

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
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A This return/report is for:	☐ 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.	☐		
D Check box if filing under:	☒ Form 5558	☒ automatic extension	☐ the DFVC program
	☐ special extension (enter description)		

Part II	Basic Plan Information —enter all requested information		
1a Name of plan	<u>A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC</u>		1b Three-digit plan number (PN) ▶
			<u>003</u>
			1c Effective date of plan
			<u>10/01/1941</u>
2a Plan sponsor's name (employer, if for a single-employer plan)	2b Employer Identification Number (EIN)		
Mailing address (include room, apt., suite no. and street, or P.O. Box)	<u>80-0819474</u>		
City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)	2c Plan Sponsor's telephone number		
<u>ALEXANDER & BALDWIN, LLC</u>	<u>808-525-6611</u>		
<u>822 BISHOP STREET</u>	2d Business code (see instructions)		
<u>HONOLULU, HI 96813-3924</u>	<u>111900</u>		

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.	<u>10/12/2017</u>	<u>BETTY GAMUNDOY</u>
	Signature of plan administrator	Date	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
<u>ALAN M.L. YEE</u>			
<u>KMH LLP</u>			

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3a Plan administrator's name and address ☐ Same as Plan Sponsor ALEXANDER & BALDWIN, INC. 822 BISHOP STREET HONOLULU, HI 96813-3924	3b Administrator's EIN 45-4849780 3c Administrator's telephone number 808-525-6611
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	5 503
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..... a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6a(1) 144 6a(2) 162 6b 240 6c 120 6d 522 6e 6f 522 6g 6h 6
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 1A 3H 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) ☒ 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) ☒ Trust (4) ☐ General assets of the sponsor
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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) ☒ R (Retirement Plan Information) (2) ☐ 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) ☒ H (Financial Information) (2) ☐ I (Financial Information – Small Plan) (3) ☐ A (Insurance Information) (4) ☒ C (Service Provider Information) (5) ☒ D (DFE/Participating Plan Information) (6) ☐ G (Financial Transaction Schedules)
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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 SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit 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
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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 <u>A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC</u>	B Three-digit plan number (PN) ▶ <u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ALEXANDER & BALDWIN, LLC</u>	D Employer Identification Number (EIN) <u>80-0819474</u>
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I	Basic Information
1 Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2016</u>	
2 Assets:	
a Market value	2a <u>44116443</u>
b Actuarial value	2b <u>46935141</u>
3 Funding target/participant count breakdown	(1) Number of participants (2) Vested Funding Target (3) Total Funding Target
a For retired participants and beneficiaries receiving payment.....	<u>239</u> <u>25559054</u> <u>25559054</u>
b For terminated vested participants.....	<u>120</u> <u>6069649</u> <u>6069649</u>
c For active participants.....	<u>144</u> <u>14524323</u> <u>15029039</u>
d Total.....	<u>503</u> <u>46153026</u> <u>46657742</u>
4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... ☐	
a Funding target disregarding prescribed at-risk assumptions	4a
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b
5 Effective interest rate	5 <u>6.06 %</u>
6 Target normal cost.....	6 <u>894191</u>

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
<u>ROWENA LAI,FSA,EA,MAAA</u>	<u>17-07718</u>
Type or print name of actuary	Most recent enrollment number
<u>MERCER</u>	<u>415-743-8872</u>
Firm name	Telephone number (including area code)
<u>FOUR EMBARCADERO CENTER, SUITE 400</u> <u>SAN FRANCISCO, CA 94111-4156</u>	
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 ☐

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Schedule SB (Form 5500) 2016
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Part II		Beginning of Year Carryover and Prefunding Balances	
		(a) Carryover balance	(b) Prefunding balance
7	Balance at beginning of prior year after applicable adjustments (line 13 from prior year)	0	147321
8	Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9	Amount remaining (line 7 minus line 8)		147321
10	Interest on line 9 using prior year's actual return of <u>-3.09</u> %		-4552
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		
b(1)	Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.25</u> %		0
b(2)	Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c	Total available at beginning of current plan year to add to prefunding balance		0
d	Portion of (c) to be added to prefunding balance		
12	Other reductions in balances due to elections or deemed elections		
13	Balance at beginning of current year (line 9 + line 10 + line 11d – line 12)	0	142769

Part III		Funding Percentages	
14	Funding target attainment percentage	14	100.28%
15	Adjusted funding target attainment percentage	15	100.59%
16	Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.15%
17	If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV		Contributions and Liquidity Shortfalls	
18 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	
09/15/2017	14090000		
		Totals ►	18(b) 14090000 18(c)

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:	
a Contributions allocated toward unpaid minimum required contributions from prior years	19a
b Contributions made to avoid restrictions adjusted to valuation date	19b
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date	19c 12745833
20 Quarterly contributions and liquidity shortfalls:	
a Did the plan have a "funding shortfall" for the prior year?	☐ Yes ☒ No
b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	☐ Yes ☐ No
c If line 20a is "Yes," see instructions and complete the following table as applicable:	
Liquidity shortfall as of end of quarter of this plan year	
(1) 1st	(2) 2nd
(3) 3rd	(4) 4th

Part V	Assumptions Used to Determine Funding Target and Target Normal Cost		
21	Discount rate:		
a	Segment rates:	<div style="display: flex; justify-content: space-around;"> <div>1st segment: 4.43%</div> <div>2nd segment: 5.91%</div> <div>3rd segment: 6.65%</div> </div>	☐ N/A, full yield curve used
b	Applicable month (enter code)	21b	4
22	Weighted average retirement age	22	63
23	Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute		
Part VI	Miscellaneous Items		
24	Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No		
25	Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ☐ Yes ☒ No		
26	Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ☒ Yes ☐ No		
27	If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment.	27	
Part VII	Reconciliation of Unpaid Minimum Required Contributions For Prior Years		
28	Unpaid minimum required contributions for all prior years	28	
29	Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	
30	Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0
Part VIII	Minimum Required Contribution For Current Year		
31	Target normal cost and excess assets (see instructions):		
a	Target normal cost (line 6)	31a	894191
b	Excess assets, if applicable, but not greater than line 31a	31b	134630
32	Amortization installments:	Outstanding Balance	Installment
a	Net shortfall amortization installment		
b	Waiver amortization installment		
33	If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33	
34	Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	759561
		Carryover balance	Prefunding balance
35	Balances elected for use to offset funding requirement		
36	Additional cash requirement (line 34 minus line 35)	36	759561
37	Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	12745833
38	Present value of excess contributions for current year (see instructions)		
a	Total (excess, if any, of line 37 over line 36)	38a	11986272
b	Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	
39	Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0
40	Unpaid minimum required contributions for all years	40	
Part IX	Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)		
41	If an election was made to use PRA 2010 funding relief for this plan:		
a	Schedule elected	☐ 2 plus 7 years ☐ 15 years	
b	Eligible plan year(s) for which the election in line 41a was made	☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011	
42	Amount of acceleration adjustment	42	
43	Excess installment acceleration amount to be carried over to future plan years	43	

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	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	
A Name of plan A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 ALEXANDER & BALDWIN, LLC	D Employer Identification Number (EIN) 80-0819474

Part I	Service Provider Information (see instructions)
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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)..... ☐ 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

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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)

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			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)

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

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

(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?
			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:	JEREMY CLEAR	b EIN:	13-2834414
c Position:	ENROLLED ACTUARY		
d Address:	FOUR EMBARCADERO CENTER, SUITE 400 SAN FRANCISCO, CA 94111-4156	e Telephone:	415-743-8872

Explanation: MR. JEREMY CLEAR IS NO LONGER EMPLOYED AT MERCER.

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:

<div>SCHEDULE D (Form 5500)</div> <div>Department of the Treasury Internal Revenue Service</div> <div>Department of Labor Employee Benefits Security Administration</div>		<div>DFE/Participating Plan Information</div> <div>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</div> <div>▶ File as an attachment to Form 5500.</div>		<div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection.</div>	
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016					
A Name of plan A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC				B Three-digit plan number (PN) ▶ 003	
C Plan or DFE sponsor's name as shown on line 2a of Form 5500 ALEXANDER & BALDWIN, LLC				D Employer Identification Number (EIN) 80-0819474	
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: A&B RETIREMENT AND PENSION TRUST					
b Name of sponsor of entity listed in (a): FIRST HAWAIIAN BANK					
c EIN-PN 80-0819474-001		d Entity code M	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 45979867		
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)		
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)		

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule D (Form 5500) 2016 v.160205

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)**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) Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Financial Information 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). ► File as an attachment to Form 5500.	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		
A Name of plan A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC	B Three-digit plan number (PN) ►	003
C Plan sponsor's name as shown on line 2a of Form 5500 ALEXANDER & BALDWIN, LLC	D Employer Identification Number (EIN) 80-0819474	

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		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions.....	1b(1)		
(2) Participant contributions	1b(2)	0	14090000
(3) Other.....	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit).....	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other.....	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common.....	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property).....	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans.....	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)		
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)	44116443	45979867
(12) Value of interest in 103-12 investment entities.....	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other	1c(15)		

		(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	
f	Total assets (add all amounts in lines 1a through 1e)	1f	44116443 60069867
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	62971 15903
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	62971 15903
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	44053472 60053964

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.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	14090000
	(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)	14090000
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	
	(F) Other	2b(1)(F)	
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(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)	
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		3029691
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		17119691

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	3074344	
(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)		3074344
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)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)	677631	
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		677631
j Total expenses. Add all expense amounts in column (b) and enter total	2j		3751975

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		13367716
l Transfers of assets:			
(1) To this plan.....	2l(1)		2632776
(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) ☐ 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 ☐ No

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

(1) Name: **KMH LLP**

(2) EIN: **42-1539623**

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:

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.).....

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.)

	Yes	No	Amount
4a		X	
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		X	
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		X	
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 3988485. (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

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>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).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
A Name of plan A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC		B Three-digit plan number (PN) ► 003
C Plan sponsor's name as shown on line 2a of Form 5500 ALEXANDER & BALDWIN, LLC		D Employer Identification Number (EIN) 80-0819474
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): 99-0034327 01-0233346		
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 2
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 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		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2016 v. 160205		

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

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): _____

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	
	b The plan year immediately preceding the current plan year	14b	
	c The second preceding plan year	14c	
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	
	b The corresponding number for the second preceding plan year	15b	
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	
	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	
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
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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: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%	
	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
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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 / / .	

**A&B Retirement Plan for Salaried
Employees of Alexander & Baldwin, LLC**

Financial Statements
December 31, 2016 and 2015
Together with Independent Auditor's Report

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A Hawaii Limited Liability Partnership

Independent Auditor's Report

To the Administrative Committee and the Investment Committee of the
A&B Retirement Plan for Salaried Employees of
Alexander & Baldwin, LLC:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC (the Plan), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015, and the related statement of changes in net assets available for benefits for the year ended December 31, 2016, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan Administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 4, which was certified by First Hawaiian Bank, the trustee of the Plan, except for comparing this information with the related information included in the financial statements. We have been informed by the Plan Administrator that the trustee holds the Plan's investment assets and executes investment transactions. The Plan Administrator has obtained certifications from the trustee as of December 31, 2016 and 2015, and for the year ended December 31, 2016, that the information provided to the Plan Administrator by the trustee is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Report on Form and Content in Compliance with Department of Labor Rules and Regulations

The form and content of the information included in the financial statements, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

KMH LLP

KMH LLP

Honolulu, Hawaii
October 9, 2017

**A&B Retirement Plan for Salaried Employees
of Alexander and Baldwin, LLC**

Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	<u>2016</u>	<u>2015</u>
Assets:		
Investment in Master Trust, at fair value	\$ 45,979,867	\$ 44,116,443
Employer contribution receivable	<u>14,090,000</u>	<u>-</u>
Total assets	<u>60,069,867</u>	<u>44,116,443</u>
Liabilities --		
Accrued Expenses	<u>15,903</u>	<u>62,971</u>
Total liabilities	<u>15,903</u>	<u>62,971</u>
Net assets available for benefits	<u>\$ 60,053,964</u>	<u>\$ 44,053,472</u>

See accompanying notes to financial statements.

A&B Retirement Plan for Salaried Employees of Alexander and Baldwin, LLC

Statement of Changes in Net Assets Available for Benefits
For the Year Ended December 31, 2016

Additions:

Investment Gain of the Master Trust	\$ 3,029,691
Employer contributions	<u>14,090,000</u>
	17,119,691

Deductions:

Benefits paid to participants	3,074,344
Administrative expenses	<u>677,631</u>
Total deductions	<u>3,751,975</u>

Net increase before transfers	13,367,716
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Transfers in from Pension Plan for Employees of A&B

Agricultural Companies	<u>2,632,776</u>
Net increase	16,000,492

Net Assets Available for Benefits:

Beginning of year	<u>44,053,472</u>
End of year	<u><u>\$ 60,053,964</u></u>

See accompanying notes to financial statements.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

1. Plan Description

The following brief description of the A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for more complete information.

a. General

The Plan is a defined benefit pension plan covering all salaried employees of Alexander & Baldwin, LLC and affiliates (the Company). The Administrative Committee of the Board of Directors of the Company controls and manages the operation and administration of the Plan. The assets of the Plan, excluding receivables, are held in the Alexander & Baldwin Retirement and Pension Trust (Master Trust). First Hawaiian Bank (the Trustee) serves as the trustee of the Plan, and together with several investment managers, manages the Plan's investments. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

Effective January 1, 2015, the Plan was amended to exclude Kukui'ula Development Company, Inc. and McBryde Resources, Inc. There was no impact to the Plan due to this amendment.

b. Pension Benefits

Employees become eligible to participate in the Plan after one year of service. Effective January 1, 1968, the Plan became noncontributory. Normal retirement age is 65. There are provisions for early and postponed retirement with relative adjustments in benefits. Normal retirement benefits are based on years of service and compensation with various maximum and minimum levels.

Employees hired on or after January 1, 2008, accrue benefits under the cash balance benefit pension formula. An account is maintained for each participant in which contributions are credited for the benefit of the individual.

Employees hired prior to January 1, 2008, accrued benefits under the traditional defined benefit pension formula (traditional formula). On December 31, 2011, all accrued benefits were frozen under the traditional formula and replaced with the cash balance formula.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

1. Plan Description (continued)

b. Pension Benefits (continued)

Employees become fully vested after five years of service under the traditional formula or three years of service if any portion or the entire portion of accrued benefit under the Plan is a cash balance account benefit. If employees terminate before they are fully vested, they forfeit the right to receive the portion of their accumulated plan benefits.

Retirement benefits under the cash balance pension formula are based on a fixed percentage (currently 5 percent) of employee eligible compensation, plus interest. The Plan's interest credit rate will vary from year to year based on the 10-year U.S. Treasury rate. Upon termination of employment, the vested account balance can be paid out in the form of a lump sum or as a monthly annuity.

Employee contributions made before the Plan became noncontributory are being credited annually with 5 percent interest since that date.

2. Summary of Significant Accounting Policies

a. Basis of Accounting

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (GAAP).

b. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated Plan benefits and changes therein at the date of the financial statements. Actual results could differ from those estimates.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

2. Summary of Significant Accounting Policies (continued)

c. Risks and Uncertainties

The Plan's investment in the Master Trust utilizes various investment securities, including common stocks, fixed-income securities, money market funds, limited partnership interests, exchange traded funds, and insurance contracts. Investment securities, in general, are exposed to various risks, such as interest rate risk, credit risk, and overall market volatility. Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and that such change could materially affect the amounts reported in the financial statements.

Plan contributions are made and the actuarial present value of accumulated Plan benefits are reported 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 estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

d. Investment Valuation and Income Recognition

The Plan's investments in the Master Trust are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date of the Master Trust. The Plan's Investment Committee determines the Plan's valuation policies utilizing information provided by investment advisors. See Note 6 for description of valuation methods.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Investment gain includes the Plan's gains and losses on investment bought and sold, as well as held during the year.

e. Administrative Expenses

Administrative expenses of the Plan are paid by the Master Trust, as provided in the Plan document.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

2. Summary of Significant Accounting Policies (continued)

f. Payment of Benefits

Benefit payments to participants are recorded upon distribution.

g. Recently Issued Accounting Pronouncements

In February 2017, the FASB issued ASU No. 2017-06 *Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Benefit Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): Employee Benefit Plan Master Trust Reporting*. The purpose of this update is to improve the usefulness of the information reported to users of employee benefit plan financial statements and to provide clarity to preparers and auditors. The ASU clarifies presentation requirements for a plan's interest in a master trust and require more detailed disclosures of the plan's interest in the master trust by 1) requiring that any changes in the plan's interest to be presented in separate line items in the statement of net assets available for benefits and in the statement of changes in net assets available for benefits, 2) removing the requirement to disclose the percentage interest in the master trust for plans with divided interest and requiring plans to disclose the dollar amount of their interest in the investments held by the master trust, presented by general type, and 3) requiring the dollar amount of the master trust's other asset and liability balances to be disclosed, based on the plan's interest. ASU No. 2017-06 is effective for plans with fiscal years beginning after December 15, 2018. The amendments should be applied retrospectively to each period for which financial statements are presented. Early adoption is permitted. The Plan Administrator and the Plan Sponsor are currently evaluating the impact of adopting this new standard to the Plan.

h. Subsequent Events

The Plan Administrator has evaluated subsequent events through October 9, 2017, the date on which the financial statements were available to be issued, and it was determined that all subsequent events have been properly accounted for.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

3. Funding Policy

Contributions to provide benefits under the Plan are made solely by the Company. The Company's funding policy is to make cash contributions to the Plan in amounts as determined by the Plan's independent actuary. The Company met the minimum funding requirements of ERISA for the year ended December 31, 2016.

4. Information Certified by Trustee

The Plan Administrator has elected the method of compliance permitted by 29 CFR 2520.103-8 of the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, as permitted under such election, the Plan Administrator instructed the Plan's independent auditors not to perform any auditing procedures with respect to the following information certified or provided by the Trustee, except for comparing such information certified by the Trustee to information included in the Plan's financial statements.

The Trustee certified to the completeness and accuracy of investment in the Master Trust at December 31, 2016 and 2015 of \$143,128,577 and \$146,207,363, respectively. The Trustee also certified the investment gain of the Master Trust of \$10,003,307 for the year ended December 31, 2016. The Plan's interest in the Master trust was \$45,979,867 and \$44,116,443, representing approximately 32 percent and 30 percent of the Master Trust's investments at December 31, 2016 and 2015, respectively. The Plan's investment gain from the Master Trust amounted to \$3,029,691, representing approximately 30 percent of the Master Trust's investment gain.

5. Investment in Master Trust

The Plan's investment assets are held in a trust account by the Trustee and consist of an undivided interest in an investment account of the Master Trust, a master trust established by the Company and administered by the Trustee. Use of the Master Trust permits the commingling of trust assets with the assets of the Company's various pension plans for investment and administrative purposes. Although assets of multiple plans are commingled in the Master Trust, the Trustee maintains supporting records for the purpose of allocating the net gain or loss of the investment account to the participating plans. The net investment income of the investment assets is allocated by the Trustee to each participating plan based on the relationship of the interest of each plan to the total of the interests of the participating plans.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

5. Investment in Master Trust (continued)

At December 31, 2016 and 2015, the Master Trust consisted of assets of the following plans:

- A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC
- Pension Plan for Employees of A&B Agricultural Companies

The investments of the Master Trust as of December 31, 2016 and 2015 are presented as follows:

	2016	2015
Investments – at fair value:		
Equity securities	\$ 73,065,254	\$ 75,498,394
Fixed-income securities	49,770,719	51,856,019
Exchange traded funds	12,842,144	13,924,406
Money market mutual funds	6,592,054	3,815,119
Insurance contracts	136,148	239,257
Private equity partnership	132,380	185,925
Total investments – at fair value	142,538,699	145,519,120
Receivables – securities sold and accrued income	589,878	688,243
Total investments of the Master Trust	<u>\$ 143,128,577</u>	<u>\$ 146,207,363</u>

Investment gain of the Master Trust for the year ended December 31, 2016, is summarized below:

Interest and dividends	\$ 4,350,133
Net appreciation in fair value of investments	5,653,174
Investment gain of Master Trust	<u>\$ 10,003,307</u>

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

6. Fair Value Measurements

U.S. GAAP establishes a framework for measuring fair value. That framework 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 under U.S. GAAP 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 to the valuation methodology include quoted prices for similar assets in active markets; quoted prices for identical or similar assets in inactive markets; inputs other than quoted prices that are observable for the asset; and inputs that are derived principally from or can be corroborated by observable market data by correlation or other means. If the asset has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset.

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

An asset's or liability'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.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

6. Fair Value Measurements (continued)

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 and 2015.

Equity Securities - Domestic and international common stocks are valued by obtaining quoted prices on recognized and highly liquid exchanges.

Fixed-Income Securities - Corporate bonds and U.S. government treasury and agency securities are valued based upon the closing price reported in the active market in which the security is traded. Corporate asset-backed securities may utilize models, such as a matrix-pricing model, that incorporates other observable inputs, such as cash flow, security structure, or market information, when broker/dealer quotes are not available.

Exchange-Trade Funds (ETF) - ETF's are valued by obtaining quoted prices on recognized and highly liquid exchanges.

Money Market Mutual Funds - Valued based on quoted market prices of each fund, which represent the net asset value of shares held by the Plan at year end.

Insurance Contracts - Insurance contracts are invested in group annuity contracts, which are valued based on the present value of expected future payments.

Private Equity Partnerships - The fair value of private equity funds are determined by the issuer based on the unit values of the funds. Unit values are determined by dividing the fund's net assets, as recorded in the fund's audited financial statements, by the number of units outstanding at the valuation date. Fair value of underlying investments in private equity assets is determined based on information provided by the general partner taking into consideration the purchase price of the underlying securities, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

6. Fair Value Measurements (continued)

The following table sets forth by level within the fair value hierarchy a summary of the Master Trust's investments measured at fair value on a recurring basis at December 31, 2016 and 2015.

December 31, 2016				
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 73,065,254	\$ -	\$ -	\$ 73,065,254
Fixed-income securities	21,717,707	28,053,012	-	49,770,719
Exchanged traded funds	12,842,144	-	-	12,842,144
Money market mutual funds	6,592,054	-	-	6,592,054
Insurance contracts	-	-	136,148	136,148
Total assets in the fair value hierarchy	114,217,159	28,053,012	136,148	142,406,319
Limited partnership interest in private equity fund (a)	-	-	-	132,380
Total investments	\$ 114,217,159	\$ 28,053,012	\$ 136,148	\$ 142,538,699

December 31, 2015				
	Level 1	Level 2	Level 3	Total
Equity securities	\$ 75,498,394	\$ -	\$ -	\$ 75,498,394
Fixed-income securities	17,141,240	34,714,779	-	51,856,019
Exchanged traded funds	13,924,406	-	-	13,924,406
Money market mutual funds	3,815,119	-	-	3,815,119
Insurance contracts	-	-	239,257	239,257
Total assets in the fair value hierarchy	110,379,159	34,714,779	239,257	145,333,195
Limited partnership interest in private equity fund (a)	-	-	-	185,925
Total investments	\$ 110,379,159	\$ 34,714,779	\$ 239,257	\$ 145,519,120

- (a) In accordance with ASC Subtopic 820-10, certain investments that are measured at fair value using the NAV per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in the tables above are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net assets available for benefit.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

6. Fair Value Measurements (continued)

Transfers between Levels - The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

For the years ended December 31, 2016 and 2015, there were no significant transfers in and out of Levels 1, 2, and 3.

Quantitative Information about Significant Unobservable Inputs Used in Level 3 Fair Value Measurements - In estimating fair value of insurance contract investments in Level 3, the Investment Committee uses a third-party pricing source. In substantiating the reasonableness of the pricing data provided by the third party, the Investment Committee evaluates a variety of factors, including review of methods and assumptions used by external sources, recently executed transactions, existing contracts, economic conditions, industry and market developments, and overall credit ratings.

Fair Value of Investments that Calculate Net Asset Value - Below is a summary of the Plan's Master Trust investments at December 31, 2016 and 2015 where fair value is estimated based on the net asset value:

Fair Value Estimated Using Net Asset Value per Share as of December 31, 2016				
Investment	Fair Value	Unfunded Commitment	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity partnerships (a)	\$ 132,380	\$ 55,148	N/A	N/A

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

6. Fair Value Measurements (continued)

Investment	Fair Value Estimated Using Net Asset Value per Share as of December 31, 2015			
	Fair Value	Unfunded Commitment	Redemption Frequency (If Currently Eligible)	Redemption Notice Period
Private equity partnerships (a)	\$ 185,925	\$ 220,590	N/A	N/A

(a) This class includes private equity partnership interests that primarily invest in domestic technology companies. These investments cannot be redeemed. Instead, the nature of the investments in this class is that distributions are received through the liquidation of the underlying assets of the fund. The fair values of the investments in this class have been estimated using recent observable transaction information for similar investments, nonbinding bids received from potential buyers of the investments, developments concerning the investee company subsequent to the acquisition of the investment, financial data and projections of the investee company provided to the general partner, and such other factors as the general partner deems relevant. It is probable that all of the investments in this class will be sold at an amount different from the net asset value of the Plan's ownership interest.

7. Accumulated Plan Benefits

Accumulated plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to service rendered by employees as of the valuation date. Accumulated plan benefits include benefits expected to be paid to (1) retired or terminated employees or their beneficiaries, (2) beneficiaries of employees who have died, and (3) present employees or their beneficiaries. Benefits under the Plan are based on employees' compensation during their last five years (under the traditional formula) or 5 percent of employees' eligible compensation plus interest based on a 3-month average of the 10-year Treasury Constant Maturities rate (under the cash balance formula). The actuarial present value of accumulated plan benefits is determined by an independent actuary and is that amount that results from applying 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, withdrawal, or retirement) between the valuation date and the expected date of payment.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

7. Accumulated Plan Benefits (continued)

The actuarial present value of accumulated plan benefits as of December 31, 2016 and 2015, and changes in accumulated plan benefits for the year ended December 31, 2016 are as follows:

	2016	2015
Actuarial present value of accumulated plan benefits:		
Vested benefits:		
Participants currently receiving payments	\$ 26,108,653	\$ 24,523,493
Other participants	20,360,971	18,771,549
Total vested benefits	46,469,624	43,295,042
Nonvested benefits	351,823	434,572
Total actuarial present value of accumulated plan benefits	<u>\$ 46,821,447</u>	<u>\$ 43,729,614</u>
Actuarial present value of accumulated plan benefits – beginning of year	\$ 43,729,614	
Increase (decrease) during the year attributable to:		
Increase for interest due to the decrease in the discount period	2,986,568	
Benefits paid and transfers	(3,074,344)	
Present value of benefits accumulated	2,468,993	
Actuarial assumption changes	710,616	
Actuarial present value of accumulated plan benefits – end of year	<u>\$ 46,821,447</u>	

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

7. Accumulated Plan Benefits (continued)

The significant actuarial assumptions used in the December 31, 2016 valuations were as follows:

- Mortality: RP-2014 Mortality Table projected scale based on MP-2016 through 2006, with an ultimate rate of 1.20%, grading down to 0% at age 115 in a straight line
- Retirement age assumptions (representative annual rates of retirement were used)
- Inflation: 2.20 percent per annum
- Investment return: 6.80 percent per annum

The significant actuarial assumptions used in the December 31, 2015 valuations were as follows:

- Mortality: RP-2014 Mortality Table projected scale based on MP-2014 through 2007, grading down over 10 years to an ultimate improvement rate of 0.75 percent per year
- Retirement age assumptions (representative annual rates of retirement were used)
- Inflation: 2.2 percent per annum
- Investment return: 7.10 percent per annum

The foregoing actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that certain changes in these estimates and assumptions could be material to the financial statements.

8. Plan Termination

Although it has not expressed any intention to do so, the Company has the right under the Plan, in certain circumstances, to discontinue its contributions at any time and to terminate the Plan subject to the provisions set forth in ERISA. In the event that the Plan is terminated, the net assets of the Plan will be allocated for payment of Plan benefits to the participants in an order of priority determined in accordance with ERISA, applicable regulations thereunder, and the Plan document.

A&B Retirement Plan for Salaried Employees of Alexander & Baldwin, LLC

Notes to Financial Statements
December 31, 2016 and 2015

8. Plan Termination (continued)

Certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. 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, subject to a statutory ceiling on the amount of an individual's monthly benefit.

Whether all participants receive their benefits should the Plan be terminated at some future time will depend on the sufficiency, at that time, of the Plan's net assets to provide those benefits, the priority of those benefits to be paid, and the level and type of benefits guaranteed by the PBGC at that time. Some benefits may be fully or partially provided for by the then-existing assets and the PBGC guaranty, while other benefits may not be provided for at all.

9. Exempt Party-in-Interest Transactions

Certain investments in the Master Trust are invested in securities managed by the Trustee and, therefore, these transactions qualify as party-in-interest transactions. Fees paid by the Plan for the investment management services are included as a reduction of the return on each fund.

10. Federal Income Tax Status

The Plan received a favorable tax determination letter on September 7, 2016 which stated that the Plan, as then designed, was in compliance with the applicable requirements of the Internal Revenue Code (IRC). The Plan Administrator believes the Plan is currently designed and operated in compliance with the applicable requirements of the IRC, and the Plan and related trust continue to be tax exempt. Therefore, no provision for income taxes has been included in the Plan's financial statements.

GAAP requires Plan management 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 IRS. Management is not aware of any uncertain tax positions that would require the Plan to recognize a tax liability (or asset).

The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

Schedule SB, Part V — Summary of Plan Provisions

Summary of Major Plan Provisions

Effective date and plan year	Restated plan: June 29, 2012 Plan year: January 1 – December 31
Status of the plan	The plan has ongoing benefit accruals and new employees are eligible to participate in the plan once they satisfy the participation requirements.
Significant events that occurred during the year	None

Definitions

<ul style="list-style-type: none"> Covered employees 	<p>All salaried non-bargaining unit employees of the following groups:</p> <ul style="list-style-type: none"> A&B, LLC A&B – Hawaii, Inc. A&B Properties, Inc. Salaried East Maui Irrigation KT&S Salaried Kauai Commercial Salaried McBryde Sugar
<ul style="list-style-type: none"> Participation 	All covered employees become participants on the first day of the month coinciding with or next following completion of one year of service.
<ul style="list-style-type: none"> Vesting service 	Years of service with A&B and certain affiliated companies, computed to the nearest whole month. Vesting service also includes period of some service with the Former A&B Controlled Group or for certain transfers.
<ul style="list-style-type: none"> Credited service 	<p>All periods of service as an eligible employee plus eligible service with Matcinal Corporation or American President Lines, Ltd. prior to January 1, 2012, excluding period of employment if rehired after January 1, 2008.</p> <p>Credited Service frozen effective December 31, 2011.</p>
<ul style="list-style-type: none"> Compensation 	Base compensation, including overtime and one-year annual bonuses.
<ul style="list-style-type: none"> Final average earnings 	Average monthly Compensation earned during the 60 consecutive months that produce the highest such average taken from the most recent 120 months during which the employee was an eligible employee.

Schedule SB, Part V — Summary of Plan Provisions

<ul style="list-style-type: none"> Accrued Benefit 	<p>Employees who were hired or rehired and who became non-bargaining unit eligible employees prior to January 1, 2008 (excluding salaried NBU employees who were rehired on or after January 1, 2008), are eligible for Traditional Pension Benefit accruals for service through December 31, 2011 and Cash Balance Account Benefit accruals for service after December 31, 2011. Upon termination of employment, affected participants will receive the sum of their frozen Traditional Pension Benefit and Cash Balance Account Benefit.</p>
	<p>Employees who were hired or rehired and who became non-bargaining unit eligible employees on or after January 1, 2008, are eligible for Cash Balance Account Benefits.</p>
<ul style="list-style-type: none"> Traditional pension benefit (frozen as of December 31, 2011) 	<p>The annual benefit is the sum of (a), (b) and (c):</p> <p>(a) 1.45% of final average earnings up to annual Covered Compensation plus 1.85% of final average earnings in excess of annual Covered Compensation, times years of credited service up to 25,</p> <p>(b) 0.725% of final average earnings up to annual Covered Compensation plus 0.925% of final average earnings in excess of annual Covered Compensation, times years of Credited Service in excess over 25 (maximum 25),</p> <p>(c) 0.725% of final average earnings times years of Credited Service in excess of 50 if any.</p>
<ul style="list-style-type: none"> Cash Balance account benefit 	<p>Cash balance account as of any date is the sum of a participant's pay credits and interest credits.</p>
<ul style="list-style-type: none"> Pay credit 	<p>Pay Credit is the amount credited as of the last day of each Plan Year to the Cash Balance Account. Pay Credit for a Plan Year is equal to 5% of the participant's Compensation paid during the Plan Year while an eligible employee. An additional Pay Credit of 5% of Compensation (earned while an eligible employee) will be credited for the Plan Year preceding the Plan Year the eligible employee becomes a participant.</p>
<ul style="list-style-type: none"> Interest credit 	<p>Interest Credit for a Plan Year is equal to the participant's Cash Balance Account as of January 1 of such Plan Year multiplied by the Interest Credit Rate for the Plan Year. Interest Credits are credited as of the last day of the Plan Year, or if earlier, the last day of the month preceding the participant's Annuity Starting Date and on a simple interest basis.</p> <p>Interest Credit Rate for a Plan Year is the arithmetic average of the 10-year Treasury Constant Maturities rate for the months of August, September, and October of the prior Plan Year.</p>

Schedule SB, Part V — Summary of Plan Provisions

Normal retirement

- | | |
|---------------|--|
| • Eligibility | Normal Retirement Date: First day of the month coincident with or next following the attainment of age 65. |
| • Benefit | The accrued benefit determined as on Normal Retirement Date. |

Early retirement

- | | |
|---------------|---|
| • Eligibility | Retirement before Normal Retirement Date and on or after attaining age 55 and 5 years of vesting service. |
| • Benefit | <u>Traditional Pension Benefit:</u> The Normal Retirement Benefit for service to the Early Retirement Date multiplied by the following early retirement factor: |

Benefit Commencement Age	If Terminated Before Age 55	If Terminated At or After Age 55
55	0.50	0.64
56	0.54	0.70
57	0.58	0.76
58	0.62	0.82
59	0.66	0.88
60	0.70	0.94
61	0.76	0.97
62	0.82	1.00
63	0.88	1.00
64	0.94	1.00

Cash Balance Account Benefit: Actuarially equivalent monthly annuity based on Cash Balance Account as of the last day of the month preceding participant's early retirement date.

Late retirement

- | | |
|---------------|--|
| • Eligibility | Retirement after Normal Retirement Date. |
| • Benefit | Participants continue to accrue benefits beyond Normal Retirement Date. Benefits earned in any non-suspendible month are subject to comparison between the actuarially increased normal retirement benefit and benefit accruals. |

Late retirement actuarial increase is based on Unisex Pension 1984 Mortality Table with ages set back two years for participant and seven years for contingent annuitants, and interest rate of 6.5% per year.

Benefits commencing after the April 1 following the calendar year in which the participant attains age 70½ are actuarially increased.

Schedule SB, Part V — Summary of Plan Provisions

Deferred vested	
• Eligibility	5 years of vesting service (or 3 years of vesting service if any portion of accrued benefit is a Cash Balance Account Benefit).
• Benefit	The amount of Normal Retirement Benefit credited for service to the date of termination. The benefit will commence at age 65 or after age 55 if the participant is eligible to retire early.
Disability	
• Benefit	<p>If an active participant eligible for Traditional Pension Benefits is disabled and receiving benefits under the employer's long term disability plan, he will continue to accrue pension benefits up through December 31, 2011 based upon his rate of compensation when he became disabled. Effective January 1, 2012, he will only continue to accrue credited vesting service until the earlier of the date he terminates employment or attains Normal Retirement Age.</p> <p>If an active participant eligible for a Cash Balance Account Benefit is disabled and continuously receiving benefits under the employer's sickness benefits plan or long term disability plan, he will continue to accrue credited vesting service until the earlier of the date he terminates employment or attains his Normal Retirement Age.</p>
Pre-retirement death – Traditional Pension benefit	
• Eligibility	Married at least 1 year, with a vested benefit or eligible for retirement.
• Benefit	<p>The spouse receives 1/2 of the reduced 50% Joint and Survivor benefit that would have been in effect had the participant terminated on the date of death and survived to the date payments commenced, and then died immediately thereafter. The benefit is reduced for early retirement if the requested commencement date is before the participant's normal retirement date.</p> <p>If the participant's death occurs before the normal retirement date, this benefit is deferred until the date the participant would have reached age 65 (or if the participant had at least 5 years of service at death, at the spouse election, any time after the date the participant would have reached age 65).</p>

Schedule SB, Part V — Summary of Plan Provisions

• Alternate benefit	If the participant has met the early retirement eligibility, the spouse receives an immediate monthly annuity equal to the following percentage of the Normal Retirement Benefit but not less than surviving spouse's benefit described above.												
	<table> <tr> <th data-bbox="679 479 1023 539">Surviving Spouse's Age at Participant's Date of Death</th><th data-bbox="1102 479 1353 539">Percentage of Normal Retirement Benefit</th></tr> <tr> <td data-bbox="783 539 935 568">53 and over</td><td data-bbox="1198 539 1254 568">50%</td></tr> <tr> <td data-bbox="775 584 943 613">45 through 52</td><td data-bbox="1198 584 1254 613">45%</td></tr> <tr> <td data-bbox="775 629 943 658">37 through 44</td><td data-bbox="1198 629 1254 658">40%</td></tr> <tr> <td data-bbox="775 674 943 703">30 through 36</td><td data-bbox="1198 674 1254 703">35%</td></tr> <tr> <td data-bbox="807 719 911 748">Under 30</td><td data-bbox="1198 719 1254 748">30%</td></tr> </table>	Surviving Spouse's Age at Participant's Date of Death	Percentage of Normal Retirement Benefit	53 and over	50%	45 through 52	45%	37 through 44	40%	30 through 36	35%	Under 30	30%
Surviving Spouse's Age at Participant's Date of Death	Percentage of Normal Retirement Benefit												
53 and over	50%												
45 through 52	45%												
37 through 44	40%												
30 through 36	35%												
Under 30	30%												
Pre-retirement death – Cash Balance benefit													
• Eligibility	3 years of service or eligible for retirement.												
• Benefit if participant is married	Spouse receives an actuarially equivalent monthly single life annuity or a lump sum payment of participant's Cash Balance Account as of the last day of the month preceding the spouse's annuity starting date, or a lump sum form of payment equal to the participant's Cash Balance account as of the last day of the month preceding the spouse's annuity start date (or as of the first of any month following participant's death).												
	The benefit is deferred until the participant's Normal Retirement Date.												
• Benefit if participant is unmarried	Designated beneficiary receives a lump sum payment of participant's Cash Balance Account as of the last day of the month preceding the beneficiary's annuity starting date.												
Form of benefits													
• Automatic form for unmarried participants	Single life annuity Lump sum of not more than \$5,000												
• Automatic form for married participants	50% Joint & Survivor annuity Lump sum of not more than \$5,000												
• Optional forms	<u>Traditional Pension Benefit:</u> <ul style="list-style-type: none"> • Single life annuity • 50%, 75% or 100% Joint & Survivor annuity • 66-2/3% Joint & Last Survivor annuity <u>Cash Balance Account Benefit:</u> <ul style="list-style-type: none"> • Single life annuity (if at least 5 years of service) • 75% Joint & Survivor annuity with spouse. • 50%, 75% or 100% Joint & Survivor annuity (if at least age 55 with 5 years of service or age 65). • Lump sum 												

Schedule SB, Part V — Summary of Plan Provisions

- Optional form conversion factors

Traditional Pension Benefits:

Single life annuity is converted into an actuarially equivalent other form of payment (including lump sum payments) using the IRC 417(e) mortality table and interest rates with four month lookback.

Cash Balance Account Benefits:

Cash Balance Account is converted into an actuarially equivalent single life annuity or other form of payment using IRC Section 417(e) mortality table and interest rates with four months lookback.

The lump sum form of payment is equal to the participant's Cash Balance Account.

Miscellaneous

- Maximum compensation

Compensation for any 12-month period used to determine accrued benefits may not exceed the limits in IRC Section 401(a)(17) for the calendar year in which the 12-month period begins. This limit is indexed annually.

- Maximum benefits

Annual benefits may not exceed the limits in IRC Section 415. This limit is indexed annually.

Schedule SB, Part V — Summary of Plan Provisions

Benefits Included or Excluded

Unless noted below, all benefits provided by the plans, as restated effective June 29, 2012, are included in this valuation.

- **Most recent plan amendments included:** This valuation reflects the provisions that include all the amendments made on and before December 31, 2015.
- **Plan amendments excluded:** None
- **Late retirement increases:**
 - *Active participants:* The plans provide benefit suspension notices to participants who work beyond normal retirement; therefore, late retirement actuarial increases only apply to participants who defer retirement beyond age 70½. This valuation does not include any late retirement increases.
 - *Deferred vested participants:* Current deferred vested participants over normal retirement age are valued using benefits provided by the plan administrator.
- **Internal Revenue Code limitations:** The limitations of Internal Revenue Code Section 415(b) and 401(a)(17) have been incorporated into our calculations. For 2015, the IRC Section 415 and 401(a)(17) limits are \$210,000 and \$265,000 respectively.
- **IRC Section 416 rules for top-heavy plans:** We did not test whether this plan is top-heavy (when the present value of benefits for key employees equals or exceeds 60% of the present value for all participants). However, we expect that the plans are not top-heavy due to the large number of rank-and-file participants; therefore, the funding target and target normal cost do not reflect any liability for top-heavy benefit accruals.

Plan Provisions Specific to Funding

Additional Benefits Included or Excluded

- **IRC Section 436 benefit restrictions:**
 - *Unpredictable contingent event benefits:* This valuation excludes restricted contingent event benefits that occurred before the valuation date but includes contingent event benefits which are expected to occur on or after the valuation date regardless of anticipated funding-based limitations.
 - *Plan amendments:* See above.
 - *Prohibited payments:* Limitations on prohibited benefits (if any) are reflected for annuity starting dates before the valuation date but are ignored for annuity starting dates on or after the valuation date.
 - *Benefit accruals:* The plan's funding target does not reflect any limitation on benefit accruals. The target normal cost does not reflect any limitation on benefit accruals.
- **Unpredictable contingent event benefits:** The plan does not have any unpredictable contingent event benefits.

Schedule SB, Part V — Summary of Plan Provisions

Plan Provision Changes Since Prior Valuation

Maximum compensation amounts and maximum benefit amounts under IRS rules were updated from 2015 to 2016.

The following amendments are effective January 1, 2016; as discussed with the auditors, they will be reflected as actuarial gain/loss as the impact is small:

- The definition of equivalent actuarial value was changed for form of payment conversions.

The definition of interest credit rate was changed.

Schedule SB, line 26 — Schedule of Active Participant Data

Attained age	Years of credited service										
	Under 1	1–4	5–9	10–14	15–19	20–24	25–29	30–34	35–39	40 & up	Total
Under 25		1									1
25–29		5									5
30–34		9	2	1							12
35–39		5	7	4							16
40–44		4	3	4	2	2					15
45–49		4	3	6	1	4	2				20
50–54		3	10	4	4	5	3	1			30
55–59		2	2	5		1	2	4	1		17
60–64				3	2	2	2	1	1	5	16
65–69		2	3			1		2		1	9
70 & up		1		1					1		3
Total	0	36	30	28	9	15	9	8	3	6	144

In each cell, the number is the count of active participants for each age/service combination.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Assumptions

Discount rate sponsor elections

• Segment rates or full yield curve	Segment		
• Look-back months	4		
		<u>Stabilized</u>	<u>Nonstabilized</u>
• First 5 years		4.43%	1.34%
• Next 15 years		5.91%	4.03%
• Over 20 years		6.65%	5.06%

Mortality sponsor elections

• Healthy participants	Section 430(h)(3) prescribed separate static annuitant and nonannuitant mortality tables. These tables are based on the RP-2000 mortality tables projected with mortality improvement to the valuation year plus 7 and 15 years based on Scale AA.
• Disabled participants	Same as healthy

Cash balance plans

• Interest accumulation rate	2.14%
• Annuity conversion	
— Mortality table	2016 IRC Section 417(e) unisex mortality
— Interest rate basis	Section 430(h)(3) prescribed interest rates

Other economic assumptions

• Salary increases	3.00% per year as prescribed by A&B
• Social Security wage base	3.25% per year
• Inflation	2.20% per year
• Expected investment return	7.10% per year as prescribed by A&B
• Expenses	Expected expenses to be paid from the trust in the current year (\$434,000 for 2016)

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Demographic assumptions

- Withdrawal See table of sample rates.
- Disability incidence None.
- Retirement age

Attained age	Percentage
Under 55	0%
55	4%
56	4%
57	4%
58	4%
59	4%
60	8%
61	10%
62	10%
63	20%
64	18%
65	25%
66	40%
67	50%
68	30%
69	20%
70	20%
71 and above	100%

- Benefit commencement age for
 - Future/current vested 62
 - deferred

	<u>Male participants</u>	<u>Female participants</u>
• Spouse assumptions		
— Percentage married	75%	65%
— Spouse age difference	3 years younger	2 years older

Form of payment – Traditional Pension Benefits	<u>Single life</u>	<u>50% J&S</u>
• Active retirements	60%	40%
• Future vested deferred	60%	40%
• Future disabilities	N/A	N/A
• Future deaths	0%	100%
• Current vested deferred	60%	40%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Form of payment – Cash Balance Benefits	<u>Lump sum</u>	<u>Single life</u>	<u>50% J&S</u>
• Active retirements	50%	25%	25%
• Future vested deferred	80%	10%	10%
• Future disabilities	N/A	N/A	N/A
• Future deaths	100%	0%	0%
• Current vested deferred	50%	25%	25%
Unpredictable contingent event assumptions	Not applicable		

Table of Sample Rates

Attained age	Withdrawal Rates
20	26.00%
25	18.00%
30	12.20%
35	8.70%
40	6.90%
45	6.10%
50	5.60%
55	0.00%

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

Actuarial Methods

Asset Methods

The asset valuation method is an average of the adjusted market value for each year during the last 2 years preceding the valuation date. The adjusted market value is the market value at each determination date adjusted to the valuation date based on actual cash flows and expected interest at the lesser of the expected rate of return and the third segment rate. This amount is adjusted to be no greater than 110% and no less than 90% of the fair market value, as defined in IRC Section 430.

A characteristic of this asset method is that, over time, it is slightly more likely to produce an actuarial value of assets that is less than the market value of assets than an actuarial value that is greater than the market value.

The method used to allocate Alexander & Baldwin, Inc. (A&B)'s retirement plans' Master Trust market value of assets is comprised of several steps:

1. Reconcile the master trust assets from the beginning of the plan year to the end of the plan year and identify the various receipts and disbursements items.
2. Identify which of those receipts and disbursements entries can be associated with a specific retirement plan. These entries include employer contributions paid to the Trust, benefit payments (including transfer of assets between retirement plans), PBGC premium payments, and fiduciary insurance premium payments that are paid from the Trust.
 - Mercer will receive a breakdown, by retirement plan, of all the non-purchased benefit payments paid during the year from John Hancock, Prudential and First Hawaiian Bank.
 - Employer contributions and PBGC premium payments are reported separately by retirement plan on the Trust statement.
 - The breakdown of fiduciary insurance premium payments by retirement plan will be provided by A&B.
3. The remaining receipts and disbursements, including investment expenses, and certain non-investment expenses and investment income earned (such as realized gains/losses, unrealized gains/losses, dividends and interest), that have not been associated with a particular retirement plan above are allocated in proportion to the "mean fund" using the following method:
 - i. Each plan's respective mean fund is calculated as the total of:
 - a. the prior year's year-end market value of assets (e.g., 12/31/2015 market value)
 - b. plus employer contributions paid to the plan during the year, weighted for the portion of the year after the date the contribution is made
 - c. minus any plan associated disbursements made during the year (such as lump sum payments, PBGC premium payments and fiduciary insurance

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- premium payments), weighted for the portion of the year after the date the disbursement is made
- d. minus any annuity payments made during the year, weighted for a $\frac{1}{2}$ year (assumes on the average disbursements are made in the middle of the year)
- ii. The mean fund for the individual plans are then totaled to produce a “total” mean fund.
- iii. Each plan's share of the receipts/disbursements not associated with a specific plan is determined by applying the ratio of (i) divided by (ii) to each such receipt/disbursement.

Once each receipt and disbursement has been assigned or allocated among all the plans, the determination of each plan's respective portion of the year-end market value of assets is calculated by totaling the respective plan's beginning-of-year market value of assets, associated receipts and disbursements, and allocated share of receipts and disbursements not associated with a specific plan.

Participant Methods

Participants or former participants are included or excluded from the valuation as described below:

- **Participants included:** The plan sponsor provides us with data on all employees as of the valuation date, but only those employees who have completed the plan's eligibility requirements are included in the valuation of liabilities.
- **Participants excluded:** No actuarial liability is included for nonvested participants who terminated prior to the valuation date. For this purpose, participants with a break in service on the valuation date are treated as terminated participants.
- **Insurance contracts:** The plan does not have any insurance contracts.

Minimum Funding Methods

The funding target for minimum funding calculations is computed using the traditional unit credit method of funding. The objective under this method is to fund each participant's benefits under the plan as they accrue. Thus, the total pension to which each participant is expected to become entitled at retirement is broken down into units, each associated with a year of past or future credited service.

A detailed description of the calculation follows:

- The plan's valuation date is the beginning of the plan year.
- An individual's **funding target** is the present value of future benefits based on credited service and average pay as of the beginning of the plan year, and an individual's **target normal cost** is the present value of the benefit expected to accrue in the plan year. If multiple decrements are used, the funding target and the target normal cost for an individual is the sum of the component funding targets and target normal costs associated with the various anticipated separation dates.

Schedule SB, Part V — Statement of Actuarial Assumptions/Methods

- The plan's **target normal cost** is the sum of the individual target normal costs, and the plan's **funding target** is the sum of the individual funding targets for all participants under the plan.

Schedule SB, line 24 — Change in Actuarial Assumptions

- The administrative expenses added to the normal cost were updated to include 2015 non-investment expenses and an estimated increase in PBGC premiums due in 2016 for each plan.
- Cash Balance interest accumulation rate was updated to 2016 actual interest credit rate of 2.14% from 2.41% in 2015.
- The inflation rate was updated from 2.50% to 2.20%.

Schedule SB, line 22 — Description of Weighted Average Retirement Age

Each employee is assumed to retire in accordance with the table of retirement rates. The proportion of employees expected to retire at each potential retirement age is shown below. The average retirement age is 63.

(A) Retirement age	(B) Retirement Percent	(C) Lx	(D) Number of employees expected to retire (B) x (C)	(E) (A) x (D)
55	4.0%	10,000	400	22,000
56	4.0%	9,600	384	21,504
57	4.0%	9,216	369	21,012
58	4.0%	8,847	354	20,526
59	4.0%	8,493	340	20,045
60	8.0%	8,154	652	39,138
61	10.0%	7,501	750	45,759
62	10.0%	6,751	675	41,858
63	20.0%	6,076	1215	76,560
64	18.0%	4,861	875	55,998
65	25.0%	3,986	996	64,772
66	40.0%	2,989	1196	78,922
67	50.0%	1,794	897	60,088
68	30.0%	897	269	18,296
69	20.0%	628	126	8,663
70	20.0%	502	100	7,031
71	100.0%	402	402	28,527
Total			10,000	630,698
Average				63.07

SCHEDULE SB (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Single-Employer Defined Benefit 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
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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 A&B RETIREMENT PLAN FOR SALARIED EMPLOYEES OF ALEXANDER & BALDWIN, LLC	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ALEXANDER & BALDWIN, LLC	D Employer Identification Number (EIN) 80-0819474
E Type of plan: ☒ Single ☐ Multiple-A ☐ Multiple-B	F Prior year plan size: ☐ 100 or fewer ☐ 101-500 ☒ More than 500

Part I Basic Information			
1 Enter the valuation date: Month 01 Day 01 Year 2016			
2 Assets:			
a Market value.....	2a	44,116,443	
b Actuarial value	2b	46,935,141	
3 Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target	(3) Total Funding Target
a For retired participants and beneficiaries receiving payment	239	25,559,054	25,559,054
b For terminated vested participants	120	6,069,649	6,069,649
c For active participants	144	14,524,323	15,029,039
d Total	503	46,153,026	46,657,742
4 If the plan is in at-risk status, check the box and complete lines (a) and (b) ☐			
a Funding target disregarding prescribed at-risk assumptions.....	4a		
b Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor	4b		
5 Effective interest rate.....	5	6.06%	
6 Target normal cost	6	894,191	

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		September 27, 2017
Signature of actuary		Date
ROWENA LAI, FSA, EA, MAAA		1707718
Type or print name of actuary		Most recent enrollment number
MERCER		415-743-8872
Firm name		Telephone number (including area code)
FOUR EMBARCADERO CENTER, SUITE 400		
SAN FRANCISCO CA 94111-4156		
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 ☐

Part II Beginning of Year Carryover and Prefunding Balances

	(a) Carryover balance	(b) Prefunding balance
7 Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....	0	147,321
8 Portion elected for use to offset prior year's funding requirement (line 35 from prior year)	0	0
9 Amount remaining (line 7 minus line 8).....	0	147,321
10 Interest on line 9 using prior year's actual return of <u>-3.09%</u>	0	-4,552
11 Prior year's excess contributions to be added to prefunding balance:		
a Present value of excess contributions (line 38a from prior year).....		
b(1) Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>6.25%</u>		0
b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return		
c Total available at beginning of current plan year to add to prefunding balance.....		0
d Portion of (c) to be added to prefunding balance.....		
12 Other reductions in balances due to elections or deemed elections		
13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....	0	142,769

Part III Funding Percentages

14 Funding target attainment percentage	14	100.28%
15 Adjusted funding target attainment percentage.....	15	100.59%
16 Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement	16	104.15%
17 If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage	17	%

Part IV Contributions and Liquidity Shortfalls**18** 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
09/15/2017	14,090,000	0			
Totals ▶	18(b)	14,090,000	18(c)		0

19 Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

a Contributions allocated toward unpaid minimum required contributions from prior years.....	19a	0
b Contributions made to avoid restrictions adjusted to valuation date	19b	0
c Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....	19c	12,745,833

20 Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☐ Yes ☒ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☐ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

Liquidity shortfall as of end of quarter of this plan year

(1) 1st	(2) 2nd	(3) 3rd	(4) 4th

Part V Assumptions Used to Determine Funding Target and Target Normal Cost

21 Discount rate:			
a Segment rates:	1st segment: 4.43 %	2nd segment: 5.91 %	3rd segment: 6.65 %
			☐ N/A, full yield curve used
b Applicable month (enter code).....			21b 4
22 Weighted average retirement age			22 63
23 Mortality table(s) (see instructions) ☐ Prescribed - combined ☒ Prescribed - separate ☐ Substitute			

Part VI Miscellaneous Items

24 Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment	☐ Yes ☒ No
26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment	☒ Yes ☐ No
27 If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment	27

Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years

28 Unpaid minimum required contributions for all prior years	28	0
29 Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)	29	0
30 Remaining amount of unpaid minimum required contributions (line 28 minus line 29)	30	0

Part VIII Minimum Required Contribution For Current Year

31 Target normal cost and excess assets (see instructions):			
a Target normal cost (line 6)	31a	894,191	
b Excess assets, if applicable, but not greater than line 31a	31b	134,630	
32 Amortization installments:	Outstanding Balance	Installment	
a Net shortfall amortization installment	0	0	
b Waiver amortization installment	0	0	
33 If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount	33		
34 Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)	34	759,561	
	Carryover balance	Prefunding balance	Total balance
35 Balances elected for use to offset funding requirement	0	0	0
36 Additional cash requirement (line 34 minus line 35)	36	759,561	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c)	37	12,745,833	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	11,986,272	
b Portion included in line 38a attributable to use of prefunding and funding standard carryover balances	38b	0	
39 Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37)	39	0	
40 Unpaid minimum required contributions for all years	40	0	

Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)

41 If an election was made to use PRA 2010 funding relief for this plan:			
a Schedule elected			
☐ 2 plus 7 years ☐ 15 years			
b Eligible plan year(s) for which the election in line 41a was made			
☐ 2008 ☐ 2009 ☐ 2010 ☐ 2011			
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		