capital Trust | 421,097 | 1,212,362 |
| Total | $ 1,915,785 | $ 3,153,011 |

The Plan is party to a Securities Lending Agreement with BNY Mellon. The agreement authorizes BNY Mellon as a lending agent to effect loans of securities maintained in the custodial account. BNY Mellon must obtain collateral from the borrower in the form of cash, letters of credit issued by an entity other than the borrower, or acceptable securities. Both the collateral and the securities loaned are marked-to-market on a daily basis so that all loaned securities are fully collateralized at all times. In the event that the loaned securities are not returned by the borrower, BNY Mellon will, at its own expense, either replace the loaned securities or, if unable to purchase those securities on the open market, credit the Plan account with cash from the pledged collateral equal to the fair value of the loaned securities. The fair values of securities loaned by the Plan as of December 31, 2016 and 2015 were approximately $6,514,000 and $7,389,000, respectively. The Plan's securities lending earnings for the years ended December 31, 2016 and 2015 were $47,694 and $73,747, respectively, which are reflected as other income.

Although the Plan's securities lending activities are collateralized, as described above, they involve both market and credit risk. In this context, market "interest rate" risk refers to the possibility that the borrowers of securities will be unable to collateralize the loan upon a sudden material change in the fair value of the loaned securities or the collateral. Credit risk refers to the possibility that the issuer "investment risk" involved in the securities lending program may fail to perform in accordance with the terms of their contracts.

Investment expenses reported in the statements of changes in net assets available for benefits consist solely of amounts billed directly to the Plan by certain investment managers. Fees for other managers are netted against dividends.

The Plan has directed commission agreements with Lynch, Jones & Ryan, Inc. (a division of BNY Mellon and Frank Russell Securities, Inc.) The agreements provide for commission credits to the Plan for trades directed by the Plan's investment managers through certain brokerage firms at approximately 70% - 75% of the commissions paid by the investment managers to Lynch, Jones & Ryan, Inc.  A basic provision of the directed commission agreements requires that directed trades be consistent with best execution. Pursuant to Plan policy, the investment managers are required to confirm regularly to the Trustees, in writing, that they are trading in compliance with the Plan's investment policies.

The following table presents the Plan's investments by level within the fair value hierarchy at December 31, 2016 and 2015.  Assets for which fair value is measured at net asset value per share (see Note 4) are excluded from the fair value hierarchy, but are included in the totals below to facilitate reconciliation of the fair value hierarchy information to the investment amounts presented in the statements of net assets available for benefits.

| | Fair Value at December 31, 2016 | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Investments required to be classified under fair value hierarchy | | | |
| Short-term investments | | $ 52,551,218 | $ 52,551,218 |
| Corporate debt instruments | | 198,777 | 198,777 |
| Index and exchange traded funds | $ 22,975,611 | - | 22,975,611 |

| | Level 1 | Level 2 | Total |
|---|---|---|---|
| Derivative instruments | $ (46,403) | - | $ (46,403) |
| Total | $ 22,929,208 | $ 52,749,995 | 75,679,203 |
| Investments not classified under fair value hierarchy | | | |
| Commingled trusts | | | 458,493,031 |
| Hedge funds and limited partnerships | | | 30,334,073 |
| Real estate investments | | | 54,704,607 |
| Total | | | $ 619,210,914 |

| | Fair Value at December 31, 2015 | | |
|---|---|---|---|
| | Level 1 | Level 2 | Total |
| Investments required to be classified under fair value hierarchy | | | |
| Short-term investments | | $ 27,720,161 | $ 27,720,161 |
| Corporate debt instruments | | 209,523 | 209,523 |
| Index and exchange traded funds | $ 32,568,958 | - | 32,568,958 |
| Registered investment companies | 33,627,429 | - | 33,627,429 |
| Derivative instruments | 25,606 | - | 25,606 |
| Total | $ 66,221,993 | $ 27,929,684 | 94,151,677 |
| Investments not classified under fair value hierarchy | | | |
| Commingled trusts | | | 449,333,397 |
| Hedge funds and limited partnerships | | | 38,622,396 |
| Real estate investments | | | 69,236,611 |
| Total | | | $ 651,344,081 |

## 4. NET ASSET VALUE INVESTMENTS

The following table sets forth the Plan's investment in funds that calculate net asset value per share at December 31, 2016 including fair value and redemption frequency:

| Description | Fair Value | Redemption Frequency | Redemption Notice Period |
|---|---|---|---|
| Alcentra Multi-Strategy European Credit Fund | $ 21,428,353 | Quarterly | 90 days |
| AQR Group EL Offshore Fund Ltd. | 21,129,572 | Weekly | 5 days |
| AQR Class B ERISA 2016 03 08 | 5,378,840 | Weekly | 5 days |
| Artisan Global Opportunities Trust | 68,750,050 | Daily | 5 days |
| Clareant European Credit Opportunities Fund | 7,218,340 | (1) | n/a |
| Clareant European Credit Opportunities Fund II | 5,214,305 | (2) | n/a |
| Crescent Capital High Income | 14,284,729 | Quarterly | 60 days |
| Eaton Vance Emerging Markets | 40,351,122 | Daily | 30 days |
| Entrust Capital Diversified Fund | 16,443,801 | Quarterly | 90 days |
| Entrust Special Opportunities Fund II Ltd. | 2,762,173 | Quarterly after 11/26/18 | 95 days |
| Entrust Special Opportunities Fund III Ltd | 3,675,024 | Annually after completion of investment period | 95 days |
| Fiera USA Global Equities Fund LP | 70,382,079 | Monthly | 30 days |
| NHIT: Multisector Full Discretion Trust | 34,355,501 | Monthly | 30 days |
| TCW Capital Trust | 421,097 | In liquidation | n/a |
| Walter Scott & Partners Limited Group Trust Global | 73,703,865 | Semi-Monthly | 30 days |
| Wellington CIFII Global Managed Risk | 37,821,712 | Daily | Up to 3 days |

| | | | | |
|---|---|---|---|---|
| Western Asset Global Multi-Strategy | $ | 25,668,271 | Monthly | 30 days |
| Western Asset Macro Opportunities LLC Fund | | 9,504,197 | Daily | Up to 3 days |
| Total commingled trusts | $ | 458,493,031 | | |
| Aetos Capital Distressed | $ | 3,786,017 | Quarterly | 1 year |
| Aetos Capital Long/Short | | 7,325,315 | Quarterly | 1 year |
| Aetos Capital Multi-Strategy | | 7,480,029 | Quarterly | 1 year |
| Morgan Stanley Institutional Fund of Hedge Funds SPV LP | | 1,331,358 | In liquidation | n/a |
| Permal Macro Holdings Ltd. | | 10,411,354 | Monthly | 20 days |
| Total hedge funds and limited partnerships | $ | 30,334,073 | | |
| JPM Alternative Property Fund LP | $ | 163,330 | In liquidation | n/a |
| Prisa LP | | 24,244,088 | Quarterly | 90 days |
| Prisa II LP | | 30,297,189 | Quarterly | 90 days |
| Total real estate investments | $ | 54,704,607 | | |

(1) Upon liquidation, which is not expected before December 31, 2022.

(2) Upon liquidation, at the discretion of the fund's trustees.

At December 31, 2016, the Plan had unfunded commitments of $2,424,445 to the Clareant European Credit Opportunities Fund II, $402,460 to the Entrust Special Opportunities Fund II, and $2,790,896 to the Entrust Special Opportunities Fund III, cash for which will come from the liquidation of other investments.

## 5. RECEIVABLES

Receivables consist of the following at December 31, 2016 and 2015:

| | 2016 | 2015 |
|---|---|---|
| Employer contributions | $ 4,964,277 | $ 4,675,636 |
| Withdrawal assessments receivable, net | 93,826,655 | 10,147,222 |
| Accrued investment income | 15,012 | 45,817 |
| Other | 9,604 | 32,709 |
| Receivables, net | $ 98,815,548 | $ 14,901,384 |

*Employer Contributions Receivable* - Employer contributions receivable represent monthly billings due or collected subsequent to the reporting period but applicable to the reporting period.

*Withdrawal Assessments Receivable, Net* - This consists of the following at December 31, 2016 and 2015:

| | 2016 | 2015 |
|---|---|---|
| Lump sum withdrawal assessments receivable | $ 576,465 | $ 3,794,853 |
| Withdrawal assessments collectible under payment plans | 173,645,460 | 10,881,421 |

| | | |
|---|---|---|
| Allowance for uncollectible withdrawal assessments | $ (292,000) | $ (300,000) |
| Estimated gross collectible amounts | 173,929,925 | 14,376,274 |
| Discount for present value | (80,103,270) | (4,229,052) |
| Employer withdrawal assessments, net | $ 93,826,655 | $ 10,147,222 |

A discount rate of 8% was used to determine the present value allowance for each of the years ended December 31, 2016 and 2015. Interest income resulting from withdrawal assessments receivable was $448,197 and $660,374 for the years ended December 31, 2016 and 2015 and is included as other income in the statements of changes in net assets available for benefits.

Scheduled repayments of employer withdrawal assessments as of December 31, 2016 are as follows:

| | |
|---|---|
| 2017 ($9,685,038 - $292,000 allowance) | $ 9,491,354 |
| 2018 | 9,096,197 |
| 2019 | 9,095,090 |
| 2020 | 9,095,090 |
| 2021 | 9,012,126 |
| Thereafter | 128,140,068 |
| Total | $ 173,929,925 |

During 2013, the Plan notified DHL Express, Inc. and Air Express International U.S.A., Inc., subsidiaries of DPWN Holdings (USA), Inc., of a 89.28% partial withdrawal resulting from a decline in contribution base units during 2009, 2010 and 2011. The partial withdrawal liability of approximately $37,973,000, on a present value basis, was conditionally settled in 2014 with a lump sum payment under confidential terms. The agreement contemplated the full withdrawal liability (including the remaining portion not assessed with the partial withdrawal liability assessment) and the employer's reentry to the Plan in anticipation of the PBGC approving the amendment to the Plan which provides for an alternative method for the allocation of unfunded vested benefits, referred to as the hybrid method, for employers satisfying their withdrawal obligation and subsequently reentering the Plan (see Note 1). The Trustees expect the PBGC to approve the amendment based on its approval of similar methods for other multiemployer plans; however, if not approved, the Plan will be required to renegotiate the conditional settlement or litigate the timing, percentage and amount of the partial withdrawal and return the portion of the settlement related to the payment above and beyond the partial withdrawal amount noted above. While this could require a cash payment by the Plan, such would be largely offset by a withdrawal assessment receivable with the impact on the statement of changes in net assets being insignificant.

## 6. ACTUARIAL PRESENT VALUE OF ACCUMULATED PLAN BENEFITS

Accumulated plan benefits are those future periodic payments that are attributable under the Plan's provisions to "Credited Service" rendered by participants to the valuation date. Accumulated plan benefits include benefits expected to be paid to: (a) retired or terminated vested participants or their beneficiaries, (b) beneficiaries of participants who have died, and (c) active participants or their beneficiaries.

The actuarial present value of accumulated plan benefits is determined by the Plan's actuary and represents the amount that results from using actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment (by means of decrements such as for death, disability, termination or retirement) between the valuation date and the expected date of payment.

The Plan's consulting actuary, Beyer-Barber Company, utilized the following significant assumptions to determine the actuarial present value of accumulated plan benefits as of January 1, 2016 and 2015 (beginning of Plan year measurement dates):

- Investment rate of return, net of estimated investment expense, of 8%, for January 1, 2016 and 2015
- Discount rate of 8% for January 1, 2016 and 2015
- Retirement Age Rates: Graduated rates of retirement based upon age, service and benefit classification for active participants; graduated rates of retirement based on age and service only for terminated vested participants and the participant's Normal Retirement Date for deferred survivors for January 1, 2016 and 2015. In determining the January 1, 2016 actuarial present value of accumulated plan benefits, the probability of retirement for certain age/service active participant categories was reduced and the retirement age assumption for terminated vested participants was changed from age 62 to various rates from age 50 through age 70.
- Mortality: The Blue Collar RP 2000 Mortality Table projected to 2007 by Scale AA for males and females for January 1, 2016 and 2015
- Disability Mortality: The RP 2000 Disability Mortality Table projected to 2007 by Scale AA for males and females for January 1, 2016 and 2015

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. If the Plan is terminated, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits.

The actuarial present value of accumulated plan benefits as of the beginning of each Plan year is as follows:

| | 1/1/16 | 1/1/15 |
|---|---|---|
| Vested benefits: | | |
| Participants and beneficiaries currently receiving payments | $ 1,091,832,365 | $ 1,088,850,949 |
| Other participants | 465,832,708 | 480,976,934 |
| Total vested benefits | 1,557,665,073 | 1,569,827,883 |
| Nonvested benefits | 5,833,367 | 5,609,130 |
| Total actuarial present value of accumulated plan benefits | $ 1,563,498,440 | $ 1,575,437,013 |

Information used to determine the actuarial present value of accumulated benefits includes retired, active, and deferred vested census data and Plan provisions in effect at each valuation date, based on the Amended and Restated Plan Document effective January 1, 2014.

The changes in the actuarial present value of the accumulated plan benefits are summarized as follows:

| | 1/1/16 | 1/1/15 |
|---|---|---|
| Actuarial present value of accumulated plan benefits, beginning | $ 1,575,437,013 | $ 1,567,997,730 |
| Increase (decrease) during the year attributable to: | | |
| Changes in actuarial assumptions | (21,490,603) | (4,243,766) |
| Benefits accumulated | 13,288,254 | 14,475,876 |
| Interest | 126,034,961 | 125,439,818 |
| Benefits paid | (129,771,185) | (128,232,645) |
| Net increase (decrease) | (11,938,573) | 7,439,283 |
| Actuarial present value of accumulated plan benefits, ending | $ 1,563,498,440 | $ 1,575,437,013 |

The change in actuarial assumptions as of January 1, 2016 is attributable to the retirement age assumptions described above. The change in actuarial assumptions as of January 1, 2015 is attributable to changes in the disability mortality tables as well as changes to retirement age assumptions to reflect the trend (over the past two and five year periods) of fewer participants opting for early retirement.

## 7. EMPLOYEE BENEFIT PLANS

Pension and health and welfare expenses for the Plan's employees were as follows for the years ended December 31, 2016 and 2015:

| | 2016 | 2015 |
|---|---|---|
| Western Pennsylvania Teamsters and Employers Welfare Fund | $ 101,791 | $ 105,513 |
| Western Pennsylvania Teamsters and Employers Pension Fund | 146,658 | 143,548 |
| Total | $ 248,449 | $ 249,061 |

The Plan pays the Western Pennsylvania Teamsters and Employers Welfare Fund for the health and welfare benefits costs. Pension contributions and the related offsetting pension expense are reflected to account for the noncash transactions associated with Fund Office employees that are participants in the Plan.

The Trustees expect to continue coverage of Plan employees under the Plan; however, in the event of a discontinuance, there would be a withdrawal liability based on the Plan's proportional share of the unfunded vested benefits. The amount of unfunded vested benefits as of January 1, 2016, determined as the basis for withdrawal liability is approximately $3,397,000. This obligation would become the responsibility of continuing employers.

## 8. TAX STATUS

The Internal Revenue Service has determined that the Plan is qualified under Section 401(a) of the Internal Revenue Code, and that the trust established thereunder is exempt under the provisions of Section 501(a) of the Internal Revenue Code. A favorable determination letter was issued by the Internal Revenue Service on January 8, 2016 confirming the continued qualification of the Plan based on the information supplied.

## 9. PLAN TERMINATION AND PENSION BENEFIT GUARANTY CORPORATION MATTERS

The Trustees control and manage the operation and administration of the Plan, and, subject to certain conditions, may amend or terminate the Trust Agreement and Plan. The Trustees intend to continue the Plan; however, termination would result in allocation of the net assets of the Plan to the participants and beneficiaries of the Plan in the manner prescribed by ERISA and in accordance with the Trust Agreement. In the event of plan termination, certain benefits under the Plan are insured by the PBGC, a United States government agency. Generally, the PBGC guarantees most vested normal age retirement benefits, some early retirement benefits, and certain disability and survivor's pension benefits. However, the PBGC does not guarantee all types of benefits under the Plan, and the amount of benefit protection is subject to certain limitations. Vested benefits under the Plan are guaranteed at the level in effect on the date of the Plan's termination. However, there is a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan terminate at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits as well as the ability of the PBGC to provide the guaranteed level of benefits The Plan's ability to provide those benefits may also depend on the financial condition of the participating employers and the Companies that owe withdrawal assessments to the Plan.

## 10. CONCENTRATION

One company accounted for 52% and 50% of employer contribution income for the years ended December 31, 2016 and 2015, respectively. As a result of known employer withdrawals through June 13, 2017, this employer is expected to account for approximately 56% of employer contributions for the year ending December 31, 2017.

Another employer, which withdrew from the Plan in late 2016, accounted for 88% of the receivables, net and 12% of total assets at December 31, 2016.

## 11. INSURANCE AND LEGAL MATTERS

The Plan has an ERISA Compliance Fidelity Bond, through Federal Insurance Company, which provides coverage of $5,000,000 for all persons while in the service of the Plan as fiduciary, trustee, administrator, officer, or employee, and any other person required to be bonded under Title I of ERISA. The Plan also has a trustee and fiduciary liability insurance, through Chubb Insurance, which provides coverage of $20,000,000 for each claim and in the aggregate. Markel American Insurance Company provides the Trustees with excess fiduciary coverage of $15,000,000 in the aggregate.

Counsel of the Plan is not aware of any unasserted claims or assessments against the Plan which might result in a claim under the above-noted policies.

Counsel of the Plan advises that, to the best of their knowledge, the Trustees have not engaged in any "Party-In-Interest" transactions prohibited under ERISA. In some cases, the Plan has settled formal collection proceedings by accepting promissory notes from employers affirming the intent to pay delinquent contributions under a payment plan. In each of these cases, where notes have been accepted, a determination has been made that acceptance of such notes would provide the Plan with the best method of securing maximum recovery of the delinquent contributions, and the related interest and collection costs. In the opinion of the Plan's counsel, considering the applicable regulations and the facts surrounding each note, the Trustees' acceptance of such notes would not constitute a prohibited transaction within the meaning of ERISA.

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | | (c) Description of Investment, Including Maturity Date and Rate of Interest | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | | Short - Term Investments | | |
| | | Shares | | | |
| | | 43,610,747 | EB TEMPORARY INV FD | $ 44,249,813 | $ 44,249,813 |
| | | 8,268,058 | CASH ON DEPOSIT-CUSTODIAN | 8,268,059 | 8,268,059 |
| | | 93 | EUR (EURO) | 101 | 98 |
| | | 9,576 | ENGIE | 10 | 10 |
| | | 255,676 | LEHMAN PROXY WAMCO - REC | 33,238 | 33,238 |
| | | | Total Short-Term Investments | 52,551,221 | 52,551,218 |
| | | | Corporate Debt Instruments | | |
| | | Shares | | | |
| | | 100,000 | ISRAEL ST | 100,000 | 98,777 |
| | | 100,000 | ISRAEL ST | 100,000 | 100,000 |
| | | | Total Corporate Debt Instruments | 200,000 | 198,777 |
| | | | Index and Exchange Traded Funds | | |
| | | Shares | | | |
| | | 3,406 | ISHARES 20+ YEAR TREASURY BOND | 442,798 | 405,757 |
| | | 14,472 | ISHARES COMMOD SELECT STRATEGY | 543,389 | 496,245 |
| | | 7,235 | ISHARES EDGE MSCI MIN VOL EA | 471,732 | 442,927 |
| | | 127,922 | ISHARES GOLD TRUST | 1,754,621 | 1,417,376 |
| | | 19,108 | ISHARES IBOXX USD HIGH YIELD | 1,646,141 | 1,653,797 |
| | | 19,727 | ISHARES JP MORGAN USD EMERGING | 2,238,119 | 2,174,310 |
| | | 46,305 | ISHARES MSCI HONG KONG ETF | 979,036 | 902,021 |
| | | 8,978 | ISHARES RUSSELL 2000 ETF | 989,770 | 1,210,683 |
| | | 7,997 | ISHARES TIPS BOND ETF | 895,910 | 905,021 |
| | | 11,084 | POWERSHARES QQQ TRUST SERIES | 770,331 | 1,313,232 |
| | | 22,486 | POWERSHARES S&P 500 LOW VOLATILITY | 582,321 | 934,968 |
| | | 4,534 | SPDR S&P 500 ETF TRUST | 714,018 | 1,013,485 |
| | | 13,556 | VANGUARD DIVIDEND APPREC ETF | 972,918 | 1,154,700 |
| | | 51,166 | VANGUARD FTSE DEVELOPED ETF | 1,918,237 | 1,869,606 |
| | | 92,166 | VANGUARD FTSE EMERGING MARKET | 3,481,788 | 3,297,699 |
| | | 18,565 | VANGUARD GLBL EX-US REAL ESTATE | 1,048,811 | 920,267 |
| | | 5,861 | VANGUARD TOTAL BOND MARKET | 470,841 | 473,510 |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | | (c) Description of Investment, Including Maturity Date and Rate of Interest | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | 20,725 | VANGUARD TOTAL STOCK MKT ETF | $ 1,853,503 | $ 2,390,007 |
| | | | Total Index and Exchange Traded Funds | 21,774,284 | 22,975,611 |
| | | | Commingled Trusts | | |
| | | Shares | | | |
| | | 197 | AQR GRP EL OFFSHORE FUND LTD | 19,496,007 | 21,129,572 |
| | | 50 | AQR CLASS B ERISA SERIES 2016 03 | 5,000,000 | 5,378,840 |
| | | 4,288,837 | ARTISAN GLOBAL OPPORTUNITIES | 48,988,089 | 68,750,050 |
| | | 7,000,000 | CLAREANT EUR CREDIT OPP FD | 6,110,334 | 7,218,340 |
| | | 4,575,555 | CLAREANT EUR CREDIT OPP FD II | 4,488,508 | 5,214,305 |
| | | 1,914,457 | CLAREANT MULTI STRATEGY EURO CREDIT FD | 19,136,165 | 21,428,353 |
| | | Not available | CRESCENT CAPITAL HIGH INCOME | 13,290,532 | 14,284,729 |
| | | 4,074,184 | EATON VANCE TRUST CO | 45,445,066 | 40,351,122 |
| | | 14,383 | ENTRUST CAPITAL DIVERSIFIED | 16,966,758 | 16,443,801 |
| | | 1,647 | EN TRUST SPECIAL OPPORTUNITIES II | 2,374,485 | 2,762,173 |
| | | 3,209 | ENTRUST SPECIAL OPPORTUNITIES III | 3,128,647 | 3,675,024 |
| | | 567,346 | FIERA USA GLOBAL EQUITIES FUND LP | 61,530,754 | 70,382,079 |
| | | 1,797,776 | NHIT: MULITSECTOR FULL DISCRETION TRUST | 29,001,703 | 34,355,501 |
| | | 410,909 | TCW CAPITAL TRUST | 536,470 | 421,097 |
| | | 2,686,333 | WS GROUP TRUST GLOBAL | 55,577,813 | 73,703,865 |
| | | 3,759,613 | WELLINGTON CIFII GBL MGD RSK S2 | 35,545,976 | 37,821,712 |
| | | 1,528,783 | WA GLOBAL MULTI STRATEGY LLC | 21,620,370 | 25,668,271 |
| | | 731,993 | WA MACRO OPP LLC FUND | 7,500,000 | 9,504,197 |
| | | | Total Commingled Trusts | 395,737,677 | 458,493,031 |
| | | | Hedge Funds and Limited Partnerships | | |
| | | Shares | | | |
| | | 29,393 | AETOS CAPITAL DISTRESSED | 3,521,258 | 3,786,017 |
| | | 58,485 | AETOS CAPITAL LONG/SHORT | 7,530,634 | 7,325,315 |
| | | 63,653 | AETOS CAPITAL MULTI-STRATEGY | 7,223,063 | 7,480,029 |
| | | 1,288,619 | MORGAN STANLEY INTERNATIONAL FUND OF HEDGE FUNDS SPV LP | 1,282,098 | 1,331,358 |
| | | 2,578 | PERMAL MACRO HOLDINGS LTD | 10,657,676 | 10,411,354 |
| | | | Total Hedge Funds and Limited Partnerships | 30,214,729 | 30,334,073 |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | | (c) Description of Investment, Including Maturity Date and Rate of Interest | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | | Real Estate Investments | | |
| | | Shares | | | |
| | | 243,655 | JPM ALTERNATIVE PROPERTY FUND | $ 156,766 | $ 163,330 |
| | | 434 | PRISA LP | 19,698,727 | 24,244,088 |
| | | 935 | PRISA II LP | 23,195,564 | 30,297,189 |
| | | | Total Real Estate Investments | 43,051,057 | 54,704,607 |
| | | | Derivative Instruments | | |
| | | Shares | | | |
| | | 37 | MINI MSCI EMG MKT FUTURE (NYF) | - | (23,400) |
| | | 26 | MSCI EAFE INDEX FUTURE (NYF) | - | (8,155) |
| | | 45 | S & P 500 E-MINI INDEX FUTURE (CME) | - | (22,410) |
| | | 25 | US 10YR TREAS NTS FUTURE (CBT) | - | 5,156 |
| | | 28 | US 5YR TREAS NTS FUTURE (CBT) | - | 914 |
| | | 11 | US TREAS BD FUTURE (CBT) | - | 1,492 |
| | | | Total Derivative Instruments | - | (46,403) |
| | | | Total Investments | $ 543,528,968 | $ 619,210,914 |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946 PLAN NO. 001**

SCHEDULE OF INVESTMENT ASSETS BOTH ACQUIRED AND DISPOSED WITHIN THE PLAN YEAR (SCHEDULE H, LINE 4i)
FOR THE YEAR ENDED DECEMBER 31, 2016

| (a) Shares | (b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value | (c) Cost of Acquisition | (d) Proceeds (Settlements) upon Disposition |
|---|---|---|---|
| 30 | US Treasury Bond Future (CBT) - June 2016 expiration | $ - | $ (3,656) |
| 15 | US Treasury Bond Future (CBT) - September 2016 expiration | - | 54,484 |
| 21 | US Treasury Bond Future (CBT) - December 2016 expiration | - | (122,508) |
| 68 | US 10 Yr Treasury Notes Future (CBT) - June 2016 expiration | - | (29,479) |
| 31 | US 10 Yr Treasury Notes Future (CBT) - September 2016 expiration | - | 34,484 |
| 39 | US 10 Yr Treasury Notes Future (CBT) - December 2016 expiration | - | (80,203) |
| 95 | US 5 Yr Treasury Notes Future (CBT) - June 2016 expiration | - | (22,047) |
| 48 | US 5 Yr Treasury Notes Future (CBT) - September 2016 expiration | - | 30,867 |
| 73 | US 5 Yr Treasury Notes Future (CBT) - December 2016 expiration | - | (71,484) |
| 113 | S & P 500 E Mini Index Future (CME) - June 2016 expiration | - | 274,423 |
| 72 | S & P 500 E Mini Index Future (CME) - September 2016 expiration | - | 61,693 |
| 83 | S & P 500 E Mini Index Future (CME) - December 2016 expiration | - | 204,933 |
| 78 | MSCI EAFE Index Future (ICE and NYF) - June 2016 expiration | - | 15,723 |
| 59 | MSCI EAFE Index Future (ICE and NYF) - September 2016 expiration | - | 69,280 |
| 67 | MSCI EAFE Index Future (ICE and NYF) - December 2016 expiration | - | 33,455 |
| 49 | Mini MSCI Emerging Markets Future (NYF and NYL) - June 2016 expiration | - | 36,620 |
| 38 | Mini MSCI Emerging Markets Future (NYF and NYL) - September 2016 expiration | - | 22,150 |
| 39 | Mini MSCI Emerging Markets Future (NYF and NYL) - December 2016 expiration | - | (35,640) |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946 PLAN NO. 001**

SCHEDULE OF REPORTABLE TRANSACTIONS (SCHEDULE H, LINE 4j) - SERIES OF TRANSACTIONS (SCHEDULE H, PART IV, LINE 4j)
FOR THE YEAR ENDED DECEMBER 31, 2016

| (a) Identity of Party Involved | (b) Description of Assets | (d) Purchase Price | (e) Selling Price | (f) Cost of Assets Disposed | (h) Net Gain (Loss) |
|---|---|---|---|---|---|
| | **Single transactions in excess of 5% of plan assets** | | | | |
| PIMCO | PIMCO All Assets All Authority | | $ 33,319,727 | $ 45,429,715 | $ (12,109,988) |
| | **Series of transactions in excess of 5% of plan assets** | | | | |
| BNY Mellon and Parametric Clifton | EB Temporary Investment Fund | $ 235,060,036 | 218,800,779 | 218,800,779 | - |

*Party in interest

**PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-6029946**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan**

The plan actuary initially certified to Endangered Status on March 28, 2008, for the plan year beginning January 1, 2008. The Trustees adopted a Funding Improvement Plan on May 21, 2008 that took reasonable measures to reduce benefits and increase contributions (in the context of the pending collective bargaining agreements) to achieve the goal of timely emerging from Endangered Status assuming a favorable investment return of 8% for 2008 and later years.

The Fund's actual investment return for 2008 was -28.8%. The actuary certified to Critical Status on March 31, 2009, for the plan year beginning January 1, 2009. On April 1, 2009, the Trustees made a formal election to remain in Endangered Status for 2009, as permitted by the Worker Retiree and Employer Relief Act ("WRERA"). The 2008 Funding Improvement Plan remained in place during 2009.

As of January, 2010, the actuary certified that the Fund was not making scheduled progress under the 2008 Funding Improvement Plan and further that the Pension Fund was in Critical Status for the plan year beginning January 1, 2010. After much study, the Trustees adopted a 2010 Rehabilitation Plan on November 23, 2010 which became effective on February 1, 2011. In the Trustees opinion, even though they took all reasonable measures in developing the Rehabilitation Plan, they concluded that the Fund would not emerge from Critical Status and therefore the objective of Plan would be to forestall insolvency and to emerge at a later time.

The plan actuary certified that the Pension Fund remained in Critical Status for the plan year beginning January 1, 2011. With the Pension Fund's First Annual Update to the Rehabilitation Plan, effective December 31, 2011, the Trustees concluded that the Fund was making the scheduled progress that had been anticipated when the Original 2010 Rehabilitation Plan was adopted. As a result, no changes were made to the Original 2010 Rehabilitation Plan.

The plan actuary has certified that the Pension Fund continues in Critical Status for the plan years 2012 through 2016. While the projections for each of those years were not as favorable as the Original 2010 Rehabilitation Plan projections, the actuarial projections did satisfy the Original 2010 Rehabilitation Plan objective of forestalling insolvency with the goal of emerging from Critical Status at a later time. As a result of having already taken all reasonable measures, the Trustees made no further changes to the Original 2010 Rehabilitation Plan.

**PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-6029946**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 4c – Documentation Regarding Progress Under Funding Improvement or Rehabilitation Plan**

| Original 2010 Rehabilitation Plan Projection | | | | Scheduled Progress based on January 1, 2015 Forecast | | |
|---|---|---|---|---|---|---|
| Accrued Liability | Market Assets | PPA% | Year | Accrued Liability | Market Assets | PPA% |
| $1,622,220 | $699,575 | 43% | 2015 | $1,575,533 | $738,997 | 48% |
| 1,621,376 | 679,527 | 42% | 2016 | 1,572,321 | 657,919 | 45% |
| 1,617,719 | 658,767 | 41% | 2017 | 1,568,779 | 626,556 | 42% |
| 1,611,465 | 637,926 | 40% | 2018 | 1,563,846 | 593,816 | 40% |
| 1,601,825 | 616,752 | 39% | 2019 | 1,556,578 | 559,139 | 37% |
| 1,588,432 | 595,462 | 37% | 2020 | 1,546,869 | 522,593 | 34% |
| 1,571,554 | 574,999 | 37% | 2021 | 1,534,578 | 484,604 | 32% |
| 1,550,849 | 555,725 | 36% | 2022 | 1,519,485 | 445,423 | 29% |
| 1,526,566 | 538,649 | 35% | 2023 | 1,501,554 | 405,383 | 27% |
| 1,499,051 | 524,960 | 35% | 2024 | 1,480,545 | 364,503 | 25% |
| 1,468,283 | 515,589 | 35% | 2025 | 1,456,865 | 323,780 | 22% |
| 1,434,517 | 511,791 | 36% | 2026 | 1,430,682 | 284,315 | 20% |
| 1,397,944 | 514,870 | 37% | 2027 | 1,401,708 | 246,489 | 18% |
| 1,359,210 | 526,700 | 39% | 2028 | 1,369,974 | 211,090 | 15% |
| 1,318,537 | 548,846 | 42% | 2029 | 1,335,876 | 179,251 | 13% |
| 1,276,620 | 583,444 | 46% | 2030 | 1,299,879 | 152,345 | 12% |
| 1,233,774 | 632,416 | 51% | 2031 | 1,262,215 | 131,358 | 10% |

At their meeting of December 2, 2015, the Trustees considered whether any additional reasonable measures could be taken so that 2010 funded percentage funding objective could be reached by 2031.

Contribution Income - The Trustees considered requiring contribution increases higher than the current 6% under the preferred schedule or 8% under the default schedule and concluded that such increases would be an unreasonable burden on contributing employers in the current economy and would likely lead to reduced jobs and/or wages for participants and thus less employer contributions to the Fund. Further, the high level of contribution increases that would be required would lead to employer failures and/or withdrawals also resulting in less employer contributions.

Benefit Reductions - The Trustees also considered various benefit reductions and concluded that any further benefit reductions would reduce the value of the Fund to the participants to the point that they would seek negotiate out of the Plan resulting in less employer contribution income to the Fund.

Such measures were seen as being counter-productive to the overall Rehabilitation Plan goal of forestalling insolvency and emerging from Critical Status at a later time. The Trustees have Updated the Rehabilitation Plan making no changes to the Original 2010 Rehabilitation Plan schedules.

# SALIENT FEATURES OF WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

The Salient Features below reflect the provisions of the plan as it existed up through the adoption of the Funding Improvement Plan effective August 1, 2008 and the Rehabilitation Plan effective February 1, 2011 as subsequently updated. Please refer to those documents attached for a complete understanding of how the following plan provisions are affected.

## I. RETIREMENT DATES

A. Normal Retirement Date – The later of age sixty (60) and the completion of three (3) Years of Participation.

B. Early Retirement Date – The earlier of attainment of 25 years of contributory service and age fifty-five (55) with fifteen (15) Years of Credited Service of which five (5) are Future Credited Service.

C. Disability Retirement Date - An eligible Participant shall receive a benefit as of the date of disability as determined by the Social Security Administration or by the Trustees following a twenty-seven (27) week period of continuous disability. Eligibility for this benefit is ten (10) Years of Credited Service of which at least five (5) years are Future Credited Service.

## II. RETIREMENT BENEFITS

A. Normal Retirement Benefit – The accumulation of "Unit Multipliers" for years of Credited Service. For service prior to April 1, 1982, refer to the schedule of Unit Multipliers shown in Appendix A of the Plan document. The following reflects how unit multipliers changed for higher contribution rates.

1. For Participants retiring after April 1, 1982, under collective bargaining agreements requiring contributions of $58.00 per week effective April 1, 1982, and $62.00 per week effective April 1, 1983, an increased Unit Multiplier of $35.00 will be granted for each year of credited service earned after April 1, 1982.

## II. RETIREMENT BENEFITS (cont'd)

2. For Participants retiring on or after January 1, 1987 under collective bargaining agreements requiring contributions of $64.00 per week effective April 1, 1985, $68.00 per week effective April 1, 1986, and $72.00 per week effective April 1, 1987, a Unit Multiplier of $50.00 was credited for the 3 month period January to March 1987 followed by a Unit Multiplier of $60.00.

3. Effective June 1, 1990 for contribution rates $72.00 per week and higher, the Unit Multiplier is increased $1.50 for each $1.00 increase in the weekly contribution rate on or after that date, except that an increase in the Unit Multiplier will not be granted for the $2.00 increase in the contribution rate (dollars 85 and 86) in excess of $84.00.

These increases will apply to the calculation of Normal Retirement, Early Retirement, 25-And-Out Retirement, 30-And-Out Retirement, and Vested Benefits, but will not apply to Disability Retirement Benefits.

4. Effective for the period July 1, 2006 through July 31, 2008, Unit Multipliers will be equal to 2% of the amount of employer contributions required to be made on the participant's behalf.

5. For periods beginning August 1, 2008 and later, please refer to the attached Funding Improvement and Rehabilitation Plans.

B. Early Retirement Benefit - The participant's accrued benefit determined as of the "Early Retirement Pension beginning date" reduced by one-half of one percent (1/2 of 1%) for each month that the Early Retirement Date precedes age sixty (60).

C. Disability Retirement Benefit - The Disability Pension shall equal the accumulation of Disability Unit Multipliers determined in accordance with Appendix A of the Plan document for years of Credited Service determined as of the date of occurrence of total and permanent disability provided, however, that such Credited Service period shall include any Future Credited Service resulting from Employer Contributions required to be paid by an Employer for such Participant after the incurrence of total and permanent disability.

Upon reaching Normal Retirement Age, the Participant shall receive his appropriate Normal Retirement Benefit in lieu of any Disability Pension Benefits.

## III. CREDITED SERVICE

Credited Service shall mean the sum of Past Credited Service and Future Credited Service. Future Service is granted for contributory service after entry into the Pension Plan and shall mean the number of Years, Months, Weeks and Days of Service.

## IV. ACCRUED BENEFIT

As of any specified date, the Accrued Benefit shall mean the benefit earned by a Participant as of such date.

## V. VESTED BENEFITS

A Participant who is in active service and has contributions made on his or her behalf on or after January l, 1999 and who is hired prior to February 1, 2011, will be 100% vested in his accrued benefit upon completing three (3) Years of Participation. Participants hired after February 1, 2011 will be 100% vested in their accrued benefit upon completing five (5) Years of Participation since the Participant's last Break-in-Service Date.

A "Year of Participation" is earned on a Participant's behalf for at least five (5) months, or twenty-two (22) weeks, or one thousand (1,000) hours, during a calendar year.

If contributions are required on an hourly or daily basis, a Year of Participation means a Plan Year in which a Participant has one thousand (1,000) Hours of Service or one hundred (100) Days of Service. Each full year of Credited Service credited to a Participant as of January 1, 1976, pursuant to Section III above, shall be deemed a Year of Participation.

## VI. PRE-RETIREMENT DEATH BENEFIT

A. The amount of the Pre-Retirement Qualified Survivor Benefit shall be the same as the amount of the survivor's benefit under the Qualified Joint and

100% Survivor Benefit assuming that the Participant had elected this benefit and retired on the day just before the day on which the Participant died. Such Qualified Survivor Benefit will be payable to the spouse as long as he or she lives.

B. The beneficiary or estate of a non-married Participant who is vested and dies prior to retirement on or after January 1, 1997, will be eligible for a Pre-retirement Survivor Benefit. The amount of the benefit will be the same as if the participant had retired on his Early Retirement Date, elected a Ten (10) Year Certain and Life Annuity and died.

C. The commencement of the benefit will be when the Participant would have attained his Early Retirement Date.

## VII. RETIREMENT BENEFIT PAYMENTS

A. Level Monthly Pension - Life only with equal monthly payments during Participant's lifetime.

B. Qualified Joint and 50% Survivor is the standard form of benefit for married Participants receiving Normal, Early or Disability Pensions.

C. Qualified Joint and 75% Survivor is a benefit for married Participants receiving Normal, Early or Disability Pensions.

D. Qualified Joint and 100% Survivor is a benefit for married Participants receiving Normal, Early or Disability Pensions. A Restoration Benefit is available to a retire who had elected a Joint and Survivor Benefit on or after August 1, 1991, and whose Qualified Spouse predeceases the Participant. The Participant's monthly benefit amount shall be restored upon the date of the Qualified Spouse's death to the level pension benefit that the Participant would have received upon retirement without the election of the Qualified Joint and Survivor Benefit.

E. Ten Year Certain and Life Benefit is a level monthly pension paid for the lifetime of the retiree with the first one hundred twenty (120) monthly payments guaranteed.

## VIII. SURVIVOR BENEFIT ACTUARIAL REDUCTION FACTORS

Effective for Participants who retire on or after April 1, 1999, there will be no actuarial reduction for the Joint and 50% Survivor Benefit and the Ten Year Certain Benefit. The actuarial reduction, will be applicable for the Joint and 75% or 100% Survivor Benefits.

## IX. BURIAL BENEFIT

Effective October 1, 1998, the burial benefit for a retiree dying after that date, will be the greater of $1,000 or one monthly benefit payment (at the Straight Life Annuity Benefit level), to be paid to the person responsible for the payment of the retiree's burial expenses.

## X. SPECIAL BENEFIT

Certain "Special Benefit" minimums have been adopted and are based on achieving certain contribution levels and years of contributory service. The following is a brief description. Please refer to the Plan document for more details.

A. 25-And-Out Accrued Benefit.

B. Special 25-And-Out Benefit – ($1,500, $2,000, or $2,500)

C. 30-And-Out Accrued Benefit.

D. Special 30-And-Out Benefit ($2,000, $3,000, or $3,500).

## XI. VOLUNTARY EMPLOYEE CONTRIBUTIONS

The Trustees adopted a voluntary employee contribution program which, under certain circumstances, allows a Participant to reach eligibility for the "Special Benefit" levels.

# 2008 FUNDING IMPROVEMENT PLAN
## Adoption Date: May 21, 2008

## I. INTRODUCTION

The Pension Protection Act of 2006 ("PPA") requires the Trustees of a multiemployer pension plan that has been certified by its actuary as being in Endangered Status to develop a Funding Improvement Plan. The purpose of the Funding Improvement Plan is to enable the plan to emerge from the Endangered Status by the end of the funding improvement period.

The Notice of Actuarial Certification, dated April 25, 2008, provided to all participants, contributing employers and union representatives, provided formal notification that the Western Pennsylvania Teamsters and Employers Pension Fund ("Pension Fund") is classified in the Endangered Status for the 2008 plan year. The Notice stated that the PPA obligates the Pension Fund Trustees to develop a Funding Improvement Plan which includes options providing contribution increases and/or reductions in future benefit accruals that can be reasonably forecasted to achieve the new funding benchmarks required by the PPA on or before the end of the funding improvement period in the 2020 plan year.

The implementation of this 2008 Funding Improvement Plan will coincide with amendments to the Pension Plan effective August 1, 2008, amending rules which generally lower future benefit accrual levels depending on the level of contribution increases negotiated ("Pension Changes"). The Pension Changes are designed in order that the Pension Fund can emerge from Endangered Status and avoid incurring an accumulated funding deficiency by the 2020 plan year.

Earlier this decade, the Pension Fund experienced three consecutive years in which investment earnings did not meet the 8% actuarial assumption. Even before enactment of the PPA, the Trustees took steps to improve the funding status of the Pension Fund. However, despite several recent years of better investment returns, and the implementation of a pre-PPA plan to limit the rate of future benefit accruals, the Pension Fund's 71.2% funding percentage for the 2008 plan year classified it in the Endangered Status according to the PPA standards.

**2008 Funding Improvement Plan (cont'd)**

The Pension Fund's 2008 Funding Improvement Plan was developed after a comprehensive examination by the Trustees of various alternatives designed to increase the funded percentage and continue meeting the minimum funding standards of ERISA and the PPA.

## II. SCHEDULES OF CONTRIBUTIONS AND BENEFITS

The Trustees have agreed to amendments to the Pension Plan which protect accrued benefits earned prior to August 1, 2008, and which provide for necessary funding improvement measures through the adoption of changes to future employer contribution requirements and future benefit accrual terms. All Pension Changes implemented at this time apply solely to covered service and benefits earned on and after August 1, 2008. These amendments provide:

### 1. Protection Of Benefits Earned Prior To August 1, 2008.

**1.1.** The 2008 Funding Improvement Plan makes no changes to any benefits earned under the terms of the Pension Plan prior to August 1, 2008. The Unit Multipliers, monthly benefit options at retirement, and all other formulas used in computing monthly benefit amounts for service earned prior to August 1, 2008 are not affected by the Pension Changes provided by the 2008 Funding Improvement Plan.

**1.2.** Benefits being paid to participants who retired prior to August 1, 2008 are not affected by the Pension Changes.

### 2. Contribution Requirements.

**2.1.** Annual employer contribution percentage increases, on a compounded basis, determine the new Unit Multipliers applicable to service earned on and after August 1, 2008.

**2.2.** Employer contribution increases of at least six (6%) percent, compounded annually, are required for the highest Unit Multiplier available for service on and after August 1, 2008.

## 2008 Funding Improvement Plan (cont'd)

**2.3.** The schedules of contribution increases needed to determine Unit Multipliers for service earned on and after August 1, 2008 measure the required increase by comparing the highest weekly contribution rate existing at the end of the 2007 calendar year to the highest weekly contribution rate achieved by the end of the 2008 calendar year.

**2.4.** For years after 2008, the employer contribution increase needed to determine the Unit Multiplier is calculated by comparing the highest weekly contribution rate immediately before the anniversary date of the Collective Bargaining Agreement to the weekly contribution rate on that anniversary date.

## 3. Changes In Unit Multiplier Based Future Benefit Accruals.

**3.1.** Unit Multipliers applicable to service earned on and after August 1, 2008 will be determined on the basis of employer contribution increases occurring during the 2008 calendar year, and thereafter on the anniversary date of the Collective Bargaining Agreement. Unit Multipliers will range from one (1%) percent to four-tenths of one (0.40%) percent, as determined under the following schedules of contribution increases and benefits:

| | **Default Sched.** | | | | | | **Top Sched.** |
|---|---|---|---|---|---|---|---|
| Contribution Increase of: | 0% | 1% | 2% | 3% | 4% | 5% | 6% |
| Unit Multiplier | 0.4% | 0.5% | 0.6% | 0.7% | 0.8% | 0.9% | 1.0% |

**3.2.** The above schedules of contribution increases and benefits will be applicable for the period beginning August 1, 2008 until the expiration of a Collective Bargaining Agreement or Participation Agreement.

**2008 Funding Improvement Plan (cont'd)**

3.3 The PPA requires annual updates to the above schedules of contribution increases and benefits if the funded status of the Pension Fund changes.

3.4. In the event the bargaining parties have agreed to pension contribution terms by renewing an expired collective bargaining agreement between January 1, 2008 and July 31, 2008 in reliance on an under-standing that the negotiated increase would be sufficient for the 1.00% Unit Multiplier, the Pension Fund shall apply the 1.00% Unit Multiplier for the period on and prior to January 1, 2010.

3.5. Pursuant to a request from a Bargaining Party for confirmation as to whether a current or proposed schedule of contribution increases qualifies for the 1.00% Unit Multiplier, the Pension Fund shall apply the 1.0% Unit Multiplier in any instance in which the Pension Fund Actuary certifies that the specific contribution increase schedule under consideration produces an equivalent or better funding improvement solution than the annual contribution increase standard stated herein in this Paragraph 3.

4. **Other Changes In Future Benefits**.

4.1. All benefits earned following August 1, 2008, including any portion of the Special 25-And-Out or 30-And-Out Benefits, are subject to less favorable Joint and Survivor and Ten Year Certain reduction factors. However, benefits earned prior to August 1, 2008 will be calculated under reduction factors (if any) in effect prior to August 1, 2008.

4.2. Normal Retirement Age will be increased from age 60 to age 62 for benefits earned after August 1, 2008 and such benefits are subject to less favorable early retirement reduction factors from age 62.

**2008 Funding Improvement Plan (cont'd)**

**4.3.** All participants continue to be eligible for the 25-And-Out Benefit (Accrued Benefit) and the 30-And-Out Benefit (Accrued Benefit) for service earned prior to August 1, 2008. Benefits for service on and after August 1, 2008 will be determined under the new Unit Multipliers and new early retirement reduction factors.

**4.4.** The pro-rata portion of one or more of the Special 25-And-Out Benefits ($1,500, $2,000 or $2,500) or Special 30-And-Out Benefits ($2,000, $3,000 or $3,500) will continue for any participant whose Collective Bargaining Agreement meets eligibility for the applicable Special Benefit by the end of the 2008 plan year. At retirement, a participant will be required to satisfy the years-of-service, age and the "no voluntary withdrawal" conditions of each applicable Special Benefit. The pro-rata portion of each applicable Special Benefit will be the fraction consisting of the contributory service earned prior to August 1, 2008 divided by the contributory service earned at retirement. Benefits for service on and after August 1, 2008 will be determined under the new Unit Multipliers and reduction factors.

**4.5.** Notwithstanding the above, the Special 25-And-Out Benefits ($1,500, $2,000 or $2,500) or Special 30-And-Out Benefits ($2,000, $3,000 or $3,500), will continue for any participant whose employer contributes at or above the $225 weekly level by the end the 2008 calendar year, without regard to the pro-rata provision set forth in Section 4.4. However, the new Joint and Survivor, Ten Year Certain and the early retirement reduction factors for retirement before age 62 will be applied for the portion of each applicable Special Benefit relating to service earned after August 1, 2008.

## III. ANNUAL UPDATES

The PPA requires that the Pension Fund annually update the Funding Improvement Plan and the schedules of contribution rates and benefits. The PPA provides that the Funding Improvement Plan shall terminate in a year in which a pension plan is certified as being in Critical Status. Therefore, any plan year after 2008 may re-quire that different default and alternative schedules be selected in that plan year to avoid imposition of a surcharge if the Pension Fund is certified as being in Critical Status. No surcharge applies if the schedule of contributions and benefits in place satisfies the applicable PPA standards in effect at that time.

The Trustees have designed the 2008 Funding Improvement Plan under reasonable actuarial assumptions which forecast that the Pension Fund will meet the PPA contribution and benefit standards for a Critical Status Rehabilitation Plan, if required.

The Pension Fund's progress toward achieving the PPA standards will be annually certified and reported to the participants, the contributing employers and the participating unions.

## IV. MODIFICATIONS

The Trustees of the Pension Fund reserve the right to make any modifications to this Funding Improvement Plan that may be required pursuant to the PPA.

**This 2008 Funding Improvement Plan, following approval by the Trustees of the Western Pennsylvania Teamsters and Employers Pension Fund on May 21, 2008, is hereby adopted as of that date, and as modified by the Trustees on May 27, 2008 and July 9, 2008, subject to the terms and conditions stated herein.**

# 2014 UPDATE TO THE 2010 REHABILITATION PLAN

The following contains all provisions of the 2010 Rehabilitation Plan as updated through 2014. The objective of the Pension Fund's Rehabilitation Plan is to forestall insolvency.

The Rehabilitation Plan which is restated herein now contains three Schedules ("Preferred", "Default" and "Distressed"). Upon the stated expiration date of a collective bargaining agreement or participation agreement, the Rehabilitation Plan and the PPA require that Bargaining Parties must select, or have imposed, either the Preferred or Default Schedule. The Distress Employer Schedule may only be selected upon a finding by the Trustees, in their sole discretion, that the employer meets all qualifications for the Distress Employer Schedule.

In the event the Bargaining Parties cannot agree to selection of a Schedule within 180 days, the Default Schedule will be imposed by operation of law. Bargaining Parties who select a Rehabilitation Plan Schedule can rely on the contribution rates for the duration of their collective bargaining agreement, subject to a maximum term of five years.

## A. Preferred Schedule

The Preferred Schedule requires that the Bargaining Parties provide for contribution increases of at least six (6%) percent, compounded annually, in pending, renewed or amended collective bargaining agreements and participation agreements. If a six (6%) percent increase was not achieved by the last day of the 2011 Plan Year, the Bargaining Parties will be legally required to choose from higher contribution increase levels. The Unit Multiplier percentage used for benefit accruals for service earned on and after February 1, 2011 is equal to 0.5% of contributions. Adjustable Benefits are retained, reduced or eliminated to a lesser degree under the Preferred Schedule than under the Default Plan, as described below:

### A.1. Benefits Earned Prior to August 1, 2008

**A.1.1.** There is no change to accrued benefits earned prior to August 1, 2008 and payable under the straight life option at Normal Retirement Age 60. A Participant can still retire at Early Retirement Age 55 with 15 years of Credited Service or at any age upon completion of 25 years of Future Credited Service.

However, unless excepted as provided below, actuarial reductions will be applied for early retirement and for the selection of Joint & Survivor and Ten Year Certain options.

**A.1.2.** Participants who have attained eligibility for the 25-And-Out (Accrued), 30-And-Out (Accrued), Special 25-And-Out ($1,500, $2,000 or $2,500) or Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits by February 1, 2011 can still retire at any time and can have the pre-August 1, 2008 benefit paid with no reduction for early retirement.

**A.1.3.** Participants who have not attained eligibility for the 25-And-Out (Accrued), 30-And-Out (Accrued), Special 25-And-Out ($1,500, $2,000 or $2,500) or Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits by February 1, 2011, but later attain the necessary years of service, can still retire and can have the pre-August 1,2008 benefit paid; however, an early retirement reduction applies if retirement is before age 55.

**A.1.4.** There is no change to the pre-August 1, 2008 portion of the standard early retirement benefit for Participants who are eligible by February 1, 2011, based on having attained Age 55 and 15 years of Credited Service.

**A.1.5.** Participants who have attained eligibility for the 25-And-Out (Accrued), Early or Normal retirement by February 1, 2011 can retire with no change in the actuarial reductions for Joint & Survivor or Ten Year Certain options with respect to benefits earned prior to August 1, 2008.

**A.2. Benefits Earned After August 1, 2008 but Prior to February 1, 2011** (*all benefits earned during this period are defined in the 2008 Funding Improvement Plan, have not been changed under this Rehabilitation Plan, and are summarized below*)

**A.2.1.** There is no additional change to benefits earned for service between August 1, 2008 and February 1, 2011 beyond that stated in the 2008 Funding Improvement Plan involving application of actuarial reductions for early retirement, Joint & Survivor and Ten Year Certain options.

**A.2.2.** There is no additional change to early retirement reductions (if any) for service earned between August 1, 2008 and February 1, 2011 beyond that stated in the 2008 Funding Improvement Plan involving application of early retirement reductions based on a Normal Retirement Age of 62. Vested Participants with pre-August 1, 2008 service continue to be eligible to retire at Age 60.

**A.2.3.** There is no additional change to the 25-And-Out (Accrued), 30-And-Out (Accrued), and subsequent portions of the Special 25-And-Out ($1,500, $2,000 or $2,500) or Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits earned between August 1, 2008 and February 1, 2011 beyond that stated in the 2008 Funding Improvement Plan involving application of all reduction factors for early retirement, Joint & Survivor and Ten Year Certain options.

**A.2.4.** There is no additional change to the pro-rata treatment of the Special 25-And-Out ($1,500, $2,000 or $2,500) Benefits or the Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits earned between August 1, 2008 and February 1, 2011 beyond that described in the 2008 Funding Improvement Plan involving application of reduction factors for early retirement, Joint & Survivor and Ten Year Certain options.

**A.2.5.** There is no additional change to the continuation of the Special 25-And-Out ($1,500, $2,000 or $2,500) or Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits, as described in the 2008 Funding Improvement Plan for any participant whose employer contributed at or above the $225 weekly level by the end of the 2008 Plan Year for benefits earned between August 1, 2008 and February 1, 2011 beyond that described in the 2008 Funding Improvement Plan involving application of reduction factors for early retirement, Joint & Survivor and Ten Year Certain options.

## A.3. Benefits Earned After February 1, 2011

**A.3.1.** For service earned on or after February 1, 2011, the Unit Multiplier percentage is 0.5% of contributions, including contribution increases required under the Preferred Schedule (i.e., future contribution increases are benefit bearing).

**A.3.2.** Early retirement, Joint & Survivor and Ten Year Certain reductions apply for all Accrued and Special benefits earned on or after February 1, 2011. Early retirement reductions are based on a Normal Retirement Age of 65. However, vested Participants who entered the Pension Fund prior to August 1, 2008 or February 1, 2011 remain eligible to retire at Age 60 or Age 62, respectively.

**A.3.3.** Participants who enter the Pension Fund after February 1, 2011 become 100% vested after having 5 Years of Participation. Participants who have Credited Service between January 1, 1999 and January 31, 2011 retain the right to be 100% vested after 3 Years of Participation.

**A.3.4.** For benefits earned on or after February 1, 2011, there is no change to the continuation of the Special 25-And-Out ($1,500, $2,000 or $2,500) or the Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits for any Participant whose employer contributed at or above the $225 weekly level by the end of the 2008 Plan Year, subject to the reductions stated in A.3.2.

## A.4. BENEFITS EARNED DURING ANY PERIOD OF TIME

**A.4.1.** There is no change in any earned benefit of Participants retiring prior to February 1, 2011.

**A.4.2.** The burial benefit is eliminated for Participants retiring after February 1, 2011.

**A.4.3.** Effective February 1, 2011, the disability benefit is eliminated except for disability retirees in pay status or Participants who have been found to have a disability onset date prior to February 1, 2011, as determined by Social Security Administration.

**A.4.4.** There is no change to the 10 Year Certain Pre-Retirement Survivor Benefit, subject to actuarial reduction for that portion earned after August 1, 2008.

## A.5. CONTRIBUTION REQUIREMENTS

**A.5.1.** The Preferred Schedule of benefits only applies to collective bargaining agreements or participation agreements which have contribution increases of six (6%) percent, compounded annually, beginning no later than the last day of the 2011 Plan Year.

**A.5.2.** Annual contribution increases set forth in collective bargaining agreements and participation agreements in effect on the date of this notice are considered in determining whether the six (6%) percent increase in Item A.5.1 has been achieved.

**A.5.3.** After 2011, Bargaining Parties who have not provided annual six (6%) percent contribution increases beginning in 2011 can only choose the Preferred Schedule with contribution increases (subject to Annual Updates - See Section V) beginning in later years as set forth below:

| CBA Renewal in Plan Year | Minimum Required Annual Increases |
|---|---|
| 2012 | 8% for a minimum of 3 years followed by 6% increases |
| 2013 | 10% for a minimum of 3 years followed by 6% increases |
| 2014 | 12% for a minimum of 3 years followed by 6% increases |
| 2015 | 14% for a minimum of 3 years followed by 6% increases |

## B. Default Schedule

The Bargaining Parties must provide for contribution increases of at least eight (8%) percent, compounded annually, in pending, renewed or amended collective bargaining agreements and participation agreements. If an eight (8%) percent increase was not achieved by the last day of the 2011 Plan Year, the Bargaining Parties will have higher contribution increase levels upon expiration of their agreement. The Default Schedule provides a frozen Unit Multiplier for future benefit accruals as expressly required under the PPA. The Default Schedule contains a significantly greater elimination or reduction in Adjustable Benefits than the Preferred Schedule, as set forth below.

If the Default Schedule is selected or imposed, the Pension Fund will not accept any subsequent collective bargaining agreements covering that bargaining unit which are compliant with the Preferred Schedule, except as determined by the Board of Trustees in their sole discretion.

**B.1. Benefits**

**B.1.1.** The Unit Multiplier percentage for benefits earned after selection or imposition of a Default Schedule is frozen based on the January 31, 2011 contribution level, as set under the 2008 Funding Improvement Plan (ranging between 0.4% to 1.0% of contributions).

**B.1.2.** Contribution increases are non-benefit bearing. This means that the Unit Multiplier percentage will only apply to the contribution rate in effect immediately before the selection or imposition of a Default Schedule.

**B.1.3.** For service earned on or after February 1, 2011, the Normal Retirement Age is increased from Age 62 to Age 65. Participants who entered the Pension Fund prior to August 1, 2008 or February 1, 2011 remain eligible to retire at Age 60 or Age 62, respectively. Eligibility for Early Retirement (subject to reductions) is maintained for Participants upon attaining 25 Years of Future Credited Service at any age, or at Age 55 with 15 Years of Credited Service.

**B.1.4.** The Special 25-And-Out ($1,500, $2,000 or $2,500) and Special 30-And-Out ($2,000, $3,000 or $3,500) Benefits, as described in the 2008 Funding Improvement Plan for any Participant whose employer contributed at or above the $225 weekly level by the end of the 2008 Plan Year will be frozen at the accrued level as of the date a Participant becomes subject to the Default Schedule. Such Participant will not be entitled to any additional accruals under those Special Benefit Levels. In addition, reduction factors for early retirement, Joint & Survivor and Ten Year Certain options will apply to all accrued and Special benefits earned including the portion of benefits earned prior to August 1, 2008.

**B.1.5.** There is no change in any earned benefit of Participants retiring prior to February 1, 2011.

**B.1.6.** The burial benefit is eliminated for Participants retiring after February 1, 2011.

**B.1.7.** Effective February 1, 2011, the disability benefit is eliminated except for disability retirees in pay status or participants who have been found to have a disability onset date prior to February 1, 2011, as determined by Social Security Administration.

**B.1.8.** The 10 Year Certain Pre-Retirement Survivor Benefit is eliminated.

## B.2. Contributions

**B.2.1.** The Default Schedule of benefits only applies to collective bargaining agreements and participation agreements which have contribution increases of eight (8%), compounded annually, beginning no later than the last day of the 2011 Plan Year.

**B.2.2.** Annual contribution increases set forth in collective bargaining agreements and participation agreements in effect on the date of this notice are considered in determining whether the eight (8%) percent increase in Item B.2.1 has been achieved.

**B.2.3.** After 2011, Bargaining Parties who have not provided annual eight (8%) percent contribution increases beginning in 2011 can only choose the Default Schedule with contribution increases (subject to Annual Updates - See Section V) beginning in later years as set forth below:

| CBA Renewal in Plan Year | Minimum Required Annual Increases |
|---|---|
| 2012 | 11% for a minimum of 3 years followed by 8% increases |
| 2013 | 14% for a minimum of 3 years followed by 8% increases |
| 2014 | 17% for a minimum of 3 years followed by 8% increases |
| 2015 | 19% for a minimum of 3 years followed by 8% increases |

## C. Benefits Earned Prior to Selection or Imposition of the Preferred or Default Schedule

**C.1.** Participants who are neither covered under a Preferred Schedule nor the Default Schedule earn a Unit Multiplier percentage accrual which is one-half the Unit Multiplier percentage applicable as of January 31, 2011. Participants retiring prior to their group's selection of a PPA Schedule, except for "Inactive Vested Participants" (as defined in this Rehabilitation Plan Update), will lose those Adjustable Benefits as set forth in the Preferred Schedule.

## D. Distressed Schedule

The Trustees is their sole discretion may accept a collective bargaining agreement with contribution rates not in compliance with either the Preferred or Default Schedules in circumstance where a large employer's financial condition has deteriorated and its creditors compel it to reorganize its ownership interests and labor obligations as a condition of forbearing default. On a case by case basis, the Trustees will accept non-conforming contributions and grant corresponding reduced benefits. The specific qualifications for the Distressed Employer Schedule are:

### D.1. Qualifications for the Distressed Employer Schedule.

D.1.1. The employer, its lenders and the union have agreed to a plan for restructuring of interests and obligations which includes reduced wages, forgiveness of debt, and modification of collective bargaining agreement pension contribution obligations provisions;

D.1.2. the employer is a large employer who has or will be contributing at least 1% of the total Pension Fund's contributions;

D.1.3. the employer submits to a review of its financial condition and operations by the Fund Office and outside experts and consultants, and agrees to reimburse the Fund for all fees and expenses incurred by the Fund in this review (including, but not limited to, reimbursement to the Fund for the time devoted by the Fund Office to any such review, with this reimbursement to be made at market rates for comparable services performed by the Fund Office);

D.1.4. the employer has previously incurred a temporary termination of its participation in the Fund due to an inability to remain current in its contribution obligations, and the employer was in temporary termination status immediately prior to its request for re-entry as a distressed employer; and,

D.1.5. on the basis of this financial and operational review, it appears that the employer is not able to contribute to the Fund at a higher rate than is indicated in the collective bargaining agreement proposed for acceptance under the Distressed Employer Schedule, and that acceptance of the proposed re-entry is in the best interest of the Fund under all the circumstances and advances the goals of this Rehabilitation Plan.

**D.2. Contribution and Withdrawal Liability Ramifications**

D.2.1 After acceptance of Distressed Employer Status, future collective bargaining agreements must provide contribution rate increases of 6.00% annually. Alternatively, subject to the approval of the Trustees, the required 6.00% increase in the annual contribution rate, or any portion thereof, may be satisfied through a reduction of the 0.5% accrual rate by the actuarial equivalent of the required 6% increase or any part thereof or by a reduction of the bearing portion of the contribution rate as determined by the Trustees.

D.2.2. In recognition of the reduced funding improvement resulting from a Distressed Employer's gap in contributions and the Fund's acceptance of reduced contributions under this schedule, adjustments to the Distressed Employer's potential withdrawal liability allocation will use contribution rates, including any increases, required by the employer's collective bargaining agreement immediately prior to becoming covered by Distressed Employer Schedule. The contribution base units shall be the greater of the actual contribution base units while participating in Distressed Employer Schedule or an average of the contribution base units during the three years immediately preceding, which will be imputed for each year of participation in said Schedule. With respect to any gap in contributions due to a temporary termination or cessation of contributions, the employer's contributions shall be imputed for any such gap period solely for the purpose of calculating withdrawal liability.

## E. Inactive Vested Participants

Inactive Vested Participants who never had covered service under the Rehabilitation Plan Preferred Schedule shall be covered under the terms of the Default Schedule. However, if prior to the commencement of benefits, an Inactive Vested Participant returns to covered service (except for service covered under a Default Schedule or a Distressed Employer Schedule) and earns one year (52 weeks) of Credit Service under this Fund (or a Fund having a reciprocal agreement with this Fund), Adjustable Benefits will be restored to the level provided under the Preferred Schedule. Once a Participant becomes covered under either the Preferred or Default Schedule, the Schedule applicable at the time the Participant leaves active service shall govern the determination of that individual's benefits.

### E.1. Continuation of Work on Non-Contributory Basis

If a group decertifies, or as the result of labor negotiations terminates contributing employer status for continuing work for which contributions had previously been required, or the Trustees terminate a working group's participation, a Participant whose last covered service in the Pension Fund is with the employer whose contributing employer status is terminated shall have adjustable benefits determined as provided under the Default Schedule in effect at the time of the termination. The Trustees, in their sole discretion, may permit Participants who are under the Preferred Schedule to retire under the Preferred Schedule for a brief period of time after the termination of contributing employer status, without application of the

Default Schedule's loss of adjustable benefits.

### E.2. Termination of Work in Connection with Complete Shutdown

The Rehabilitation Plan provides that benefits under the schedule applicable at the time the Participant leaves active service shall govern the determination of that individual's adjustable benefits. If, the Trustees, in their sole discretion determine that an employer has discontinued operations, and thus terminated its contributing employer status, Participants who have their employment terminated, retain or lose adjustable benefits as determined under the Schedule applicable to their group immediately prior to the discontinuance of operations.

### E.3. Employer Reorganization and Successor Employer

In determining whether a Participant has continued employment with an Employer whose contributing employer status has terminated, the Trustees may in their sole discretion determine that work for a reorganized employer, or an employer entity which is created as the result of transactions entailed in a reorganization, results in the loss of adjustable benefits as provided under the Default Schedule.

## F. REHABILITATION PLAN SURCHARGES

The PPA provides that contribution surcharges may be assessed after a plan provides notice to the employer that surcharges are applicable. If the Trustees determine that a collective bargaining agreement has not been extended or renewed in compliance with the 2008 Funding Improvement Plan or the Rehabilitation Plan, the Trustees reserve the right to impose a PPA contribution surcharge of 5% during the initial critical status year (2010) and 10% thereafter.

## G. ANNUAL UPDATES

The PPA requires that the Pension Fund annually update the Rehabilitation Plan Schedules to reflect the experience of the Pension Fund and progress in meeting the objectives to forestall insolvency and to later emerge from Critical Status.

Although an Annual Update may require a higher contribution schedule, Bargaining Parties who have relied upon, or who are deemed to be in compliance with, any PPA Schedule of Contributions may rely on those contribution requirements for the remaining term of their agreement. Notices of any changes to these Rehabilitation Plan Schedules will be provided advising Bargaining Parties that when a collective bargaining agreement or participation agreement expires, they will be required to select contributions and benefit structures from the updated Rehabilitation Plan Schedules.

## H. MODIFICATIONS

The Trustees of the Pension Fund reserve the right to make any modification to this Rehabilitation Plan that may be required. The Trustees have the power, authority, and discretion to amend, construe and apply the provisions of the Rehabilitation Plan and Schedules.

**At their December 2, 2015 meeting, the Trustees reviewed the actuarial report titled "2015 Rehabilitation Plan Update". After due consideration and discussion, the Trustees agreed that all reasonable measures to forestall insolvency had already been taken, and that no further changes to the Rehabilitation Plan should be made.**

THE BOARD OF TRUSTEES
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | | (c) Description of Investment, Including Maturity Date and Rate of Interest | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | | Short - Term Investments | | |
| | | Shares | | | |
| | | 43,610,747 | EB TEMPORARY INV FD | $ 44,249,813 | $ 44,249,813 |
| | | 8,268,058 | CASH ON DEPOSIT-CUSTODIAN | 8,268,059 | 8,268,059 |
| | | 93 | EUR (EURO) | 101 | 98 |
| | | 9,576 | ENGIE | 10 | 10 |
| | | 255,676 | LEHMAN PROXY WAMCO - REC | 33,238 | 33,238 |
| | | | Total Short-Term Investments | 52,551,221 | 52,551,218 |
| | | | Corporate Debt Instruments | | |
| | | Shares | | | |
| | | 100,000 | ISRAEL ST | 100,000 | 98,777 |
| | | 100,000 | ISRAEL ST | 100,000 | 100,000 |
| | | | Total Corporate Debt Instruments | 200,000 | 198,777 |
| | | | Index and Exchange Traded Funds | | |
| | | Shares | | | |
| | | 3,406 | ISHARES 20+ YEAR TREASURY BOND | 442,798 | 405,757 |
| | | 14,472 | ISHARES COMMOD SELECT STRATEGY | 543,389 | 496,245 |
| | | 7,235 | ISHARES EDGE MSCI MIN VOL EA | 471,732 | 442,927 |
| | | 127,922 | ISHARES GOLD TRUST | 1,754,621 | 1,417,376 |
| | | 19,108 | ISHARES IBOXX USD HIGH YIELD | 1,646,141 | 1,653,797 |
| | | 19,727 | ISHARES JP MORGAN USD EMERGING | 2,238,119 | 2,174,310 |
| | | 46,305 | ISHARES MSCI HONG KONG ETF | 979,036 | 902,021 |
| | | 8,978 | ISHARES RUSSELL 2000 ETF | 989,770 | 1,210,683 |
| | | 7,997 | ISHARES TIPS BOND ETF | 895,910 | 905,021 |
| | | 11,084 | POWERSHARES QQQ TRUST SERIES | 770,331 | 1,313,232 |
| | | 22,486 | POWERSHARES S&P 500 LOW VOLATILITY | 582,321 | 934,968 |
| | | 4,534 | SPDR S&P 500 ETF TRUST | 714,018 | 1,013,485 |
| | | 13,556 | VANGUARD DIVIDEND APPREC ETF | 972,918 | 1,154,700 |
| | | 51,166 | VANGUARD FTSE DEVELOPED ETF | 1,918,237 | 1,869,606 |
| | | 92,166 | VANGUARD FTSE EMERGING MARKET | 3,481,788 | 3,297,699 |
| | | 18,565 | VANGUARD GLBL EX-US REAL ESTATE | 1,048,811 | 920,267 |
| | | 5,861 | VANGUARD TOTAL BOND MARKET | 470,841 | 473,510 |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | (c) Description of Investment, Including Maturity Date and Rate of Interest | | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | 20,725 | VANGUARD TOTAL STOCK MKT ETF | $ 1,853,503 | $ 2,390,007 |
| | | | Total Index and Exchange Traded Funds | 21,774,284 | 22,975,611 |
| | | | Commingled Trusts | | |
| | | Shares | | | |
| | | 197 | AQR GRP EL OFFSHORE FUND LTD | 19,496,007 | 21,129,572 |
| | | 50 | AQR CLASS B ERISA SERIES 2016 03 | 5,000,000 | 5,378,840 |
| | | 4,288,837 | ARTISAN GLOBAL OPPORTUNITIES | 48,988,089 | 68,750,050 |
| | | 7,000,000 | CLAREANT EUR CREDIT OPP FD | 6,110,334 | 7,218,340 |
| | | 4,575,555 | CLAREANT EUR CREDIT OPP FD II | 4,488,508 | 5,214,305 |
| | | 1,914,457 | CLAREANT MULTI STRATEGY EURO CREDIT FD | 19,136,165 | 21,428,353 |
| | | Not available | CRESCENT CAPITAL HIGH INCOME | 13,290,532 | 14,284,729 |
| | | 4,074,184 | EATON VANCE TRUST CO | 45,445,066 | 40,351,122 |
| | | 14,383 | ENTRUST CAPITAL DIVERSIFIED | 16,966,758 | 16,443,801 |
| | | 1,647 | EN TRUST SPECIAL OPPORTUNITIES II | 2,374,485 | 2,762,173 |
| | | 3,209 | ENTRUST SPECIAL OPPORTUNITIES III | 3,128,647 | 3,675,024 |
| | | 567,346 | FIERA USA GLOBAL EQUITIES FUND LP | 61,530,754 | 70,382,079 |
| | | 1,797,776 | NHIT: MULITSECTOR FULL DISCRETION TRUST | 29,001,703 | 34,355,501 |
| | | 410,909 | TCW CAPITAL TRUST | 536,470 | 421,097 |
| | | 2,686,333 | WS GROUP TRUST GLOBAL | 55,577,813 | 73,703,865 |
| | | 3,759,613 | WELLINGTON CIFII GBL MGD RSK S2 | 35,545,976 | 37,821,712 |
| | | 1,528,783 | WA GLOBAL MULTI STRATEGY LLC | 21,620,370 | 25,668,271 |
| | | 731,993 | WA MACRO OPP LLC FUND | 7,500,000 | 9,504,197 |
| | | | Total Commingled Trusts | 395,737,677 | 458,493,031 |
| | | | Hedge Funds and Limited Partnerships | | |
| | | Shares | | | |
| | | 29,393 | AETOS CAPITAL DISTRESSED | 3,521,258 | 3,786,017 |
| | | 58,485 | AETOS CAPITAL LONG/SHORT | 7,530,634 | 7,325,315 |
| | | 63,653 | AETOS CAPITAL MULTI-STRATEGY | 7,223,063 | 7,480,029 |
| | | 1,288,619 | MORGAN STANLEY INTERNATIONAL FUND OF HEDGE FUNDS SPV LP | 1,282,098 | 1,331,358 |
| | | 2,578 | PERMAL MACRO HOLDINGS LTD | 10,657,676 | 10,411,354 |
| | | | Total Hedge Funds and Limited Partnerships | 30,214,729 | 30,334,073 |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946**
**PLAN NO. 001**

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES (SCHEDULE H, LINE 4i)
DECEMBER 31, 2016

| (a) N/A | (b) N/A | | (c) Description of Investment, Including Maturity Date and Rate of Interest | (d) Cost | (e) Current Value |
|---|---|---|---|---|---|
| | | | Real Estate Investments | | |
| | | Shares | | | |
| | | 243,655 | JPM ALTERNATIVE PROPERTY FUND | $ 156,766 | $ 163,330 |
| | | 434 | PRISA LP | 19,698,727 | 24,244,088 |
| | | 935 | PRISA II LP | 23,195,564 | 30,297,189 |
| | | | Total Real Estate Investments | 43,051,057 | 54,704,607 |
| | | | Derivative Instruments | | |
| | | Shares | | | |
| | | 37 | MINI MSCI EMG MKT FUTURE (NYF) | - | (23,400) |
| | | 26 | MSCI EAFE INDEX FUTURE (NYF) | - | (8,155) |
| | | 45 | S & P 500 E-MINI INDEX FUTURE (CME) | - | (22,410) |
| | | 25 | US 10YR TREAS NTS FUTURE (CBT) | - | 5,156 |
| | | 28 | US 5YR TREAS NTS FUTURE (CBT) | - | 914 |
| | | 11 | US TREAS BD FUTURE (CBT) | - | 1,492 |
| | | | Total Derivative Instruments | - | (46,403) |
| | | | Total Investments | $ 543,528,968 | $ 619,210,914 |

PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS
PLAN SPONSOR'S EIN: 25-6029946
PLAN NUMBER: 001
Schedule MB, Line 8b(2) - Schedule of Active Participant Data

| Attained | YEARS OF CREDITED 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 |
| Under 25 | 41 | 39 | 3 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 29 | 54 | 137 | 67 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 to 34 | 69 | 158 | 135 | 29 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 to 39 | 43 | 137 | 176 | 104 | 28 | 0 | 0 | 0 | 0 | 0 |
| 40 to 44 | 43 | 102 | 152 | 151 | 79 | 23 | 1 | 0 | 0 | 0 |
| 45 to 49 | 26 | 92 | 165 | 192 | 180 | 107 | 31 | 3 | 0 | 0 |
| 50 to 54 | 26 | 107 | 146 | 172 | 220 | 166 | 117 | 31 | 3 | 0 |
| 55 to 59 | 18 | 86 | 110 | 124 | 156 | 164 | 169 | 81 | 76 | 2 |
| 60 to 64 | 8 | 37 | 53 | 74 | 69 | 76 | 61 | 45 | 57 | 34 |
| 65 to 69 | 0 | 8 | 21 | 21 | 13 | 16 | 6 | 7 | 9 | 6 |
| 70 & up | 0 | 2 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

# ACTUARIAL CERTIFICATION OF FUNDING STATUS UNDER THE PENSION PROTECTION ACT OF 2006

**Plan Name:** Western Pennsylvania Teamsters and Employers Pension Fund
**Plan Sponsor:** Board of Trustees Western Pennsylvania Teamsters & Employers Pension Fund
**EIN:** 25-6029946
**Plan Number:** 001
**Plan Contact Information:** Western Pennsylvania Teamsters and Employers Pension Fund
49 Auto Way
Pittsburgh, PA 15206-3663
Phone: 412-362-4200
**Plan Year of Certification:** January 1, 2016 to December 31, 2016

I hereby certify that the Western Pennsylvania Teamsters and Employers Pension Fund is **IN CRITICAL STATUS** for the 2016 plan year as defined under Section 432 of the Internal Revenue Code. My projections are based on the Actuarial Valuation that was prepared as of January 1, 2015.

This determination has been made in accordance with generally accepted actuarial principles and practices and my understanding of the law. The actuarial assumptions, projection assumptions and methods used follow this certification. This certification is based on the understanding that the Western Pennsylvania Teamsters and Employers Pension Plan qualifies as a multiemployer plan in accordance with the law for the 2016 plan year.

To the best of my knowledge, the information supplied in this certification including the following exhibits is complete and accurate, and in my opinion represent my best estimate of anticipated experience under the plan.

Randee W. Sekol, EA, MAAA, MSPA, FCA
Enrolled Actuary No. 14-03192
Beyer-Barber Company
1136 Hamilton Street, Suite 103
Allentown, PA 18101
Phone: 610-435-9577
Fax: 610-435-2663
Date: March 30, 2016

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

## EXHIBIT I

## PENSION PROTECTION ACT OF 2006
## FUNDING STATUS DETERMINATION FOR 2016

**CRITICAL STATUS TESTING** - The Fund is in Critical Status if one or more of the following tests is met.

Test 1

| | | |
|---|---|---|
| 1. Was the plan certified to be in Critical Status for the prior plan year? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency for the plan year or any of the 9 succeeding plan years, without regard to the use of the shortfall method but taking into account extensions of amortization periods under Section 304(d) of ERISA? | YES | |
| 3. Critical status if both #1 and #2 are YES? | | **CRITICAL** |

Test 2

| | | |
|---|---|---|
| 1. Is Funded Percentage below 65%? | YES | |
| 2. Is the sum of assets and the present value of expected contributions for the current plan year and each of the next 6 plan years less than the present value of benefits to be paid during that period? | NO | |
| 3. Critical status if both #1 and #2 are YES? | | **NOT CRITICAL** |

Test 3

| | | |
|---|---|---|
| 1. Does the plan have an accumulated funding deficiency in the current plan year before consideration of amortization extensions? | YES | |
| 2. Is the plan projected to have an accumulated funding deficiency within the 3 succeeding plan years (4 succeeding plan years if the Funded Percentage is 65% or less) before consideration of amortization extensions? | YES | |
| 3. Critical Status if either #1 or #2 is YES? | | **CRITICAL** |

Test 4

| | | |
|---|---|---|
| 1. Does normal cost plus interest on the unfunded accrued liability exceed the expected contributions? | YES | |
| 2. Is the present value of nonforfeitable benefits for inactives greater than the present value of nonforfeitable benefits for actives? | YES | |

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

**EXHIBIT I, cont'd**
**PENSION PROTECTION ACT OF 2006**
**FUNDING STATUS DETERMINATION FOR 2016**

**CRITICAL STATUS TESTING, cont'd**

Test 4, cont'd

| | | |
|---|---|---|
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 4 plan years before consideration of amortization extensions? | YES | |
| 4. Critical Status if #1, #2 and #3 are "YES"? | | **CRITICAL** |

Test 5

| | | |
|---|---|---|
| 1. Is the sum of the market value of assets plus the expected contributions for the current and 4 succeeding plan years less than the present value of benefits expected to be paid during that period including plan expenses? | NO | |
| 2. Critical Status if #1 is "YES"? | | **NOT CRITICAL** |

**CONCLUSION: THE PLAN IS IN CRITICAL STATUS**

**CRITICAL AND DECLINING STATUS TESTING** – The Fund is in Critical and Declining Status if one or more of the following tests is met.

Test 1

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 14 plan years? | NO |
| 3. Critical and Declining Status if both #1 and #2 are "YES"? | **NOT CRITICAL & DECLINING** |

Test 2

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Is the inactive to active participant ratio greater than 2 to 1? | YES |
| 4. Is the Plan expected to become insolvent in the current plan year or any of the succeeding 19 plan years? | NO |
| 5. Critical and Declining Status if either #2 or #3 is "YES" and both #1 and #4 are "YES"? | **NOT CRITICAL & DECLINING** |

**CONCLUSION: THE PLAN IS NOT IN CRITICAL AND DECLINING STATUS**

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

**ENDANGERED STATUS TESTING**

| | |
|---|---|
| 1. Is the plan in Critical Status? | YES |
| 2. Is Funded Percentage below 80%? | YES |
| 3. Does the plan have an expected accumulated funding deficiency for the current plan year or for any of the succeeding 6 plan years taking into account any extension of amortization periods under Section 304(d) of ERISA? | YES |
| 4. Endangered Status if #1 is "NO" and either #2 or #3 is "YES"? | **NOT ENDANGERED** |

**CONCLUSION: THE PLAN IS IN NOT IN ENDANGERED STATUS BECAUSE IT IS IN CRITICAL STATUS**

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

## EXHIBIT II

## PENSION PROTECTION ACT OF 2006
## PROJECTION RESULTS FOR 2016

| Plan Year | Active Population | Inactive Population | Actuarial Value of Assets | Accrued Liability | Funded Percentage | FSA Credit Balance w/o Amortization Extension |
|---|---|---|---|---|---|---|
| 2016 | 5,184 | 18,299 | $700,750,792 | $1,572,320,847 | 44.6% | ($255,724,603) |
| 2017 | 5,103 | 18,737 | 659,965,417 | 1,568,779,408 | 42.1% | (357,611,067) |
| 2018 | 5,023 | 19,133 | 610,988,284 | 1,563,845,903 | 39.1% | (454,364,492) |
| 2019 | 4,945 | 19,467 | 555,550,940 | 1,556,577,670 | 35.7% | (544,200,507) |
| 2020 | 4,906 | 19,790 | 503,710,830 | 1,546,869,425 | 32.6% | (622,682,694) |
| 2021 | 4,868 | 20,078 | 464,211,106 | 1,534,578,293 | 30.3% | (700,307,125) |
| 2022 | 4,831 | 20,325 | 423,398,803 | 1,519,485,314 | 27.9% | (777,761,883) |
| 2023 | 4,794 | 20,544 | 381,597,279 | 1,501,554,419 | 25.4% | (849,339,683) |
| 2024 | 4,757 | 20,696 | 338,814,598 | 1,480,545,336 | 22.9% | (926,698,712) |
| 2025 | 4,757 | 20,804 | 296,036,476 | 1,456,864,781 | 20.3% | (978,201,708) |
| 2026 | 4,757 | 20,860 | 254,351,566 | 1,430,681,985 | 17.8% | (1,033,113,642) |
| 2027 | 4,757 | 20,882 | 214,128,300 | 1,401,707,814 | 15.3% | (1,080,959,446) |
| 2028 | 4,757 | 20,846 | 176,140,158 | 1,369,973,855 | 12.9% | (1,118,049,019) |
| 2029 | 4,757 | 20,765 | 141,505,688 | 1,335,876,087 | 10.6% | (1,135,809,556) |
| 2030 | 4,757 | 20,622 | 111,579,897 | 1,299,879,245 | 8.6% | (1,144,296,380) |
| 2031 | 4,757 | 20,431 | 87,331,910 | 1,262,214,649 | 6.9% | (1,144,109,006) |
| 2032 | 4,757 | 20,205 | 70,112,805 | 1,223,285,849 | 5.7% | (1,132,254,999) |
| 2033 | 4,757 | 19,939 | 61,233,598 | 1,183,298,122 | 5.2% | (1,110,211,609) |
| 2034 | 4,757 | 19,628 | 62,379,096 | 1,143,259,647 | 5.5% | (1,076,247,942) |
| 2035 | 4,757 | 19,267 | 75,591,786 | 1,104,308,887 | 6.8% | (1,029,205,675) |
| 2036 | 4,757 | 18,860 | 102,861,476 | 1,067,262,238 | 9.6% | (968,582,276) |

## EXHIBIT III

## PENSION PROTECTION ACT OF 2006
## FORECAST PROJECTION METHODS AND ASSUMPTIONS FOR 2016

**Assets:**
Valued as of: December 31, 2014
Source of assets: Audited financial statement
Adjustments: None

**Method Used to Project Assets:** Assets are projected to December 31. 2015 based on deterministic modeling. The return for 2015 was estimated to be -0.1% in order to match the estimated market value of assets using the accountant's and investment manager's year end asset values and taking into account non-invested assets. Returns for later forecast years are based on the 8.0% investment return assumption. The investment return assumption is based on the application of historical investment returns by asset class applied to the current investment portfolio.

**Method Used to Project Liabilities:** Liabilities are projected based on deterministic forecasting techniques and actuarial assumptions.

**Other Anticipated Changes from Original Valuation/Schedule MB:** None.

**Active Membership:** Active membership for UPS is assumed to remain constant for all future years. Active membership for all other actives is assumed to decline by 2% per year for years 1 through 5, 1% per year for years 5 through 10 and remain constant thereafter.

**Anticipated Employer Contributions:**
Basis for current year: Reflects the contribution rates in the collective bargaining/participation agreements as of the valuation year.
Basis for projection years: For purposes of testing for Endangered and Critical Status, we consider only the actual increases in the collective bargaining agreements already scheduled to take effect in future years. For purposes of testing for Critical and Declining Status, we consider the actual increases in the collective bargaining agreements already scheduled to take effect in future years plus compliance with the terms of the current Rehabilitation Plan.

Name of Plan: Western Pennsylvania Teamsters and Employers Pension Fund
Plan Sponsor's EIN: 25-6029946
Plan Number: 001
Schedule MB, line 4b – Illustration Supporting Actuarial Certification of Status

# EXHIBIT IV

## PENSION PROTECTION ACT OF 2006
## ACTUARIAL METHODS AND ASSUMPTIONS

**Actuarial Cost Method:** Unit Credit Cost Method

**Actuarial Asset Valuation Method:** 5 Year Smoothed market value in accordance with Approval 15 of Revenue Procedure 95-51 as modified by Revenue Procedure 98-10.

**Actuarial Assumptions:**

| | |
|---|---|
| Mortality: | Blue Collar RP-2000 Mortality Table projected to 2007 by Scale AA. |
| Disability Mortality: | RP-2000 Disability Mortality Table projected to 2007. |
| Interest: | A rate of 8.0% per annum. |
| Retirement Age: | Various rates of retirement based on age, service, and eligibility for certain subsidized and special retirement benefit levels. |
| Termination: | Annual rates according to Scale T-5 from the Actuary's Handbook. |
| Expenses: | An estimated amount based on the actual expenses paid in the prior plan year. |
| Incidence of Disability, Active Lives: | Male – 1985 Pension Disability Table Class 3 Male 2008.<br>Female – 1985 Pension Disability Table Class 3 Female 2008. |

EXHIBIT 10

# WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND
## AMORTIZATION BASES FOR MINIMUM FUNDING WITH EXTENSION

| Date Estab. | Source | Original Amount | Unamort. 1/1/2016 | Amort. Period | Amort. Amount |
|---|---|---|---|---|---|
| **Charges:** | | | | | |
| 12/31/1979 | Original | $207,928,310 | $74,736,307 | 8 | $12,041,871 |
| 1/1/1984 | Amendment | 4,098,079 | 605,284 | 3 | 217,472 |
| 1/1/1992 | Meth/Assumpt | 96,194,227 | 52,365,799 | 11 | 6,791,861 |
| 1/1/1993 | Amendment | 5,804,117 | 3,387,237 | 12 | 416,175 |
| 1/1/1994 | Amendment | 8,809,480 | 5,465,284 | 13 | 640,257 |
| 1/1/1995 | Amendment | 11,086,858 | 7,260,170 | 14 | 815,403 |
| 1/1/1996 | Amend/Assumpt | 58,559,082 | 40,233,940 | 15 | 4,352,327 |
| 1/1/1997 | Amend/Assumpt | 90,780,476 | 65,103,886 | 16 | 6,810,401 |
| 1/1/1998 | Amend/Assumpt | 78,380,547 | 58,411,586 | 17 | 5,929,286 |
| 1/1/1999 | Amend/Assumpt | 59,773,999 | 46,109,541 | 18 | 4,555,541 |
| 1/1/2000 | Act Loss | 4,865,509 | 1,300,700 | 4 | 363,619 |
| 1/1/2000 | Amendment | 20,429,813 | 16,257,434 | 19 | 1,567,452 |
| 1/1/2001 | Act Loss | 97,342,956 | 33,014,470 | 5 | 7,656,192 |
| 1/1/2001 | Amendment | 18,592,572 | 15,217,192 | 20 | 1,435,097 |
| 1/1/2002 | Act Loss | 107,501,295 | 43,993,873 | 6 | 8,811,622 |
| 1/1/2003 | Assumption | 2,798,637 | 2,404,539 | 22 | 218,261 |
| 1/1/2003 | Act Loss | 122,833,705 | 58,571,421 | 7 | 10,416,624 |
| 1/1/2004 | Act Loss | 19,316,977 | 10,459,975 | 8 | 1,685,361 |
| 1/1/2005 | Act Loss | 47,949,837 | 28,911,860 | 9 | 4,285,372 |
| 1/1/2006 | Act Loss | 24,103,881 | 15,935,847 | 10 | 2,198,992 |
| 1/1/2007 | Assumption | 44,189,999 | 40,862,937 | 26 | 3,500,105 |
| 1/1/2009 | Act Loss | 229,485,111 | 178,710,221 | 13 | 20,935,870 |
| 1/1/2011 | Act Loss | 50,345,983 | 43,891,717 | 15 | 4,748,009 |
| 1/1/2012 | Act Loss | 83,499,746 | 69,642,294 | 11 | 9,032,627 |
| 1/1/2013 | Act Loss | 77,511,634 | 68,244,078 | 12 | 8,384,860 |
| 1/1/2015 | Act Loss | 9,989,611 | 9,621,698 | 14 | 1,080,631 |
| 1/1/2016 | Act Loss/Assumpt. | 9,991,578 | 9,991,578 | 15 | 1,080,844 |
| | **TOTAL CHARGES:** | | **$1,000,710,868** | | **$129,972,132** |
| **CREDIT BASES:** | | | | | |
| 1/1/2007 | Act Gain | $2,712,813 | $1,465,159 | 6 | $293,460 |
| 1/1/2008 | Assumption | 6,565,705 | 3,993,647 | 7 | 710,249 |
| 1/1/2008 | Act Gain | 32,104,098 | 19,527,571 | 7 | 3,472,877 |
| 1/1/2010 | Act Gain | 46,056,033 | 33,612,661 | 9 | 4,982,134 |
| 1/1/2011 | Amendment | 43,924,829 | 34,434,242 | 10 | 4,751,590 |
| 1/1/2012 | Assumption | 78,151,567 | 65,181,687 | 11 | 8,454,085 |
| 1/1/2014 | Act Gain | 10,761,990 | 9,937,562 | 13 | 1,164,184 |
| 1/1/2015 | Assumption | 4,243,766 | 4,087,470 | 14 | 459,072 |
| | **TOTAL CREDITS:** | | **$172,239,999** | | **$24,287,651** |
| **NET CHARGES:** | | | **$828,470,869** | | **$105,684,481** |

**PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**

**PLAN SPONSOR'S EIN: 25-6029946**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 11 – JUSTIFICATION FOR CHANGE IN ACTUARIAL ASSUMPTIONS**

In accordance with ERISA, the actuary is required to certify that the actuarial assumptions selected reflect the experience of the Plan and reasonable expectations. Based on an ongoing historical analysis of the rates of retirement of terminated vested participants and active participants by classification, the following changes have been made:

Actives – reductions to rates of retirement for certain age/service categories as benefit reductions in future benefit accruals since 2008 have lowered participants benefit accrual.

Terminated Vested Participants – a change from assuming that all terminated vested participants will retire at age 62 to various rates for ages 50 through age 70.

EXHIBIT 31

# ACTUARIAL VALUATION METHODS

## I. ACTUARIAL COST METHOD

The method used to determine the costs of this Plan is the Unit Credit Actuarial Cost Method. Under this method, the annual cost of the Plan consists of three parts: (1) Amortization of Actuarial Accrued Liability, (2) Normal Cost, and (3) Amortization of Actuarial Gains and Losses.

An individual's accrued benefit for valuation purposes on any date (i.e. a valuation date) related to a particular separation date is the accrued benefit described under the Plan, using the credited service as of the determination date, except that if the Plan's accrued benefit is a function of projectable items, the determination of the valuation accrued benefit shall be made using any such items as projected with the appropriate assumption(s) to that separation date; examples of projectable items are final average compensation and social security benefit.

The benefit deemed to accrue for an individual during a plan year is the excess of the accrued benefit for valuation purposes at the end of the year over the accrued benefit for valuation purposes at the beginning of the year , both accrued benefits calculated for a particular anticipated separation date, from the same projection of projectable items.

An individual's accrued liability is the present value of the accrued benefit for valuation purposes at the beginning of the plan year, and the normal cost is the present value of the benefit deemed to accrue in the plan year. If multi-decrements are used, the accrued liability and the normal cost for an individual are the sum of the component accrued liabilities and normal costs associated with the various anticipated separation dates. Such accrued liabilities and normal costs reflect the accrued benefits as modified to obtain the benefits payable on those dates, and the probability of the individual separating on those dates.

## II. ASSET VALUATION METHOD

Assets are valued using the 5-year smoothed market value under Approval 15 of Revenue Procedure 95-51, as modified by Revenue Procedure 98-10.

EXHIBIT 32

# ACTUARIAL VALUATION ASSUMPTIONS

**Mortality:**

**Healthy Lives** - The Blue Collar RP 2000 Mortality Table projected to 2007 by Scale AA for males and females.
**Disabled Lives** – The RP-2000 Disability Mortality Table projected to 2007 by Scale AA for males and females.
**Terminated Vested** - Inactive vested participants past age 70 who have not started benefits are assumed to be deceased.
**RPA Liability** - IRS 2014 Static Mortality Table.

**Interest:**

**Funding** - A rate of 8.00% per annum net of investment expenses.
**RPA Liability** – 3.28% per annum
**Disclosure Liability** - A rate of 8.00% per annum net of investment expenses.

**Assumed Retirement Rates:**

**Active participants** – Graduated rates of retirement based on age, service and benefit classification.

**Terminated Vested participants** – Graduated rates of retirement based on age and service only.

**TEFRA Deferred Survivors** – The participant's Normal Retirement Date.

**Expenses:** An estimate based on actual administrative expenses incurred in the prior plan year.

**Termination:** Probability of terminating service from all causes other than death and disability according to Scale T-5 from the Actuary's Pension Handbook.

**Rates of Disablement:** The 1985 Pensioners Disability Incidence Class 3 Table for males and females.

## ACTUARIAL VALUATION ASSUMPTIONS (Cont'd)

**Census Data:** Where unknown, participants are assumed male, 80% married and age 31 on date of hire. Participants who have 1 contribution month after 10/1 of the prior plan year are assumed to be active. All other participants are assumed to be inactive. Male spouses are assumed to be 3 years older and female spouses 3 years younger than the participant. Where missing, the benefit for terminated vested participants is assumed to be equal to the average of all other terminated vested participants.

Plan Name:  Western Pennsylvania Teamsters & Employers Pension Fund
Plan Sponsor:  W PA Teamsters & Employers Pension Fund Board of Trustees
EIN:  25-6029946
Plan Number:  001
Schedule R, Line 13 - Information on Contribution Rates and Base Units

Employers contributing more than 5% of total contributions to the plan during the year.

| Employer Name | EIN | Union Number | Account Number | Latest Contribution Rate | Basis for Contribution Rate |
|---|---|---|---|---|---|
| United Parcel Service Inc. | 31-1426500 | 00784 | 00030 | 502.460 | Weekly |
| | | 00784 | 00110 | 502.460 | Weekly |
| | | 00784 | 00249 | 502.460 | Weekly |
| | | 00784 | 00261 | 502.460 | Weekly |
| | | 00784 | 00397 | 502.460 | Weekly |
| | | 00784 | 00538 | 502.460 | Weekly |
| | | 00784 | 00585 | 502.460 | Weekly |
| | | 00784 | 00926 | 502.460 | Weekly |

**PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**PLAN SPONSOR'S EIN: 25-6029946**
**PLAN NUMBER: 001**
**SCHEDULE MB, LINE 9(f) – EXPLANATION OF PRIOR YEAR CREDIT BALANCE/ FUNDING DEFICIENCY DISCREPANCY**

Portions of the withdrawal liability payments made to the Fund were incorrectly characterized as interest earned instead of employer contributions for plan years 2012 through 2015. Corrections to those amounts did not affect the overall market value of assets, but did affect the actuarial value of assets, actuarial gains and losses, contributions and the Funding Standard Account Deficiency. The net result was an increase in the Funding Standard Account Deficiency as of December 31, 2015 from -$30,952,229 to -$27,328,846.

PLAN NAME: WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND
PLAN SPONSOR'S EIN: 25-6029946
PLAN NUMBER: 001
Schedule MB, Line 8b(1) - Schedule of Projection of Expected Benefit Payments

| **Plan Year** | **Expected Annual Benefit Payments** |
|---|---|
| 2016 | $132,542,401 |
| 2017 | 133,499,791 |
| 2018 | 134,525,130 |
| 2019 | 135,515,536 |
| 2020 | 136,575,689 |
| 2021 | 137,542,485 |
| 2022 | 138,520,560 |
| 2023 | 139,258,932 |
| 2024 | 139,693,504 |
| 2025 | 139,829,341 |

# Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

## Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210 - 0110
1210 - 0089

**2016**

**This Form is Open to Public Inspection**

## Part I Annual Report Identification Information

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

**A** This return/report is for: [X] a multiemployer plan [ ] a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instr.)
[ ] a single-employer plan [ ] a DFE (specify) ________

**B** This return/report is: [ ] the first return/report [ ] the final return/report
[ ] an amended return/report [ ] a short plan year return/report (less than 12 months)

**C** If the plan is a collectively-bargained plan, check here ▶ [X]

**D** Check box if filing under: [X] Form 5558 [ ] automatic extension [ ] the DFVC program
[ ] special extension (enter description)

## Part II Basic Plan Information - enter all requested information

**1a** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND

**1b** Three-digit plan number (PN) ▶ 001

**1c** Effective date of plan 08/27/1956

**2a** Plan sponsor's name (employer, if for a single-employer plan)
Mailing address (include room, apt., suite no. and street, or P.O. Box)
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TR

900 PARISH STREET, SUITE 101

PITTSBURGH PA 15220

**2b** Employer Identification Number (EIN) 25-6029946

**2c** Plan Sponsor's telephone number 412-362-4200

**2d** Business code (see instructions) 525100

**Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.**

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

| | | | |
|---|---|---|---|
| SIGN HERE | Robt Cleary | 10/16/2017 | ROBERT CLEARY |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator |
| SIGN HERE | Robt Cleary | 10/16/2017 | ROBERT CLEARY |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor |
| SIGN HERE | | | |
| | Signature of DFE | Date | Enter name of individual signing as DFE |

| Preparer's name (including firm name, if applicable) and address (include room or suite number) | Preparer's telephone number |
|---|---|
| | |

**3a** Plan administrator's name and address [X] Same as Plan Sponsor

**3b** Administrator's EIN

**3c** Administrator's telephone number

**4** If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

**a** Sponsor's name

**4b** EIN

**4c** PN

| | | |
|---|---|---|
| **5** Total number of participants at the beginning of the plan year | 5 | 22,856 |
| **6** Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines **6a(1), 6a(2), 6b, 6c,** and **6d**). | | |
| **a (1)** Total number of active participants at the beginning of the plan year | 6a(1) | 5,167 |
| **a (2)** Total number of active participants at the end of the plan year | 6a(2) | 4,189 |
| **b** Retired or separated participants receiving benefits | 6b | 9,183 |
| **c** Other retired or separated participants entitled to future benefits | 6c | 5,917 |
| **d** Subtotal. Add lines **6a(2), 6b,** and **6c** | 6d | 19,289 |
| **e** Deceased participants whose beneficiaries are receiving or are entitled to receive benefits | 6e | 3,299 |
| **f** Total. Add lines **6d** and **6e** | 6f | 22,588 |
| **g** Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) | 6g | |
| **h** Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | 6h | 262 |
| **7** Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item) | 7 | 125 |

**8a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
1A

**b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

**9a** Plan funding arrangement (check all that apply)
- (1) [ ] Insurance
- (2) [ ] Code section 412(e)(3) insurance contracts
- (3) [X] Trust
- (4) [ ] General assets of the sponsor

**9b** Plan benefit arrangement (check all that apply)
- (1) [ ] Insurance
- (2) [ ] Code section 412(e)(3) insurance contracts
- (3) [X] Trust
- (4) [ ] General assets of the sponsor

**10** Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

**a Pension Schedules**
- (1) [X] **R** (Retirement Plan Information)
- (2) [X] **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) [ ] **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

**b General Schedules**
- (1) [X] H (Financial Information)
- (2) [ ] I (Financial Information - Small Plan)
- (3) [ ] ____ A (Insurance Information)
- (4) [X] C (Service Provider Information)
- (5) [X] D (DFE/Participating Plan Information)
- (6) [ ] G (Financial Transaction Schedules)

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946 PLAN NO. 001**

SCHEDULE OF INVESTMENT ASSETS BOTH ACQUIRED AND DISPOSED WITHIN THE PLAN YEAR (SCHEDULE H, LINE 4i)
FOR THE YEAR ENDED DECEMBER 31, 2016

| (a) Shares | (b) Description of Investment, Including Maturity Date, Rate of Interest, Collateral Par or Maturity Value | (c) Cost of Acquisition | (d) Proceeds (Settlements) upon Disposition |
|---|---|---|---|
| 30 | US Treasury Bond Future (CBT) - June 2016 expiration | $ - | $ (3,656) |
| 15 | US Treasury Bond Future (CBT) - September 2016 expiration | - | 54,484 |
| 21 | US Treasury Bond Future (CBT) - December 2016 expiration | - | (122,508) |
| 68 | US 10 Yr Treasury Notes Future (CBT) - June 2016 expiration | - | (29,479) |
| 31 | US 10 Yr Treasury Notes Future (CBT) - September 2016 expiration | - | 34,484 |
| 39 | US 10 Yr Treasury Notes Future (CBT) - December 2016 expiration | - | (80,203) |
| 95 | US 5 Yr Treasury Notes Future (CBT) - June 2016 expiration | - | (22,047) |
| 48 | US 5 Yr Treasury Notes Future (CBT) - September 2016 expiration | - | 30,867 |
| 73 | US 5 Yr Treasury Notes Future (CBT) - December 2016 expiration | - | (71,484) |
| 113 | S & P 500 E Mini Index Future (CME) - June 2016 expiration | - | 274,423 |
| 72 | S & P 500 E Mini Index Future (CME) - September 2016 expiration | - | 61,693 |
| 83 | S & P 500 E Mini Index Future (CME) - December 2016 expiration | - | 204,933 |
| 78 | MSCI EAFE Index Future (ICE and NYF) - June 2016 expiration | - | 15,723 |
| 59 | MSCI EAFE Index Future (ICE and NYF) - September 2016 expiration | - | 69,280 |
| 67 | MSCI EAFE Index Future (ICE and NYF) - December 2016 expiration | - | 33,455 |
| 49 | Mini MSCI Emerging Markets Future (NYF and NYL) - June 2016 expiration | - | 36,620 |
| 38 | Mini MSCI Emerging Markets Future (NYF and NYL) - September 2016 expiration | - | 22,150 |
| 39 | Mini MSCI Emerging Markets Future (NYF and NYL) - December 2016 expiration | - | (35,640) |

**WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION FUND**
**EIN: 25-6029946 PLAN NO. 001**

SCHEDULE OF REPORTABLE TRANSACTIONS (SCHEDULE H, LINE 4j) - SERIES OF TRANSACTIONS (SCHEDULE H, PART IV, LINE 4j)
FOR THE YEAR ENDED DECEMBER 31, 2016

| (a) Identity of Party Involved | (b) Description of Assets | (d) Purchase Price | (e) Selling Price | (f) Cost of Assets Disposed | (h) Net Gain (Loss) |
|---|---|---|---|---|---|
| | **Single transactions in excess of 5% of plan assets** | | | | |
| PIMCO | PIMCO All Assets All Authority | | $ 33,319,727 | $ 45,429,715 | $ (12,109,988) |
| | **Series of transactions in excess of 5% of plan assets** | | | | |
| BNY Mellon and Parametric Clifton | EB Temporary Investment Fund | $ 235,060,036 | 218,800,779 | 218,800,779 | - |

*Party in interest

| SCHEDULE MB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation | Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500 or 5500-SF. | OMB No. 1210-0110 **2016** This Form is Open to Public Inspection |
|---|---|---|

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

▶ **Round off amounts to nearest dollar.**

▶ **Caution:** A penalty of $1,000 will be assessed for late filing of this report unless reasonable cause is established.

**A** Name of plan
WESTERN PENNSYLVANIA TEAMSTERS AND EMPLOYERS PENSION PLAN

**B** Three-digit plan number (PN) ▶ 001

**C** Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF
W PA TEAMSTERS & EMPLOYERS PENSION FUND BOARD OF TRUSTEES

**D** Employer Identification Number (EIN)
25-6029946

**E** Type of plan: (1) ☒ Multiemployer Defined Benefit (2) ☐ Money Purchase (see instructions)

**1a** Enter the valuation date: Month 01 Day 01 Year 2016

| | | |
|---|---|---|
| **b** Assets | | |
| (1) Current value of assets | 1b(1) | 656,304,285 |
| (2) Actuarial value of assets for funding standard account | 1b(2) | 707,698,725 |
| **c** (1) Accrued liability for plan using immediate gain methods | 1c(1) | 1,563,498,440 |
| (2) Information for plans using spread gain methods: | | |
| (a) Unfunded liability for methods with bases | 1c(2)(a) | |
| (b) Accrued liability under entry age normal method | 1c(2)(b) | |
| (c) Normal cost under entry age normal method | 1c(2)(c) | |
| (3) Accrued liability under unit credit cost method | 1c(3) | 1,563,498,440 |
| **d** Information on current liabilities of the plan: | | |
| (1) Amount excluded from current liability attributable to pre-participation service (see instructions) | 1d(1) | |
| (2) "RPA '94" information: | | |
| (a) Current liability | 1d(2)(a) | 2,726,411,320 |
| (b) Expected increase in current liability due to benefits accruing during the plan year | 1d(2)(b) | 21,515,434 |
| (c) Expected release from "RPA '94" current liability for the plan year | 1d(2)(c) | |
| (3) Expected plan disbursements for the plan year | 1d(3) | 133,006,247 |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

**SIGN HERE**

Signature of actuary

10/11/2017
Date

RANDEE W. SEKOL
Type or print name of actuary

1703192
Most recent enrollment number

BEYER-BARBER COMPANY
Firm name

610-435-9577
Telephone number (including area code)

1136 HAMILTON STREET, SUITE 103
ALLENTOWN PA 18101
Address of the firm

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

**2** Operational information as of beginning of this plan year:

| | | |
|---|---|---|
| **a** Current value of assets (see instructions) | **2a** | 656,304,285 |

| **b** "RPA '94" current liability/participant count breakdown: | **(1)** Number of participants | **(2)** Current liability |
|---|---|---|
| **(1)** For retired participants and beneficiaries receiving payment | 12,478 | 1,692,854,184 |
| **(2)** For terminated vested participants | 5,211 | 329,473,396 |
| **(3)** For active participants: | | |
| **(a)** Non-vested benefits | | 24,445,004 |
| **(b)** Vested benefits | | 679,638,736 |
| **(c)** Total active | 5,167 | 704,083,740 |
| **(4)** Total | 22,856 | 2,726,411,320 |

| | | |
|---|---|---|
| **c** If the percentage resulting from dividing line 2a by line 2b(4), column (2), is less than 70%, enter such percentage | **2c** | 24.07% |

**3** Contributions made to the plan for the plan year by employer(s) and employees:

| **(a)** Date (MM-DD-YYYY) | **(b)** Amount paid by employer(s) | **(c)** Amount paid by employees | **(a)** Date (MM-DD-YYYY) | **(b)** Amount paid by employer(s) | **(c)** Amount paid by employees |
|---|---|---|---|---|---|
| 08/01/2016 | 61,489,534 | 0 | | | |
| | | | **Totals ▶ 3(b)** | 61,489,534 | **3(c)** 0 |

**4** Information on plan status:

| | | |
|---|---|---|
| **a** Funded percentage for monitoring plan's status (line 1b(2) divided by line 1c(3)) | **4a** | 45.3 % |
| **b** Enter code to indicate plan's status (see instructions for attachment of supporting evidence of plan's status). If code is "N," go to line 5 | **4b** | C |

**c** Is the plan making the scheduled progress under any applicable funding improvement or rehabilitation plan? ☒ Yes ☐ No

**d** If the plan is in critical status or critical and declining status, were any benefits reduced (see instructions)? ☐ Yes ☒ No

| | | |
|---|---|---|
| **e** If line d is "Yes," enter the reduction in liability resulting from the reduction in benefits (see instructions), measured as of the valuation date | **4e** | |
| **f** If the rehabilitation plan projects emergence from critical status or critical and declining status, enter the plan year in which it is projected to emerge. If the rehabilitation plan is based on forestalling possible insolvency, enter the plan year in which insolvency is expected and check here ☒ | **4f** | 2028 |

**5** Actuarial cost method used as the basis for this plan year's funding standard account computations (check all that apply):

**a** ☐ Attained age normal **b** ☐ Entry age normal **c** ☒ Accrued benefit (unit credit) **d** ☐ Aggregate
**e** ☐ Frozen initial liability **f** ☐ Individual level premium **g** ☐ Individual aggregate **h** ☐ Shortfall

i ☐ Other (specify):

j If box h is checked, enter period of use of shortfall method ..... 5j

k Has a change been made in funding method for this plan year? ..... ☐ Yes ☒ No

l If line k is "Yes," was the change made pursuant to Revenue Procedure 2000-40 or other automatic approval? ..... ☐ Yes ☐ No

m If line k is "Yes," and line l is "No," enter the date (MM-DD-YYYY) of the ruling letter (individual or class) approving the change in funding method ..... 5m

6 Checklist of certain actuarial assumptions:

a Interest rate for "RPA '94" current liability ..... 6a 3.28 %

| | | Pre-retirement | | Post-retirement | |
|---|---|---|---|---|---|
| b Rates specified in insurance or annuity contracts | | ☐ Yes ☒ No ☐ N/A | | ☐ Yes ☒ No ☐ N/A | |
| c Mortality table code for valuation purposes: | | | | | |
| (1) Males | 6c(1) | A | | A | |
| (2) Females | 6c(2) | A | | A | |
| d Valuation liability interest rate | 6d | 8.00% | | 8.00 % | |
| e Expense loading | 6e | 25.9 % | ☐ N/A | 0.0% | ☐ N/A |
| f Salary scale | 6f | 0.00 % | ☐ N/A | | |

g Estimated investment return on actuarial value of assets for year ending on the valuation date ..... 6g 4.9 %

h Estimated investment return on current value of assets for year ending on the valuation date ..... 6h -.7 %

7 New amortization bases established in the current plan year:

| (1) Type of base | (2) Initial balance | (3) Amortization Charge/Credit |
|---|---|---|
| 1 | 31,482,181 | 3,405,601 |
| 4 | -21,490,603 | -2,324,756 |
| | | |
| | | |
| | | |
| | | |

8 Miscellaneous information:

a If a waiver of a funding deficiency has been approved for this plan year, enter the date (MM-DD-YYYY) of the ruling letter granting the approval ..... 8a

b(1) Is the plan required to provide a projection of expected benefit payments? (See the instructions.) If "Yes," attach a schedule ..... ☒ Yes ☐ No

b(2) Is the plan required to provide a Schedule of Active Participant Data? (See the instructions.) If "Yes," attach a schedule ..... ☒ Yes ☐ No

c Are any of the plan's amortization bases operating under an extension of time under section 412(e) (as in effect prior to 2008) or section 431(d) of the Code? ..... ☒ Yes ☐ No

d If line c is "Yes," provide the following additional information:

(1) Was an extension granted automatic approval under section 431(d)(1) of the Code? ..... ☒ Yes ☐ No

(2) If line 8d(1) is "Yes," enter the number of years by which the amortization period was extended ..... 8d(2) 5

(3) Was an extension approved by the Internal Revenue Service under section 412(e) (as in effect prior to 2008) or 431(d)(2) of the Code? ..... ☐ Yes ☒ No

(4) If line 8d(3) is "Yes," enter number of years by which the amortization period was extended (not including the number of years in line (2)) ..... 8d(4)

(5) If line 8d(3) is "Yes," enter the date of the ruling letter approving the extension ..... 8d(5)

(6) If line 8d(3) is "Yes," is the amortization base eligible for amortization using interest rates applicable under section 6621(b) of the Code for years beginning after 2007? ..... ☐ Yes ☐ No

e If box 5h is checked or line 8c is "Yes," enter the difference between the minimum required contribution for the year and the minimum that would have been required without using the shortfall method or extending the amortization base(s) ..... 8e -254,031,500

9 Funding standard account statement for this plan year:

**Charges to funding standard account:**

a Prior year funding deficiency, if any ..... 9a 27,328,846

b Employer's normal cost for plan year as of valuation date ..... 9b 11,563,524

| | | | Outstanding balance | |
|---|---|---|---|---|
| **c** Amortization charges as of valuation date: | | | | |
| (1) All bases except funding waivers and certain bases for which the amortization period has been extended | 9c(1) | | 1,000,710,868 | 129,972,132 |
| (2) Funding waivers | 9c(2) | | | |
| (3) Certain bases for which the amortization period has been extended | 9c(3) | | | |
| **d** Interest as applicable on lines 9a, 9b, and 9c | | 9d | | 13,509,160 |
| **e** Total charges. Add lines 9a through 9d | | 9e | | 182,373,662 |
| **Credits to funding standard account:** | | | | |
| **f** Prior year credit balance, if any | | 9f | | 0 |
| **g** Employer contributions. Total from column (b) of line 3 | | 9g | | 61,489,534 |
| | | | Outstanding balance | |
| **h** Amortization credits as of valuation date | 9h | | 172,239,999 | 24,287,651 |
| **i** Interest as applicable to end of plan year on lines 9f, 9g, and 9h | | 9i | | 3,992,663 |
| **j** Full funding limitation (FFL) and credits: | | | | |
| (1) ERISA FFL (accrued liability FFL) | 9j(1) | | 962,743,139 | |
| (2) "RPA '94" override (90% current liability FFL) | 9j(2) | | 3,160,186,293 | |
| (3) FFL credit | | 9j(3) | | 0 |
| **k** (1) Waived funding deficiency | | 9k(1) | | 0 |
| (2) Other credits | | 9k(2) | | 0 |
| **l** Total credits. Add lines 9f through 9i, 9j(3), 9k(1), and 9k(2) | | 9l | | 89,769,848 |
| **m** Credit balance: If line 9l is greater than line 9e, enter the difference | | 9m | | |
| **n** Funding deficiency: If line 9e is greater than line 9l, enter the difference | | 9n | | 92,603,814 |

| | | |
|---|---|---|
| **9 o** Current year's accumulated reconciliation account: | | |
| (1) Due to waived funding deficiency accumulated prior to the 2016 plan year | 9o(1) | |
| (2) Due to amortization bases extended and amortized using the interest rate under section 6621(b) of the Code: | | |
| (a) Reconciliation outstanding balance as of valuation date | 9o(2)(a) | |
| (b) Reconciliation amount (line 9c(3) balance minus line 9o(2)(a)) | 9o(2)(b) | 0 |
| (3) Total as of valuation date | 9o(3) | 0 |
| **10** Contribution necessary to avoid an accumulated funding deficiency. (See instructions.) | 10 | 92,603,814 |
| **11** Has a change been made in the actuarial assumptions for the current plan year? If "Yes," see instructions | | ☒ Yes ☐ No |