

Automotive Industries Pension Plan

Actuarial Valuation and Review as of
January 1, 2013

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May 30, 2013

*Board of Trustees
Automotive Industries Pension Plan
Alameda, California*

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of January 1, 2013. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the actuarial information that is required to be filed with Form 5500 to federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Michael Schumacher. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Paul C. Poon, ASA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

THE SEGAL COMPANY

By:


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Senior Vice President*

.JB/gxk

*cc: Bill Boyle
William Craig Dobbs
Philip M. Miller, Esq.*

*Jessica Roster, CPA
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SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

INTRODUCTION

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan's financial position, the Trustees should keep in mind all of these concepts.

➤ **Cash Flow**

Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and will need assistance from the Pension Benefit Guaranty Corporation (PBGC).

➤ **Funding Standard Account**

The ERISA Funding Standard Account (FSA) is charged with the normal cost and amortization of changes in the unfunded actuarial accrued liability measured as of each valuation date. The accumulation of actual contributions made in excess of the minimum required contributions is called the credit balance. If actual contributions fall short of the minimum required contribution on a cumulative basis, a funding deficiency has occurred.

➤ **Withdrawal Liability**

ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

➤ **PPA'06**

The Pension Protection Act of 2006 (PPA'06) calls on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency tests. Based on these measures, plans are then categorized as critical (*Red Zone*), endangered (*Yellow Zone*), or neither (*Green Zone*).

The "zone" rules created by PPA '06 are scheduled to expire ("sunset") for plan years beginning after December 31, 2014. However, if a pension plan is operating under a Funding Improvement Plan or a Rehabilitation Plan for the last plan year beginning in 2014, that Funding Improvement Plan or Rehabilitation Plan will remain in effect, as will all provisions of the Internal Revenue Code or ERISA regulating the operation of such Funding Improvement Plan or Rehabilitation Plan.

We will keep you informed of legislative changes as they develop.

The current year's actuarial valuation results follow.

SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

The actuarial valuation report as of January 1, 2013 is based on financial and demographic information as of that date. Changes subsequent to that date are not reflected and could affect future actuarial costs of the Plan. We are prepared to work with the Trustees to analyze the effects of any subsequent developments.

A. CHANGES SINCE LAST VALUATION

1. This plan was initially classified as critical (Red Zone) for 2008 and the Trustees have adopted a Rehabilitation Plan. Under the Rehabilitation Plan, new collective bargaining agreements negotiated after April 27, 2008 will include the maximum benefit reductions allowed by law. These reductions include the removal of all early retirement subsidies, joint and survivor subsidies, disability pensions, the 36-payment pre-retirement death benefit and all benefit options besides the single life annuity, QJSA and QOSA. The Rehabilitation Plan also includes supplemental off-benefit contributions to the plan beginning January 1, 2013. Benefit reductions are recognized in this valuation for 97% of the actives, including those whose collective bargaining agreements are expected to be renegotiated in 2013 .
2. Due to adverse experience, the Trustees determined that no reasonable measures could be taken to enable the plan to emerge from critical status. As such, the Rehabilitation Plan was restated on March 8, 2012 for the Trustees' decision to forestall the plan's insolvency. Working towards this goal, the early retirement pension was eliminated for inactive vested participants and the supplemental contributions under the Rehabilitation Plan were reduced to encourage continued plan participation.
3. Per Trustees' direction, the actuarial valuation no longer includes information on the Scheduled Cost. The Scheduled Cost is a long-term cost measurement and is not relevant for plans, such as this, that are forestalling insolvency.
4. The rate of return on the market value of plan assets was 13.2% for the 2012 plan year. The rate of return on the actuarial value of assets was 4.4% as a result of the asset smoothing method. The current assumed long-term rate of return on investments is 7.25%. Given historically low interest rates, we will continue to monitor the plan's investment returns. As the plan moves closer towards insolvency, the likelihood increases for lowering the investment return assumption. This is due to the reduced expected returns during the shorter period until expected plan solvency. We can provide the impact of a change to the assumption for discussion with the Trustees.

SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

B. 2013 ACTUARIAL STATUS (ZONE) CERTIFICATION

1. The 2013 certification, previously issued, was based on the liabilities calculated in the 2012 actuarial valuation, projected to December 31, 2012, and estimated asset information as of December 31, 2012. This Plan was classified as critical (*Red Zone*) because of a projected deficiency in the Funding Standard Account within one year.

C. FUNDED PERCENTAGE AND FUNDING STANDARD ACCOUNT

1. Based on this January 1, 2013 actuarial valuation, the funded percentage as of that date is 56.7%. This will be reported on the 2013 Annual Funding Notice to be provided within 120 days after the end of this plan year.
2. The credit balance in the Funding Standard Account (FSA) as of December 31, 2012 was less than \$0. PPA'06 requires plan sponsors to monitor the projected FSA credit balance/(funding deficiency).
3. We are available to work with the Trustees to develop credit balance projections.
4. Based on the assumptions and methods employed for this 2013 valuation, this plan will likely be categorized as in critical (*Red Zone*) status for 2014. However, the actual status for the 2014 Plan Year will involve updated assets, Trustee input on industry activity and any plan or assumption changes.

SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

D. CASH FLOW

Based on this valuation, the current value of assets plus projected investment earnings and future contribution income will exceed projected benefit payments and administrative expenses for at least 14 years, assuming experience is consistent with the January 1, 2013 assumptions. Chart 16 shows the projected market value of assets until the expected insolvency year. The plan of benefits and assumptions used for this projection are those used for the 2013 zone certification with some exceptions, as shown on page 2-15. If requested by the Trustees, we can perform additional projections of the financial status of the Plan.

E. WITHDRAWAL LIABILITY

1. For withdrawal liability purposes, the total unfunded present value of vested benefits, including the unamortized Affected Benefits pools, as of December 31, 2012, is \$1.42 billion using the assumptions outlined in Section 2.I. The unfunded amount increased by \$81 million during the year due to a decline in the PBGC interest rates used to determine the liability.
2. A detailed withdrawal liability report will be provided to the Trustees.

SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

SUMMARY OF KEY VALUATION RESULTS

	2013	2012
Certified Zone Status	<i>Critical</i>	<i>Critical</i>
Assets:		
Market value of assets (MVA)	\$1,206,675,435	\$1,162,980,990
Actuarial value of assets (AVA)	1,109,688,507	1,163,639,416
Cash Flow:		
Projected current year contributions at negotiated contribution rates ⁽¹⁾	\$19,725,271	\$19,205,407
Projected benefit payments and expenses	139,526,447	136,320,681
Insolvency projected in Plan Year ending	2027	2026
Statutory Funding Information:		
Minimum required contribution	\$253,289,471	\$150,517,677
Maximum deductible contribution	3,193,525,911	2,871,392,301
Annual Funding Notice percentage	56.7%	59.3%
Withdrawal Liability:⁽²⁾		
Present value of vested benefits ⁽³⁾	\$2,624,538,185	\$2,499,571,405
Unfunded present value of vested benefits (based on MVA)	1,417,862,750	1,336,590,415
Demographic Data:		
Number of active participants	4,031	4,180
Number of inactive participants with vested rights	10,709	10,749
Number of retired participants and beneficiaries	11,419	11,402

⁽¹⁾ Includes the first 5% annual contribution rate increase under the Rehabilitation Plan. Does not reflect any future withdrawal liability payments.

⁽²⁾ Using the assumptions described in Section 2.I

⁽³⁾ Includes unamortized Affected Benefits pools of \$201,152,960 as of December 31, 2012 and \$193,627,465 as of December 31, 2011.

SECTION 1: Actuarial Valuation Summary as of January 1, 2013 for the Automotive Industries Pension Plan

COMPARISON OF FUNDED PERCENTAGES

	2013		Funded Percentages as of January 1	
	Liability	Assets	2013	2012
1. Present Value of Future Benefits	\$1,994,599,255	\$1,109,688,507	55.6%	58.4%
2. Actuarial Accrued Liability	1,975,251,623	1,109,688,507	56.2%	59.0%
3. PPA '06 Liability and Annual Funding Notice	1,957,159,781	1,109,688,507	56.7%	59.3%
4. Accumulated Benefits Liability	1,957,159,781	1,206,675,435	61.7%	59.2%
5. Withdrawal Liability	2,624,538,185	1,206,675,435	46.0%	46.5%
6. Current Liability	3,057,902,314	1,206,675,435	39.4%	40.4%

Notes:

1. Includes the value of benefits earned through the valuation date (accrued benefits) plus the value of benefits projected to be earned in the future for current participants and includes plan amendments effective through 2013 (after the valuation date). Used to develop the actuarial accrued liability, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets.
2. Represents the portion of present value of future benefits allocated by the actuarial cost method to years prior to the valuation date and includes plan amendments effective through 2013 (after the valuation date). Used in determining minimum funding requirement, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets.
3. Measures present value of accrued benefits using the current participant census and financial data. As defined by the Pension Protection Act of 2006, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets.
4. Provides present value of accrued benefits for disclosure in the audited financial statements, based on long-term funding investment return assumption of 7.25%, and the market value of assets.
5. Used to determine unfunded vested benefits for withdrawal liability purposes. Based on blended interest rate and other assumptions described in Section 2.I, the present value of vested benefits (excluding death benefits), and the market value of assets. Includes unamortized value of Affected Benefits pools.
6. Used to determine maximum tax-deductible contributions and is reported on Schedule MB to Form 5500. Based on the present value of accrued benefits, using a prescribed mortality table and investment return assumption of 3.78% for 2013 and 4.29% for 2012, and the market value of assets. The funded percentage is also shown on the Schedule MB if it is less than 70%.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

A. PARTICIPANT DATA

The Actuarial Valuation and Review considers the number and demographic characteristics of covered participants, including active participants, inactive vested participants, pensioners and beneficiaries.

More detailed information for this valuation year and the preceding year can be found in Section 3, Exhibit A.

This section presents a summary of significant statistical data on these participant groups.

As shown below, the number of active participants declined by about 50% over the last 10 years.

A historical perspective of how the participant population has changed over the past several years can be seen in this chart.

CHART 1
Participant Population: 2003 – 2012

Year Ended December 31	Active Participants	Inactive Vested Participants	Pensioners and Beneficiaries	Ratio of Non-Actives to Actives
2003	7,865	10,904	9,135	2.55
2004	7,460	10,972	9,405	2.73
2005	6,946	11,047	9,714	2.99
2006	6,426	11,231	9,979	3.30
2007	6,211	11,156	10,293	3.45
2008	5,661	10,856	10,698	3.81
2009	4,687	11,011	11,044	4.71
2010	4,484	10,882	11,243	4.93
2011	4,180	10,749	11,402	5.30
2012	4,031	10,709	11,419	5.49

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Active Participants

Pension plan costs are affected by the age and years of Credited Service of active participants. In this year's valuation, there were 4,031 active participants with an average age of 45.2 and average years of Credited Service of 12.4. This compares to 45.1 and 12.3, respectively, for the 4,180 active participants in the prior year.

Among active participants, there were 10 with unknown age. The actuarial calculations were adjusted for missing information by assuming that it was the same as information provided for other active participants with similar known characteristics.

Inactive Vested Participants

Participants who leave the coverage of the Plan after satisfying the requirements for a deferred pension or an immediate pension but elect to defer commencement are considered "inactive vesteds" and are included in the pension plan cost. In this year's valuation, there were 10,709 inactive vesteds, versus 10,749 in the prior valuation. No cost is included for other inactive participants, even though some may return to active employment before incurring a permanent break in service.

These charts show a distribution of active participants by age and by years of Credited Service.

CHART 2

Distribution of Active Participants by Age as of December 31, 2012

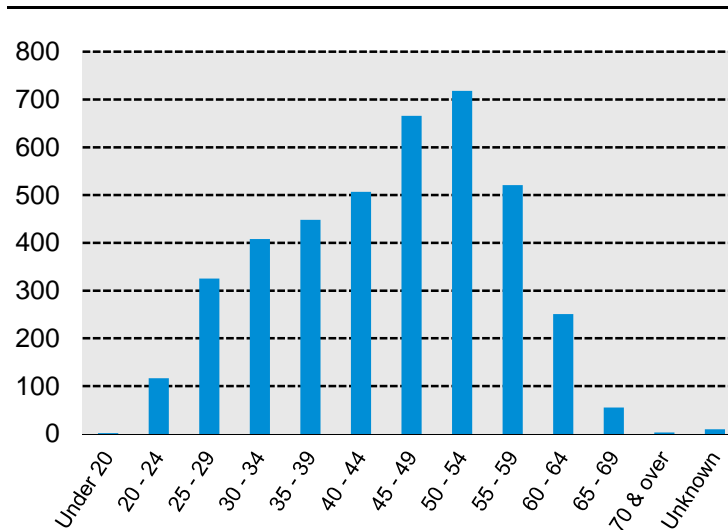
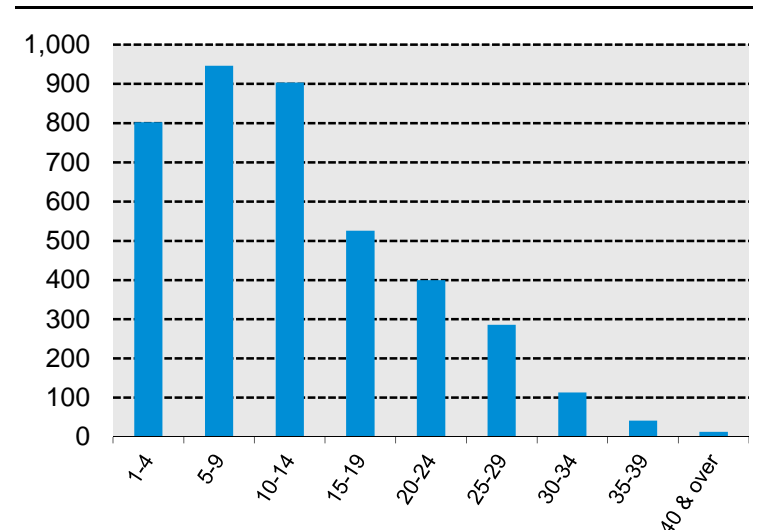


CHART 3

Distribution of Active Participants by Years of Credited Service as of December 31, 2012



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Pensioners and Beneficiaries

During the fiscal year ended December 31, 2012, there were 311 pensions awarded, as detailed in this chart. The average monthly pension awarded, after adjustment for optional forms of payment, was \$1,157. The chart below presents both the number and average monthly amount of pensions awarded in each of the years shown, by type and in total.

The number of new awards for the Early Retirement Benefit has declined because this benefit was eliminated for those who retire from inactive status.

CHART 4
Pension Awards: 2003 – 2012

Year Ended December 31	Total		Normal		Early		Disability		Unreduced Early		Rule of 85	
	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount
2003	584	\$1,399	93	\$847	204	\$891	26	\$1,432	157	\$1,038	104	\$3,424
2004	551	1,256	114	685	187	879	25	2,424	150	989	75	3,210
2005	555	1,331	116	786	194	989	21	2,184	145	987	79	3,377
2006	511	1,255	120	690	177	920	27	2,445	124	957	63	3,346
2007	541	1,177	131	544	177	991	21	1,852	148	952	64	3,283
2008	678	1,360	134	687	276	1,102	29	1,882	133	1,015	106	3,172
2009	577	1,287	197	594	221	967	26	2,044	57	1,130	76	3,871
2010	463	1,105	169	518	181	727	17	1,736	35	1,801	61	3,281
2011	462	1,089	146	547	224	625	16	2,397	19	2,056	57	3,611
2012	311	1,157	212	534	42	1,627	6	2,822	17	2,012	34	3,742

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

As of this year’s valuation date, 8,993 pensioners and 2,364 beneficiaries were receiving total monthly benefits of \$10,962,442. For comparison, in the previous year, there were 9,031 pensioners and 2,314 beneficiaries receiving monthly benefits of \$10,792,144. There were 62 suspended pensioners in this valuation compared with 57 in the prior year.

These charts show the distribution of the current pensioners based on their monthly amount and age, by type of pension.

CHART 5
Distribution of Pensioners by Type and by Monthly Amount as of December 31, 2012

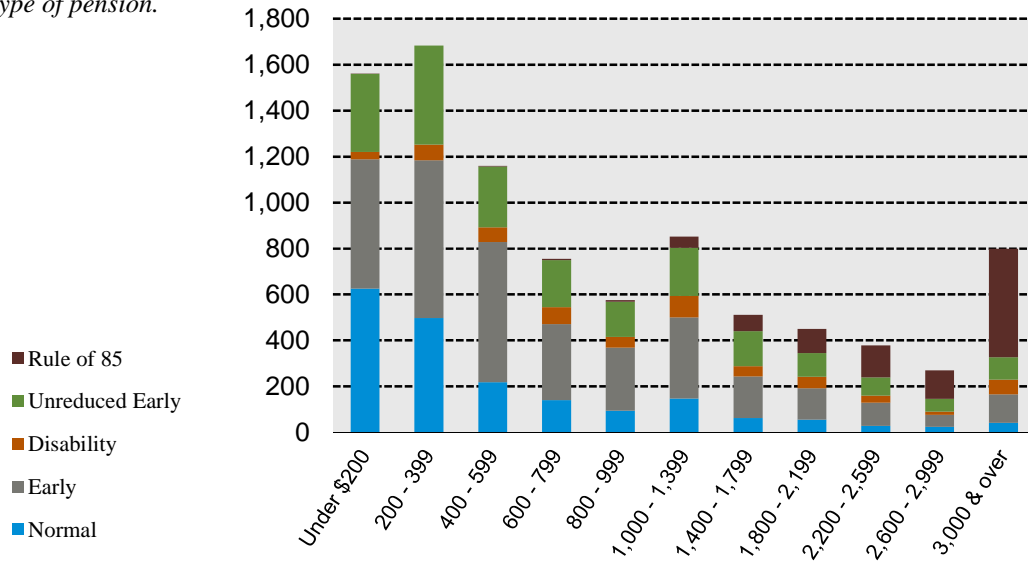
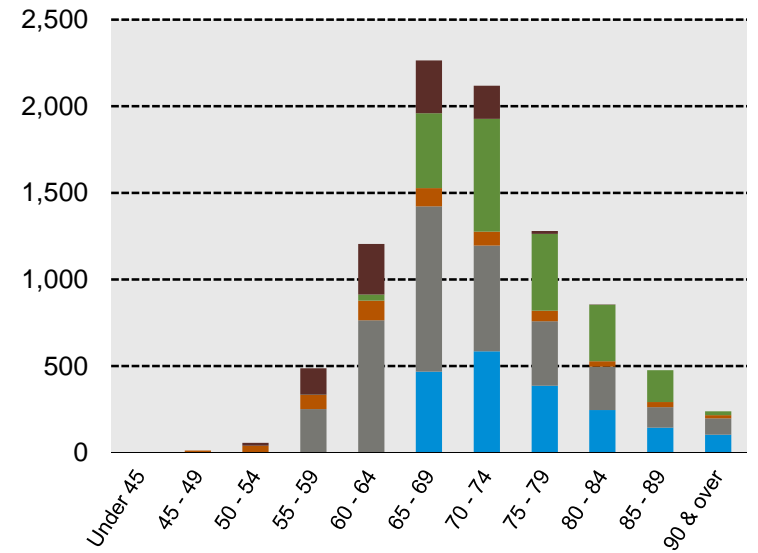


CHART 6
Distribution of Pensioners by Type and by Age as of December 31, 2012



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

In Chart 7, additions to the pension rolls include new pensions awarded and suspended pensioners who have been reinstated. Terminations include pensioners who died or were suspended during the prior plan year. The change in average age and average amounts of pensioners in payment status is shown as the Fund matures over time.

This chart shows a year-by-year history of changes in the pensioner group.

CHART 7
Progress of Pension Rolls: 2003 – 2012

Year Ended December 31	Additions	Terminations	In Payment Status at Year End		
			Number	Average Age	Average Amount
2003	585	329	7,346	71.0	\$843
2004	568	350	7,564	70.9	886
2005	565	328	7,801	70.9	931
2006	519	317	8,003	70.9	968
2007	544	352	8,195	71.0	997
2008	720	347	8,568	70.8	1,039
2009	589	361	8,796	71.0	1,070
2010	478	346	8,928	71.2	1,086
2011	473	370	9,031	71.4	1,101
2012	323	361	8,993	71.9	1,118

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

B. FINANCIAL INFORMATION

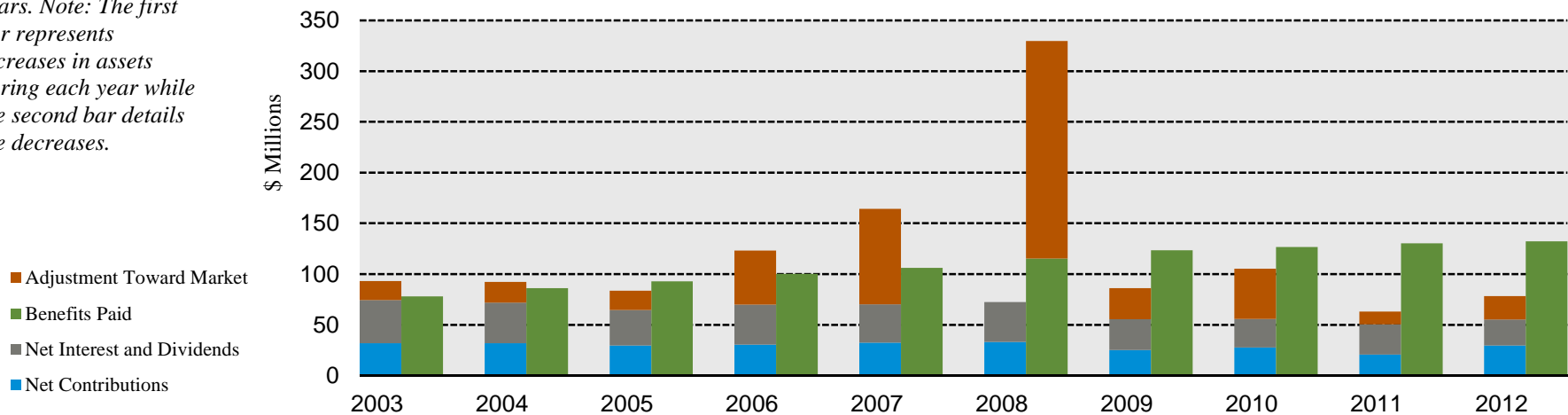
Pension plan funding anticipates that, over the long term, both contributions (less administrative expenses) and investment earnings (less investment fees) will be needed to cover benefit payments. Pension plan assets change as a result of the net impact of these income and expense components. Chart 8 shows these changes over the last ten years. A summary of these transactions for the valuation year is presented in Section 3, Exhibit B.

PPA'06 requires Trustees to monitor plan solvency, the ability to pay benefits when due. If a plan is projected to be unable to pay benefits within five years (or within seven years, if the PPA'06 funded percentage is less than 65%), the plan will be categorized in the *Red Zone*. More information about PPA'06 can be found in Subsection G.

Benefit payments during the year totaled \$132,295,979. They are projected to increase to \$159,706,002 ten years from now (reflects Rehabilitation Plan Default Schedule for all members). To the extent that future contributions are projected to be less than benefit payments, investment earnings or fund assets will be needed to cover the shortfall.

This chart depicts the components of changes in the actuarial value of assets over the last ten years. Note: The first bar represents increases in assets during each year while the second bar details the decreases.

CHART 8
Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended December 31, 2003 – 2012



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Because the Plan is funded by negotiated contribution rates, it is desirable to have a level and predictable pension plan cost from one year to the next. For this reason, the Trustees have approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the pension plan cost are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized gains and losses and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value. This removes any consideration of the impact of sales of assets from the determination of the actuarial cost of the Plan.

This chart shows the determination of the actuarial value of assets as of December 31, 2012.

**CHART 9
Determination of Actuarial Value of Assets as of December 31, 2012**

1	Market value of assets, December 31, 2012			\$1,206,675,435
2	Calculation of unrecognized return	Original	Unrecognized	
		<u>Amount*</u>	<u>Return**</u>	
	(a) Year ended December 31, 2012	\$65,755,166	\$52,604,133	
	(b) Year ended December 31, 2011	-80,843,640	-48,506,184	
	(c) Year ended December 31, 2010	64,082,062	25,632,825	
	(d) Year ended December 31, 2009	336,280,771	67,256,154	
	(e) Year ended December 31, 2008	-544,725,297	<u>0</u>	
	(f) Total unrecognized return			96,986,928
3	Preliminary actuarial value: (1) - (2f)			1,109,688,507
4	Adjustment to be within 20% corridor			0
5	Final actuarial value of assets as of December 31, 2012: (3) + (4)			<u>\$1,109,688,507</u>
6	Actuarial value as a percentage of market value: (5) ÷ (1)			92.0%
7	Amount deferred for future recognition: (1) - (5)			\$96,986,928

* Total return on market value basis minus expected return on actuarial basis using the net investment return assumption

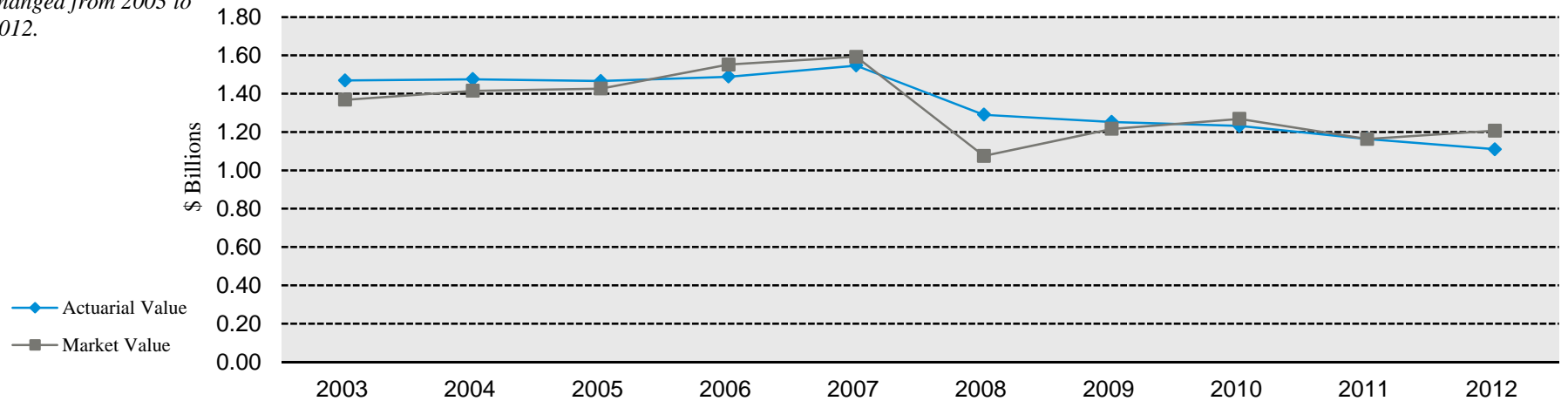
** Recognition at 20% per year over 5 years.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Both the actuarial value and the market value of assets are representations of the Fund's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The actuarial value is significant because it is subtracted from the Plan's total actuarial accrued liability to determine the portion that is not funded and is used to determine the PPA'06 funded percentage. Amortization of the unfunded portion is an important element in the contribution requirements of the Plan as detailed in Subsections E and F.

This chart shows how the actuarial value of assets and the market value of assets have changed from 2003 to 2012.

CHART 10
Actuarial Value of Assets vs. Market Value of Assets as of December 31, 2003 - 2012



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

C. EMPLOYMENT EXPERIENCE

The Trustees are in the best position to select the appropriate assumption to use for funding the Plan. Total months of contributions, number of actives and their average months of contributions are shown in Chart 11.

The employment level assumption is 11.5 months for each active participant. The experience in recent years has shown a trend of per capita months at about this level. We look to the Trustees for guidance as to whether this is reasonable.

Certifications under PPA'06 include a projection of future contributions. Any projection of industry activity, including future employment and contribution levels, must be based on reasonable information for the projection period provided by the Trustees. The industry activity assumption used for the 2013 actuarial certification was for the total number of contributory months to decline by 2% per year indefinitely.

This chart provides a history of the various measures of employment.

CHART 11
Employment History: 2003 - 2012

Year Ended December 31	Total Months of Contributions		Active Participants		Average Months of Contributions	
	Number	Percent Change	Number	Percent Change	Number	Percent Change
2003	91,616	-5.8%	7,865	-6.4%	11.6	0.0%
2004	86,584	-5.5%	7,460	-5.1%	11.6	0.0%
2005	79,452	-8.2%	6,946	-6.9%	11.4	-1.7%
2006	75,015	-5.6%	6,426	-7.5%	11.7	2.6%
2007	71,943	-4.1%	6,211	-3.3%	11.6	-0.9%
2008	65,874	-8.4%	5,661	-8.9%	11.6	0.0%
2009	55,385	-15.9%	4,687	-17.2%	11.8	1.7%
2010	52,392	-5.4%	4,484	-4.3%	11.7	-0.8%
2011	48,940	-6.6%	4,180	-6.8%	11.7	0.0%
2012	46,993	-4.0%	4,031	-3.6%	11.7	0.0%
Five-year average months:					11.7	
Ten-year average months:					11.6	

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

D. ACTUARIAL EXPERIENCE

To calculate the cost requirements of the Plan, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions and, to the extent that there are differences in that year, the contribution requirement is adjusted. If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long run, experience will

return to that originally assumed. For contribution requirements to remain stable, assumptions should approximate experience.

When compared to the projected actuarial accrued liability of \$1,979,294,239 as of December 31, 2012, the net experience variation other than investment experience was not significant. On the following pages is a discussion of the major components of the actuarial experience.

This chart provides a summary of the prior year's actuarial experience.

CHART 12

Actuarial Experience for the Year Ended December 31, 2012

1	Net loss from investments*	-\$31,890,188
2	Net loss from administrative expenses	-172,240
3	Net loss from other experience	<u>-10,904,754</u>
4	Net experience loss: (1) + (2) + (3)	<u>-\$42,967,182</u>

* Details in Chart 13.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Investment Rate of Return

Because earnings on investments significantly affect the cost of the Plan, an assumption is made about the rate of return on plan assets. The rate of return is investment income net of investment expenses, expressed as a percentage of the average actuarial value of assets during the year.

Investment income for the purposes of the actuarial valuation consists of interest and dividend income and the adjustment for market value changes. Investment expenses are subtracted.

This chart shows the portion of the loss due to investment experience.

CHART 13

Actuarial Value Investment Experience for the Year Ended December 31, 2012

1	Net investment income	\$48,750,735
2	Average actuarial value of assets	1,112,288,594
3	Rate of return: (1) ÷ (2)	4.38%
4	Assumed rate of return	7.25%
5	Expected net investment income: (2) x (4)	\$80,640,923
6	Actuarial loss: (1) – (5)	<u>-\$31,890,188</u>

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

For your information, the chart below shows the rate of return on an actuarial basis compared to the market value investment return for the last ten years, including five-year and ten-year averages. However, actuarial planning is long term as the obligations of pension plans are expected to continue for the lifetime of its active and inactive participants.

As indicated below, the experience in the past few years has shown both higher and lower rates of return than the long-term assumption. Overall, interest rates have declined substantially and continue to do so in the current economic environment. Based upon this experience, the current asset allocation, and future expectations, we have maintained the assumed long-term rate of return of 7.25%. However, we will continue to monitor the plan's investment returns and may revise our assumed long-term rate of return in a future actuarial valuation, if warranted.

CHART 14

Investment Return – Actuarial Value vs. Market Value: 2003 - 2012

Year Ended December 31	Net Interest and Dividend Income		Adjustment Toward Market Value		Actuarial Value Investment Return		Market Value Investment Return	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
2003	\$42,459,075	2.97%	\$18,732,995	1.31%	\$61,192,070	4.28%	\$184,138,629	15.25%
2004	40,090,505	2.78%	20,474,952	1.42%	60,565,457	4.20%	100,886,814	7.52%
2005	34,974,526	2.42%	18,978,130	1.32%	53,952,656	3.74%	74,528,689	5.39%
2006	39,606,790	2.77%	53,225,232	3.72%	92,832,022	6.49%	195,157,758	14.03%
2007	37,889,042	2.61%	94,006,873	6.47%	131,895,915	9.08%	114,762,992	7.58%
2008	39,032,910	2.59%	-214,275,326	-14.23%	-175,242,416	-11.64%	-435,550,927	-28.08%
2009	30,324,368	2.44%	30,648,145	2.47%	60,972,513	4.91%	239,476,303	23.35%
2010	28,171,854	2.34%	49,630,782	4.13%	77,802,636	6.47%	151,288,010	12.97%
2011	29,788,416	2.53%	12,352,330	1.05%	42,140,746	3.58%	4,437,230	0.37%
2012	25,711,432	2.31%	23,039,303	2.07%	48,750,735	4.38%	146,396,089	13.17%
Total	\$348,048,918		\$106,813,416		\$454,862,334		\$775,521,587	
					Most recent five-year average return:		0.87%	1.75%
					Ten-year average return:		3.39%	6.01%

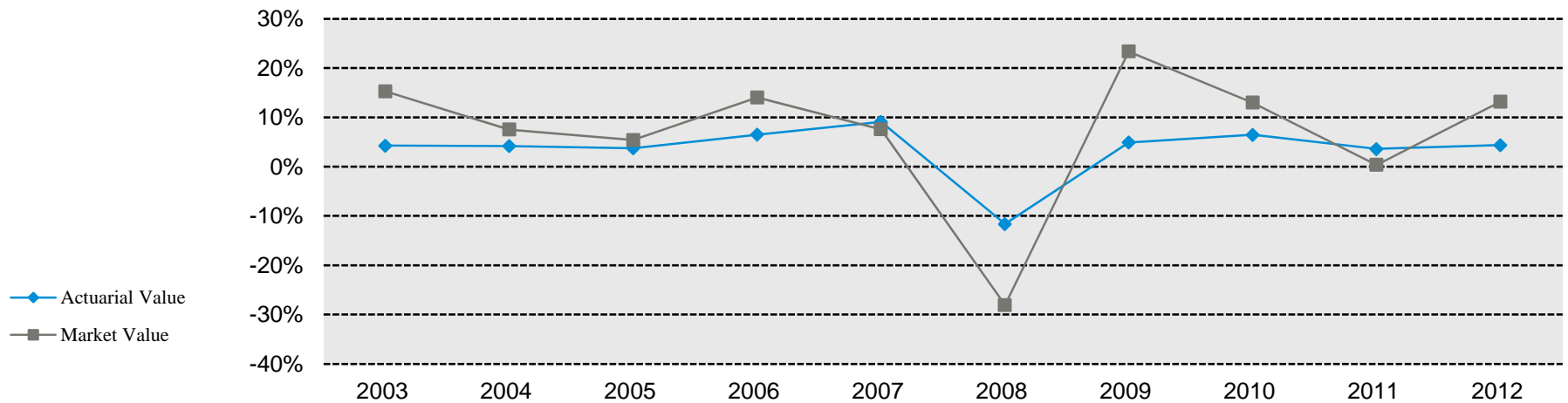
Note: Each year's yield is weighted by the average asset value in that year.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Subsection B described the actuarial asset valuation method that gradually takes into account fluctuations in the market value rate of return. The effect of this is to stabilize the actuarial rate of return and to produce more level pension plan costs.

This chart illustrates how this leveling effect has actually worked over the past ten years.

CHART 15
Market Value and Actuarial Rates of Return for Years Ended December 31, 2003 - 2012



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Administrative Expenses

Administrative expenses for the year ended December 31, 2012 totaled \$3,166,768, compared to the assumption of \$3,000,000 payable monthly. This resulted in a loss of \$172,240 for the year when adjusted for timing. We have maintained the assumption of \$3,000,000 for the current year. If actual expenses continue at the current level, this assumption will be increased in future valuations.

Mortality Experience

Mortality experience (more or fewer than expected deaths) yields actuarial gains or losses. The average number of deaths for nondisabled pensioners over the past five years was 305 compared to 290 expected deaths per year. The average number of deaths for disabled pensioners over the past five years was 32 compared to 34 expected deaths per year. We will continue to monitor the mortality experience and the margin for future mortality improvement. If recent experience continues for disabled pensioners, we may revise the disabled mortality assumption in next year's actuarial valuation.

Other Experience

There are other differences between projected and actual experience that appear when a new valuation is compared with projections from the previous valuation. These include:

- the extent of turnover among the participants,
- retirement experience (earlier or later than projected), and
- pre-retirement mortality (more or fewer deaths than projected).

Another difference may be a significant change among the participants, such as the reemployment of previously inactive participants who are not vested but have credit for prior service.

The net loss from other experience amounted to \$10,904,754 for the last plan year.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

E. CASH FLOW

The Plan is operating under a Rehabilitation Plan that was amended on March 8, 2011 with an intent to forestall insolvency. Once the fund’s assets are exhausted, PBGC financial assistance will be needed to continue payment of Plan benefits at the reduced PBGC guaranteed benefit level. Accordingly, this report does not contain a long-term “scheduled cost” measure that the Trustees could use to evaluate whether benefit levels are sustainable given negotiated contributions. Instead, this section provides information about the Plan’s projected insolvency based on the Rehabilitation Plan.

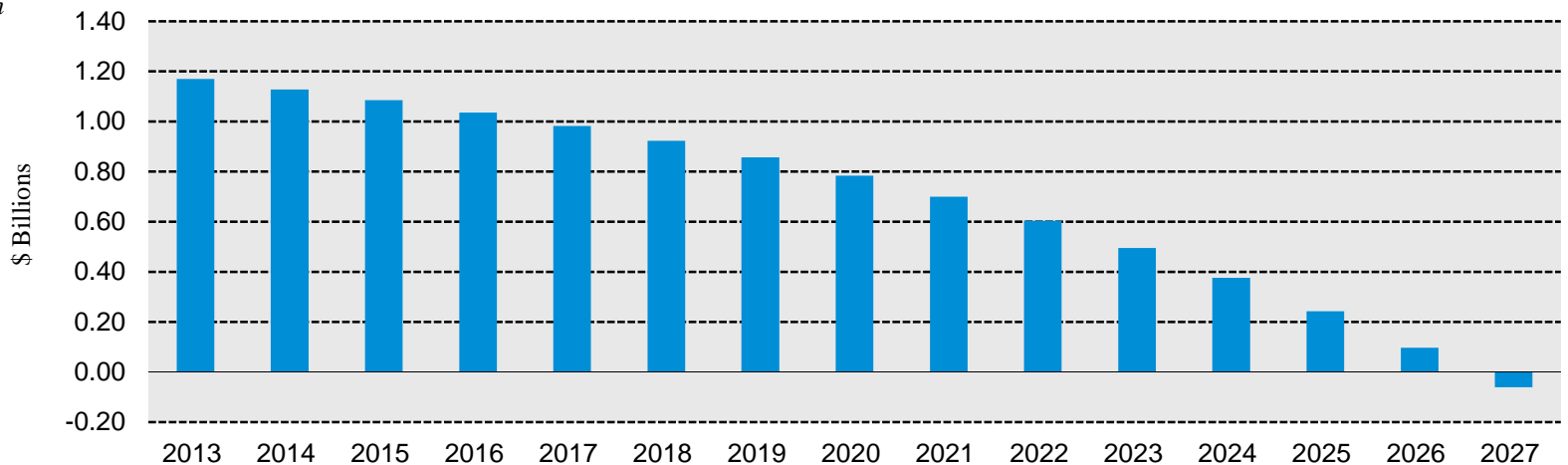
These projections are based on the plan of benefits and assumptions used for the 2013 PPA certification, adjusted for the following:

- assumes all non-retired members are covered under the Rehabilitation Plan Default Schedule,
- reflects the Trustees’ decision to increase contribution rates by 5% per year over 7 years, beginning January 1, 2013, and
- assumes no future withdrawal liability payments.

Based on this valuation, Chart 16 illustrates that assets are projected to be exhausted in 2027.

This chart shows the projected market value of assets until projected insolvency. It does not reflect any reduction in benefits or PBGC assistance that may occur as a result of insolvency.

CHART 16
Projected Market Value of Assets for Years Ending December 31



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Chart 16 shows how the market value of assets would be affected by this scenario. If requested, we are available to develop additional scenarios based on different assumptions, plan provisions and/or contribution rates.

Section 432(e)(3)(B) requires that the Trustees annually update the Rehabilitation Plan and Schedules. We will work with the Trustees to provide annual cash flow projections to assist the Trustees with those updates and to prepare our required assessment of scheduled progress in meeting the requirements of that Plan.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

F. SUMMARY OF CONTRIBUTION REQUIREMENTS

Contributions

ERISA imposes a minimum funding standard that requires the Plan to maintain a Funding Standard Account. Contributions meet the legal requirement on a cumulative basis if that account shows no deficiency. The accumulation of the actual contributions in excess of the minimum required contributions under ERISA is called the credit balance. If actual contributions fall short of the minimum required contributions on a cumulative basis, a funding deficiency has occurred.

Increases or decreases in the actuarial accrued liability due to assumption changes and plan amendments are amortized over 15 years and short-term benefits, such as 13th checks, are amortized over the scheduled payout period. The Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA 2010) allows eligible plans to amortize certain losses over periods up to 29 years.

Employers who contribute to defined benefit pension plans are also subject to maximum deductible contribution limitations prescribed by the IRS. For the development of the maximum deductible contribution amount, see Section 3, Exhibit F.

Based on the assumption that 4,031 participants will work an average of 11.5 months at a \$405.25 average contribution rate, the contributions projected for the year beginning January 1, 2013 are \$18,785,972 as shown in Chart 18. Contributions for the year beginning January 1, 2013 are projected to be less than the minimum required contribution. However, employers are not liable for satisfying the ERISA minimum funding standard for any plan year in which the plan is in critical status pursuant to Section 432, if the plan is complying with a Rehabilitation Plan in accordance with Section 432(e).

This chart summarizes the contribution information for the valuation year.

CHART 17

Contribution Requirements vs. Contributions Projected for Year Beginning January 1, 2013

ERISA minimum required contribution	\$253,289,471
Projected contributions	18,785,972
Maximum deductible contribution	3,193,525,911

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Funding Standard Account

The Funding Standard Account is charged with a normal cost and the amortization of increases in the unfunded actuarial accrued liability due to 1) plan amendments, 2) experience losses and 3) changes in actuarial assumptions and funding methods. The account is credited with employer contributions, withdrawal liability payments, and the amortization of decreases in the unfunded actuarial accrued liability due to 1) plan amendments, 2) experience gains and 3) changes in actuarial assumptions and funding methods.

On December 31, 2012, the Funding Standard Account had a funding deficiency of \$110,466,227, as shown on the 2012 Schedule MB.

We are available to work with the Trustees to develop credit balance/(funding deficiency) projections.

Chart 18 presents the Funding Standard Account information for the year ended December 31, 2012.

**CHART 18
Funding Standard Account for the Year Ended December 31, 2012**

Charges			Credits		
1	Prior year funding deficiency	\$16,900,461	6	Employer contributions	\$38,694,868
2	Normal cost, including administrative expenses	6,703,938	7	Total amortization credits	1,274,828
3	Total amortization charges	118,013,153	8	Interest to end of the year	1,448,902
4	Interest to end of the year	<u>10,267,273</u>	9	Full-funding limitation credit	<u>0</u>
5	Total charges	\$151,884,825	10	Total credits	\$41,418,598
			11	Credit balance: (10) – (4)	<u>-\$110,466,227</u>

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

G. PENSION PROTECTION ACT OF 2006 (PPA'06)

PPA'06 preserves the current basic structure of ERISA's funding rules for multiemployer pension plans, while tightening them in some regards and adding new flexibility for trustees and bargaining parties in other areas. To identify emerging funding challenges so they can be addressed effectively, PPA'06 calls on trustees to actively monitor their plans' financial prospects. Trustees are required to review formal projections of the financial status of their plans at least annually.

The "zone" rules created by PPA '06 are scheduled to expire ("sunset") for plan years beginning after December 31, 2014. However, if a pension plan is operating under a Funding Improvement Plan or a Rehabilitation Plan for the last plan year beginning in 2014, that Funding Improvement Plan or Rehabilitation Plan will remain in effect, as will all provisions of the Internal Revenue Code or ERISA regulating the operation of such Funding Improvement Plan or Rehabilitation Plan.

We will keep you informed of legislative changes as they develop.

PPA'06 Zone Status

Based on projections of the credit balance in the Funding Standard Account, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of three "zones."

A plan is classified as being in critical status (the *Red Zone*) if:

- The PPA'06 funded percentage is less than 65%, and either there is a projected Funding Standard Account

deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or

- There is a projected Funding Standard Account deficiency within four years, or
- There is an inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year's benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected Funding Standard Account deficiency within five years, or
- The plan was in critical status for the immediately preceding plan year and there is a projected Funding Standard Account deficiency within ten years.

For a plan that is in critical status, employers will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations in accordance with the Rehabilitation Plan developed by the trustees and the negotiated bargaining agreements reflect that Rehabilitation Plan.

Red Zone plans have new tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Plans in the *Red Zone* may not pay lump sums. They may not reduce benefits of participants who retired before being notified of the plan's critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

A plan is classified as being in endangered status (the *Yellow Zone*) if:

- The PPA'06 funded percentage is less than 80%, or

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

- There is a projected Funding Standard Account deficiency within seven years, and
- The plan is not in critical status (*Red Zone*).

The corrective actions for endangered plans are based on the adoption of a formal Funding Improvement Plan, designed to improve gradually the current funded percentage, to forestall a funding deficiency and to keep the plan out of critical status.

A plan that has both of the endangered conditions present is classified as seriously endangered. Trustees of those plans must take interim measures to delay the projected funding deficiency by one year and improve the plan's funded percentage.

A plan is classified as being in the *Green Zone* if it is neither in critical status (the *Red Zone*) nor in endangered status (the *Yellow Zone*).

Funded Percentage

For purposes of PPA'06, the funded percentage is determined using the actuarial value of assets and the "Unit Credit accrued liability." This liability is generally equivalent to the present value of benefits earned to date, as discussed in Subsection H, and is based on the actuary's best estimate assumptions.

2013 Actuarial Status Certification

The actuarial certification of plan status under PPA'06 is required not later than the 90th day of the plan year.

The 2013 certification was based on the liabilities calculated in the 2012 actuarial valuation, adjusted for subsequent events and projected to December 31, 2012, and on estimated asset information as of December 31, 2012. In addition, the

Trustees provided an industry activity assumption that the total number of contributory months will decline by 2% per year. This Plan was classified as critical (*Red Zone*) because there was a projected deficiency in the Funding Standard Account within one year.

This plan was first categorized as in critical status in 2008. The Trustees adopted a Rehabilitation Plan to enable the plan to cease being in critical status by the end of the Rehabilitation Period. Under the Rehabilitation Plan, new collective bargaining agreements negotiated on or after April 28, 2008 will include the maximum benefit reductions allowed by law. These reductions include the removal of all early retirement subsidies, joint and survivor subsidies, disability pensions, the 36-payment pre-retirement death benefit and all benefit options besides the single life annuity, QJSA or QOSA. The Rehabilitation Plan also includes supplemental off-benefit contributions to the plan beginning January 1, 2013.

The Trustees elected under the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) to freeze the Zone Status for 2009 at the level it was assigned for 2008, (i.e., critical). As a result, an update to the Rehabilitation Plan was not required in the 2009 Plan Year. The Trustees also elected under WRERA to extend the rehabilitation period by three additional years.

Due to the adverse experience, the Trustees have determined that they could not make any reasonable updates to the original Rehabilitation Plan to enable expected emerge from critical status. As a result, the Rehabilitation Plan was restated in 2012 for the Trustees' decision to forestall plan insolvency. Working toward that goal, the Trustees have eliminated early retirement benefits for inactive participants

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

and have reduced the supplemental off-benefit contributions to encourage continued plan participation. We are prepared to work with the Trustees in evaluating other alternatives for this Plan.

2014 Actuarial Status Certification

Based on the assumptions and methods employed for this 2013 valuation, this plan will likely be categorized as in critical (*Red Zone*) status for 2014. However, the actual status for the 2014 Plan Year will involve the following:

- Updated asset information,
- Trustee input on industry activity, and
- Projections of benefit liabilities that recognize adopted plan changes, changes in collectively bargained contribution rates and other significant events.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

H. DISCLOSURE REQUIREMENTS

Present Value of Accumulated Plan Benefits (PVAB)

Financial reporting, in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 960, requires determination of the present value of accumulated plan benefits. It is the single-sum value of the benefits, vested or not, earned by participants as of the valuation date. These present values are determined based on the plan of benefits reflected for Funding Standard Account purposes and are based upon the actuarial assumptions used to determine the ERISA funding costs of the ongoing Plan. These are not appropriate liability measurements for other purposes such as if the Plan were to terminate.

Chart 19 shows the present value of vested and accumulated plan benefits and the funded percentages based on the actuarial value of assets, for the 2013 and 2012 valuations. The PVAB funded percentage for 2013 is not the same as that used to determine the annual certification required under PPA'06. The values shown in Charts 19, 20, and 21 reflect current participant and financial information, whereas the annual certification was based on prior participant data and estimated financial results.

For a detailed breakdown of this information and reconciliation from last year to this year, see Section 4, Exhibit VI.

This chart shows the calculation of the funded percentage.

**CHART 19
Present Value of Vested and Accumulated Plan Benefits**

	January 1	
	2013	2012
1 Present value of vested accumulated plan benefits	\$1,953,137,723	\$1,953,192,845
2 Present value of accumulated benefits	1,957,159,781	1,963,150,821
3 Actuarial value of assets	1,109,688,507	1,163,639,416
4 PVAB funded percentage: (3) ÷ (2)	56.7%	59.3%

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Chart 20 below compares the present value of accumulated plan benefits with the actuarial value of assets over the past ten years. Chart 21 shows the relationship of these measures as a percentage.

A historical comparison over the past ten years is shown in these charts.

CHART 20
Present Value of Accumulated Plan Benefits vs. Actuarial Value of Assets as of January 1, 2004 - 2013

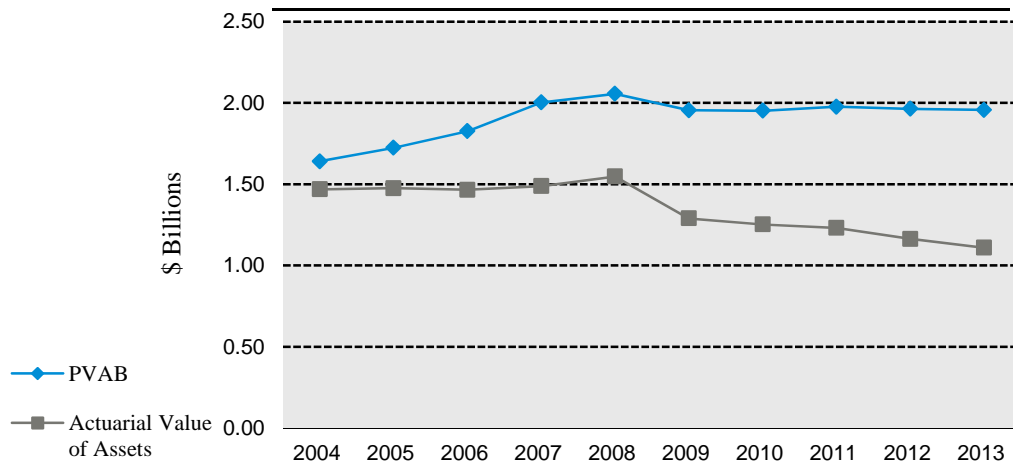
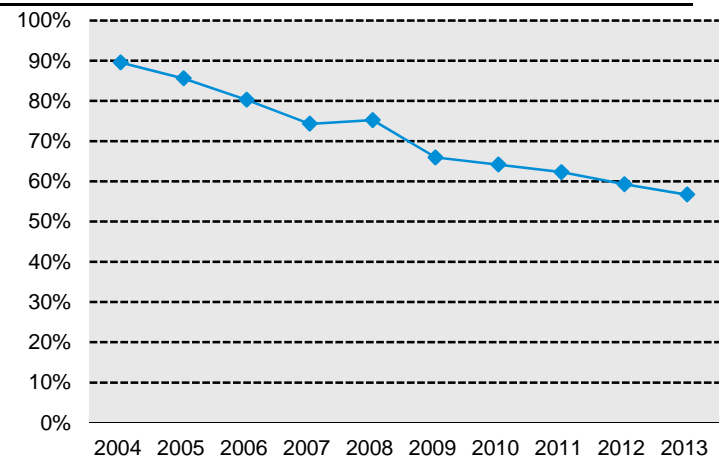


CHART 21
Actuarial Value of Assets as a Percentage of Present Value of Accumulated Plan Benefits as of January 1, 2004 - 2013



SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

Annual Funding Notice

PPA'06 requires the annual funding notice to be provided to participants, employers, unions and government agencies. Beginning with the 2008 Plan Year, it must include much more information, and it must be sent by 120 days after the end of the plan year. The actuary's "best estimate" assumptions are the basis for the measurement of the funding notice percentage.

As shown in Chart 19, the value of plan benefits earned to date as of January 1, 2013 is \$1,957,159,781 using the long-term funding interest rate of 7.25%. As the actuarial value of assets is \$1,109,688,507, the Plan's funded percentage is 56.7%, compared to 59.3% in the prior year. The funded percentage is one measure of a plan's funded status. It is not indicative of how well funded a plan may be in the future, especially in the event of plan termination.

Although the annual funding notice was revised, ERISA still requires the disclosure by the actuary of the funding percentage based on "current liability" assumptions and the market value of assets, if it is less than 70%. As shown in Section 4, Exhibit V, the Plan's current liability as of January 1, 2013 is \$3,057,902,314 using an interest rate of 3.78%. As the market value of assets is \$1,206,675,435, this funded current liability percentage is 39.4%. This will be disclosed on the 2013 Schedule MB of IRS Form 5500.

The actuarial information to be provided in the annual funding notice is shown in Section 3, Exhibit D.

Disclosure of Any Recent Adverse Developments

As amended in 1980, ERISA requires the Plan's enrolled actuary to provide a statement for inclusion in the Plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are currently aware of any event that was not considered and that may materially increase the cost of the Plan, they must advise The Segal Company, so that we can evaluate it and take it into account.

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

I. WITHDRAWAL LIABILITY

As of December 31, 2012, the actuarial present value of vested plan benefits for withdrawal liability purposes is \$2,423,385,225. This figure does not reflect the plan changes first effective in 2013. This is not the same figure as determined for FASB ASC 960 purposes because the two calculations involve different benefit provisions and different actuarial assumptions. For purposes of determining the present value of vested benefits, we excluded some benefits that are not protected by IRC Section 411(d)(6), including pre-retirement death benefits. After adding in the unamortized value of Affected Benefit pools, the total present value of vested benefits is \$2,624,538,185. Since the market value of assets as of the same date is \$1,206,675,435, the unfunded present value of vested benefits for withdrawal liability purposes is \$1,417,862,750. The increase in the unfunded present value of vested benefits from the prior year is primarily due to a decline in the PBGC interest rates used in valuing the liability.

Reductions in accrued benefits or contribution surcharges for a plan in critical status (*Red Zone*) are disregarded for determination of withdrawal liability. The Trustees have adopted a new method for calculating withdrawal liability effective for withdrawals that occur on and after March 8, 2011. The new method is based upon the PBGC's Technical Update 10-3, which describes how to account for the effect of benefit reductions that are implemented as part of a Rehabilitation Plan ("Affected Benefits") when a pension plan is in critical status.

As of December 31, 2012, a new Affected Benefits pool of \$17,285,653 was created and is included for this purpose in line 2 of Chart 22.

The major assumptions used in the valuation of the unfunded present value of vested benefits for withdrawal liability purposes are as follows:

CHART 22

Withdrawal Liability – Unfunded Present Value of Vested Benefits

	December 31	
	2012	2011
1 Present value of vested benefits measured as of valuation date	\$2,423,385,225	\$2,305,943,940
2 Unamortized value of Affected Benefits pools	<u>201,152,960</u>	<u>193,627,465</u>
3 Total present value of vested benefits: (1) + (2)	\$2,624,538,185	\$2,499,571,405
4 Market value of assets	1,206,675,435	1,162,980,990
5 Unfunded present value of vested benefits: (3) – (4)	\$1,417,862,750	\$1,336,590,415

SECTION 2: Actuarial Valuation Results as of January 1, 2013 for the Automotive Industries Pension Plan

- Interest: For liabilities up to market value of assets, 3.07% for 20 years and 3.00% beyond (4.09% for 20 years and 4.30% beyond in the prior year valuation). For liabilities in excess of market value of assets, same as used for plan funding as of beginning of current year.
- Administrative expenses: Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
- Mortality: Same as used for plan funding as of beginning of current year.
- Retirement rates: Same as used for plan funding as of beginning of current year.

For purposes of withdrawal liability, these actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, offer the actuary's best estimate of anticipated experience under the Plan.

A detailed report on withdrawal liability is available.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT A

Table of Plan Coverage

Category	Year Ended December 31		Change From Prior Year
	2012	2011	
Active participants in valuation:			
Number	4,031	4,180	-3.6%
Average age	45.2	45.1	N/A
Average years of Credited Service	12.4	12.3	N/A
Average contribution rate for coming year	\$405.25	\$399.53	1.4%
Number with unknown age	10	14	-28.6%
Total active vested participants	3,229	3,371	-4.2%
Inactive participants with rights to a pension:			
Number	10,709	10,749	-0.4%
Average age	53.3	52.8	N/A
Average monthly benefit	\$855	\$847	0.9%
Pensioners (including disabled):			
Number in pay status	8,993	9,031	-0.4%
Average age	71.9	71.4	N/A
Average monthly benefit	\$1,118	\$1,101	1.5%
Number in suspended status	62	57	8.8%
Beneficiaries:			
Number in pay status	2,364	2,314	2.2%
Average age	74.9	74.5	N/A
Average monthly benefit	\$384	\$366	4.9%

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT B

Summary Statement of Income and Expenses on an Actuarial Basis

	Year Ended December 31, 2012	Year Ended December 31, 2011
Contribution income:		
Employer contributions	\$19,424,294	\$19,621,549
Liquidated damages	226,370	128,812
Withdrawal liability payments	19,044,204	4,265,906
Less administrative expenses	-3,166,768	-3,244,994
Adjustment for audit restatement	<u>-5,933,765</u>	<u>0</u>
Net contribution income	\$29,594,335	\$20,771,273
Investment income:		
Interest and dividends	\$30,895,589	\$35,561,694
Adjustment toward market value	23,039,303	12,352,330
Less investment fees	<u>-5,184,157</u>	<u>-5,773,278</u>
Net investment income	48,750,735	42,140,746
Total income available for benefits	\$78,345,070	\$62,912,019
Less benefit payments	-\$132,295,979	-\$130,349,668
Change in reserve for future benefits	<u>-\$53,950,909</u>	<u>-\$67,437,649</u>

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT C

Financial Information Table

	Year Ended December 31, 2012	Year Ended December 31, 2011
Cash equivalents	\$14,287,217	\$12,086,372
Accounts receivable:		
Employer contributions	\$1,580,328	\$1,600,000
Accrued investment income	<u>6,235,914</u>	<u>4,569,940</u>
Total accounts receivable	7,816,242	6,169,940
Investments:		
Fixed income	\$373,853,442	\$374,217,965
Equities, including limited partnerships	750,205,542	718,375,468
Other investments	<u>65,535,213</u>	<u>54,144,387</u>
Total investments at market value	<u>1,189,594,197</u>	<u>1,146,737,820</u>
Total assets	\$1,211,697,656	\$1,164,994,132
Less accounts payable	-\$5,022,221	-\$2,013,142
Net assets at market value	<u>\$1,206,675,435</u>	<u>\$1,162,980,990</u>
Net assets at actuarial value	<u>\$1,109,688,507</u>	<u>\$1,163,639,416</u>

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT D

Annual Funding Notice for Plan Year Beginning January 1, 2013 and Ending December 31, 2013

	2013 Plan Year	2012 Plan Year	2011 Plan Year
Actuarial valuation date	January 1	January 1	January 1
Funded percentage	56.7%	59.3%	62.3%
Value of assets	\$1,109,688,507	\$1,163,639,416	\$1,231,077,065
Value of liabilities	1,957,159,781	1,963,150,821	1,976,368,800
Fair value of assets as of December 31, 2013		Not available	
Fair value of assets as of December 31, 2012		\$1,206,675,435	
Fair value of assets as of December 31, 2011		1,162,980,990	

Critical or Endangered Status

The Plan was in critical status in the plan year for the following four reasons:

1. The plan had a projected funding deficiency within 4 years;
2. The plan was in critical status last year and had a projected funding deficiency within 10 years;
3. The plan had a funded percentage less than 65% and a projected funding deficiency within 5 years; and
4. The plan's inactive vested liability exceeded that for actives and the plan had a projected funding deficiency within 5 years and the plan's projected contributions fall short of the plan's normal cost plus interest on unfunded liability.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT E

Reorganization

Under the reorganization provisions of the IRC, the Minimum Contribution Requirement (MCR) is calculated as the amount that amortizes the unfunded liability for current pensioners over ten years and the unfunded vested liability for non-pensioners over 25 years. The MCR is applicable only if this amount is larger than the Funding Standard Account requirement before the application of the credit balance.

For the year beginning January 1, 2013, the MCR does not exceed the Funding Standard Account requirement before the application of the credit balance, and is therefore not applicable for the current year. If the MCR is applicable, the Plan is said to be “in reorganization.” When a plan is in reorganization, contribution requirements are greater than the normal ERISA funding requirements, a plan must give notice to its participating employers and union(s) that it is in reorganization, cut-backs in recent benefit increases are permitted and any new benefit increases must be adequately funded. We are prepared to discuss the implications of reorganization status in more detail.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT F

Maximum Deductible Contribution

Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan's funded level that are considered in the development of the maximum deductible contribution amount.

One of the limits is the excess of 140% of "current liability" over assets. "Current liability" is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This is the limit that applies to your Plan as shown below.

Contributions received by the Plan in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.

You should review with Fund Counsel the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts.

This chart presents the calculation of the maximum deductible contribution for the January 1, 2013 - December 31, 2013 year.

Maximum Deductible Contribution

1.	Normal cost, including administrative expenses	\$6,338,805
2.	Amortization of unfunded actuarial accrued liability (fresh start as of January 1, 2013)	116,237,494
3.	Preliminary maximum deductible contribution: (1) + (2), with interest to the end of the plan year	131,463,080
4.	Full-funding limitation (FFL)	1,679,564,169
5.	Preliminary maximum deductible contribution, adjusted for FFL: lesser of (3) and (4)	131,463,080
6.	Current liability, projected to the end of the plan year	3,027,923,483
7.	Actuarial value of assets, projected to the end of the plan year	1,045,566,965
8.	Excess of 140% of current liability over projected assets at end of plan year: [140% of (6)] - (7), not less than zero	3,193,525,911
9.	End of year minimum required contribution	253,289,471
10.	Maximum deductible contribution: greatest of (5), (8), and (9)	<u>\$3,193,525,911</u>

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT G

Section 415 Limitations

Section 415 of the Internal Revenue Code specifies the maximum benefits that may be paid to an individual from a defined benefit plan and the maximum amounts that may be allocated each year to an individual's account in a defined contribution plan. If an individual is covered solely by multiemployer plans, the plans do not have to be combined for any of the limits. If the individual is covered by a single-employer plan, all plans maintained by the same employer are combined in applying these tests. Multiemployer plan benefits do not need to be combined with single-employer plan benefits in testing against the pay-based limit.

A qualified pension plan may not pay benefits in excess of the Section 415 limits. The ultimate penalty for non-compliance is disqualification; the plan could lose its tax exemption, employers could lose their deductions and active participants could be taxed on their vested benefits.

In particular, Section 415(b) of the IRC as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) limits the maximum annual benefit payable at age 62 to a dollar limit of \$160,000 indexed for inflation. The dollar limit indexed for inflation is \$200,000 for 2012 and \$205,000 for 2013. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances for such things as age at retirement and form of benefits chosen.

While the actual determination of the exact limits applicable to each participant's benefit can only be done when the individual retires and applies for benefits, the overall impact of the Section 415 dollar limits has been reflected in this valuation for plan funding purposes, based on our understanding of the requirements of IRC Sections 404, 415, and 431 and the data available to us.

Fund Counsel's review and interpretation of the law and regulations must be sought in this area as well.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

**EXHIBIT H
General Background**

An outline of the major developments in connection with the Plan's background and position is given below:

Changes in Benefit Amounts and Average Contribution Rate since January 1, 1976:

Effective Date		Average Monthly Contribution Rate	Monthly Pension Amount		Improvement to Existing Retirees
Year	Month		Per Year of Past Service	Future Service (per \$100 of Contributions)	
1976	January		\$ 5.00	\$2.75	
1980	January	\$ 87.58	5.50	3.03	10%
1981	November	103.49			(1)
1984	September	126.33	6.05	3.33	10%
1986	January	139.13	6.96	3.83	15%
1989	January	153.00	7.27	4.00	4.5%
1990	January	163.60	7.71	4.24	6%
1991	December	180.00			(1)
1992	January	183.00	7.71	\$4.45/\$4.24 ⁽²⁾	4.25%
1993	January	187.00		\$4.50/\$4.24 ⁽³⁾	1%
1994	January	191.25		\$4.50/\$4.24 ⁽⁴⁾	4% ⁽¹⁾
1995	January	200.67			
1996	January	220.37		\$4.50/\$4.24 ⁽⁵⁾	
1997	January	195.75		\$4.73/\$4.24 ⁽⁵⁾	2% ⁽¹⁾

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Changes in Benefit Amounts and Average Contribution Rate since January 1, 1976 (continued):

Effective Date		Average Monthly Contribution Rate	Monthly Pension Amount		Improvement to Existing Retirees
Year	Month		Per Year of Past Service	Future Service (per \$100 of Contributions)	
1998	January	\$205.64		\$4.90/\$4.73 ⁽⁴⁾ /\$4.24 ⁽⁵⁾	1% ⁽¹⁾
1999	January	208.60	10.00	\$5.00/\$4.24 ⁽⁵⁾	2% ⁽¹⁾
2000	January	222.52			
2001	January	235.22			
2002	January	324.40			
2003	January	352.56			
2003	July			\$5.00/\$3.00 ⁽⁶⁾	
2004	January	365.78			
2005	January	390.04		\$0.50/\$1.00/\$2.00 ⁽⁷⁾	
2006	January	393.84			
2007	January	404.09			
2008	January	395.33			
2008	July			\$1.00 ⁽⁸⁾	
2009	January	381.89			
2010	January	394.93			
2011	January	393.62			
2012	January	399.53			
2013	January	405.25			

⁽¹⁾ Additional, one-time only, pension payment was granted.

⁽²⁾ The lower factor applies to service after January 1, 1992.

⁽³⁾ The lower factor applies to service after January 1, 1994.

⁽⁴⁾ The lower factor applies to service after January 1, 2000.

⁽⁵⁾ The lower factor applies to service after January 1, 2005.

⁽⁶⁾ The lower factor applies to service after July 1, 2003.

⁽⁷⁾ The first factor applies to the first \$250 of monthly contributions, the second factor applies to the second \$250 of monthly contributions, and the last factor applies to monthly contributions in excess of \$500. All three factors apply to service after January 1, 2005.

⁽⁸⁾ This factor applies to service after July 1, 2008.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Other Developments:

Date	Event
September 1, 1955:	Board of Trustees executed Trust Agreement. Pension Plan was adopted.
July 12, 1956:	Favorable determination letter from the Internal Revenue Service was received.
January 1, 1976:	Plan revised to satisfy ERISA. Funding Standard Account was established.
January 1, 1985:	Early Retirement reduction factor was lowered to 1/3 of 1% per month.
January 1, 1986:	Plan amended to satisfy REA. Partial vested-rights adopted for participants with at least 5 years of service. Early Retirement reduction was dropped for participants retiring at age 62 or later and lowered to 1/4 of 1% per month for ages between 55 and 62. Eligibility requirements for Early Retirement and Disability pensions were lowered to 5 years of service. Pre-retirement death benefits are payable on the basis of vested percentage.
January 1, 1997:	Full vesting adopted for participants with at least 5 years of service.
October 1, 1997:	Plan amended to provide Unreduced Rule of 85 Retirement.
October 1, 1999:	Joint and Survivor factors were increased and now reflect a simplified formula
January 1, 2002:	One-time IAP rollover allowed for all non-retired participants. Future rollovers at retirement will no longer be allowed.
January 1, 2003:	Eligibility requirements for Disability Pension amended to require receipt of a Social Security Disability award.
January 15, 2008:	Board adopts the Segal interest rate method and the market value of assets for determining withdrawal liability.
March 4, 2008:	For collective bargaining agreements effective on or after March 4, 2008, the \$700 per month cap on contribution rates was eliminated.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Other Developments (continued):

Date	Event
March 28, 2008:	Plan certified as being in “Critical” status under PPA ‘06. A Rehabilitation Plan was adopted that include supplemental off-benefit contributions beginning January 1, 2013 and the following benefit reductions: <ol style="list-style-type: none">1. Early retirement and joint and survivor adjustment factors will be based on the plan’s actuarial equivalence basis.2. The “Rule of 85” unreduced early retirement benefit will no longer be available.3. The Plan’s disability benefit will no longer be available to new applicants.4. The 36-payment pre-retirement death benefit is eliminated.5. Payment forms, except for a life annuity or automatic joint and 50% survivor annuity, will no longer be available to new retirees.
March 5, 2009:	Board elects under WRERA to freeze 2009 plan status under PPA’06 and to extend Rehabilitation Period by three years.
February 1, 2011:	The commencement of the Vested Benefit (for inactive vested participants) prior to Normal Retirement Age was eliminated.
March 8, 2011:	Board adopts resolution to forestall plan insolvency under the Rehabilitation Plan. Board adopts simplified method under PBGC Technical Update 10-3 for determining withdrawal liability.
March 8, 2012:	Board elects to reduce annual supplemental off-benefit contribution under Rehabilitation Plan Default Schedule from 12.5% to 5.0%.
October 19, 2012:	Date of most recent favorable determination letter from the IRS.

May 30, 2013

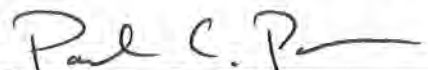
CERTIFICATE OF ACTUARIAL VALUATION

This is to certify that The Segal Company ("Segal") has prepared an actuarial valuation of the Automotive Industries Pension Plan as of January 1, 2013 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing requirements of federal government agencies. This valuation report may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial valuation may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on draft information supplied by the auditor with respect to contributions and assets and reliance on the Plan Administrator with respect to the participant data. The Segal Company does not audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. To the extent we can, however, Segal does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached Exhibit VII.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial valuation is complete and accurate, except as noted in Exhibit I. Each prescribed assumption for the determination of Current Liability 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.



Paul C. Poon, ASA, MAAA
Associate Actuary
Enrolled Actuary No. 11-06069

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Certificate Contents

EXHIBIT I	Summary of Actuarial Valuation Results
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EXHIBIT VIII	Summary of Plan Provisions

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT I

Summary of Actuarial Valuation Results

The valuation was made with respect to the following data supplied to us by the Plan Administrator:

1	Pensioners as of the valuation date (including 2,364 beneficiaries in pay status and 62 pensioners in suspended status)		11,419
2	Participants inactive during year ended December 31, 2012 with vested rights (including 2 participants with unknown age)		10,709
3	Participants active during the year ended December 31, 2012 (including 10 participants with unknown age)		4,031
	Fully vested	3,229	
	Not vested	802	

The actuarial factors as of the valuation date are as follows:

1	Normal cost, including administrative expenses ⁽¹⁾⁽²⁾		\$6,338,805
2	Actuarial present value of projected benefits		2,007,044,195
3	Present value of future normal costs		19,922,348
4	Actuarial accrued liability ⁽¹⁾		1,987,121,847
	Pensioners and beneficiaries	\$1,245,900,723	
	Inactive participants with vested rights	480,480,148	
	Active participants	260,740,976	
5	Actuarial value of assets (\$1,206,675,435 at market value as reported by Lindquist LLP)		1,109,688,507
6	Unfunded actuarial accrued liability		\$877,433,340

⁽¹⁾ *Effective July 1, 2013, a plan amendment will be recognized that reduces the plan's actuarial liability by \$11,870,224. The normal cost shown reflects the 6 months the plan amendment is in effect during the 2013 plan year. The reduction in liability is attributed to plan participants who become subject to the Rehabilitation Plan Default Schedule in 2013.*

⁽²⁾ *Estimated based on expected contributions. Actual normal cost will be based on actual contributions.*

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT II

Information on Plan Status as of January 1, 2013

1	Plan status (as certified on March 29, 2013, for the 2013 zone certification)	<i>Critical</i>
2	Scheduled progress (as certified on March 29, 2013, for 2013 zone certification)	<i>Yes</i>
3	Actuarial value of assets for Funding Standard Account	\$1,109,688,507
4	Accrued liability under unit credit cost method	1,957,159,781
5	Funded percentage for monitoring plan's status	56.7%
6	Reduction in actuarial accrued liability resulting from the reduction in adjustable benefits.	11,461,996

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT III

**Schedule of Active Participant Data
(Schedule MB, line 8b)**

The participant data is for the year ended December 31, 2012.

Age	Years of Credited Service									
	Total	1-4	5-9	10-14	15-19	20-24	25-29	30-34	35-39	40 & over
Under 20	2	2	--	--	--	--	--	--	--	--
20 - 24	117	104	13	--	--	--	--	--	--	--
25 - 29	325	174	143	8	--	--	--	--	--	--
30 - 34	408	152	161	89	6	--	--	--	--	--
35 - 39	448	105	150	137	53	3	--	--	--	--
40 - 44	507	86	136	172	79	30	4	--	--	--
45 - 49	666	78	133	173	125	99	53	5	--	--
50 - 54	718	53	107	157	119	121	115	40	6	--
55 - 59	521	31	69	102	83	94	70	47	24	1
60 - 64	251	7	27	50	50	49	33	18	10	7
65 - 69	55	2	5	12	11	4	11	3	2	5
70 & over	3	--	--	3	--	--	--	--	--	--
Unknown	10	8	2	--	--	--	--	--	--	--
Total	4,031	802	946	903	526	400	286	113	42	13

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

**EXHIBIT IV
Funding Standard Account**

The table below presents the Funding Standard Account for the Plan Year ending December 31, 2013.

Charges		Credits	
1. Prior year funding deficiency	\$110,466,227	6. Prior year credit balance for Funding Standard Account	\$0
2. Normal cost, including administrative expenses	6,338,805	7. Amortization credits	3,171,266
3. Amortization charges	122,512,711	8. Interest on (6) and (7)	207,542
4. Interest on (1), (2) and (3)	<u>17,350,536</u>	9. Full-funding limitation credit	<u>0</u>
5. Total charges	\$256,668,279	10. Total credits	\$3,378,808
Minimum contribution with interest required to avoid a funding deficiency: (5) – (10), not less than zero			\$253,289,471

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT IV (continued)

Funding Standard Account

Determination of Full-Funding Limitation Credit

(A) ERISA Full-Funding Limit		(B) Current Liability Override	
1	Projected entry age normal accrued liability \$1,980,766,754	1	90% of projected current liability \$2,742,726,410
2	Lesser of projected market and actuarial values of assets 1,045,706,918	2	Projected actuarial value of assets 1,045,566,965
3	Credit balance, with interest to December 31, 2013 0	3	Credit balance, with interest to December 31, 2013 N/A
4	ERISA FFL: (1) – (2) + (3), not less than zero 935,059,836	4	Current Liability override: (1) – (2), not less than zero 1,697,159,445
5	Minimum required contribution for the year, disregarding the credit balance and any interest on the credit balance		\$253,289,471
6	ERISA full-funding limitation credit: (5) – [greater of 4(A) and 4(B)], not less than zero		0

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT IV (continued)

Funding Standard Account

**Schedule of Funding Standard Account Bases (Charges)
(Schedule MB, line 9c)**

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Combined Base	01/01/2012	114,042,943	7.82	711,114,223
Plan Amendment	01/01/2012	\$71,720	14	\$662,731
Experience Loss	01/01/2012	3,929,675	14	36,312,137
Experience Loss	01/01/2013	<u>4,468,373</u>	15	<u>42,967,182</u>
Total		\$122,512,711		\$791,056,273

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT IV (continued)

Funding Standard Account

**Schedule of Funding Standard Account Bases (Credits)
(Schedule MB, line 9h)**

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Plan Amendment	07/01/2012	\$2,549,656	14.5	\$24,046,963
Plan Amendment	01/01/2013	4,388	15	42,197
Plan Amendment	07/01/2013	<u>617,222</u>	(1)	<u>(1)</u>
Total		\$3,171,266		\$24,089,160

⁽¹⁾ Effective July 1, 2013, a plan amendment will be recognized that reduces the plan's actuarial liability by \$11,870,224. The 15-year amortization payment for this amendment is \$1,234,444. For the 2013 plan year, 1/2 of the amortization amount, or \$617,222, was recognized in the Funding Standard Account.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT IV (continued)

Funding Standard Account

Balancing Equation

1	Net outstanding balance of bases	\$766,967,113
2	Credit balance/(Funding deficiency)	<u>-110,466,227</u>
3	Unfunded actuarial accrued liability: (1) - (2)	\$877,433,340

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT V

Current Liability

The table below presents the current liability for the Plan Year beginning January 1, 2013.

Item	Amount ⁽¹⁾
1. Retired participants and beneficiaries receiving payments	\$1,703,525,388
2. Inactive vested participants	920,877,774
3. Active participants	
a. Non-vested benefits	\$19,650,361
b. Vested benefits	<u>413,848,791</u>
c. Total active	433,499,152
4. Total	<u>\$3,057,902,314</u>
Expected increase in current liability due to benefits accruing during the plan year	\$12,612,801
Expected release from current liability for the plan year	136,526,447
Expected plan disbursements for the plan year, including administrative expenses of \$3,000,000	139,526,447
Current value of assets	1,206,675,435
Percentage funded for Schedule MB	39.46%

Note: The actuarial assumptions used to calculate these values are shown in Exhibit VII.

⁽¹⁾ *Does not reflect plan amendment, effective July 1, 2013, that reduces current liability by \$18,639,247.*

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT VI

Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is shown below as of January 1, 2013 and as of January 1, 2012.

	Benefit Information Date	
	January 1, 2013	January 1, 2012
Actuarial present value of vested accumulated plan benefits:		
Participants currently receiving payments	\$1,245,900,723	\$1,241,878,069
Other vested benefits	<u>707,237,000</u>	<u>711,314,776</u>
Total vested benefits	\$1,953,137,723	\$1,953,192,845
Actuarial present value of non-vested accumulated plan benefits	<u>4,022,058</u>	<u>9,957,976</u>
Total actuarial present value of accumulated plan benefits	<u>\$1,957,159,781</u>	<u>\$1,963,150,821</u>

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT VI (continued)

Actuarial Present Value of Accumulated Plan Benefits

The factors that affected the change in the actuarial present value of accumulated plan benefits from the preceding to the current benefit information date are as follows:

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Plan amendments	-\$22,600,821
Benefits accumulated, net experience gain or loss, changes in data	12,192,334
Benefits paid	-132,295,979
Interest	<u>136,713,426</u>
Total	<u>-\$5,991,040</u>

Note: Does not include the plan amendment effective July 1, 2013. This amendment would reduce the actuarial present value of accumulated plan benefits by \$11,188,375.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

EXHIBIT VII

**Statement of Actuarial Assumptions/Methods
(Schedule MB, line 6)**

Mortality Rates: Healthy: RP-2000 Combined Healthy Mortality Tables, set back 1 year
 Disabled: RP-2000 Combined Healthy Mortality Tables, set forward 5 years.

The above tables were determined to contain provision appropriate to reasonably reflect future mortality improvement, based on a review of mortality experience as of the measurement date.

Termination Rates before Retirement:

Age	Rate (%)			
	Mortality		Disability	Withdrawal*
	Male	Female		
20	0.03	0.02	0.05	21.20
25	0.04	0.02	0.06	15.80
30	0.04	0.02	0.08	11.60
35	0.07	0.04	0.11	8.40
40	0.10	0.06	0.17	6.20
45	0.14	0.10	0.27	4.20
50	0.20	0.16	0.45	2.60
55	0.32	0.24	0.76	1.00
60	0.59	0.44	1.22	0.00

* Withdrawal rates under age 55 are increased by 6 percentage points for the first 5 years of service. Withdrawal rate are zero once retirement rates apply.

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Retirement Rates:

Non-Service Pensions		Rule of 85 Pensions	
Age	Retirement Rates	Age	Retirement Rates
55 – 60	5%	53	10%
61	15	54	35
62	35	55-58	15
63	25	59	25
64	25	60-61	20
65	50		
66	30		
67	100		

Description of Weighted Average Retirement Age:

Age 61.7, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential retirement age times the retirement rate at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages, based on all the active participants included in this actuarial valuation.

Retirement Age for Inactive Vested Participants:

Age 65 for those with unsubsidized early retirement benefits. Age 62 for all others.

Future Benefit Accruals:

Work-year of 11.2 months of contributions per active employee.

Unknown Data for Participants:

Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

Definition of Active Participants:

Active participants are defined as those with at least five months in the most recent Plan Year, excluding those who have retired as of the valuation date.

Exclusion of Inactive Vested:

Inactive participants over age 70 excluded from the valuation.

Percent Married:

85%

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Age of Spouse:	Females 4 years younger than males.
Benefit Election:	All non-retired participants subject to the rehabilitation plan benefit reductions are assumed to elect the Life Option (without the 36-month guaranteed). For all other non-retired participants, 50% are assumed to elect the 100% Joint and Survivor annuity (with pop-up) and the other 50% are assumed to elect the Life Option with 36-month guaranteed.
Net Investment Return:	7.25%
Annual Administrative Expenses:	\$3,000,000, payable monthly (equivalent to \$2,888,977 payable at the beginning of the year).
Actuarial Value of Assets:	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the actuarial value, and is recognized over a five-year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age is the current age minus Credited Service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service, with Normal Cost determined as if the current benefit accrual rates have always been in place. Normal Cost is adjusted by the ratio of the actual contributions credited for benefit accruals received during the plan year to the expected contribution. For 2013, the expected contributions are \$18,785,972.
Benefits Valued:	Unless otherwise indicated, includes all benefits summarized in Exhibit VIII.
Current Liability Assumptions:	
<i>Interest</i>	3.78%, within the permissible range prescribed under IRC Section 431(c)(6)(E).
<i>Mortality</i>	Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1, using the static tables with separate tables for annuitants and nonannuitants (RP-2000 tables projected forward to the valuation year plus seven years for annuitants and 15 years for nonannuitants)

SECTION 3: Supplementary Information as of January 1, 2013 for the Automotive Industries Pension Plan

Justification for Change in Actuarial Assumptions (Schedule MB, line 11):

For purposes of determining current liability, the current liability interest rate was changed due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

Estimated Rate of Investment Return:

On actuarial value of assets (Schedule MB, line 6g): 4.4%, for the Plan Year ending December 31, 2012

On current (market) value of assets (Schedule MB, line 6h): 13.2%, for the Plan Year ending December 31, 2012

Funding Standard Account Contribution Timing (Schedule MB, line 3):

Unless otherwise noted, contributions are paid periodically throughout the year pursuant to collective bargaining agreements. The interest credited in the Funding Standard Account is therefore assumed to be equivalent to a July 1st contribution date.

SECTION 4: Certificate of Actuarial Valuation as of January 1, 2013 for the Automotive Industries Pension Plan

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EXHIBIT VIII

**Summary of Plan Provisions
(Schedule MB, line 6)**

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year: January 1 through December 31

Pension Credit Year: January 1 through December 31

Plan Status: Ongoing plan

Normal Pension:

Age and Service requirements

65 and 5 years of Credited Service (including 24 months of Future Service).

Amount

The monthly amount is the sum of (a), (b), (c), (d) and (e).

- a. \$10.00 for each year of Past Service.
 - b. \$5.00 for each \$100 of the contributions made on the participant's behalf from his Contribution Date through June 30, 2003.
 - c. \$3.00 for each \$100 of the contributions made on the participant's behalf from July 1, 2003 through December 31, 2004.
 - d. 0.5% for the first \$250 of monthly contributions, 1.0% for the next \$250 of monthly contributions, and 2.0% of monthly contributions in excess of \$500 made on the participant's behalf on or after January 1, 2005.
 - e. 1.0% of monthly contributions made on the participant's behalf on or after July 1, 2008.
- Contribution increases under the Rehabilitation Plan do not count for benefit accruals.

SECTION 4: Certificate of Actuarial Valuation as of January 1, 2013 for the Automotive Industries Pension Plan

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Early Retirement Pension:

Age and Service requirements 55 and 60 months of Credited Future Service.

Amount Accrued Normal Pension amount to which the participant would be entitled, reduced by 1/4 of 1% for each month that the retiring employee is younger than 62 (no reduction is applied between ages 62 and 65 for the Unreduced Early Pension, or if participants age and service total at least 85 for the Unreduced Rule of 85 Pension). For participants subject to the Rehabilitation Plan benefit reductions, all Early Retirement Pensions are reduced from age 65, using the plan's actuarial equivalence basis.

Disability Pension:

Age and Service requirements Any age and 5 years of Credited Service (including 24 months of Future Service).

Other requirements Eligible for a Social Security disability benefit.

Amount Accrued Normal Pension amount to which the participant would be entitled (on his date of disability) without any reduction. For participants subject to the Rehabilitation Plan benefit reductions, the Disability Pension is not available and those who become disabled are eligible only for the Vested Benefit described below.

Vested Benefit:

Age and Service requirements Any age and 5 years of Credited Service (including 24 months of Future Service).

Amount Accrued Normal Pension amount (using the benefit formula at the time of retirement), payable commencing at Normal Retirement Age, or, if available, (on a reduced basis) as early as age 55.

Normal Retirement Age The later of age 65 and the fifth anniversary of participation.

Spouse's Benefit:

Age and Service requirements Any age and 5 years of Credited Service (including 24 months of Future Service).

Amount 50% of the benefit that the participant would have received had he or she retired the day before death on a Joint and Survivor Annuity. If the participant is not eligible to retire at the time of death, payments will be deferred until the participant's earliest retirement age.

SECTION 4: Certificate of Actuarial Valuation as of January 1, 2013 for the Automotive Industries Pension Plan

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Pre-Retirement Death Benefit:

Age and Service requirements

Any age and 5 years of Credited Service (including 24 months of Future Service).

Amount

Return of the total contributions made on account of the participant's employment or, if greater, the participant's unreduced pension at time of death payable for 36 months.

This benefit is not payable if benefits are due under the Spouse's Benefit or for participants subject to the Rehabilitation Plan benefit reductions.

Joint and Survivor Annuity:

All retirements are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If the spouse predeceases the participant, the benefit "pops-up" to the amount is payable before the reduction. If this type of pension is rejected, benefits are payable for the life of the participant without reduction (with a minimum guarantee of 36 monthly payments) or in any other available optional form elected by the participant. For participants subject to the Rehabilitation Plan benefit reductions, the "pop-up" feature and the 36-month guarantee are not available, and the joint and survivor reduction factors are based on the plan's actuarial equivalence basis.

Optional Forms of Benefit Payment:

- 50% Joint and Survivor Option ("QJSA")
- 75% Joint and Survivor Option ("QOSA")
- Life with 36-Month Guarantee Option
- Life with 120-Month Guarantee Option
- Full 100% Joint and Survivor Option

Aside from a life only annuity, QJSA and QOSA, these options are not available for participants subject to the Rehabilitation Plan benefit reductions.

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Credited Service Schedule: Commencing January 1, 1976 a year of Future Service is credited during any Plan Year in which the participant completes at least 5 months of covered service. (No fractional credit is granted.) Prior to January 1, 1976, Future Service was granted at the rate of one-twelfth of a year for each month of contribution payments.

Past Service is credited for service prior to the Contribution Date up to a maximum of 20 years for members who became participants prior to January 1, 1975 and 10 years for members who entered the Plan after January 1, 1975. For participants who joined the Plan after 1978, the amount of Credited Past Service can not exceed the Credited Future Service earned under the Plan.

Break-in-Service Rules:

One-Year Break

A participant incurs a One-Year Break in Service if he or she fails to complete five months of service or 501 hours of service in a Plan Year.

Permanent Break

A non-vested participant incurs a Permanent Break in Service if the number of consecutive One-Year Breaks in Service is at least 5 and it equals or exceeds the number of years of Credited Service which the employee had previously accumulated. At this time, the non-vested portion of the participant's service and benefits accrued are canceled.

Participation Rule:

An employee becomes a "Participant" the first day of the first month for which an employer contribution was made.

Contribution Rate:

The average benefit contribution rate on January 1, 2013 was \$405.25 per month.

SECTION 4: Certificate of Actuarial Valuation as of January 1, 2013 for the Automotive Industries Pension Plan

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Plan Amendments:

The level of benefits payable is directly proportional to the negotiated contribution rate recognized for benefit accruals; any change in this rate for continuing active employees results in an automatic benefit change and, therefore, in a plan amendment.

The Trustees implemented a Rehabilitation Plan that reduced Plan benefits as described in this Exhibit. These benefits become effective for active participants as new collective bargaining agreements (“CBAs”) are negotiated. Benefit reductions for members whose CBAs are expected to be renegotiated through 2013 are recognized in this valuation.

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