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|--|---|--|--|---|--|
| Form 5500-SF Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation | | Short Form Annual Return/Report of Small Employee Benefit Plan This form is required to be filed 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-SF. | | OMB Nos. 1210-0110 1210-0089 2016 This Form is Open to Public Inspection | |
| Part I Annual Report Identification Information | | | | | |
| For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016 | | | | | |
| A This return/report is for: | | <input checked="" type="checkbox"/> a single-employer plan <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) <input type="checkbox"/> a one-participant plan <input type="checkbox"/> a foreign plan | | | |
| B This return/report is | | <input type="checkbox"/> the first return/report <input type="checkbox"/> the final return/report <input type="checkbox"/> an amended return/report <input type="checkbox"/> a short plan year return/report (less than 12 months) | | | |
| C Check box if filing under: | | <input checked="" type="checkbox"/> Form 5558 <input type="checkbox"/> automatic extension <input type="checkbox"/> DFVC program <input type="checkbox"/> special extension (enter description) | | | |
| Part II Basic Plan Information —enter all requested information | | | | | |
| 1a Name of plan RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC. | | 1b Three-digit plan number (PN) ▶ | | 001 | |
| | | 1c Effective date of plan | | 07/01/1961 | |
| 2a Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) ARCHBRIGHT P.O. BOX 12068 SEATTLE, WA 98102-0068 | | 2b Employer Identification Number (EIN) | | 91-0522849 | |
| | | 2c Sponsor's telephone number | | 206-329-1120 | |
| | | 2d Business code (see instructions) | | 541600 | |
| 3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor. | | 3b Administrator's EIN | | | |
| | | 3c Administrator's telephone number | | | |
| 4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN, and the plan number from the last return/report. | | 4b EIN | | | |
| a Sponsor's name | | 4c PN | | | |
| 5a Total number of participants at the beginning of the plan year | | 5a | | 51 | |
| b Total number of participants at the end of the plan year..... | | 5b | | 50 | |
| c Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)..... | | 5c | | | |
| d(1) Total number of active participants at the beginning of the plan year..... | | 5d(1) | | 13 | |
| d(2) Total number of active participants at the end of the plan year | | 5d(2) | | 13 | |
| e Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested | | 5e | | 0 | |
| 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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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. | 10/16/2017 | MAGDALEN BALDASSANO | | |
| | Signature of plan administrator | Date | Enter name of individual signing as plan administrator | | |
| SIGN HERE | Filed with authorized/valid electronic signature. | 10/16/2017 | MAGDALEN BALDASSANO | | |
| | Signature of employer/plan sponsor | Date | Enter name of individual signing as employer or plan sponsor | | |
| Preparer's name (including firm name, if applicable) and address (include room or suite number) | | | | Preparer's telephone number | |
| | | | | | |

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** If the plan is a defined benefit plan, is it covered under the PBGC insurance program (see ERISA section 4021)? ☒ Yes ☐ No ☐ Not determined

Part III Financial Information

| 7 Plan Assets and Liabilities | | (a) Beginning of Year | (b) End of Year |
|--|--------------|------------------------------|------------------------|
| a Total plan assets | 7a | 2638783 | 2595525 |
| b Total plan liabilities | 7b | 0 | 0 |
| c Net plan assets (subtract line 7b from line 7a) | 7c | 2638783 | 2595525 |
| 8 Income, Expenses, and Transfers for this Plan Year | | (a) Amount | (b) Total |
| a Contributions received or receivable from: | | | |
| (1) Employers | 8a(1) | 41392 | |
| (2) Participants | 8a(2) | 0 | |
| (3) Others (including rollovers) | 8a(3) | 0 | |
| b Other income (loss) | 8b | 205213 | |
| c Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) | 8c | | 246605 |
| d Benefits paid (including direct rollovers and insurance premiums to provide benefits) | 8d | 270585 | |
| e Certain deemed and/or corrective distributions (see instructions) .. | 8e | 0 | |
| f Administrative service providers (salaries, fees, commissions) | 8f | 19278 | |
| g Other expenses | 8g | 0 | |
| h Total expenses (add lines 8d, 8e, 8f, and 8g) | 8h | | 289863 |
| i Net income (loss) (subtract line 8h from line 8c) | 8i | | -43258 |
| j Transfers to (from) the plan (see instructions) | 8j | 0 | |

Part IV Plan Characteristics

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
1A 11
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

Part V Compliance Questions

| 10 During the plan year: | | Yes | No | N/A | Amount |
|---|------------|------------|-----------|------------|---------------|
| a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) | 10a | | X | | |
| b Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) | 10b | | X | | |
| c Was the plan covered by a fidelity bond? | 10c | X | | | 20000000 |
| d Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? | 10d | | X | | |
| e Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.) | 10e | | X | | |
| f Has the plan failed to provide any benefit when due under the plan? | 10f | | X | | |
| g Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) | 10g | | X | | |
| h If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) | 10h | | | | |
| i If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 | 10i | | | | |

Part VI Pension Funding Compliance

| | |
|--|---|
| 11 Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 11a Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 | 11a 0 |
| 12 Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| (If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.) | |
| a 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 letter ruling granting the waiver. Month _____ Day _____ Year _____ | |
| If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13. | |
| b Enter the minimum required contribution for this plan year | 12b |
| c Enter the amount contributed by the employer to the plan for this plan year | 12c |
| d Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) | 12d |
| e Will the minimum funding amount reported on line 12d be met by the funding deadline? | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |

Part VII Plan Terminations and Transfers of Assets

| | |
|---|---|
| 13a Has a resolution to terminate the plan been adopted in any plan year? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| If "Yes," enter the amount of any plan assets that reverted to the employer this year | 13a |
| b Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| c 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.) | |
| 13c(1) Name of plan(s): | 13c(2) EIN(s) |
| | 13c(3) PN(s) |
| | |

Part VIII Trust Information

| | |
|---|--|
| 14a Name of trust | 14b Trust's EIN |
| 14c Name of trustee or custodian | 14d Trustee's or custodian's telephone number |

Part IX IRS Compliance Questions

| | |
|--|---|
| 15a Is the plan a 401(k) plan? If "No," skip b..... | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 15b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply: | <input type="checkbox"/> Design-based safe harbor <input type="checkbox"/> "Prior year" ADP test <input type="checkbox"/> "Current year" ADP test <input type="checkbox"/> N/A |
| 16a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply: | <input type="checkbox"/> Ratio percentage test <input type="checkbox"/> Average benefit test <input type="checkbox"/> N/A |
| 16b 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? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 17a 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 _____. | |
| 17b 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 ____/____/____. | |
| 18 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? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 19 Was any plan participant a 5% owner who had attained at least age 70 ½ during the prior plan year? | <input type="checkbox"/> Yes <input type="checkbox"/> No |

| | | |
|--|--|---|
| 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>RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.</u> | B Three-digit plan number (PN) ▶ <u>001</u> |
| C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF <u>ARCHBRIGHT</u> | D Employer Identification Number (EIN) <u>91-0522849</u> |
| E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> 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>2638751</u> |
| b Actuarial value | 2b <u>2785197</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>20</u> <u>2204681</u> <u>2204681</u> |
| b For terminated vested participants | <u>16</u> <u>609846</u> <u>609846</u> |
| c For active participants | <u>15</u> <u>386285</u> <u>391318</u> |
| d Total | <u>51</u> <u>3200812</u> <u>3205845</u> |
| 4 If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/> | |
| 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>5.97 %</u> |
| 6 Target normal cost | 6 <u>15500</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 | | <u>10/06/2017</u> |
| | Signature of actuary | Date |
| <u>SUSAN L. BREEN-HELD</u> | Type or print name of actuary | <u>17-04276</u> |
| <u>PRINCIPAL FINANCIAL GROUP</u> | Firm name | Most recent enrollment number |
| <u>PO BOX 9394</u> <u>DES MOINES, IA 50306-9394</u> | Address of the firm | <u>515-247-6976</u> |
| | | Telephone number (including area code) |

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 ☐

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

Schedule SB (Form 5500) 2016
v. 160205

| 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 | 0 |
| 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 | 0 |
| 10 | Interest on line 9 using prior year's actual return of <u>-1.02</u> % | 0 | 0 |
| 11 | Prior year's excess contributions to be added to prefunding balance: | | |
| a | Present value of excess contributions (line 38a from prior year) | | 79 |
| 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>6.18</u> % | | 5 |
| b(2) | Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| c | Total available at beginning of current plan year to add to prefunding balance | | 84 |
| d | Portion of (c) to be added to prefunding balance | | 0 |
| 12 | Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

| Part III Funding Percentages | | | |
|------------------------------|--|-----------|--------|
| 14 | Funding target attainment percentage | 14 | 86.87% |
| 15 | Adjusted funding target attainment percentage | 15 | 86.87% |
| 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 | 92.73% |
| 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 |
| 03/31/2016 | 10348 | 0 | | | |
| 06/24/2016 | 10348 | 0 | | | |
| 10/06/2016 | 10348 | 0 | | | |
| 12/28/2016 | 10348 | 0 | | | |
| | | | | | |
| | | | | | |
| Totals ▶ | | | 18(b) | 41392 | 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 | 39938 |
| 20 Quarterly contributions and liquidity shortfalls: | | |
| a Did the plan have a "funding shortfall" for the prior year? | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? | | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 |
| | | |
| | | |
| | | |

| | | | |
|--|---|-----------------------|---|
| 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% | <input type="checkbox"/> 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) <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | | |
| 25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| 26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 15500 |
| b Excess assets, if applicable, but not greater than line 31a | | | 31b 0 |
| 32 Amortization installments: | | Outstanding Balance | Installment |
| a Net shortfall amortization installment | | 420648 | 21711 |
| 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 37211 |
| | 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 37211 |
| 37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | | | 37 39938 |
| 38 Present value of excess contributions for current year (see instructions) | | | |
| a Total (excess, if any, of line 37 over line 36) | | | 38a 2727 |
| 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 <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years | | | |
| b Eligible plan year(s) for which the election in line 41a was made <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input checked="" type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011 | | | |
| 42 Amount of acceleration adjustment | | | 42 0 |
| 43 Excess installment acceleration amount to be carried over to future plan years | | | 43 0 |

Schedule SB, Line 26 - Schedule of Active Participant Data
RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
EIN 91-0522849 Plan No. 001

| Form 5500 - Schedule of Active Participation Data | | | | | | Valuation Date 01/01/2016 | | | | |
|---|---------|--------|--------|----------|----------|---------------------------|----------|----------|----------|---------|
| YEARS OF CREDITED SERVICE | | | | | | | | | | |
| | Under 1 | 1 to 4 | 5 to 9 | 10 to 14 | 15 to 19 | 20 to 24 | 25 to 29 | 30 to 34 | 35 to 39 | 40 & up |
| Attained Age | No. | No. | No. | No. | No. | No. | No. | No. | No. | No. |
| Under 25 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 25 to 29 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 30 to 34 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 35 to 39 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 40 to 44 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 | 0 |
| 45 to 49 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 0 | 0 | 0 |
| 50 to 54 | 0 | 0 | 0 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 55 to 59 | 0 | 0 | 0 | 1 | 2 | 1 | 1 | 0 | 0 | 0 |
| 60 to 64 | 0 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 |
| 65 to 69 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 0 | 0 | 0 |
| 70 & up | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

| Assumptions Prescribed by Law | |
|---------------------------------|--|
| Mortality | <p>During Benefit Payment Period IRS Prescribed Mortality - Optional Combined Table for Small Plans, male and female.</p> <p>Before Benefit Payment Period None.</p> |
| Assumptions Selected by Actuary | |
| Asset Return | <p>7.60% for the current plan year.</p> <p>The Asset Return is developed as a weighted average rate based on the target asset allocation of the plan and the long-term capital market assumptions. The calculated return is on an arithmetic mean basis. For details, see the See Long-Term Capital Market Assumptions link.</p> |
| Expected Expense | <p>The expected expense included in Target Normal Cost is an estimate based on prior year expenses paid from plan assets.</p> <p>This is the best estimate available of upcoming year's expenses.</p> |
| Retirement | <p>Active participants are assumed to retire at 64.</p> <p>Inactive participants are assumed to retire at Normal Retirement Age as defined in Plan Provisions.</p> <p>This assumption is based on the results of recent experience analysis and anticipated future experience.</p> |
| Disability | None. This plan does not offer a disability benefit. |
| Withdrawal | <p>2003 Society of Actuaries Small Plan Age Table, multiplied by 2.00.</p> <p>We rely on a publicly published table due to the limited size of the plan. The SOA Small Plan Age Table is the most recent withdrawal experience table published by the Society of Actuaries. A multiplier of 2.00 is applied to this table to reflect the results of the most recent experience analysis and anticipated future experience.</p> |
| Form of Benefit | Participants are assumed to receive their benefits on the normal form at the assumed retirement age. |
| Methods Prescribed by Law | |
| Liability Measure | <p>Funding target is the present value of the benefits accrued on the valuation date. Included in Funding Target is the value of corrective back payments with interest to 12/31/2015 at 6.00% for three retirees who did not receive the Suspension of Benefits Notice. Target Normal Cost is based on benefits expected to accrue during the current plan year and includes an estimate of plan expenses for the year.</p> |

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

| | |
|---|---|
| HCE Benefit Payment Restrictions | <p>A ratio of the plan assets and accrued liability is used to determine if restrictions apply. Assets and accrued liability are as of the valuation date and are reduced by:</p> <ul style="list-style-type: none"> • any retiree benefit index or floor • amounts for HCEs who were previously restricted • an amount for the retiring HCE <p>The estimated HCE ratio illustrated in this report is based on the market value of plan assets (excluding late deposits) and Funding Target as of the valuation date. The Funding Target uses the non-stabilized interest rates as defined in IRC §430(h)(2)(C)(iv). Other assumptions or methods could be used.</p> |
| Methods Selected by Plan Sponsor | |
| Asset Method | <p>The asset valuation method is prescribed by law for plans that elect to use a value other than market value.</p> <p>For each of the preceding two years, an expected value of assets at the end of the year is compared to the end of year market value. The resulting gain or loss is recognized evenly over three plan years.</p> <p>The expected value includes contributions, distributions, any deducted administrative expenses, and expected earnings (based on the lesser of the assumed interest rate or the Maximum Allowable Rate). The deferred gains and losses are added to the current market value and then restricted to no more than 110% and no less than 90% of that market value.</p> <p>When actual returns exceed the assumed return, the actuarial value of assets will lag below market value. The lag and the smoothing effect are limited since the value must be within 10% of market value.</p> |
| Segment Rates | <p>24-month average with no weighting to prior law basis. Use rates where August is the last month included in the average.</p> |
| PBGC Premium Basis | <p>Your plan is a small plan as defined by PBGC. Variable Rate Premiums are calculated using census, market value of assets and interest rates in effect on the current valuation date. Interest rates are the one-month average of corporate bond rates. You elected this Standard interest rate method for the 01/01/2014 plan year and the method must be used for five years before a change can be made.</p> |

| Methods Elected by Actuary | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|---|--|--|-----------|------|--------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-----|-------|-------|-----|-------|-------|-------|-------|-------|
| Retirees | Assets and liabilities for current and future retirees are included. | | | | | | | | | | | | | | | | | | | | | | | | |
| Vested Benefits | <p>A benefit is included in vested benefits if it meets the requirements under PBGC. The benefit is multiplied by the participant's vesting percentage applicable to each benefit on the valuation date.</p> <p>The following ancillary benefits are always treated as nonvested: disability benefits payable to retirement age unless in pay status, pre-retirement death benefits in excess of the Survivor Annuity Death Benefit and post retirement death benefits for non-retired participants except as noted in the Plan Provisions.</p> | | | | | | | | | | | | | | | | | | | | | | | | |
| Assumptions and Methods Elected by Actuary Plan Accounting (ASC 960) | | | | | | | | | | | | | | | | | | | | | | | | | |
| With the exceptions below, all assumptions and methods are the same as those used in determining your plan's regular Funding Target and Target Normal Cost. | | | | | | | | | | | | | | | | | | | | | | | | | |
| Mortality | <p>Rates: Total Mortality rates from RP-2006 (baseline table from SOA RP-2014 study based on experience data for private pension plans).</p> <p>Mortality Improvement (MI): RPEC_2014_v2011 model, reflecting historical U.S. mortality data to 2011 and with the last year of historical graduated data of 2009, with the following assumptions:</p> <ul style="list-style-type: none">• Convergence period of 10-years• Long-term mortality improvement is the sex-distinct and the age-based assumption calibrated to the annual improvement averages, for the period 2010-2088 published in the Social Security Administration (SSA) Trustees Report 2014. <table><tr><th colspan="3">Long-Term Mortality Improvement Rates (averages 2010-2088 in SSA Trustees 2014 Report)</th></tr><tr><th>Age Group</th><th>Male</th><th>Female</th></tr><tr><td>15-49</td><td>0.89%</td><td>0.91%</td></tr><tr><td>50-64</td><td>1.09%</td><td>1.11%</td></tr><tr><td>65-84</td><td>0.92%</td><td>0.83%</td></tr><tr><td>85+</td><td>0.59%</td><td>0.53%</td></tr><tr><td>65+</td><td>0.77%</td><td>0.68%</td></tr><tr><td>Total</td><td>0.84%</td><td>0.77%</td></tr></table> <p>During Benefit Payment Period Above table with generational MI, Annuitant, male and female.</p> <p>Before Benefit Payment Period None.</p> <p>See Mortality rationale for additional information.</p> | Long-Term Mortality Improvement Rates (averages 2010-2088 in SSA Trustees 2014 Report) | | | Age Group | Male | Female | 15-49 | 0.89% | 0.91% | 50-64 | 1.09% | 1.11% | 65-84 | 0.92% | 0.83% | 85+ | 0.59% | 0.53% | 65+ | 0.77% | 0.68% | Total | 0.84% | 0.77% |
| Long-Term Mortality Improvement Rates (averages 2010-2088 in SSA Trustees 2014 Report) | | | | | | | | | | | | | | | | | | | | | | | | | |
| Age Group | Male | Female | | | | | | | | | | | | | | | | | | | | | | | |
| 15-49 | 0.89% | 0.91% | | | | | | | | | | | | | | | | | | | | | | | |
| 50-64 | 1.09% | 1.11% | | | | | | | | | | | | | | | | | | | | | | | |
| 65-84 | 0.92% | 0.83% | | | | | | | | | | | | | | | | | | | | | | | |
| 85+ | 0.59% | 0.53% | | | | | | | | | | | | | | | | | | | | | | | |
| 65+ | 0.77% | 0.68% | | | | | | | | | | | | | | | | | | | | | | | |
| Total | 0.84% | 0.77% | | | | | | | | | | | | | | | | | | | | | | | |

Schedule SB, Part V - Statement of Actuarial Assumptions/Methods
RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
EIN 91-0522849 Plan No. 001

| | |
|--|--|
| Interest Rate Used to Value Liabilities | 6.90%. The interest rate used to value ASC 960 liabilities is developed as long-term expected geometric return on plan assets. Arithmetic expected return is calculated as the weighted average of broad asset classes' arithmetic returns of the plan's target asset allocation, and then converted to the geometric under lognormal distribution assumption. For details, see Long-Term Capital Market Assumptions link. |
|--|--|

| | | |
|---|--|---|
| SCHEDULE SB (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small> | 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 |
|---|--|---|

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 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC. | <table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:70%;">B Three-digit plan number (PN) ►</td> <td style="width:30%; text-align: center;">001</td> </tr> </table> | B Three-digit plan number (PN) ► | 001 |
| B Three-digit plan number (PN) ► | 001 | | |
| C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF ARCHBRIGHT | D Employer Identification Number (EIN) 91-0522849 | | |

| | |
|---|---|
| E Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | F Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> 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 | 2638751 | |
| | b Actuarial value | 2b | 2785197 | |
| 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..... | 20 | 2204681 | 2204681 |
| | b For terminated vested participants..... | 16 | 609846 | 609846 |
| | c For active participants..... | 15 | 386285 | 391318 |
| | d Total..... | 51 | 3200812 | 3205845 |
| 4 | If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/> | | | |
| | 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 | 5.97 % | |
| 6 | Target normal cost..... | 6 | 15500 | |

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 | <u>10-6-2017</u> Date |
| | Susan L. Breen-Held | 1704276 |
| | Type or print name of actuary | Most recent enrollment number |
| | Principal Financial Group | 515-247-6976 |
| | Firm name | Telephone number (including area code) |
| | PO Box 9394 Des Moines, IA 50306-9394 | |
| | 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 | 0 |
| 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 | 0 |
| 10 Interest on line 9 using prior year's actual return of <u>-1.02 %</u> | 0 | 0 |
| 11 Prior year's excess contributions to be added to prefunding balance: | | |
| a Present value of excess contributions (line 38a from prior year) | | 79 |
| 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>6.18 %</u> | | 5 |
| b(2) Interest on line 38b from prior year Schedule SB, using prior year's actual return | | 0 |
| c Total available at beginning of current plan year to add to prefunding balance | | 84 |
| d Portion of (c) to be added to prefunding balance | | 0 |
| 12 Other reductions in balances due to elections or deemed elections | 0 | 0 |
| 13 Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) | 0 | 0 |

| Part III Funding Percentages | | |
|--|-----------|---------|
| 14 Funding target attainment percentage | 14 | 86.87 % |
| 15 Adjusted funding target attainment percentage | 15 | 86.87 % |
| 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 | 92.73 % |
| 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 |
| 03/31/2016 | 10348 | 0 | | | |
| 06/24/2016 | 10348 | 0 | | | |
| 10/06/2016 | 10348 | 0 | | | |
| 12/28/2016 | 10348 | 0 | | | |
| | | | | | |
| | | | | | |
| Totals ► | | | 18(b) | 41392 | 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 | 39938 |
| 20 Quarterly contributions and liquidity shortfalls: | | |
| a Did the plan have a "funding shortfall" for the prior year? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | |
| b If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 |
| | | |
| | | |

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 % | <input type="checkbox"/> 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) | <input checked="" type="checkbox"/> Prescribed - combined <input type="checkbox"/> Prescribed - separate <input type="checkbox"/> 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 | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| 25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| 26 Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> 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 | 15500 | | | | | | | | | | |
| b Excess assets, if applicable, but not greater than line 31a | 31b | 0 | | | | | | | | | | |
| 32 Amortization installments: | <table border="1"> <thead> <tr> <th></th> <th>Outstanding Balance</th> <th>Installment</th> </tr> </thead> <tbody> <tr> <td>a Net shortfall amortization installment</td> <td>420648</td> <td>21711</td> </tr> <tr> <td>b Waiver amortization installment</td> <td>0</td> <td>0</td> </tr> </tbody> </table> | | | | Outstanding Balance | Installment | a Net shortfall amortization installment | 420648 | 21711 | b Waiver amortization installment | 0 | 0 |
| | Outstanding Balance | Installment | | | | | | | | | | |
| a Net shortfall amortization installment | 420648 | 21711 | | | | | | | | | | |
| 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 | 37211 | | | | | | | | | | |
| | 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 | 37211 | | | | | | | | | | |
| 37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) | 37 | 39938 | | | | | | | | | | |
| 38 Present value of excess contributions for current year (see instructions) | | | | | | | | | | | | |
| a Total (excess, if any, of line 37 over line 36) | 38a | 2727 | | | | | | | | | | |
| 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 | <input type="checkbox"/> 2 plus 7 years <input checked="" type="checkbox"/> 15 years | | |
| b Eligible plan year(s) for which the election in line 41a was made | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input checked="" type="checkbox"/> 2010 <input checked="" type="checkbox"/> 2011 | | |
| 42 Amount of acceleration adjustment | 42 | 0 | |
| 43 Excess installment acceleration amount to be carried over to future plan years | 43 | 0 | |

Schedule SB, Line 2a - Explanation of Assets

RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.

EIN 91-0522849 Plan No. 001

The market value of assets on line 2a does not equal assets shown on Schedule H, Schedule I or Form 5500-SF. Schedule H, Schedule I and Form 5500-SF use the full value of contributions received after plan year end. Line 2a includes the value of \$15,113 contributions received after the plan year end with a discounted value of \$15,081.

Schedule SB, Line 22 - Description Of Weighted Average Retirement Age
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

Active participants are expected to retire at the plan's assumed retirement age. The retirement rate reflects only those participants who meet retirement eligibility. The turnover decrement is presumed to be an assumed retirement age for those active participants at ages when they are eligible to early retire.

| (1) Age | (2) Expected Active Headcount | (3) Retirement Rate | (4) Expected Retirements (2)*(3) | (5) Weighted Age (1)*(4) |
|------------|--|---------------------------|---|-----------------------------------|
| 55 | 2.9503 | 0.0840 | 0.2478 | 13.6306 |
| 56 | 4.7025 | 0.0800 | 0.3762 | 21.0673 |
| 57 | 4.3263 | 0.0740 | 0.3201 | 18.2484 |
| 58 | 5.0062 | 0.0700 | 0.3504 | 20.3250 |
| 59 | 6.6557 | 0.0660 | 0.4393 | 25.9174 |
| 60 | 6.2165 | 0.0600 | 0.3730 | 22.3792 |
| 61 | 5.8435 | 0.0560 | 0.3272 | 19.9613 |
| 62 | 6.5162 | 0.0520 | 0.3388 | 21.0083 |
| 63 | 6.1774 | 0.0460 | 0.2842 | 17.9021 |
| 64 | 6.8932 | 1.0000 | 6.8932 | 441.1667 |
| 65 | 1.0000 | 1.0000 | 1.0000 | 65.0000 |
| Total | | | 10.9503 | 686.6063 |
| Average | | | | 62.70 |

Schedule SB, Part V - Summary of Plan Provisions
RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
EIN 91-0522849 Plan No. 001

This report reflects the maximum benefit limits under Internal Revenue Code (IRC) Section 415 and maximum compensation limits under IRC Section 401 in effect on the first day of each plan year.

The following is a summary of plan provisions and does not alter the intent or meanings of the provisions contained in the contract or plan document. This report reflects the provisions of the 01/01/2014 plan restatement signed 12/31/2014. It has been updated for Amendment 1, effective 01/01/2015 and signed 11/10/2015.

| Plan Eligibility | |
|------------------|---|
| Age | Attained age 18. |
| Class | Employees not represented by a collective bargaining agreement. No participants will become eligible for the plan after December 31, 2001. |

| Normal Retirement Benefit | |
|-------------------------------------|---|
| Age | Attained age 65. |
| Form | Monthly annuity payable for life (optional forms may be elected in advance of retirement). |
| Amount (accrued benefit) | The sum of (a) and (b) (a) 1.25% of average compensation up to the integration level multiplied by years of credited service (30 year maximum). (b) 1.55% of average compensation in excess of the integration level multiplied by years of credited service (30 year maximum). On and after December 31, 2001, a participant's accrued benefit shall be frozen and no additional benefits shall accrue. |

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

| Early Retirement Benefit | |
|--------------------------|--|
| Age | Attained age 55. |
| Service | Five years of vesting service |
| Form | Same as normal retirement benefit. |
| Amount | <p>Accrued benefit reduced as follows if participant has attained age 60 at termination:</p> <p>2.0%/year from age 62 to 65</p> <p>14.0%/year from age 61 to 62</p> <p>13.3%/year from age 60 to 61</p> <p>3.33%/year from age 55 to 60</p> <p>Reduction if participant has not attained age 60 at termination is:</p> <p>6.67%/year from age 60 to 65</p> <p>3.33%/year from age 55 to 60</p> |

| Late Retirement Benefit | |
|-------------------------|--|
| Age | No maximum age |
| Form | Same as normal retirement benefit. |
| Amount | Accrued benefit on late retirement date. |

| Termination Benefit | |
|---------------------------|--|
| Vesting Percentage | 100% after five years of vesting service. |
| Form | Same as normal retirement benefit with income deferred until normal retirement date. |
| Amount | Accrued benefit on date of termination multiplied by the vesting percentage. |

Schedule SB, Part V - Summary of Plan Provisions
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

| Survivor Annuity Death Benefit | |
|--------------------------------|---|
| Eligibility | Qualified married participant fully or partially vested in an accrued benefit. |
| Form | Monthly annuity payable to spouse, deferred to participant's earliest retirement date if later than the date of death. |
| Amount | If death occurs, the amount paid to the surviving spouse is equal to the amount that would have been paid had the participant terminated employment on the date of death and survived to his/her earliest retirement age, retired with a qualified joint and 100% survivor annuity in effect, then died the next day. |

| Definitions | |
|---|---|
| Average compensation | The monthly average of total pay received for the 60 consecutive months which give the highest average. |
| Integration Level | The monthly average of the Social Security taxable wage bases (in effect under Section 230 of the Social Security Act) for each year in the 35-year period ending with the year the employee attains Social Security retirement age. |
| Optional Forms of Benefit Payments | <p>The optional forms of benefit payments are:</p> <ul style="list-style-type: none"> • Monthly annuity payable for life or 10 years certain and life. • Monthly annuity payable as a survivorship life annuity with survivor percentages of 50, 75 or 100. • Level income annuity at early retirement with Western Metal Industry payable at normal retirement (only eligible if less than 5 years vesting in that plan). <p>The optional form conversion basis is 6.0% interest and the 1984 unisex pensioners mortality table. However, for purposes of the level income annuity optional form, the conversion basis uses the applicable interest rate and applicable mortality table as set forth in Code Section 417. The applicable interest rate uses the second calendar month preceding the first day of the stability period which is the plan year.</p> |

Changes in Principal Eligibility or Benefit Provisions

There have been no changes in principal eligibility or benefit provisions since the last valuation.

Significant Event

The enrolled actuary has not been made aware that any significant events have occurred during the year.

Schedule SB, Line 32 - Schedule of Amortization Bases
 RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
 EIN 91-0522849 Plan No. 001

| Shortfall | | | |
|--------------|---------------|-----------------|---------------|
| Date Created | Present Value | Remaining Years | Annual Charge |
| 01/01/2016 | \$205,897 | 7 | \$34,019 |
| 01/01/2015 | (68,428) | 6 | (12,805) |
| 01/01/2014 | (222,270) | 5 | (48,389) |
| 01/01/2013 | 111,985 | 4 | 29,842 |
| 01/01/2012 | (144,026) | 3 | (50,104) |
| 01/01/2011 | 387,001 | 10 | 48,682 |
| 01/01/2010 | 150,489 | 9 | 20,466 |
| Total | \$420,648 | | \$21,711 |

Last year's total shortfall annual charge was \$20,891.

The total annual charge used in calculating your Annual Cost cannot be less than zero.

Waiver charges represent your repayment to the plan for an Annual Charge that was not funded. A waiver only exists once the Internal Revenue Service has granted approval. See [Waivers](#) in Rules and Regulations.

| Waiver | | | |
|--------------|---------------|-----------------|---------------|
| Date Created | Present Value | Remaining Years | Annual Charge |
| N/A | N/A | N/A | N/A |

There are no waiver bases for the current year.

Schedule SB, Line 24 – Change in Actuarial Assumptions
RETIREMENT PLAN FOR EMPLOYEES OF WASHINGTON EMPLOYERS, INC.
EIN 91-0522849 Plan No. 001

Certain non-prescribed assumptions have been changed since last year. These assumptions were changed to better reflect the anticipated experience of your plan.

- The assumed asset return for the current year has decreased from 7.75% to 7.60%. This rate is used in the calculation of the actuarial value of plan assets.