



UNITED TEAMSTER PENSION FUND-A

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PLAN MATERIAL MODIFICATIONS

Our nation has seen hard times recently. Over 15 million Americans are out of work and the stock market is down 4000 points from its highest point.



This along with recent government regulations have affected our Pension Fund. As Trustees of the Fund, we must make adjustments to ensure that our Fund will be there for our participants when it is time for retirement. This Newsletter will explain the changes that the Trustees have made.

We believe that it is important to be proactive in addressing the long term goals of the Fund. Our job is to make tough decisions so that we can survive for the long run.

This is not easy, but nothing worthwhile is. We hope these news help explain the changes and give you the information you need for the future.

Sincerely,
Board of Trustees

Special points of interest:

- Employer Contributions
- Benefits
- Questions

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PENSION PROTECTION ACT (PPA)

In 2006 Congress passed the Pension Protection Act ["PPA"] to assist underfunded plans to decrease unfunded liability and minimize the risk that one day they will become insolvent.

Three funding categories were established by the PPA, Fully Funded (Green), Endangered (Yellow) and Critical (Red). The decision as to what category the plan belongs to is made by its Actuary.

The Fund's Actuary has certified that the United Teamster Pension Fund-A is in the red zone. Because the Fund was in the red zone, the Trustees were required to adopt a rehabilitation plan. The rehabilitation plan required changes to future benefit accruals as well as employer contribution rates. These changes are designed to move the Fund out of the red zone within ten (10) years.

This rehabilitation plan will be updated annually.

CHANGES TO CONTRIBUTIONS

The contribution rate provided under any Collective Bargaining Agreement ("CBA") must be increased each year over the 2009 rate by at least the following amounts:

crease its contribution rate for each year after 2009 by at least the lesser of:

- (a) An employer who has a 2009 contribution rate of less than fifty cents per hour worked (50¢/hour) must increase its contribution rate for each year after 2009 by at least fifty percent (50%) of its 2009 rate.
- (b) An employer who has a 2009 contribution rate of fifty cents (50¢) per hour worked (50¢/hour) or more, must in-

- i) thirty percent (30%) of its 2009 rate, or
- ii) thirty cents per hour worked (30¢/hour)

Until an employer agrees to a new collective bargaining agreement with the union they will be charged a 5% surcharge on their contributions the first year and a 10% surcharge the second year.

CHANGES TO BENEFITS

Effective January 1, 2011:

- Disability Pension benefits are eliminated
- Benefits earned after 2010 will not be counted towards a Service Pension. All benefits accrued through December 31, 2010 under the existing Service Pension rules are preserved. However, benefits earned after 2010 will NOT be added or counted towards a Service Pension. Pension Credits after 2010 will still be used to determine eligibility for a service pension for benefit earned through December 31, 2010.
- Starting in 2011, eligibility for Early Retirement will be expanded so that it is available to anyone who has attained

age 45 and has at least five years of Vesting Credit. The Early Retirement pension is reduced from age 65. However, a member with at least 30 years of Credits is reduced from age 62.

Part of our new plan is to keep the benefit accrual rate approximately constant with what is currently being accrued for market participants (\$70.80). In 2011, the employer contribution rate will be increased 30¢ per hour, the percentage rate will be decreased, and participants will accrue approximately the same benefit they are currently accruing (\$70.80).



Changes to your retirement plan

"Contribution Rate Increases"



Future Changes to Benefits

The monthly benefit rate is a percentage of contributions. It is as follows:

Year:	Rate:
2010	1.03%
2011	.94%
2012	.87%

This is a notice of benefit adjustment as required under federal law (ERISA 204(h)).

FREQUENTLY ASKED QUESTIONS

1) I have worked 25 years in the market and I will be retiring December 31, 2010. How will my pension be calculated?

For the first 24 years, it will be calculated at the rate per year. For 2010 year benefit is 1.03% multiplied by contributions made on your behalf. If you worked a full year, the accrual rate for 2010 would be \$70.80.

2) Is that still true even if I am 50 years old?

Yes. The unreduced service pension is not eliminated until after December 31, 2010.

3) I am 56 years old and will have worked 26 years in the market by December 2010, shouldn't I retire now to preserve my Service Pension?

No. The period worked before December 31, 2010 is preserved. The initial 26 years will be paid at an unreduced benefit whenever you retire. The benefit after December 31, 2010 will be added to what you earned. It is only the benefits earned after December 31, 2010 that will be reduced if the participant retires before age 65.

4) I have retired, will my benefit be cut?

No. You will continue to keep receiving the same benefit you are currently receiving.

5) I am thinking of retiring, what do I have to do?

You should contact the Fund 60 days before you plan to retire.

6) What documents do I need to provide to the Office?

You would need to provide your birth certificate, Spouse's birth certificate if you are married and marriage certificate. If you are divorced, provide a copy of your divorce decree.

7) Will I still be able to leave part of my pension to my wife?

Yes. By taking a reduced amount, you can arrange for your widow to receive either 50% or 75% of the amount you are receiving.

8) Will my spouse be able to have a benefit if I die before I retire?

If you have 5 or more Vesting Credits, your spouse will be able to receive a lifetime survivor benefit.



We all would like to have secured benefits when we retire.

"It is our job to be here for you. Please contact us if you have concerns and questions regarding your pension benefits"



You are important to us.