

NEW ENGLAND TEAMSTERS AND TRUCKING INDUSTRY PENSION FUND

535 Boylston Street · Boston, Massachusetts 02116-3770

June 2004

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Dear Participant:

We are pleased to present you with a Summary of the annual report for the New England Teamsters and Trucking Industry Pension Fund for the year ended September 30, 2003. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

During the plan year ended September 30, 2003, 1,475 members and 503 surviving spouses were added to the pension rolls. At year-end, there were 23,846 retired members and 5,362 beneficiaries receiving benefits from the Fund. The Plan received over \$206 million in contributions and paid out over \$335 million in benefits during the year. The actuarial present value or cost of both present and future pension benefits as determined by the plan's actuarial firm was \$4.288 billion. For withdrawal liability purposes, the Plan utilizes an actuarial valuation of assets, which was determined to be \$3.343 billion as compared to a market valuation of \$2.957 billion. A comparison of the actuarial valuation of plan assets to the vested benefit obligation results in an unfunded liability of \$945 million.

Over 5,700 active participants have successfully logged on to the Fund's web site at www.nettipf.com to view their hours of service and years of pension credit. Many vested participants have also been able to calculate their own estimated benefit amounts payable at their future retirement dates based on their up-to-date accumulated pension credit. If you are an active participant and have access to the internet, you may request a Member ID and Password letter by clicking on the Member Login button on the Fund's web site and then selecting either the Register or Forgot Password button. After you enter the required information, a Member ID and Password letter will be mailed to you within a few days. Almost 19,000 retirees have signed up for the direct deposit of their monthly pension checks. If you are receiving benefits and haven't signed up, call the Fund Office at your earliest convenience and ask for an Authorization Form. If you have the capability to download and print forms directly from the internet, you can obtain an Authorization Form by clicking on the Online Forms button on the Fund's web site. You may also use the Contact Us button on the Fund's web site to ask the Fund Office to change your monthly tax withholding. If you do not have access to the internet, you may change your tax withholding at any time by submitting a new IRS Form W-4P or by writing to the Fund Office.

As previously reported, certain Plan changes went into effect on October 1, 2003 as part of our commitment to sound fiscal policy. These changes included the elimination of some rarely used types of pensions, increases in the reduction factors applied to Early Retirement and Thirty-Year Service Pensions and the elimination of Early Retirement Pensions for certain participants before age 55. Although there have been no changes in the benefit amounts payable under our Plan C and Plan D Special Service Pensions, future eligibility to these two types of pensions will require higher levels of contributions in the five years preceding a participant's year of retirement. In addition, an on-going funding policy has been established under which no future benefit increases in the Plan will be considered until the ratio between the actuarial valuation of assets and the actuarial accrued liability is 90% or greater. You can check out these new eligibility requirements by visiting the Fund's website at www.nettipf.com.

The Fund's ability to meet all of its pension obligations has been and will continue to be based on the Fund's investment income. Investments in the stock market over the last few years have been very unsatisfying and have not matched the Fund's expected annual rate of return. In these tough economic times, we are continuing our efforts to build a well diversified asset allocation model that will neutralize unforeseen losses in any particular market segment and result in maximum investment returns for many years to come. As fiduciaries, we are committed to maintaining a Plan of benefits that is recognized as one of the best and strongest union retirement plans in the country. Please refer to the reverse side for information required by ERISA for the plan year ending September 30, 2003.

Fraternally yours,

BOARD OF TRUSTEES

SUMMARY ANNUAL REPORT

FOR NEW ENGLAND TEAMSTERS & TRUCKING INDUSTRY PENSION FUND

This is a summary of the annual report for the New England Teamsters & Trucking Industry Pension Fund, EIN 04-6372430, Plan No. 001, for the period of October 1, 2002 through September 30, 2003. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$351,240,000. These expenses included \$15,345,000 in administrative expenses, \$335,663,000 in benefits paid to participants and beneficiaries, and \$232,000 in other expenses. A total of 72,051 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$2,945,024,000 as of September 30, 2003, compared to \$2,637,460,000 as of October 1, 2002. During the plan year, the plan experienced an increase in its net assets of \$307,564,000. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$631,779,000 including employer contributions of \$208,753,000, realized losses of \$63,995,000 from the sale of assets, and earnings from investments of \$464,021,000.

Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. financial information and information on payments to service providers;
3. assets held for investment;
4. information regarding any common or collective trusts, pooled separate accounts, master trusts or 103-12 investment entities in which the plan participates; and
5. actuarial information regarding the funding of the plan.

To obtain a copy of the full annual report, or any part thereof, write or call Trustees, New England Teamsters & Trucking Industry Pension Fund, 535 Boylston Street, Boston, MA 02116, (617) 266-8900. The charge to cover copying costs will be 25 cents per page.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (Trustees, New England Teamsters & Trucking Industry Pension Fund, 535 Boylston Street, Boston, MA 02116) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.