

New England Teamsters & Trucking Industry Pension Fund



I. Alternative Schedule of Benefits
for Members Working for
New Contributing Employers

II. Process for Current Contributing
Employer Transitioning to
New Employer Status

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We are pleased to announce an Alternate Schedule of Benefits that will apply to Contributing New Employers who begin their first participation with the Pension Fund on or after October 1, 2010. This Alternate Schedule of Benefits was developed with the intention of eliminating the possibility of future withdrawal liability and will not apply to current plan participants of the Pension Fund. This Alternate Schedule of Benefits will be part of the existing New England Teamsters & Trucking Industry Pension Fund. The Alternative Schedule of Benefits is summarized in Part I of this document.

In addition, the Pension Fund has created a second pool for withdrawal liability purposes. New Employers joining the Pension Fund on or after October 1, 2010 and who negotiate the Alternative Schedule of Benefits will automatically be part of the second withdrawal liability pool. Current Contributing Employers may be able to join the second withdrawal liability pool, subject to certain conditions, as outlined in Part II of this document.

We, as Trustees of the Pension Fund, have the ultimate authority to determine the right to benefits, the amount of benefits and whether a person qualifies for participation in the Pension Fund. This authority includes the crediting of Service and the right to discontinue or modify the Pension Fund. In particular you should note that no Local Union Officer, Business Agent, Local Union Employee, New Employer, New Employer Representative, Fund Office Employee, Fund Consultant, or Attorney can change the terms of the Pension Fund or commit the Trustees of the Pension Fund unless they have the express authority of the Trustees.

When granting acceptance for participation to a New Employer the Trustees may impose any terms and conditions we consider

necessary or appropriate to preserve the actuarial soundness of the Plan and to preserve an equitable relationship between the basis of contributions of all Contributing Employers and the benefits provided for all Participants. Such conditions may include but shall not be limited to the granting of a lower scale of benefits.

While we have taken great care to ensure the accuracy of this summary, it is written in much simpler language than the Pension Fund document. Therefore, there may be an unintended conflict between this summary and the Rules and Regulations of the Pension Fund. In the event of any such conflict, the Rules and Regulations of the Pension Fund will prevail.

The Trustees continuously monitor the Pension Fund aided by their professional advisors. They work together to ensure that the Pension Fund is financed soundly and operated in a consistent and uniform manner. The benefits provided by the Pension Fund are very valuable to both you and your family and we want to ensure that you understand the value of the Pension Fund. If you have any questions or require additional information regarding the Pension Fund and your benefits, we invite you to write to the Pension Fund Office. Notices, government filings and other information about the Pension Fund are posted to our website www.nettipf.com.

The Board of Trustees

October, 2010

LAYOUT OF THIS BOOK

This book defines certain terms precisely. You should bear in mind that the defined terms may not correspond with the plain English connotation of the word. Throughout this book the defined terms start with an Upper Case Letter.

PART I – New Employers Alternative Schedule of Benefits

Section 1 describes definitions of key terms.

Section 2 describes the conditions for becoming a participant.

Section 3 describes the calculation of your Pension Credit.

Section 4 describes how you can become Vested.

Section 5 describes the computation of your Accrued Benefit.

Section 6 describes Retirement and Retirement Benefits.

Section 7 describes termination of Covered Employment.

Section 8 describes death before retirement.

Section 9 describes optional forms of payment.

Section 10 describes procedures for claiming your benefit.

Section 11 describes statutory disclosure information.

Section 12 describes information about the Pension Fund.

PART II – Current Employers Transition Into Second Withdrawal Liability Pool

PART I – New Employers Alternative Schedule of Benefits

SECTION 1 - DEFINITIONS

Actively Engaged in Covered Employment

You are Actively Engaged in Covered Employment if you earned at least 18 months of Pension Credit in the last 36 months. For retirement benefits the last 36 months ends on the last day of Covered Employment. For death benefits the last 36 months ends the day before the month of death.

In the event that you did not earn 18 months of Pension Credit in the last 36 months because you were disabled and receiving disability income benefits from any New Employer paid disability program (e.g. Federal, State, Workers Compensation, local union health and welfare fund) the 36 months will be extended and the months during which you received disability income will be excluded from the test period.

However, if your Collective Bargaining Agreement provides you with Pension Credit after the date of disability up to 12 months of such Pension Credit will count toward the required 18 months.

Calendar Year

The Calendar Year consists of the 12 months from January 1 to the following December 31.

Collective Bargaining Agreement

Collective Bargaining Agreement means a negotiated agreement between your local union and your New Employer that includes an hourly rate of contributions to the Pension Fund.

Contribution Rate

Contribution Rate means the hourly rate of contributions required to be paid by your New Employer to the Pension Fund as agreed to in a Collective Bargaining Agreement.

Disqualifying Employment

You engage in Disqualifying Employment if, during a month, you work 49 or more hours for an New Employer not participating in the Pension Fund performing a job covered by the Pension Fund that is also in the geographic area covered by the Pension Fund. Paid non-work time counts towards the 49 hours. When you reach age 70 no employment will be considered Disqualifying Employment.

Employee

You are an Employee if you are covered by a Collective Bargaining Agreement that requires a New Employer to make contributions to the Pension Fund on your behalf. You are not an Employee if you are an owner or an officer of your New Employer. However, you are an Employee as an owner/operator if you are under the direction and control of your New Employer. A valid owner/operator relationship occurs when your New Employer pays your Social Security tax, workers compensation insurance, and other expenses incidental to employment and pays for your wages and equipment rental separately.

Fund

Fund means the New England Teamsters & Trucking Industry Pension Fund created April 11, 1958 and amended effective October 1, 2010 to create a schedule of benefits for New Employers.

Fund Year

The Pension Fund Year consists of the 12 months from October 1 to the following September 30.

Hour of Service

The Pension Fund uses Hours of Service in figuring the amount of Pension Credit you accrue each year and whether you have earned a Year of Vesting Service. An Hour of Service is each hour that your New Employer is obligated to make contributions to this Fund. Hours of Service include each hour as an Employee that you are paid or entitled to payment by an New Employer, including time on paid vacation, paid holidays, periods of absence on account of illness, off-the-job injury or on-the-job injury for which contributions are due to the Pension Fund. Hours of Service also include hours for which back pay and/or retroactive contributions is awarded or agreed to by a New Employer.

New Employer

A New Employer is a New Employer who is first required to make contributions to the Pension Fund on or after October 1, 2010 for work by an Employee either through a Collective Bargaining Agreement or by written agreement with the Trustees.

Normal Retirement Age

Your Normal Retirement Age is the later of age 65 and the 3rd anniversary of the date you participated in the Pension Fund.

Participant

Participant means a pensioner or an Employee who meets the requirements for participation (see *Section 2*) or a former

Employee who has a vested right to a pension under this Fund (see *Section 4*).

Pension Credit

Pension Credit is service with a New Employer during which contributions were payable to the Pension Fund on your behalf (see *Section 3*).

Qualified Spouse

Your spouse is the person to whom you are considered married under applicable law. A former spouse may also be considered a spouse under the terms of a qualified domestic relations order granted as part of a divorce proceeding. Your spouse is a Qualified Spouse if you have been married for at least one year at the time your pension commences. If you have been married for less than one year, your spouse will become a Qualified Spouse on the first anniversary of your marriage. If you marry or re-marry after your pension has started your spouse will generally not become a Qualified Spouse. The one exception to this rule is if you were married at retirement, elected a Husband & Wife with Pop-Up, and your wife died. In this case you may again opt for a Husband & Wife with Pop-Up, with your new spouse as beneficiary, after being re-married for one year.

SECTION 2 - PARTICIPATION IN THE PLAN

In order to earn a benefit from the Pension Fund you must first qualify to be a Participant in the Pension Fund.

Becoming a Participant

You become a Participant on January 1 or July 1 after you first meet all of the following requirements:

- You are an Employee;
- You are Actively Engaged in Covered Employment;
- You have completed 12 consecutive months of Covered Employment from your date of hire; and
- You completed at least 1,000 hours of service with the New Employer during the 12 consecutive months from your date of hire.

Termination of Participation

You will cease to be a Participant if you do not complete at least 500 Hours of Service in Covered Employment in any Calendar Year and you have not reached vested status. Participation ceases on the last day of that Calendar Year. Solely for the purpose of determining whether you remain a Participant, you will be deemed to work 40 hours in Covered Employment for each week (or partial week) that you receive Workers Compensation.

Reinstatement of Participation

If your Participation has terminated, you will become a Participant once you again meet the requirements for Participation. The 12 consecutive month period will be the Calendar Year instead of the 12 months from your date of hire.

SECTION 3 - PENSION CREDIT

Pension Credit

Pension Credit is granted on the basis of Hours of Service for which your New Employer has an obligation to contribute under an approved Collective Bargaining Agreement.

The number of months of Pension Credit you earn each Calendar Year is determined using the following table.

<i>Hours of Service To Pension Credit Table</i>	
<i>Hours of Service in Calendar Year</i>	<i>Months of Pension Credit in Calendar Year</i>
Less than 750	0
750 to 999	6
1,000 to 1,199	7
1,200 to 1,399	8
1,400 to 1,599	9
1,600 to 1,799	10
1,800 to 1,999	11
2,000 or more	12

Pension Credit for Military Service

The Pension Fund grants Pension Credit for Participants who serve in the armed forces of the United States to the extent required by law. Military service includes service in the Armed Forces, the Armed Forces Reserves, the Army National Guard and the Air National Guard while engaged in active and inactive duty training and full time National Guard duty. If you leave Covered Employment to enter military service you must resume Covered Employment with your New Employer after your honorable discharge from military service in order to qualify for Pension Credit. The deadline for you to report back to work depends on how long your Military Service lasted. For Military Service of less than 31 days you must report to work during the next regular work period after your Military Service ends. For 31 to 180 days you must apply for re-employment within 14 days. For Military Service over 180 days you must

apply for re-employment within 90 days. You also need to notify the Trustees of your return from military service and provide the Trustees with such evidence they require to verify your period of military service. In the event that your New Employer commences participation in the Pension Fund while you are in military service, you will be treated as if in full time employment and will earn Pension Credit, provided you have a timely return to your New Employer after your honorable discharge and that you were in full-time employment when your military service commenced.

SECTION 4 - VESTING IN YOUR BENEFIT

In order to receive a benefit from the Pension Fund you must first become vested in the Pension Fund.

Vesting Conditions

You become vested by accumulating 3 years of Vesting Service or 3 years of Pension Credit or by attaining Normal Retirement Age. You earn 1 year of Vesting Service for each Calendar Year in which you complete at least 1,000 Hours of Service in Covered Employment. You also earn vesting service if you work in non-Covered Employment with the same New Employer provided that such non-Covered Employment is continuous with, and immediately before or immediately after, a period of Covered Employment.

Vesting Example 1

You are employed by a New Employer on October 20, 2010 and by July 1, 2011 you complete at least 1,000 Hours of Service and become a Participant. You did not earn 1,000 Hours of Service in 2010, but you earned at least 1,000 Hours

of Service in 2011, 2012 and 2013. On December 31, 2013 you have 3 years of Vesting Service, and are fully vested in your benefit.

Vesting Example 2

You are employed by a New Employer on October 20, 2010 and by July 1, 2011 you complete at least 1,000 Hours of Service and become a Participant. You do not earn 1,000 Hours of Service in 2010. You earn 750 Hours of Service in 2011, 2012, 2013 and 2014. During this time you earned no years of Vesting Service but earn a total of 24 months of Pension Credit. In 2015 and 2016 you earn at least 2,000 Hours of Service. On December 31, 2016 you have 2 years of Vesting Service which is less than the 3 years required to be fully vested.

Leaving Covered Employment Prior to Vesting

If you leave Covered Employment before becoming vested you will not be entitled to a benefit from the Pension Fund. However, your Vesting Service and Pension Credit Service are not cancelled even if you leave Covered Employment before becoming vested. Therefore, if you re-join the Pension Fund you may add to your Vesting Service.

SECTION 5 - ACCRUAL AND ACCRUED BENEFIT

Accrued Benefit

Pension benefits are based on your Pension Credit Accrual.

Limit on Pension Credit

The number of years of Pension Credit taken into account when calculating your Accrued Benefit is based on your

contribution rate. If your New Employer contributes on your behalf at a rate below \$3.76 per hour, your Pension Credit is limited to 25 years. If your New Employer contributes on your behalf at a rate at or above \$3.76 per hour, your Pension Credit is limited to 33 years. If you have more years of Pension Credit than your Pension Credit limit, then the number of years up to your Pension Credit limit which produce the highest Accrued Benefit will be used in the calculation.

Pension Credit Example 1

You have 30 years of Pension Credit in 2040 and your Collective Bargaining Agreements have never required a Contribution Rate of more than \$2.50 per hour. Your Pension Credit is limited to 25 years.

Pension Credit Example 2

In 2035 through 2040 your Contribution Rate is increased to at least \$3.76 per hour. You are allowed to earn an extra year of Pension Credit in each of these five years so that the limit on your Pension Credit increases to 30 years.

Pension Credit Accrual

The amount of benefit you earn each year is based on the highest contribution rate that applied to you during that Calendar Year, provided you earned at least 600 Hours of Service at that contribution rate. If you do not earn 12 months of Pension Credit in a Calendar Year, your accrual is calculated by multiplying the applicable monthly Pension Credit Accrual by the ratio of the months of Pension Credit to 12.

Pension Contribution Rates and Pension Accrual Values
Minimum Pension Contribution Rate of \$1.00

Contribution Rate	Pension Accrual	Contribution Rate	Pension Accrual
\$1.00	\$40	\$3.50	\$140
\$1.25	\$50	\$3.75	\$150
\$1.50	\$60	\$4.00	\$160
\$1.75	\$70	\$4.50	\$180
\$2.00	\$80	\$5.00	\$200
\$2.25	\$90	\$5.50	\$220
\$2.50	\$100	\$6.00	\$240
\$2.75	\$110	\$6.50	\$260
\$3.00	\$120	\$7.00	\$280
\$3.25	\$130	\$7.50	\$300

The Pension Fund accepts contribution rates in 5¢ increments. Your pension accrual will be based on your negotiated contribution rate. The contribution rates and pension accruals in the table above are illustrative.

Pension Accrual Example

You started working in Covered Employment in 2011 and earned one year of Pension Credit in each Calendar Year until December 31, 2016. Your New Employer contributed at a rate of \$2.00 in 2011 and 2012, \$2.25 in 2013 to 2014, and \$2.50 in 2015 and 2016. Your Accrued Benefit is \$540 per month (2 years x \$80 + 2 years x \$90 + 2 years x \$100) payable at age 65.

SECTION 6 - RETIREMENT

General Requirements

In addition to meeting the specific eligibility requirements applicable to each pension benefit you must make timely application for a benefit as described in **Section 10**.

Qualifying for a Normal Retirement Pension

You will qualify for a normal retirement pension upon reaching Normal Retirement Age of 65 and achieving vested status.

Qualifying for an Early Retirement Pension

You will qualify for an early retirement pension upon reaching age 55 as long as you have accrued at least 15 years of Pension Credit and accrued at least 6 months of Pension Credit after age 49.

Qualifying for a Late Retirement Pension

You will qualify for a late retirement pension by deferring your pension beyond Normal Retirement Age of 65 and achieving vested status.

Commencing Your Pension

Your pension will commence after you complete a pension application described in **Section 10** and you elect the form in which you want your pension payable described in **Section 9**.

Calculations

If as a result of the calculations described below, your monthly pension benefit is not a whole dollar amount, it will be increased to the next dollar. The early retirement factor table only shows factors at whole ages. If your age at early

retirement is not a whole number of years, the applicable factor will be found by interpolation.

Amount of Normal Retirement Pension

The monthly amount of normal retirement pension is your Accrued Benefit at the time of your retirement.

Amount of Early Retirement Pension

The monthly amount of your Early Retirement Pension is your Accrued Benefit multiplied by the early retirement factor from the table below.

<i>Early Retirement Pensions</i>	
<i>Age at Retirement</i>	<i>Early Retirement Factor</i>
65	100%
64	95%
63	90%
62	85%
61	80%
60	75%
59	67%
58	59%
57	51%
56	43%
55	35%

Amount of Late Retirement Pension

The monthly amount of your late retirement benefit is the larger of your monthly Accrued Benefit at the time of your late retirement using your Pension Credit at the date of your late retirement or your monthly Accrued Benefit at your Normal Retirement Age actuarially adjusted to your late retirement age.

Employment after Retirement

You must inform the Pension Fund Office if you engage in any employment after you have commenced receiving benefits and prior to age 70. The notification must be sent to the Pension Fund Office no later than 15 days after starting work. If the employment is deemed to be Disqualifying Employment you will not receive a benefit while so employed. In addition, if you engage in Disqualifying Employment before your Normal Retirement Age your benefit may be suspended for three months following your Disqualifying Employment. Furthermore, if you fail to notify the Pension Fund Office of your employment, or willfully misrepresented the nature of your employment, your benefit may be suspended for an additional 6 months. When you cease to be in Disqualifying Employment your benefit will recommence in the same amount and in the same form as you were receiving prior to your Disqualifying Employment. If the employment is Covered Employment you will continue to receive your pension provided you do not work more than 48 hours per month. When your Covered Employment ceases you may be entitled to a larger pension because you earned additional Pension Credit. The additional benefit will be calculated solely with regard to the Pension Credit earned after your first retirement. However, your total Pension Credit cannot exceed the maximum limit described above. If you work 49 or more hours per month in Covered Employment your benefit will be suspended. Upon cessation of Covered Employment your benefit will be re-calculated to reflect any additional Pension Credit earned. Your benefit will be the larger of:

1. The pension computed as if you are retiring for the first time and reduced to reflect the payments received before your benefit was suspended.
2. An additional benefit will be calculated solely with regard to the Pension Credit earned after your first retirement and added to your initial benefit. However, your total Pension Credit cannot exceed the maximum limit described in *Section 5*.

Non-Duplication with Other Benefits

You will not receive your pension while you receive weekly accident and sickness benefits from any jointly administered, collectively-bargained trust fund or other New Employer-financed, temporary-disability insurance plan. If you are under age 65, your pension may be adjusted to ensure that you receive the value of your Normal Retirement Age pension. If you receive or are entitled to receive workers compensation benefits your pension will be reduced by the amount of workers compensation. These reductions will cease when you reach age 65. If your workers compensation benefits have ended your pension will be restored. Your workers compensation may end due to a lump sum settlement, a structured settlement, or a final award for permanent disability.

SECTION 7 - TERMINATION OF COVERED EMPLOYMENT

Benefits on Termination of Employment

If you leave Employment before meeting the requirements for an immediate pension but after meeting the vesting requirements (*Section 4*) you qualify for a pension from the

Pension Fund. If you have less than 15 years of Pension Credit you must wait until age 65 before you can start receiving your benefit. If you have more than 15 years of Pension Credit you can commence your pension at any time after age 55.

Amount of Benefit

If you have less than 15 years of Pension Credit your benefit will be the Normal Retirement benefit. If you have more than 15 years of Pension Credit your benefit will be the Normal Retirement or Early Retirement benefit, whichever you choose. See *Section 6* for a description of these benefits.

Death Benefits after Termination of Employment

If you die before your pension commences your spouse will become entitled to a surviving spouse benefit. The benefit payable is calculated as the survivor's part of the 50% Husband & Wife pension that you could have elected to receive had you lived long enough to retire. If you had over 15 years of Pension Credit your spouse may elect to commence the surviving spouse's pension at any time after your 55th birthday. If you had less than 15 years of Pension Credit the pension will start at your 65th birthday.

Rounding of Calculations

If your monthly pension benefit is not a whole dollar amount, it will be increased to the next dollar.

Keep in Touch

Your right to a pension is a valuable benefit. If your permanent address changes please notify the Pension Fund so that we can send you notices about your benefit.

General Requirements

You must make timely application for your benefit to commence as described in *Section 10*. After your benefit commences it may be suspended if you engage in Covered Employment or Disqualifying Employment. The rules for suspension of benefits may be found in *Section 6*.

SECTION 8 - DEATH BEFORE RETIREMENT

Surviving Spouse Annuity

If you die while Actively Engaged in Covered Employment after becoming vested in your benefit, your Qualified Spouse will become entitled to a surviving spouse benefit. If you had been married less than one year at your death your spouse cannot become a Qualified Spouse.

If you are eligible for early retirement, the benefit payable is calculated as the survivor's part of the 50% Husband & Wife pension that you could have elected to receive had you retired on your date of death. Alternately, your Qualified Spouse may elect to commence the surviving spouse's pension at any time between the date you would have first become eligible to retire and your 65th birthday.

Surviving Spouse Annuity Example

You are currently age 60 and have an accrued benefit of \$2,000 per month. You are eligible to retire on an Early Pension of \$1,500 per month ($\$2,000 \times 75\%$ early retirement factor). If you die while Actively Engaged in Covered Employment your Qualified Spouse may elect to receive an immediate pension \$675 per month (50% share of $\$1,500 \times 90\%$ conversion factor). Alternately your Qualified Spouse could elect to defer

the pension until your 65th birthday and receive \$900 per month (50% share of $\$2,000 \times 90\%$ conversion factor).

SECTION 9 - OPTIONAL FORMS OF PAYMENT

When you commence receipt of your benefits you can elect between several optional forms.

The Pension Fund offers three forms of benefit. If you make no election your benefit will be payable in the 100% Husband & Wife with Pop-Up form if you are married and in the Single Life form if you are not married. If you are married less than a year, your pension will be payable in the Single Life form until your first wedding anniversary and then converted to the 100% Husband & Wife with Pop-Up form.

The benefit calculations set out in the retirement and termination sections of this book are all in the Single Life form. Conversion factors are used to convert the Single form into the other available forms.

Spousal Consent

If you are married and do not select a Husband & Wife form of payment your spouse must consent to your election.

Single Life

Under the Single Life form you receive a monthly benefit for your lifetime equal to 100% of your Accrual Benefit. On your death no further payments are made.

Husband & Wife Pensions

The Husband & Wife with Pop-Up pension pays a benefit on your death to your Qualifying Spouse, however if your spouse predeceases you your pension pops-up to your original Single

Life pension. The amount your spouse receives can be either 50% or 100% of the amount payable while you are alive. The conversion factors to convert your Single Life pension to Husband & Wife pension depend on your age and your spouse's age at your retirement date.

Your Qualifying Spouse is the spouse to whom you were married when your benefit commenced. If you remarry after your pension commences your new spouse can only become a Qualifying Spouse in the following circumstances:

- Your original Qualifying Spouse died, and
- You elect a new Husband & Wife with Pop-Up pension within 12 months of remarriage. Your new spouse will become a Qualifying Spouse on your first wedding anniversary and your popped-up Single Life pension will be converted to the elected Husband & Wife with Pop-Up pension.

Husband & Wife Pension Example 1

Your Single Life pension is \$3,000 per month. Your 50% Husband & Wife pension with Pop-Up is \$2,400 per month (\$3,000 x 80%) payable while you and your spouse are alive. On your death your Qualifying Spouse, if alive, receives a monthly benefit of \$1,200 (\$2,400 x 50%) payable for life.

Husband & Wife Pension Example 2

Your Single Life pension is \$3,000 per month. Your 50% Husband & Wife with Pop-Up pension is \$2,400 per month (\$3,000 x 80%) payable while you and your spouse are alive. On your Qualifying Spouse's death your benefit, if alive, pops-up to \$3,000 per month.

Rounding of Calculations

If as a result of the calculations described below, your monthly pension benefit is not a whole dollar amount, it will be increased to the next dollar.

SECTION 10 - CLAIMING YOUR BENEFIT

There are certain administrative procedures that you must follow to claim your benefit.

Application to Start Your Pension

You should contact the Pension Fund Office either in writing or by telephone to obtain the application forms. When contacting the Pension Fund Office provide your Social Security Number and a current permanent address. An application will only be processed if you will meet the requirements for a pension on your proposed retirement date.

Timing of the Application

The processing of a retirement application takes time. The Pension Fund Office prefers to receive notification of your retirement about 6 months before your planned retirement date. Generally, a pension may not commence until one month has passed from the date the Pension Fund Office receives your completed application form, because the Pension Fund Office needs to include all your Hours of Service worked up to your actual retirement date in calculating your benefit.

Completing the Application Package

The application package contains the forms necessary to apply for a benefit, including a description of the choices you have regarding the form of your pension and what you must do to

get it. The financial impact of each of the available forms is also illustrated. You will be asked to specify your last day of Covered Employment and your planned date of retirement. Additionally you will be asked for a list of all New Employers you worked for and the dates of Covered Employment so that the Pension Fund Office may verify its records. You must also complete a Social Security form authorizing the Social Security Administration to disclose a detailed history of your employment history which will be used only in the event that the Pension Fund Office records and your list of Employment differ substantially.

Filing a Claim for Death Benefits

Your surviving spouse, Designated Beneficiary or their representative should contact the Pension Fund Office as soon as possible after your death. The Pension Fund Office will inform them of the information required to process the benefit.

SECTION 11 - STATUTORY DISCLOSURES

Pension Benefit Guarantee Corporation

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC). The PBGC is a Federal insurance agency. The PBGC provides insurance cover to insolvent multiemployer plans through loans. A plan is considered insolvent if it does not have sufficient money to pay benefits due up to the PBGC's insurance limits. The maximum benefit that the PBGC guarantees is set by law. The guarantee equals your years of service multiplied by the sum of 100% of the first \$11 of your accrual rate and 75% of the next \$33 of your accrual rate. If you have 30 years of service the maximum monthly benefit

that the PBGC will guarantee is \$1,072.50. The guarantee covers retirement pensions and termination pensions. The guarantee also includes the surviving spouse's death benefit. The guarantee does not cover non-vested benefits, increases in benefits or new benefits established within 5 years of insolvency or benefits in excess of PBGC's maximum.

If you want more information on the PBGC's multiemployer guarantee program contact the Pension Fund Office or the PBGC. The PBGC's address is:

Technical Assistance Division
1200 K Street, NW Suite 930
Washington DC, 20005-4026

Or call 1-800-400-7242 (*TTY/TDD* 1-800-877-8339 and ask to be connected to 800-400-7242) and ask for the Technical Assistance Division. You can also find information on the internet at www.pbgc.gov.

Your Rights Under ERISA

The Pension Fund was established as the result of Collective Bargaining Agreements and its purpose is to improve the security and well-being of all Participants. As a Participant in the New England Teamsters & Trucking Industry Pension Fund you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Fund Participants shall be entitled to:

- Examine, without charge, at the plan administrators office and at specified locations, such as qualified worksites and union halls, all plan documents, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest

annual report (Form 5500 Series) filed by the Pension Fund with the U.S. Department of Labor.

- Obtain copies of all plan documents upon written request to the plan administrator. The administrator may make a reasonable charge for the copies. Receive a summary of the Pension Funds annual financial report. The plan administrator is required by law to furnish you with a copy of this summary annual report. Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (age 65, or, if later, your 3rd anniversary of your Participation in the Pension Fund) and if so, what your benefits would be at Normal Retirement Age if you stop working under the Pension Fund now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Pension Fund must provide the statement free of charge.

In addition to creating rights for Fund Participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the Pension Fund, have a duty to do so prudently and in the interest of you and other Fund Participants and beneficiaries. No one, including your New Employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of Fund documents or the latest annual report from the Pension Fund and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the Pension Funds decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Fund fiduciaries misuse the Pension Funds money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about your Fund, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U.S. Department of Labor,

listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

SECTION 12 – INFORMATION ABOUT THE PENSION FUND

Fund Information

Fund sponsor: The Pension Fund sponsor is the Board of Trustees.

Fund administrator: The Pension Fund administrator is the Board of Trustees.

New Employer Identification Number (EIN): 04-6372430

Fund Number: 001

Type of Fund: The Pension Fund is a multiemployer defined benefit pension plan.

Contributions to the Pension Fund: Contributions to the Pension Fund are made by participating New Employers under terms set out in Collective Bargaining Agreements.

Contracts covered: The Pension Fund covers Employees represented by these Teamster Locals that have contracts requiring contributions: 25, 42, 59, 82, 122, 145, 170, 191, 251, 259, 340, 404, 443, 493, 559, 597, 633, 653, 671, 677 and 1035.

Assets of the Pension Fund: The assets of the Pension Fund are held in a trust administered by the Board of Trustees. The Board delegates management of the assets to professional investment managers and monitors the investments with assistance of independent investment advisors.

Administration: The Pension Fund employs a staff of administrators to collect and maintain the necessary records of Participants to calculate benefits and to answer questions about the Pension Fund.

Withdrawal liability: New Employers negotiating the Alternative Schedule of Benefits will automatically be placed in the Pension Fund's second withdrawal liability pool. The Trustees will manage and monitor this second withdrawal liability pool with the expressed goal of zero withdrawal liability in the second withdrawal liability pool.

Fund address: The Pension Funds address, for both correspondence and legal process, is

New England Teamsters & Trucking Industry Pension Fund
1 Wall Street, 4th Floor
Burlington, MA 01803
Telephone: 781-345-4400 or 800-447-7709

Internet: www.nettipf.com

PART II – Current Employers Transition Into Second Withdrawal Liability Pool

Current Contributing Employers already contributing to the Pension Fund as of October 1, 2010 may negotiate to transition into the Pension Fund's second withdrawal liability pool.

The Trustees created the Pension Fund's second withdrawal liability pool as a means to minimize the likelihood of withdrawal liability for the employers participating in the second withdrawal liability pool. The liabilities created within the second withdrawal liability pool from the accrual of benefits will be measured against the assets allocated to the second withdrawal liability pool by contributions and investment earnings. The combined experience of the New Employers electing the Alternative Schedule of Benefits and the Current Contributing Employers who negotiate to transition into the second withdrawal liability pool will be analyzed annually in a separate and distinct calculation from the original first withdrawal liability pool.

The process by which Current Contributing Employers may negotiate to transition into the Pension Fund's second withdrawal liability pool, include, but are limited to the following steps:

- Notify the local union and/or the Pension Fund that you wish to explore a transition into the Pension Fund's second withdrawal liability pool.

- Agree to pay your withdrawal liability as assessed in the first withdrawal liability pool. This payment can either be made in a lump sum or according to a monthly schedule.
- Negotiate with the local union pension contribution rates. Employers who participate in the second withdrawal liability pool are not subject to the Pension Fund's Maintenance of Benefits requirements. Therefore, annually increasing pension contribution rates are not required.
- Negotiate with the local union and Pension Fund regarding future benefit accruals, based on negotiated pension contribution rates. The Pension Fund, with assistance from their actuaries, will determine the future benefit accruals based on an analysis of the bargaining parties' demographics, projected future experience, projected financial health and other relevant factors it deems appropriate to manage the second withdrawal liability pool for no withdrawal liability.
- Identify and negotiate transition rules with respect to vesting requirements, retirement age and eligibility and ancillary benefits.
- Identify and communicate special situations which may restrict a transition into the second withdrawal liability pool, such as a PBGC-qualified sale of assets of the contributing employer to an unrelated third party; possible 5-year free look exemption of withdrawal liability; possible construction industry withdrawal liability exemption; or inclusion of new bargaining unit into second withdrawal

liability pool without withdrawal of original bargaining unit from the first withdrawal liability pool.

- In order to demonstrate through actuarial projections that no withdrawal liability will be created within the second withdrawal liability pool by a Current Contributing Employers that is transitioning into the second withdrawal liability pool, certain benefit provisions or ancillary pension benefits may be altered, based on the bargaining parties' demographics and actuarial projections.
- The Pension Fund encourages any Current Contributing Employer who is considering transitioning to the second withdrawal liability pool to seek professional advice from attorneys, actuaries and/or benefits consultants. The Pension Fund is committed to a transparent negotiating process. The bargaining parties may wish to direct the advisors from both sides of the negotiating table to interact directly, thereby eliminating unwanted filters.

The Trustees reserve the right to accept or reject negotiated arrangements for Current Contributing Employers transitioning into the Pension Fund's second withdrawal liability pool. The Trustees will review the analysis relating to pension contributions; demographics of the bargaining party; proposed pension accruals, benefit structure and ancillary benefits; withdrawal liability payment terms; Current Contributing Employer's projected financial health and stability of their industry; and other factors deemed relevant for managing the Pension Fund's second withdrawal liability pool to incur no future withdrawal liability.