

Form 5500-SFDepartment of the Treasury
Internal Revenue ServiceDepartment 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**2017****This Form is Open to
Public Inspection****Part I Annual Report Identification Information**For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

- A** This return/report is for:
- a single-employer plan a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)
- a one-participant plan a foreign plan
- 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** Check box if filing under:
- Form 5558 automatic extension DFVC program
- special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan <u>CLISE AGENCY RETIREMENT PLAN</u>	1b Three-digit plan number (PN) ▶ <u>001</u>
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) <u>CLISE AGENCY, INC.</u> <u>1700 SEVENTH AVENUE, SUITE 1800</u> <u>SEATTLE, WA 98101-1183</u>	1c Effective date of plan <u>05/01/1945</u>
	2b Employer Identification Number (EIN) <u>91-0839938</u>
	2c Sponsor's telephone number <u>206-623-7500</u>
	2d Business code (see instructions) <u>531120</u>
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 or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report. a Sponsor's name c Plan Name	4b EIN
	4d PN
5a Total number of participants at the beginning of the plan year	5a <u>78</u>
b Total number of participants at the end of the plan year	5b <u>78</u>
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) <u>34</u>
d(2) Total number of active participants at the end of the plan year	5d(2) <u>31</u>
e Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	5e <u>0</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, 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.	<u>10/02/2018</u>	<u>BRYAN JOYNER</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

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

Form 5500-SF (2017)
v.170203

- 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
- If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year 4075289. (See instructions.)

Part III Financial Information			
7		(a) Beginning of Year	(b) End of Year
7	Plan Assets and Liabilities		
a	Total plan assets	7a 11387356	13036125
b	Total plan liabilities	7b	
c	Net plan assets (subtract line 7b from line 7a)	7c 11387356	13036125
8		(a) Amount	(b) Total
a	Contributions received or receivable from:		
	(1) Employers	8a(1) 700000	
	(2) Participants	8a(2)	
	(3) Others (including rollovers)	8a(3)	
b	Other income (loss)	8b 1352947	
c	Total income (add lines 8a(1), 8a(2), 8a(3), and 8b)	8c	2052947
d	Benefits paid (including direct rollovers and insurance premiums to provide benefits)	8d 318549	
e	Certain deemed and/or corrective distributions (see instructions) ...	8e	
f	Administrative service providers (salaries, fees, commissions)	8f 85629	
g	Other expenses	8g	
h	Total expenses (add lines 8d, 8e, 8f, and 8g)	8h	404178
i	Net income (loss) (subtract line 8h from line 8c)	8i	1648769
j	Transfers to (from) the plan (see instructions)	8j	

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 1I 3H
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		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (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	1000000
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)	13c(2)	13c(3)
Name of plan(s):	EIN(s)	PN(s)

**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

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **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>CLISE AGENCY RETIREMENT PLAN</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>CLISE AGENCY, INC.</u>		D Employer Identification Number (EIN) <u>91-0839938</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>2017</u>			
2 Assets:			
a Market value	2a	<u>11373416</u>	
b Actuarial value	2b	<u>11373416</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>22</u>	<u>2406543</u>	<u>2406543</u>
b For terminated vested participants	<u>22</u>	<u>1957042</u>	<u>1957042</u>
c For active participants	<u>34</u>	<u>5634430</u>	<u>5634430</u>
d Total	<u>78</u>	<u>9998015</u>	<u>9998015</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>5.88 %</u>	
6 Target normal cost	6	<u>0</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	<u>MAHRUKH MAVALVALA</u>	Date	<u>10/01/2018</u>
	Type or print name of actuary	<u>MILLIMAN, INC.</u>	Most recent enrollment number	<u>17-05999</u>
	Firm name	<u>1301 FIFTH AVENUE, SUITE 3800 SEATTLE, WA 98101-2605</u>	Telephone number (including area code)	<u>206-624-7940</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

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

**Schedule SB (Form 5500) 2017
v. 170203**

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)	25680	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)	25680	0
10	Interest on line 9 using prior year's actual return of <u>4.84</u> %	1243	0
11	Prior year's excess contributions to be added to prefunding balance:		
a	Present value of excess contributions (line 38a from prior year)		648235
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>6.09</u> %		39478
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		687713
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)	26923	0

Part III		Funding Percentages	
14	Funding target attainment percentage	14	113.48%
15	Adjusted funding target attainment percentage	15	113.75%
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	111.64%
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
11/09/2017	350000	0			
08/17/2018	350000	0			
			Totals ▶	18(b)	18(c)
				700000	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 652290
20	Quarterly contributions and liquidity shortfalls:	
a	Did the plan have a "funding shortfall" for the prior year?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
b	If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner?	<input 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
		(4) 4th

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

21 Discount rate:

a Segment rates:

1st segment: 4.16%	2nd segment: 5.72%	3rd segment: 6.48%	<input type="checkbox"/> N/A, full yield curve used
-----------------------	-----------------------	-----------------------	---

b Applicable month (enter code) **21b** 4

22 Weighted average retirement age **22** 62

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** 0

b Excess assets, if applicable, but not greater than line 31a **31b** 0

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** 0

	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** 0

37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) **37** 652290

38 Present value of excess contributions for current year (see instructions)

a Total (excess, if any, of line 37 over line 36) **38a** 652290

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**

Exhibit 19

Active Participants by Age and Service

The number of active participants, summarized by attained age and years of credited service as of January 1, 2017, is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0-24	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0
35-39	1	0	1	1	0	0	0	0	0	0	0	3
40-44	0	3	3	0	0	0	0	0	0	0	0	6
45-49	1	0	1	1	0	0	0	0	0	0	0	3
50-54	0	1	1	2	1	0	0	0	0	0	0	5
55-59	0	1	4	1	1	0	0	0	0	0	0	7
60-64	0	1	2	1	1	0	1	0	0	0	0	6
65-69	0	0	1	0	1	0	2	0	0	0	0	4
70+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Average	2	6	13	6	4	0	3	0	0	0	0	34

Appendix A – Summary of Actuarial Methods

The ultimate cost of a pension plan is the excess of actual benefits and administrative expenses paid over actual net investment return on plan assets during the plan's existence until the last payment has been made to the last participant. A plan's "actuarial cost method" determines the expected incidence of actuarial costs by allocating portions of the ultimate cost to each plan year. The cost method is thus a budgeting tool to help ensure that the Plan will be adequately and systematically funded and accounted for. Annual contributions are also affected by the "asset valuation method" (as well as plan provisions, actuarial assumptions and actual plan demographic and investment experience each year).

Actuarial Cost Method

The actuarial cost method used for determining the Plan's ERISA funding requirements is the Unit Credit method. Under this method, an accrued benefit is determined at each active participant's assumed retirement age based on compensation and service at both the beginning and the end of the current year. The Plan's normal cost is the sum of the present value of the excess of each active participant's accrued benefit at the end of the current year over that at the beginning of the current year. The Plan's accrued liability is the sum of (a) the present value of each active participant's accrued benefit at the beginning of the current year plus (b) the present value of each inactive participant's benefits. This method is prescribed for ERISA funding requirements by the Pension Protection Act of 2006.

Asset Valuation Method

The Actuarial Value of Assets used for determining the Plan's ERISA funding requirements is equal to the Adjusted Market Value of Assets. The Adjusted Market Value of Assets is equal to the Market Value of Assets as of the valuation date plus the discounted value of employer contributions made after the valuation date. These contributions are discounted to the valuation date using the Effective Interest Rate for the prior plan year.

PBGC Variable Rate Premium Method

The standard method is used for the PBGC variable rate premium calculation (adopted January 1, 2014).

Appendix B – Summary of Actuarial Assumptions

ECONOMIC ASSUMPTIONS

Interest Rates

The current funding and PBGC interest rates are as follows. The funding interest rates are prescribed under IRS regulations based on the Plan Sponsor's interest rate election. The PBGC interest rates are based on the Plan Sponsor's elected method for determining the premium funding target.

	Minimum Funding	Maximum Deductible	PBGC Premium
Segment 1 (0–5 years)	4.16%	1.52%	2.04%
Segment 2 (5–20 years)	5.72%	3.80%	4.03%
Segment 3 (20+ years)	6.48%	4.79%	4.82%
Effective Interest Rate	5.88%	4.08%	4.25%

- **ERISA minimum funding:** 24-month average segment rates, using a four-month lookback period, adjusted to reflect the applicable segment rate stabilization corridor (adopted January 1, 2010).
- **Maximum Deductible Contribution:** 24-month average segment rates, using a four-month lookback period, but not adjusted to reflect segment rate stabilization (adopted January 1, 2010).
- **PBGC premium:** Spot segment rates for the month preceding the valuation date, but not adjusted to reflect segment rate stabilization (adopted January 1, 2014).

Asset Return

5.00% per year (adopted January 1, 2016). This represents the expected long-term geometric mean return on assets based on the Plan's investment policy and asset allocation and the actuary's capital market expectations.

Compensation Increases

Not applicable. Benefits were frozen as of December 31, 2008.

Inflation

No explicit assumption.

Postretirement Benefit Increases

None. (The Plan does not provide for automatic postretirement benefit increases.)

Expenses

No allowance for administrative or investment expenses has been included in the costs. Administrative expenses are not paid from plan assets. It is assumed that any investment expenses not paid directly by the Plan Sponsor will be paid by investment return in excess of that assumed.

DEMOGRAPHIC ASSUMPTIONS

Except where noted, all demographic assumptions are based on the actuary's judgment and continual review of experience.

Mortality

RP-2000 Non-Annuitant and Annuitant Mortality Tables, sex-distinct, projected on a static basis for 15 years and 7 years from the valuation date, respectively, using mortality improvement Scale AA, as prescribed by IRC Section 430(h)(3)(A) (adopted January 1, 2008 and updated annually). The mortality rates are based on PPA statute and IRS/PBGC regulations.

Retirement

Annual rates are shown in the following table for active and terminated vested participants who are eligible to retire (adopted January 1, 2008).

Age	Rate
55–61	5.0%
62–64	15.0
65+	100.0

Termination

Annual rates of termination are shown in the following table (adopted January 1, 2008).

Years of Service	Rate
1	12.5%
2	11.5
3	10.5
4	9.5
5	8.5
6	8.0
7	7.5
8	7.0
9	6.5
10	6.0
11	5.5
12+	5.0

Disability

None assumed.

Decrement Timing

Decrements are assumed to occur at the beginning of the year.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan
Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Form of Payment

- **For participants in pay status:** Actual forms of payment are included in the census data.
- **For participants not in pay status:** Life annuity.

Marital Characteristics

- **For participants in pay status:** Actual birth dates of spouses are included in the census data, where relevant.
- **For participants not in pay status:** 100% of participants are assumed to be married to a spouse of the opposite sex. Males are assumed to be three years older than females. This assumption is based on plan experience with a provision for adverse deviation.

Benefits Not Valued

All benefits are valued.

Special Data Adjustments

None.

**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

2017

This Form is Open to Public Inspection

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017

▶ **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 CLISE AGENCY RETIREMENT PLAN	B Three-digit plan number (PN) ▶	001
C Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF CLISE AGENCY, INC.	D Employer Identification Number (EIN) 91-0839938	
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>2017</u>	
2	Assets:		
	a Market value.....	2a	11,373,416
	b Actuarial value.....	2b	11,373,416
3	Funding target/participant count breakdown	(1) Number of participants	(2) Vested Funding Target
	a For retired participants and beneficiaries receiving payment.....	22	2,406,543
	b For terminated vested participants.....	22	1,957,042
	c For active participants.....	34	5,634,430
	d Total.....	78	9,998,015
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	5.88%
6	Target normal cost.....	6	0

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	<i>Mahrugh Mavalvala</i> Signature of actuary	<u>10/1/2018</u> Date
	MAHRUKH MAVALVALA Type or print name of actuary	1705999 Most recent enrollment number
	MILLIMAN, INC. Firm name	206-624-7940 Telephone number (including area code)
	1301 FIFTH AVENUE, SUITE 3800 SEATTLE WA 98101-2605 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

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

Schedule SB (Form 5500) 2017

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

21 Discount rate:				
a Segment rates:	1st segment: 4.16 %	2nd segment: 5.72 %	3rd segment: 6.48 %	<input type="checkbox"/> N/A, full yield curve used
b Applicable month (enter code).....				21b 4
22 Weighted average retirement age				22 62
23 Mortality table(s) (see instructions)	<input type="checkbox"/> Prescribed - combined	<input checked="" 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 type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
25 Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment.	<input checked="" type="checkbox"/> Yes	<input 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	0	
b Excess assets, if applicable, but not greater than line 31a	31b	0	
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	0	
	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	0	
37 Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....	37	652,290	
38 Present value of excess contributions for current year (see instructions)			
a Total (excess, if any, of line 37 over line 36)	38a	652,290	
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 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 type="checkbox"/> 2010 <input type="checkbox"/> 2011
42 Amount of acceleration adjustment	42		
43 Excess installment acceleration amount to be carried over to future plan years	43		

Exhibit

Employer Contributions for Prior Plan Year

The employer contributions for the prior plan year ending December 31, 2017 were paid or are payable on the dates and in the amounts shown below. The prior plan year's Effective Interest Rate of 5.88% per year is used to discount contributions back to January 1, 2017. Contributions (or portions of contributions) made after the due date for a quarterly required contribution are penalized an additional 5% per year during the late period. Contributions made solely to avoid the application of benefit restrictions cannot be considered in determining excess contributions.

Date	Contribution Amount	Discounted Value as of 1/1/2017 without Penalty	Penalty Amount	Discounted Value as of 1/1/2017 with Penalty
November 9, 2017	\$350,000	\$333,317	\$0	\$333,317
August 17, 2018	<u>350,000</u>	<u>318,973</u>	<u>0</u>	<u>318,973</u>
Total	700,000	652,290	0	652,290

EIN 91-0839938, PN 001, Clise Agency Retirement Plan
 Schedule SB, Line 22 – Description of Weighted Average Retirement Age

Weighted Average Retirement Age

The weighted average retirement age for active participants is 62. This equals the sum, over all retirement ages, of the retirement age multiplied by the probability of retiring at that age, as shown in the following table.

(a) Possible Retirement Age "r"	(b) Assumed Rate of Retirement at Age "r"	(c) Probability of Person Age 55 Still Working at "r"	(d) (b) x (c) = Probability of Person Age 55 Retiring at "r"	(e) (a) x (d) = Component of Weighted Average Retirement Age
55	0.0500	1.0000	0.0500	2.7500
56	0.0500	0.9500	0.0475	2.6600
57	0.0500	0.9025	0.0451	2.5721
58	0.0500	0.8574	0.0429	2.4864
59	0.0500	0.8145	0.0407	2.4028
60	0.0500	0.7738	0.0387	2.3213
61	0.0500	0.7351	0.0368	2.2420
62	0.1500	0.6983	0.1048	6.4945
63	0.1500	0.5936	0.0890	5.6094
64	0.1500	0.5045	0.0757	4.8437
65	1.0000	0.4289	0.4289	27.8763
Weighted Average Retirement Age:				62.2586
Rounded to Nearest Age:				62

Appendix A – Summary of Actuarial Methods

The ultimate cost of a pension plan is the excess of actual benefits and administrative expenses paid over actual net investment return on plan assets during the plan's existence until the last payment has been made to the last participant. A plan's "actuarial cost method" determines the expected incidence of actuarial costs by allocating portions of the ultimate cost to each plan year. The cost method is thus a budgeting tool to help ensure that the Plan will be adequately and systematically funded and accounted for. Annual contributions are also affected by the "asset valuation method" (as well as plan provisions, actuarial assumptions and actual plan demographic and investment experience each year).

Actuarial Cost Method

The actuarial cost method used for determining the Plan's ERISA funding requirements is the Unit Credit method. Under this method, an accrued benefit is determined at each active participant's assumed retirement age based on compensation and service at both the beginning and the end of the current year. The Plan's normal cost is the sum of the present value of the excess of each active participant's accrued benefit at the end of the current year over that at the beginning of the current year. The Plan's accrued liability is the sum of (a) the present value of each active participant's accrued benefit at the beginning of the current year plus (b) the present value of each inactive participant's benefits. This method is prescribed for ERISA funding requirements by the Pension Protection Act of 2006.

Asset Valuation Method

The Actuarial Value of Assets used for determining the Plan's ERISA funding requirements is equal to the Adjusted Market Value of Assets. The Adjusted Market Value of Assets is equal to the Market Value of Assets as of the valuation date plus the discounted value of employer contributions made after the valuation date. These contributions are discounted to the valuation date using the Effective Interest Rate for the prior plan year.

PBGC Variable Rate Premium Method

The standard method is used for the PBGC variable rate premium calculation (adopted January 1, 2014).

Appendix B – Summary of Actuarial Assumptions

ECONOMIC ASSUMPTIONS

Interest Rates

The current funding and PBGC interest rates are as follows. The funding interest rates are prescribed under IRS regulations based on the Plan Sponsor's interest rate election. The PBGC interest rates are based on the Plan Sponsor's elected method for determining the premium funding target.

	Minimum Funding	Maximum Deductible	PBGC Premium
Segment 1 (0–5 years)	4.16%	1.52%	2.04%
Segment 2 (5–20 years)	5.72%	3.80%	4.03%
Segment 3 (20+ years)	6.48%	4.79%	4.82%
Effective Interest Rate	5.88%	4.08%	4.25%

- **ERISA minimum funding:** 24-month average segment rates, using a four-month lookback period, adjusted to reflect the applicable segment rate stabilization corridor (adopted January 1, 2010).
- **Maximum Deductible Contribution:** 24-month average segment rates, using a four-month lookback period, but not adjusted to reflect segment rate stabilization (adopted January 1, 2010).
- **PBGC premium:** Spot segment rates for the month preceding the valuation date, but not adjusted to reflect segment rate stabilization (adopted January 1, 2014).

Asset Return

5.00% per year (adopted January 1, 2016). This represents the expected long-term geometric mean return on assets based on the Plan's investment policy and asset allocation and the actuary's capital market expectations.

Compensation Increases

Not applicable. Benefits were frozen as of December 31, 2008.

Inflation

No explicit assumption.

Postretirement Benefit Increases

None. (The Plan does not provide for automatic postretirement benefit increases.)

Expenses

No allowance for administrative or investment expenses has been included in the costs. Administrative expenses are not paid from plan assets. It is assumed that any investment expenses not paid directly by the Plan Sponsor will be paid by investment return in excess of that assumed.

DEMOGRAPHIC ASSUMPTIONS

Except where noted, all demographic assumptions are based on the actuary's judgment and continual review of experience.

Mortality

RP-2000 Non-Annuitant and Annuitant Mortality Tables, sex-distinct, projected on a static basis for 15 years and 7 years from the valuation date, respectively, using mortality improvement Scale AA, as prescribed by IRC Section 430(h)(3)(A) (adopted January 1, 2008 and updated annually). The mortality rates are based on PPA statute and IRS/PBGC regulations.

Retirement

Annual rates are shown in the following table for active and terminated vested participants who are eligible to retire (adopted January 1, 2008).

Age	Rate
55–61	5.0%
62–64	15.0
65+	100.0

Termination

Annual rates of termination are shown in the following table (adopted January 1, 2008).

Years of Service	Rate
1	12.5%
2	11.5
3	10.5
4	9.5
5	8.5
6	8.0
7	7.5
8	7.0
9	6.5
10	6.0
11	5.5
12+	5.0

Disability

None assumed.

Decrement Timing

Decrements are assumed to occur at the beginning of the year.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan
Schedule SB, Part V – Statement of Actuarial Assumptions / Methods

Form of Payment

- **For participants in pay status:** Actual forms of payment are included in the census data.
- **For participants not in pay status:** Life annuity.

Marital Characteristics

- **For participants in pay status:** Actual birth dates of spouses are included in the census data, where relevant.
- **For participants not in pay status:** 100% of participants are assumed to be married to a spouse of the opposite sex. Males are assumed to be three years older than females. This assumption is based on plan experience with a provision for adverse deviation.

Benefits Not Valued

All benefits are valued.

Special Data Adjustments

None.

Appendix C – Summary of Principal Plan Provisions

This summary of plan provisions is intended to only describe the essential features of the Plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself.

Definitions

Accrued Benefit: A monthly benefit equal to a participant's total years of credited service (up to a maximum of 35 years) times:

- (i) 1.375% of AFC up to SSCC, plus
- (ii) 2.000% of AFC in excess of SSCC.

SSCC is a participant's social security covered compensation and is equal to the average annual maximum compensation covered by social security for each year until the participant reaches social security retirement age. It is not dependent on a participant's actual earnings history.

For employees retiring after May 1, 1984, the benefit calculated above cannot be less than (a) x (b), where

- (a) is 2.0% of average final compensation, and
- (b) is the number of years of vesting service earned after May 1, 1984 (May 1, 1993 for employees of the Seattle Executive Inn), not to exceed 10 years.

Benefit accruals are frozen as of December 31, 2008.

Actuarially Equivalent: Equality in value such that the present value of the amount under any form of payment is essentially the same as the present value of the amount under the normal form of annuity payment for single participants. In general, for purposes other than determining lump sum amounts, actuarially equivalent factors are based on an interest rate of 6% and the 1984 Unisex Pension Mortality Table (with ages set back three years for joint annuitants). For purposes of determining lump-sum distribution amounts, actuarially equivalent factors are based on the applicable mortality table in effect under IRC Section 417(e)(3) for the plan year of distribution and the statutory three-tier segment interest rates in effect for the second month prior to the plan year of distribution.

Average Final Compensation (AFC): Highest average monthly compensation earned during any 36 consecutive months prior to the earliest of retirement, termination, or December 31, 2008.

Compensation: For any year, the total amount of earnings, including any amounts treated as salary-reduction contributions under a 401(k) plan, a cafeteria plan, or a flexible compensation plan.

Credited Service: Credited service earned prior to May 1, 1976 is based on the number of years and months of employment between a participant's date of hire and May 1, 1976.

Credited service earned after May 1, 1976 is equal to the number of plan years during which an eligible employee works 2,000 hours or more as an active participant. A partial year is credited pro rata if the participant works at least 1,000 hours during the plan year. The 1,000-hour limitation is subject to adjustment for any plan year during which a participant first joins the Plan, qualifies for renewed eligibility, terminates, retires, or dies. Credited service includes any period of employment after normal retirement age.

For employees of the Seattle Executive Inn, Inc., no credited service is earned for service prior to May 1, 1993.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Part V – Summary of Plan Provisions
--

No additional credited service is earned after December 31, 2008.

Employers: Clise Agency, Inc., Seattle Executive Inn, Inc., and Seattle Loyal Inn, LLC.

Plan Effective Date: May 1, 1945, as amended through January 1, 2017.

Plan Year: The 12-month period beginning January 1 and ending December 31.

Vesting Service: The number of plan years during which an eligible employee works 1,000 hours or more. Vesting service for employment prior to May 1, 1976 is based only on continuous service from the participant's latest date of hire.

Eligibility for Participation

Any employee who was a participant on May 1, 1976. Each other employee shall be eligible to participate on the first day of the month after he has attained age 21 and completed one year of service, provided he is not covered under a collective bargaining agreement.

Effective May 1, 1993, employees of the Seattle Executive Inn, Inc. are also eligible to participate.

Effective January 1, 2005, salaried employees of the Seattle Loyal Inn, LLC are also eligible to participate.

Effective December 31, 2008, no new participants are eligible to enter the Plan.

Normal Retirement

Normal Retirement Date: The first day of the month coincident with or next following attainment of age 65.

Normal Retirement Benefit: The Accrued Benefit.

Late Retirement

Late Retirement Date: The first day of the month following the date of termination of service if it occurs after the Normal Retirement Date, or, upon an active participant's election, the first day of any month after a participant's Normal Retirement Date.

Late Retirement Benefit: The greater of (i) the Accrued Benefit determined as of the Late Retirement Date or (ii) the Accrued Benefit determined as of the Normal Retirement Date (or the first day of any plan year following the Normal Retirement Date) and actuarially increased to the Late Retirement Date.

Early Retirement

Early Retirement Date: The first day of any month coincident with or next following the attainment of age 55 and completion of 10 years of Vesting Service.

Early Retirement Benefit: The Accrued Benefit, reduced by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months by which the Early Retirement Date precedes the Normal Retirement Date.

Vested Termination

Vested Termination Date: The date of termination of service other than for reasons of retirement or death, following completion of five years of Vesting Service.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Part V – Summary of Plan Provisions
--

Vested Termination Benefit: The Accrued Benefit, multiplied by the vested percentage in the following table, payable at the Normal Retirement Date, or payable as of the first day of any month coincident with or next following attainment of age 55 if at least 10 years of Vesting Service have been completed (reduced by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months by which the benefit commencement date precedes the Normal Retirement Date).

Years of Vesting Service	Vested Percentage for Employees Hired Before January 1, 1997	Vested Percentage for Employees Hired After January 1, 1997
<2	0%	0%
2	20%	0%
3	40%	0%
4	60%	0%
5+	100%	100%

Alternatively, if the actuarial equivalent single sum payment of the vested accrued benefit is less than \$20,000, the benefit may be payable on the first day of any month following termination.

Preretirement Death Benefit

If a deceased participant was married on the date of death, the surviving spouse is entitled to a monthly benefit that would have been payable had the participant survived to the earliest retirement age and retired with a joint and 100% survivor annuity. The surviving spouse may alternatively elect to receive a lump sum equal to the actuarial value of the participant's vested Accrued Benefit.

A non-spouse beneficiary will receive a lump sum distribution equal to the actuarial value of the participant's Accrued Benefit.

Disability Benefit

If a participant becomes totally and permanently disabled prior to retirement, he will be eligible for a benefit deferred to age 65 equal to his normal retirement benefit as determined at the time of disability.

Forms of Payment

Normal Forms: Life annuity if single; actuarially equivalent joint and 100% survivor annuity if married.

Optional Forms: Life annuity; actuarially equivalent life annuity with 10 years certain; actuarially equivalent joint and 50% or 100% survivor annuity; actuarially equivalent Social Security adjustment option.

Small Lump Sum: Available if the actuarially equivalent present value of the vested Accrued Benefit is \$20,000 or less.

Changes in Principal Plan Provisions since Prior Valuation

None.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Line 25 – Change in Method

Changes in Actuarial Methods since Prior Valuation

Effective with the 2017 plan year, the valuation software used to produce valuation results for the Plan was changed from Milliman's proprietary valuation system to a commercially available software system. As will be reported on the 2017 Schedule SB, this change meets the requirements for automatic approval contained in IRS Announcement 2010-3, which requires the new software system to generate Funding Target and Normal Cost results to within 2% of those produced by the prior valuation system.

Exhibit 19

Active Participants by Age and Service

The number of active participants, summarized by attained age and years of credited service as of January 1, 2017, is shown below.

Age	Years of Credited Service										Total	
	0	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40+		
0-24	0	0	0	0	0	0	0	0	0	0	0	0
25-29	0	0	0	0	0	0	0	0	0	0	0	0
30-34	0	0	0	0	0	0	0	0	0	0	0	0
35-39	1	0	1	1	0	0	0	0	0	0	0	3
40-44	0	3	3	0	0	0	0	0	0	0	0	6
45-49	1	0	1	1	0	0	0	0	0	0	0	3
50-54	0	1	1	2	1	0	0	0	0	0	0	5
55-59	0	1	4	1	1	0	0	0	0	0	0	7
60-64	0	1	2	1	1	0	1	0	0	0	0	6
65-69	0	0	1	0	1	0	2	0	0	0	0	4
70+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Average	2	6	13	6	4	0	3	0	0	0	0	34

Exhibit

Employer Contributions for Prior Plan Year

The employer contributions for the prior plan year ending December 31, 2017 were paid or are payable on the dates and in the amounts shown below. The prior plan year's Effective Interest Rate of 5.88% per year is used to discount contributions back to January 1, 2017. Contributions (or portions of contributions) made after the due date for a quarterly required contribution are penalized an additional 5% per year during the late period. Contributions made solely to avoid the application of benefit restrictions cannot be considered in determining excess contributions.

Date	Contribution Amount	Discounted Value as of 1/1/2017 without Penalty	Penalty Amount	Discounted Value as of 1/1/2017 with Penalty
November 9, 2017	\$350,000	\$333,317	\$0	\$333,317
August 17, 2018	<u>350,000</u>	<u>318,973</u>	<u>0</u>	<u>318,973</u>
Total	700,000	652,290	0	652,290

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Line 22 – Description of Weighted Average Retirement Age

Weighted Average Retirement Age

The weighted average retirement age for active participants is 62. This equals the sum, over all retirement ages, of the retirement age multiplied by the probability of retiring at that age, as shown in the following table.

(a) Possible Retirement Age "r"	(b) Assumed Rate of Retirement at Age "r"	(c) Probability of Person Age 55 Still Working at "r"	(d) (b) x (c) = Probability of Person Age 55 Retiring at "r"	(e) (a) x (d) = Component of Weighted Average Retirement Age
55	0.0500	1.0000	0.0500	2.7500
56	0.0500	0.9500	0.0475	2.6600
57	0.0500	0.9025	0.0451	2.5721
58	0.0500	0.8574	0.0429	2.4864
59	0.0500	0.8145	0.0407	2.4028
60	0.0500	0.7738	0.0387	2.3213
61	0.0500	0.7351	0.0368	2.2420
62	0.1500	0.6983	0.1048	6.4945
63	0.1500	0.5936	0.0890	5.6094
64	0.1500	0.5045	0.0757	4.8437
65	1.0000	0.4289	0.4289	27.8763
Weighted Average Retirement Age:				62.2586
Rounded to Nearest Age:				62

Appendix C – Summary of Principal Plan Provisions

This summary of plan provisions is intended to only describe the essential features of the Plan. All eligibility requirements and benefit amounts shall be determined in strict accordance with the plan document itself.

Definitions

Accrued Benefit: A monthly benefit equal to a participant's total years of credited service (up to a maximum of 35 years) times:

- (i) 1.375% of AFC up to SSCC, plus
- (ii) 2.000% of AFC in excess of SSCC.

SSCC is a participant's social security covered compensation and is equal to the average annual maximum compensation covered by social security for each year until the participant reaches social security retirement age. It is not dependent on a participant's actual earnings history.

For employees retiring after May 1, 1984, the benefit calculated above cannot be less than (a) x (b), where

- (a) is 2.0% of average final compensation, and
- (b) is the number of years of vesting service earned after May 1, 1984 (May 1, 1993 for employees of the Seattle Executive Inn), not to exceed 10 years.

Benefit accruals are frozen as of December 31, 2008.

Actuarially Equivalent: Equality in value such that the present value of the amount under any form of payment is essentially the same as the present value of the amount under the normal form of annuity payment for single participants. In general, for purposes other than determining lump sum amounts, actuarially equivalent factors are based on an interest rate of 6% and the 1984 Unisex Pension Mortality Table (with ages set back three years for joint annuitants). For purposes of determining lump-sum distribution amounts, actuarially equivalent factors are based on the applicable mortality table in effect under IRC Section 417(e)(3) for the plan year of distribution and the statutory three-tier segment interest rates in effect for the second month prior to the plan year of distribution.

Average Final Compensation (AFC): Highest average monthly compensation earned during any 36 consecutive months prior to the earliest of retirement, termination, or December 31, 2008.

Compensation: For any year, the total amount of earnings, including any amounts treated as salary-reduction contributions under a 401(k) plan, a cafeteria plan, or a flexible compensation plan.

Credited Service: Credited service earned prior to May 1, 1976 is based on the number of years and months of employment between a participant's date of hire and May 1, 1976.

Credited service earned after May 1, 1976 is equal to the number of plan years during which an eligible employee works 2,000 hours or more as an active participant. A partial year is credited pro rata if the participant works at least 1,000 hours during the plan year. The 1,000-hour limitation is subject to adjustment for any plan year during which a participant first joins the Plan, qualifies for renewed eligibility, terminates, retires, or dies. Credited service includes any period of employment after normal retirement age.

For employees of the Seattle Executive Inn, Inc., no credited service is earned for service prior to May 1, 1993.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Part V – Summary of Plan Provisions
--

No additional credited service is earned after December 31, 2008.

Employers: Clise Agency, Inc., Seattle Executive Inn, Inc., and Seattle Loyal Inn, LLC.

Plan Effective Date: May 1, 1945, as amended through January 1, 2017.

Plan Year: The 12-month period beginning January 1 and ending December 31.

Vesting Service: The number of plan years during which an eligible employee works 1,000 hours or more. Vesting service for employment prior to May 1, 1976 is based only on continuous service from the participant's latest date of hire.

Eligibility for Participation

Any employee who was a participant on May 1, 1976. Each other employee shall be eligible to participate on the first day of the month after he has attained age 21 and completed one year of service, provided he is not covered under a collective bargaining agreement.

Effective May 1, 1993, employees of the Seattle Executive Inn, Inc. are also eligible to participate.

Effective January 1, 2005, salaried employees of the Seattle Loyal Inn, LLC are also eligible to participate.

Effective December 31, 2008, no new participants are eligible to enter the Plan.

Normal Retirement

Normal Retirement Date: The first day of the month coincident with or next following attainment of age 65.

Normal Retirement Benefit: The Accrued Benefit.

Late Retirement

Late Retirement Date: The first day of the month following the date of termination of service if it occurs after the Normal Retirement Date, or, upon an active participant's election, the first day of any month after a participant's Normal Retirement Date.

Late Retirement Benefit: The greater of (i) the Accrued Benefit determined as of the Late Retirement Date or (ii) the Accrued Benefit determined as of the Normal Retirement Date (or the first day of any plan year following the Normal Retirement Date) and actuarially increased to the Late Retirement Date.

Early Retirement

Early Retirement Date: The first day of any month coincident with or next following the attainment of age 55 and completion of 10 years of Vesting Service.

Early Retirement Benefit: The Accrued Benefit, reduced by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months by which the Early Retirement Date precedes the Normal Retirement Date.

Vested Termination

Vested Termination Date: The date of termination of service other than for reasons of retirement or death, following completion of five years of Vesting Service.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Part V – Summary of Plan Provisions
--

Vested Termination Benefit: The Accrued Benefit, multiplied by the vested percentage in the following table, payable at the Normal Retirement Date, or payable as of the first day of any month coincident with or next following attainment of age 55 if at least 10 years of Vesting Service have been completed (reduced by 1/180 for each of the first 60 months and by 1/360 for each of the next 60 months by which the benefit commencement date precedes the Normal Retirement Date).

Years of Vesting Service	Vested Percentage for Employees Hired Before January 1, 1997	Vested Percentage for Employees Hired After January 1, 1997
<2	0%	0%
2	20%	0%
3	40%	0%
4	60%	0%
5+	100%	100%

Alternatively, if the actuarial equivalent single sum payment of the vested accrued benefit is less than \$20,000, the benefit may be payable on the first day of any month following termination.

Preretirement Death Benefit

If a deceased participant was married on the date of death, the surviving spouse is entitled to a monthly benefit that would have been payable had the participant survived to the earliest retirement age and retired with a joint and 100% survivor annuity. The surviving spouse may alternatively elect to receive a lump sum equal to the actuarial value of the participant's vested Accrued Benefit.

A non-spouse beneficiary will receive a lump sum distribution equal to the actuarial value of the participant's Accrued Benefit.

Disability Benefit

If a participant becomes totally and permanently disabled prior to retirement, he will be eligible for a benefit deferred to age 65 equal to his normal retirement benefit as determined at the time of disability.

Forms of Payment

Normal Forms: Life annuity if single; actuarially equivalent joint and 100% survivor annuity if married.

Optional Forms: Life annuity; actuarially equivalent life annuity with 10 years certain; actuarially equivalent joint and 50% or 100% survivor annuity; actuarially equivalent Social Security adjustment option.

Small Lump Sum: Available if the actuarially equivalent present value of the vested Accrued Benefit is \$20,000 or less.

Changes in Principal Plan Provisions since Prior Valuation

None.

EIN 91-0839938, PN 001, Clise Agency Retirement Plan Schedule SB, Line 25 – Change in Method

Changes in Actuarial Methods since Prior Valuation

Effective with the 2017 plan year, the valuation software used to produce valuation results for the Plan was changed from Milliman's proprietary valuation system to a commercially available software system. As will be reported on the 2017 Schedule SB, this change meets the requirements for automatic approval contained in IRS Announcement 2010-3, which requires the new software system to generate Funding Target and Normal Cost results to within 2% of those produced by the prior valuation system.