

## **ARTICLE 10 – AMENDMENT, MERGER AND TERMINATION**

### **10.1 Right to Amend**

The Trustees may modify or amend the provisions of the Plan at a regular or special meeting. The provisions of the Plan may be modified or amended, retroactively if necessary, to bring the Plan into conformity with statutory or regulatory requirements to preserve the qualified status of the Plan under Code section 401 and the exempt status of the trust under Code section 501. In no event, however, shall any modification or amendment of the provisions of the Plan make it possible for any part of the funds of the Plan to be used for, or diverted to, purposes other than for the exclusive benefit of Pensioners, Participants and Beneficiaries, or have the effect of decreasing a Participant's accrued benefit in violation of Code section 411(d)(6).

### **10.2 Mergers and Consolidation**

No merger or consolidation with, or transfer of assets or liabilities to, any other plan shall be made unless, if the Plan terminated immediately after such merger, consolidation or transfer, each Participant in the Plan would receive a benefit equal to or greater than the benefit he would have been entitled to receive if the Plan terminated immediately before the merger, consolidation or transfer. This Section shall apply only to the extent determined by the Pension Benefit Guaranty Corporation.

### **10.3 Termination of the Plan**

The Trustees shall have the right to discontinue or terminate the Plan in whole or in part. In the event of the termination of the Plan, the provisions of ERISA section 4041A shall apply. In the event of a termination of this Plan, the rights of all affected Participants to benefits then accrued, to the extent funded, shall thereupon become 100% vested and nonforfeitable.

## ARTICLE 11 – MISCELLANEOUS

### 11.1 Limitations of Liability

The Plan has been established on the basis of an actuarial calculation which has established, to the extent possible, that the contributions will, if continued, be sufficient to maintain the Plan on a permanent basis, fulfilling the funding requirements of ERISA. Except for liabilities which may result from provisions of ERISA, nothing in the Plan shall be construed to impose any obligation to contribute beyond the obligation of the Contributing Employer to make contributions as stipulated in its Collective Bargaining Agreement with the Union or any other agreement approved by the Plan.

There shall be no liability upon the Trustees individually, or collectively, or upon the Union to provide the benefits established by the Plan, if the pension fund does not have assets to make such payments.

### 11.2 New Employers

- (a) If a Contributing Employer is sold or merged or otherwise undergoes a change of company identity, the successor company shall participate as to the Employees theretofore covered in the Plan just as if it were the original company, provided it remains a Contributing Employer as defined in Section 1.7.
- (b) No new Contributing Employer may be admitted to participation in the Plan except upon approval by the Trustees. The participation of any such new Contributing Employer shall be subject to such terms and conditions as the Trustees may lawfully prescribe, including, but not limited to, the imposition of waiting periods in connection with the commencement of benefits, a requirement for retroactive contributions, or the application of modified benefit conditions and amounts. In adopting applicable terms or conditions, the Trustees shall take into account such requirements as they, in their sole discretion, may deem necessary to preserve the actuarial soundness of the Plan and to preserve an equitable relationship with the contributions required from other Contributing Employers and the benefits provided to their Employees.

The maximum number of years for which an Employee of a new Contributing Employer may be granted for past service credit shall not exceed 15. No Employee of a new Contributing Employer shall be eligible for any benefits under the Plan attributable to such Contributing Employer until the Contributing Employer has made contributions on the Employee's behalf three or more years during which the Employee has earned Pension Credit. Effective January 1, 2001, no Employee of a new Contributing Employer shall receive past service credit until such Contributing Employer has made contributions on the Employee's behalf for five or more years during which the Employee has earned Pension Credit.

- (c) The "Free Look" rule of ERISA section 4210 shall apply to employers that were first obligated to contribute to the Plan on or after January 1, 2001, and that meet the requirements of that section, provided that (1) the "Free Look" rule shall not apply in the case of a "mass withdrawal" within the meaning of ERISA section 4219(c)(1)(D); (2) the

“Free Look” rule shall apply only to an employer that had an obligation to contribute to the Plan for no more than four consecutive Plan Years preceding the date on which the employer withdraws; (3) the employer was required to make contributions to the Plan for each such Plan Year in an amount equal to less than 2% of the sum of all employer contributions made to the Plan for each such year; (4) the employer has never before avoided withdrawal liability under the Plan because of the application of the “Free Look” rule; and (5) the ratio of the assets of the Plan for the Plan Year preceding the first Plan Year for which the employer was required to contribute to the Plan to the benefit payments made during that Plan Year was at least eight to one. The Trustees shall administer this Section 11.2 in accordance with the requirements of ERISA section 4210 and any applicable regulations.

### **11.3 Termination of Employer**

- (a) The provisions of this Section establish the respective obligations of the Plan and of the employer in the event that an employer ceases to participate in the Plan as a Contributing Employer with respect to the bargaining unit.
- (b) A Contributing Employer ceases to participate in the Plan with respect to a bargaining unit if it is determined by the Trustees to be terminated because it no longer has a Collective Bargaining Agreement for the bargaining unit requiring contributions to the Plan or because it fails to make the contributions for which it is obligated for the unit for a period of 90 days.
- (c) Any Contributing Employer that withdraws from the Plan after September 25, 1980, in either a complete or partial withdrawal, shall owe and pay withdrawal liability to the Plan as determined under ERISA and the procedures adopted by the Trustees.
- (d) The Trustees may amend this section if, and to the extent, necessary to retain the status of the Plan as a “multiemployer” pension plan under ERISA.

### **11.4 Funding**

The Trustees shall be free from time to time to determine or vary the manner and means of making provision for paying the pensions set forth herein, including the establishment of reserves and/or the purchase of annuities with respect to the whole or any part of the Plan, in the manner and to the extent that the Trustees may determine.

### **11.5 Severability**

If any provision of this instrument shall be held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of the Plan shall continue to be fully effective.

### **11.6 Nonreversion**

It is expressly understood that in no event shall any of the corpus or assets of the Plan revert to the Contributing Employers or be subject to any claims of any kind or nature by the Contributing

Employers, except for the return of an erroneous contribution within the time limits prescribed by law.

**11.7 Gender and Number**

Wherever appropriate to the meaning or interpretation of the Plan, the masculine gender shall include the feminine, and the singular number shall include the plural and vice versa.

**11.8 Captions or Headings**

Captions or headings are inserted and intended for organizational format and convenience of reference only; they are not to be given independent substantive meaning or effect.

## **ARTICLE 12 – RECIPROCAL PENSION PROVISION OF THE NATIONAL RECIPROCAL AGREEMENT**

### **12.1 Purpose**

Reciprocal Pension Benefits as defined in this Article 12 are provided under the Plan in accordance with the National Reciprocal Agreement for Participants who lack sufficient Service Credit to be eligible for a pension benefit provided under the other provisions of the Plan because their years of employment are divided between the Plan and one or more other plans, and Participants who are eligible for a pension under the Plan in a lesser amount than would be available if their years of employment were not so divided.

### **12.2 Related Plans**

In accordance with the National Reciprocal Agreement, the Trustees of the Plan recognize each multiemployer, Taft-Hartley and defined benefit pension plan, and on a case-by-case basis may make exception for other pension plans, covering participants employed under one or more Teamsters collective bargaining agreements or covering employees of locals affiliated with the International Brotherhood of Teamsters (“IBT”) which has executed or hereafter executes the National Reciprocal Agreement, to which the Plan is a party, as a “Related Plan” for purposes of this Article 12.

### **12.3 Reciprocal Pension Benefits**

A Participant eligible under Section 12.7 who retires while the Plan is a signatory to the National Reciprocal Agreement for Teamster Pension Funds may elect to receive a Reciprocal Pension Benefit, as provided below, with respect to a Normal Retirement Pension, an Early Retirement Pension, a Twenty-Five Year Service Pension, or a Disability Pension, if the Participant would have been eligible for such pension benefit if all his Combined Service Credit were Service Credit under the Plan. Notwithstanding the foregoing, a Reciprocal Pension Benefit attributable to more than 30 Combined Service Credits will be provided for an eligible Participant only if the Related Plan provides a pension benefit attributable to Service Credit in excess of 30 years.

### **12.4 Service Credit Under the Plan**

For purposes of this Article 12, “Service Credit” under the Plan shall mean years of employment or fractions thereof under the Plan for which the Plan gives benefit accrual or vesting credit under its provisions other than this Article. Such Service Credit shall include contributory and noncontributory service to the extent that such service is credited and for the purposes that such contributory or noncontributory service is recognized under the Plan.

### **12.5 Related Service Credit**

Service Credit, credited to a Participant under a Related Plan from which the Participant is entitled to Reciprocal Pension Benefits, for employment only under that Related Plan, certified by the Related Plan to the Plan, shall be recognized under the Plan as “Related Service Credit.” No Related Service Credit shall be recognized with respect to employment under the Related Plan that is simultaneously credited under the provisions of the Plan. Notwithstanding the

foregoing, Related Service Credit shall not be recognized with respect to any Participant whose employer withdraws from the Plan (other than through a plant shutdown or business failure) while the Participant is actively employed; provided, however, that the Related Service Credit shall be recognized if the Participant becomes employed by a Contributing Employer within 12 months of the withdrawn employer's withdrawal.

#### **12.6 Combined Service Credit**

The total of a Participant's Service Credit under the Plan and Related Service Credit shall comprise the Participant's "Combined Service Credit." No more than one year of Combined Service Credit shall be counted in any calendar year.

#### **12.7 Eligibility**

- (a) A Participant shall be eligible for "Reciprocal Pension Benefits" under the Plan only if the Participant satisfies all of the following minimum requirements:
  - (1) the Participant has two quarters of Service Credit under the Plan based on actual employment during the Contribution Period;
  - (2) the Participant has a minimum of 15 units of Combined Service Credit;
  - (3) the Participant is eligible for Reciprocal Pension Benefits from one or more Related Plans; and
  - (4) the Participant elects the Reciprocal Pension Benefit under the Plan and one or more Related Plans in lieu of any other pension benefit payable under such plans.
- (b) The foregoing is not to be construed to require the Plan or any Related Plan to grant Reciprocal Pension Benefits to a Participant who does not satisfy the minimum requirements of the Plan and the Related Plan or plans. Nor is the Plan required to recognize noncontributory service credit under a Related Plan as contributory service for any purposes under the Plan to the extent that the Plan specifically requires contributory service.

#### **12.8 Break-in-Service**

If a Participant becomes eligible for a Reciprocal Pension Benefit, the period during which a Participant earns Related Service Credit shall not be counted as a One-Year Break-in-Service under the rules of the Plan.

#### **12.9 Reciprocal Pension Benefit Amount**

The pension benefit amount to which the Participant would be entitled to under the Plan shall be determined as if the Participant's Combined Service Credit had all been Service Credit under the Plan.

- (a) Subject to Section 12.9(b) and Section 12.9(c) below, the amount of the Reciprocal Pension Benefit payable under the Plan shall be determined as follows:
- (1) determine pension eligibility based on all Combined Service Credit, then
  - (2) calculate the amount of the pension attributable to Service Credit earned after December 31, 2004 to which the Participant is entitled under the Plan, then
  - (3) calculate the amount of the pension attributable to service earned through December 31, 2004 to which the Participant would be entitled under the Plan if all the Participant's Combined Service Credit prior to December 31, 2004 were Service Credit under the Plan, then
  - (4) add the Service Credit (including periods of Service Credit that are also periods of Related Service Credit earned in a Related Plan) the Participant earned in the Plan prior to December 31, 2004 to the Related Service Credit the Participant earned prior to December 31, 2004 under all Related Plans required to pay a Reciprocal Pension Benefit to the Participant, then
  - (5) divide the amount of Service Credit actually earned under the Plan (including periods of Service Credit that overlap Service Credit the Participant earned in a Related Plan) prior to December 31, 2004 by the amount determined in subparagraph (4), then
  - (6) multiply the fraction so determined in paragraph (5) by the pension amount determined in paragraph (3), then
  - (7) add the result determined in paragraph (6) to the result determined in paragraph (2) and the result shall be the Reciprocal Pension Benefit payable by the Plan.
- (b) If the Participant last earned an Hour of Service in Covered Employment under the Plan on or after January 1, 1987, the Participant's benefit amount for Service Credit under the Plan will be based on the benefit level in effect when he last earned Service Credit under the Plan, subject to subsection (c) below. If the Participant last earned an Hour of Service under the Plan prior to January 1, 1987, the Participant's benefit amount will be based on the benefit level in effect on the earlier of January 1, 1986 or the date the Participant last earned Combined Service Credit, subject to subsection (c) below.
- (c) If the Participant is reemployed after having a One-Year-Break-in-Service (based only on the Participant's Service Credit under the Plan), the Participant's benefit amount for the period immediately prior to such One-Year Break-in-Service will be based on the benefit level in effect at the time the Participant last earned an Hour of Service prior to such One-Year Break-in-Service but not later than December 31, 2004. However, if the Participant subsequently earns three consecutive Service Credits under the Plan, the Participant's benefit amount will be based on the benefit level in effect when the Participant last earned an Hour of Service in Covered Employment under the Plan but not later than December 31, 2004. If the Participant is reemployed after having a One-Year Break-in-Service (based only on the Participant's Service Credit under the Plan), but fails to

subsequently earn three consecutive years of Service Credit under the Plan, a separate calculation will be needed for each period of Pension Credit under the Plan.

#### **12.10 Form of Benefit Payment**

A Participant entitled to a Reciprocal Pension Benefit in accordance with this Article 12 shall be entitled to elect any form of benefit payment provided under the Plan with respect to non-Reciprocal Pension Benefits, at the same time and in the same manner as all other Participants.

#### **12.11 Pre-Retirement Surviving Spouse Pension**

The surviving Spouse of a deceased Participant shall be eligible for the Pre-Retirement Surviving Spouse Pension provided under the Plan if the Participant would otherwise have been eligible for a Reciprocal Pension Benefit and the surviving Spouse would have been eligible for the benefit if the Participant's Combined Service Credit had all been Service Credit under the Plan.

#### **12.12 Other Benefits**

A Participant eligible under Section 12.7 above shall be eligible for any other benefit provided under the Plan (not covered under Section 12.3 above, other than a Minimum Statutory Pension), including but not limited to death benefits other than the statutorily required Pre-Retirement Surviving Spouse Pension described in Section 12.11.

#### **12.13 Payment of Reciprocal Pension Benefits**

Payment of Reciprocal Pension Benefits under this Article 12 shall be subject to all other limitations of the Plan applicable to all other types of benefits provided under the Plan. The Participant shall be required to comply with all of the lawful conditions regarding post-retirement employment adopted by the Plan.

#### **12.14 Effective Date**

- (a) This Article shall be effective on September 1, 1997.
- (b) Participants who, on the effective date of this Article 12, were eligible for and had applied for or were receiving Reciprocal Pension Benefits under the predecessor National Reciprocal Agreement shall not by reason of the adoption of this Article governing Reciprocal Pension Benefits, forfeit or suffer any reduction of their Reciprocal Pension Benefits. The benefits provided pursuant to this Article shall apply to all remaining Participants in the Plan or any Related Plan paying Reciprocal Benefits in the 12 consecutive months preceding the effective date. In addition, in the event the Fund terminates its participation in the National Reciprocal Agreement, the benefits provided pursuant to this Article will no longer be available other than with respect to Participants who on the effective date of the termination have applied for Reciprocal Pension Benefits or are in pay status.

## **ARTICLE 13 – PRO RATA PENSION BENEFITS UNDER LOCAL RECIPROCAL AGREEMENTS**

### **13.1 Purpose**

Pro Rata Pension Benefits as defined in Article 13 are provided under the Plan in accordance with the Local Reciprocal Agreement between the Plan and another pension fund listed on Appendix A attached hereto, which is not signatory to the National Reciprocal Agreement described in Section 12.1 of the Plan (the “Non-Signatory Fund”), for Participants who lack sufficient Service Credit to be eligible for a pension benefit provided under the other provisions of the Plan because their years of employment are divided between the Plan and one or more other plans, and Participants who are eligible for a pension under the Plan in a lesser amount than would be available if their years of employment were not so divided.

### **13.2 Related Plans**

In accordance with each Local Reciprocal Agreement, the Trustees of the Plan recognize the non-signatory fund listed on Appendix A attached hereto that provide retirement and pension benefits for employees represented for the purpose of collective bargaining by one or more local unions affiliated with the IBT and for employees of such local unions as a “Related Plan.”

### **13.3 Pro Rata Pension Benefits**

An Participant eligible under Section 13.7 who retires while the Fund is a signatory to a Local Reciprocal Agreement described in Section 13.1 may elect to receive a Pro Rata Pension Benefit, as provided below, with respect to a Normal Retirement Pension or Service Pension, an Early Retirement Pension, or a Disability Pension, if the Participant would have been eligible for such pension benefit if all his Combined Service Credit were Service Credit under the Plan. Notwithstanding the foregoing, a Pro Rata Pension Benefit attributable to more than 30 Combined Service Credits will be provided for an eligible Participant only if the Related Plan provides a pension benefit attributable to Service Credit in excess of 30 years.

### **13.4 Service Credit Under the Plan**

For purposes of this Article 13, “Service Credit” under the Plan shall mean years of employment or fractions thereof under the Plan for which the Plan gives benefit accrual or vesting credit under its provisions other than this Article. Such Service Credit shall include contributory and noncontributory service to the extent that such service is credited and for the purposes that such contributory or noncontributory service is recognized under the Plan.

### **13.5 Related Service Credit**

For purposes of this Article 13, Service Credit that is credited to a Participant under a Related Plan, for employment only under that Related Plan, certified by the Related Plan to the Plan, shall be recognized under the Plan as “Related Service Credit.” No Related Service Credit shall be recognized with respect to employment under the Related Plan that is simultaneously credited under the provisions of the Plan, or for any period of employment for which contributions have

been transferred to another plan. In no event shall a Participant's Related Service Credit exceed the amount of Related Service Credit certified by the Related Plan to the Plan.

### **13.6 Combined Service Credit**

The total of a Participant's Service Credit under the Plan and Related Service Credit shall comprise the Participant's "Combined Service Credit." No more than one year of Combined Service Credit shall be counted in any calendar year.

### **13.7 Eligibility**

- (a) A Participant shall be eligible for a Pro Rata Pension Benefit under the Plan if the Participant satisfies all of the following requirements:
  - (1) the Participant would be eligible for a Normal Retirement Pension, an Early Retirement Pension, a Twenty-Five Year Service Pension, or a Disability Pension under the Plan were his Combined Service Credit treated as Service Credit under the Plan;
  - (2) the Participant has credit for at least two quarters of Service Credit under the Plan;
  - (3) the Participant has a minimum of 15 units of Combined Service Credit; and
  - (4) the Participant elects the Pro Rata Pension Benefit under the Plan and the Related Plan in lieu of any other pension benefit payable under such plans.
- (b) The foregoing is not to be construed to require the Plan or any Related Plan to grant a Pro Rata Pension Benefit to a Participant who does not satisfy the minimum requirements of the Plan and the Related Plan. Nor is the Plan required to recognize noncontributory service credit under a Related Plan as contributory service for any purposes under the Plan to the extent that the Plan specifically requires contributory service.

### **13.8 Break-in-Service**

If a Participant becomes eligible for a Pro Rata Pension Benefit, the period during which a Participant earns Related Service Credit shall not be counted as a One-Year Break-in-Service under the rules of the Plan. The rule with respect to Permanent Breaks-in-Service as set forth in Section 5.2 shall be applied to determine whether prior Combined Service Credit shall be canceled.

### **13.9 Pro Rata Benefit Amount**

- (a) Subject to Section 13.9(b) and Section 13.9(c), the amount of the Pro Rata Pension Benefit shall be determined as follows:
  - (1) determine pension eligibility based on all Combined Service Credit, then

- (2) calculate the amount of the pension attributable to Service Credit earned after December 31, 2004 to which the Participant is entitled under the Plan, then
  - (3) calculate the amount of the pension attributable to service earned through December 31, 2004 to which the Participant would be entitled under the Plan if his Combined Service Credit prior to December 31, 2004 were Service Credit under the Plan, then
  - (4) the amount calculated under paragraph (3) above shall be:
    - (A) multiplied by an amount equal to the sum of the Service Credit (including periods of Service Credit that overlap Service Credit the Participant earned in a Related Plan) under the Plan earned by the Participant prior to December 31, 2004, and
    - (B) divided by an amount equal to the sum of (i) the total Related Service Credit earned by the Participant prior to December 31, 2004, and (ii) the Service Credit (including periods of Service Credit that are also periods of Related Service Credit earned in a Related Plan) the Participant earned in the Plan prior to December 31, 2004, then
  - (5) add the result determined in paragraph (4) to the result determined in subparagraph (2), then
  - (6) round off the resulting benefit amount to the next higher multiple of \$.50.
- (b) For purposes of this Section 13.9, any time prior to the most recent period establishing 30 years of Combined Service Credit shall be disregarded except for the calculation of additional benefits granted for Combined Service Credits in excess of 30 years whereunder the Related Plan(s) provide(s) similar provisions.
  - (c) Any increase in benefits by the Plan after January 1, 1987 shall not be included in the amount of such pension for a Participant who last earned an Hour of Service in Covered Employment under the Plan prior to January 1, 1987 and is retiring from a Related Plan. If such a Participant subsequently earns three consecutive years of Service Credit under the Plan, the benefit amount for all his Service Credit under the Plan shall be based on the benefit level in effect when he last earned an Hour of Service in Covered Employment under the Plan. A Participant who last earned an Hour of Service in Covered Employment under the Plan on or after January 1, 1987 and before December 31, 2004 shall have the Service Credit under the Plan based on the benefit level in effect when he last earned Service Credit under the Plan.

### **13.10 Form of Benefit Payment**

A Participant entitled to a Pro Rata Pension Benefit in accordance with this Article 13 shall be entitled to elect any form of benefit payment provided under the Plan (not covered under Section 13.3, other than a Minimum Statutory Pension), with respect to non-Pro Rata Pensions, at the same time and in the same manner as all other Participants.

### **13.11 Pre-Retirement Surviving Spouse Pension**

The surviving Spouse of a deceased Participant shall be eligible for the Pre-Retirement Surviving Spouse Pension provided under the Plan if the Participant would otherwise have been eligible for a Pro Rata Pension Benefit and the Spouse would have been eligible for the benefit if the Participant's Combined Service Credit had all been Service Credit under the Plan.

### **13.12 Other Benefits**

If expressly provided in the Local Reciprocal Agreement, an eligible Participant, as defined in Section 13.7, may be eligible for any other benefit provided by the Plan (not covered under Section 13.3), including, but not limited to, death benefits other than the statutorily required Pre-Retirement Surviving Spouse Pension described in Section 13.11.

### **13.13 Payment of Pro Rata Pension**

Payment of Pro Rata Pensions under this Article 13 shall be subject to all other limitations of the Plan applicable to all other types of benefits provided under the Plan. The Participant shall be required to comply with all of the lawful conditions regarding post-retirement employment adopted by the Plan. In order to permit a Pensioner who is eligible for a Pro Rata Pension to receive his aggregate benefits in one monthly pension check, the Trustees may authorize the trustees or administrator of a Related Plan or a bank, trust company, or insurance company to make payment of a Pro Rata Pension as agent for the Trustees of the Plan. The Trustees of the Plan are authorized to act similarly as agent for the trustees, corporate trustee, or administrator of a Related Plan in making payment of a Pro Rata Pension for which the Related Plan is obligated to the Pensioner under the Plan.

### **13.14 Termination of Local Reciprocal Agreement**

In the event the Fund terminates its participation in the Local Reciprocal Agreement, the benefits provided pursuant to this Article will no longer be available other than with respect to Participants who on the effective date of the termination have applied for Pro Rata Pensions or are in pay status.

**APPENDIX A -- RESERVED**

## **APPENDIX B – REHABILITATION PLAN**

### **ARTICLE 1 Preamble and Definitions**

This Appendix B is added to the Plan effective on and after January 1, 2009 to comply with the requirements of the Pension Protection Act of 2006 (“PPA”). The Road Carriers Local 707 Pension Fund (the “Fund”) was certified on December 16, 2008 by its actuary to be in “critical status” (sometimes referred to as the “red zone”) under the PPA. The Fund’s Board of Trustees, as the plan sponsor of a “critical status” pension plan is charged under the PPA with developing a “rehabilitation plan” designed to improve the financial condition of the Fund in accordance with the standards set forth in the PPA. That is the purpose of this Rehabilitation Plan.

Under the PPA, a rehabilitation plan must include one or more schedules showing revised benefit structures, revised contributions, or both, which, if adopted by the parties obligated under agreements participating in the pension plan, may reasonably be expected to enable the Fund to emerge from critical status in accordance with the rehabilitation plan. The PPA also provides that one of the rehabilitation plan schedules of benefits and contributions shall be designated in the “default” schedule. The default schedule must assume that there are no increases in contributions under the plan other than the increases necessary to emerge from critical status after future benefit accruals and other benefits have been reduced to the maximum extent permitted by law. The PPA also creates certain categories of “adjustable benefits” which may be reduced or eliminated dependent upon the outcome of bargaining over the rehabilitation plan schedules and dependent on the exercise of certain flexibility and discretion conferred upon the Board of Trustees by the PPA. Adjustable benefits that may be affected in this manner include post-retirement death benefits, early retirement benefits or retirement-type subsidies, and generally any benefit that would be payable prior to normal retirement age.

Unless otherwise indicated, all capitalized terms shall have the definitions and meanings assigned to them in the Plan.

### **ARTICLE 2 – Schedules of Contributions and Benefits**

With the PPA requirements outlined above in mind, the Board of Trustees hereby provides the following PPA Schedules to the Parties Charged with bargaining over agreements requiring contributions to the Fund.

#### **2.1 Non-Default Schedule**

(a) Applicability.

The Non-Default Schedule will apply to Participants whose Contributing Employers agree to comply with this Non-Default Schedule effective as of January 1, 2009.

Notwithstanding the foregoing, the Non-Default Schedule shall not apply to a Participant who submitted a pension application in December 2008 and whose Effective Date of Pension is January 1, 2009.

(b) Contributions

Compliance with the Non-Default Schedule requires the Contributing Employer's contribution rate to increase, effective August 1, 2008, and increasing August 1st annually, as follows:

<u>Year</u>	<u>Increase</u>
August 1, 2008	10.614%
August 1, 2009	9.596%
August 1, 2010	8.755%
August 1, 2011	8.051%
August 1, 2012	7.451%
August 1, 2013	5.944%
August 1, 2014	5.610%
August 1, 2015	5.312%
August 1, 2016	5.044%
August 1, 2017	4.802%

(c) Future Benefit Accrual

Future benefit accrual for the Normal Retirement Pension will be 0.6% of the Employer Contribution required to be made on behalf of the Participant for the first year the Non-Default Schedule is in place and the rate of future benefit accrual will be adjusted in the following years to provide a 4% annual benefit increase until the maximum benefit of \$115 is reached. This adjustment will be effective annually on January 1. The previous cap on a Contributing Employer's contribution rate (*i.e.*, \$4.3975 per hour or, if lower, the rate in effect on December 31, 2004) is eliminated. More specifically, the future benefit accrual rates are:

<u>Year</u>	<u>Future Benefit Accrual Rate</u>
January 1, 2009	0.6000%
January 1, 2010	0.5694%
January 1, 2011	0.5445%
January 1, 2012	0.5241%
January 1, 2013	0.5072%
January 1, 2014	0.4979%
January 1, 2015	0.4903%
January 1, 2016	0.4842%
January 1, 2017	0.4610%
January 1, 2018	0.4399%

(d) Benefit Adjustments

- (1) Under the Non-Default Schedule, Participants shall have the following Adjustable Benefits reduced:
  - (A) A Service Pension is available to Participants with at least 25 Pension Credits who have attained age 57 or Participants with 30 Pension Credits at any age. The amount of the Service Pension is an unreduced Normal Retirement Pension. The Service Pension replaces the Twenty-Five Year Service Pension.
  - (B) A reduced Service Pension is available to Participants with at least 25 Pension Credits who have not yet attained age 57. In this case, the amount of the reduced Service Pension is the Normal Retirement Pension reduced by 0.5% for each whole calendar month by which the commencement of benefits precedes the first day of the month coinciding with or next following the date the Participant attains age 65.
  - (C) The Supplemental Pension Benefit is available to Participants with at least 25 Pension Credits who have attained age 57 or Participants with 30 Pension Credits at any age, where at least 18 Pension Credits are attributable to service under the Plan.
- (2) Under the Non-Default Schedule, the following Adjustable Benefits are eliminated:
  - (A) Disability Pension
  - (B) Supplemental Lump Sum Post-Retirement Death Benefit
  - (C) Thirty-Year Service Lump Sum Post-Retirement Death Benefit
  - (D) 5-Year Period Certain Life Annuity

Notwithstanding the foregoing, nothing shall be construed to reduce the level of a Participant's accrued benefit payable at Normal Retirement Age.

**2.2 Default Schedule**

(a) Applicability.

With regard to participants whose Contributing Employers agree to comply with this Default Schedule (or who become subject to the Default Schedule due to a failure to achieve an agreement to accept the Preferred Schedule within the time period prescribed by Section 305(c)(3)(C) of ERISA and the Default Schedule is imposed by law) the benefit formulas, levels, and payment options in effect on December 31, 2008 will remain in effect except, upon the effective date that the Default Schedule applies to a Contributing Employer, there shall be an increase in the Contributing Employer's contribution rate, and benefit adjustments in excess of those required under the Non-Default Schedule.

(b) Contributions.

Compliance with the Default Schedule requires the Contributing Employer's contribution rate to increase, effective on the anniversary of the Contributing Employer's collective bargaining agreement, as follows:

<u>Year</u>	<u>Increase</u>
August 1, 2008	10.614%
August 1, 2009	9.596%
August 1, 2010	8.755%
August 1, 2011	8.051%
August 1, 2012	7.451%
August 1, 2013	3.467%
August 1, 2014	3.351%
August 1, 2015	3.242%
August 1, 2016	3.140%
August 1, 2017	3.045%

(c) Future Benefit Accruals

For Participants whose Contributing Employers agree to comply with the Default Schedule, or for whom the Default Schedule is imposed by law, the future benefit accrual for the Normal Retirement Pension is unchanged (*i.e.*, the rate of future benefit accrual will be 1.0% of the Employer Contribution required to be made on behalf of the Participant; provided that the Contributing Employer's contribution rate shall not exceed \$4.3975 per hour or the rate in effect on December 31, 2004 for Contributing Employers who are obligated to contribute to the Plan at a rate lower than the contribution rate established under the National Master Freight Agreement).

(d) Benefit Adjustments.

Participants whose Contributing Employers agree to comply with the Default Schedule, or for whom the Default Schedule is imposed by law, shall have the following Adjustable Benefits eliminated:

- (1) Twenty-Five Year Service Pension
- (2) Disability Pension
- (3) Supplemental Lump Sum Post-Retirement Death Benefit
- (4) Thirty-Year Service Lump Sum Post-Retirement Death Benefit
- (5) 5-Year Period Certain Life Annuity

Provided, however, nothing shall be construed to reduce the level of a Participant's accrued benefit payable at Normal Retirement Age.

### **ARTICLE 3 – Deferred Vested Participants**

Deferred vested participants shall be covered under the terms of the Default Schedule. For these purposes, a “deferred vested participant” is a Participant who is vested under the Plan, who has not earned at least one Hour of Service on or after January 1, 2009, and whose Effective Date of Pension is after January 1, 2009.

**FIRST AMENDMENT  
TO THE  
ROAD CARRIERS – LOCAL 707 PENSION PLAN**

This FIRST AMENDMENT TO THE ROAD CARRIERS – LOCAL 707 PENSION PLAN (the “Plan”) is made on this 11th day of December, 2015, by the BOARD OF TRUSTEES of the ROAD CARRIERS – LOCAL 707 PENSION PLAN (the “Trustees”).

**WHEREAS**, the Plan was initially established effective December 1, 1950 and thereafter amended from time to time;

**WHEREAS**, the Plan is currently maintained pursuant to an amended and restated Plan document that became effective January 1, 2015;

**WHEREAS**, Article 10 of the Plan permits the Trustees to amend the Plan from time to time; and

**WHEREAS**, the Trustees desire to amend the Plan to clarify the definition of “Spouse” as requested by the Internal Revenue Service in connection with its review of the Plan for a favorable determination letter;

**NOW THEREFORE, BE IT RESOLVED**, that the Plan is hereby amended as follows:

Section 1.30 shall be amended in its entirety to read as follows:

**“1.30 “Spouse”**

The person to whom the Participant is legally married, which marriage was entered into in a jurisdiction that recognizes such marriage, on his or her Effective Date of Pension or, if earlier, the Participant’s death, or for purposes of Sections 8.7 and 8.8, the applicable date of application. In each occurrence in which the term “Husband and Wife Pension” is used in the Plan, such term shall be interpreted to include an individual married to a person of the same sex if the individuals are lawfully married in a jurisdiction that recognizes such marriage.”

IN WITNESS THEREOF, the Trustees have caused this FIRST AMENDMENT to be executed as of the day and year first above written.

**EMPLOYER TRUSTEES**

Redacted by the U.S. Department of the Treasury

T. Ventura

Redacted by the U.S. Department of the Treasury

L. Beinhower

**UNION TRUSTEES**

Redacted by the U.S. Department of the Treasury

K. McCaffrey

Redacted by the U.S. Department of the Treasury

V. Cangelosi

**ROAD CARRIERS – LOCAL 707 PENSION FUND  
PARTITION APPLICATION**

**EXHIBIT 3**

6.1.

January 2007

Dear Pension Participant:

The Trustees of the Road Carriers Local 707 Pension Fund are pleased to provide you with the enclosed updated Summary Plan Description (SPD). The enclosed SPD includes the changes that became effective January 1, 2005.

The SPD describes the Fund's rules and benefits in non-technical language. It has been organized to serve as an easy-to-use reference when you have questions about the benefits provided by your Pension Fund.

We strongly recommend that you familiarize yourself with this booklet so that you and your family fully understand the rules and benefits of the Fund. If you have any questions, feel free to contact the Pension Department at the Fund Office.

Sincerely,

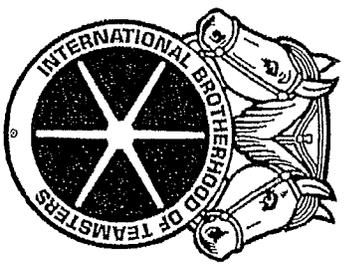
*The Board of Trustees*





**ROAD CARRIERS  
LOCAL 707**

**PENSION PLAN**



**SUMMARY PLAN DESCRIPTION**  
Updated October 2006





Road Carriers Local 707 Pension Plan  
14 Front Street, Ste. 301, Hempstead, N.Y. 11550  
Phone: (516) 486-7100

TO: PARTICIPANTS IN THE ROAD CARRIERS LOCAL  
707 PENSION PLAN

FROM: TRUSTEES OF THE ROAD CARRIERS LOCAL 707  
PENSION PLAN

DATE: October 3, 2006

This booklet is intended to describe the various provisions of the Road Carriers Local 707 Pension Plan (the "Plan") as currently in effect (except as otherwise specified). The booklet has six parts:

- A. Questions and Answers;
- B. Claims Procedure;
- C. Your Rights Under ERISA (The Employee Retirement Income Security Act of 1974);
- D. Qualified Domestic Relations Orders;
- E. Plan Information; and
- F. Historical Information.

A number of significant changes have been made since the last booklet was distributed to you. You should read this booklet thoroughly to make sure that you are completely familiar with the revised Plan.

The current provisions of the Plan are described in Part A, while some of the provisions effective in prior years are described in Part F: Historical Information. For your convenience, where there is historical information for a current plan provision in Part A, we included at the end of the question a number that corresponds to the numbered paragraphs in Part F. These prior provisions may be used to determine your benefits in a number of circumstances such as if you have returned to work following interrupted service, or if determinations concerning your participation or benefits are based on Plan provisions in force at those times.

Nothing in this booklet is meant to interpret, extend, or change, in any way, the provisions expressed in any of the Plan documents. The details in this booklet should not be interpreted as changing, restoring, or increasing benefits accrued under prior provisions of the Plan. Benefits are ultimately determined according to Plan provisions in effect at the time of your retirement. In the event there appears to be a conflict between the description of any Plan provision in this booklet and its statement in the Plan document (available at the Fund Office), the language contained in the Plan document is the official and governing language.

It is our intention to continue the successful operation of this Plan. However, the Board of Trustees (or "Trustees") reserves the right to amend, modify, or discontinue all or part of this Plan whenever, in our judgment, conditions so warrant.

If, after having gone through this booklet, you have any questions regarding the Plan or its operation, please do not hesitate to contact the Fund Office (see Part E for contact information).

Sincerely,  
Board of Trustees

TABLE OF CONTENTS

SUBJECT	PAGE
PART A. QUESTIONS AND ANSWERS.....	7
PLAN INTRODUCTION.....	7
JOINING THE PLAN.....	8
EARNING A PENSION.....	10
EARNING VESTING SERVICE.....	13
PENSION BENEFITS-NORMAL RETIREMENT PENSION.....	15
EARLY RETIREMENT PENSION.....	17
TWENTY-FIVE YEAR SERVICE PENSION.....	18
SUPPLEMENTAL PENSION.....	21
DISABILITY PENSION.....	22
RECIPROCAL PENSION.....	24
PRO-RATA PENSION.....	29
DEATH BENEFITS PRE-RETIREMENT SURVIVING SPOUSE PENSION.....	32
SUPPLEMENTAL LUMP SUM POST-RETIREMENT DEATH BENEFIT.....	33
THIRTY-YEAR SERVICE LUMP SUM POST-RETIREMENT DEATH BENEFIT.....	34
BENEFICIARY DESIGNATION.....	35
RECEIVING YOUR PENSION.....	36
PAYMENT OF BENEFITS.....	38
FORMS OF BENEFIT PAYMENT.....	38
TRANSFER BETWEEN CONTRIBUTING EMPLOYERS.....	41
SUSPENSION OF BENEFITS.....	41
FINANCING.....	44
PLAN AMENDMENT AND TERMINATION AND FORFEITURE.....	45

PART B. CLAIMS PROCEDURE ..... 47  
PART C. YOUR RIGHTS UNDER ERISA..... 49  
PART D. QUALIFIED DOMESTIC RELATIONS ORDERS..... 51  
PART E. PLAN INFORMATION..... 53  
PART F. HISTORICAL INFORMATION..... 56

PART A  
QUESTIONS AND ANSWERS

**PLAN INTRODUCTION**

1. What are the purposes of the Plan?

The purposes of the Plan are:

- to provide income for you upon your retirement, or for your spouse should you die before him or her; and
  - to provide income for you if you should become totally and permanently disabled.
2. When did the Plan start?
- The Plan started on December 1, 1950.

3. Who is responsible for the administration of the Plan?

The Board of Trustees (which may be composed of Local 707 representatives, Contributing Employers, and/or Participants) is responsible for the administration of the Plan.

4. Who is responsible for interpreting the Plan and for making determinations under the Plan?

The Trustees shall have the sole discretion and are responsible for both interpreting the Plan and for making benefit determinations under the Plan. Their decisions shall be final and binding.

**JOINING THE PLAN**

**5. What employees are eligible for participation under the Plan?**

In order to be eligible for participation under the Plan, you must be an employee whose employer is required to make contributions to the Plan on your behalf in accordance with a collective bargaining agreement or other agreement approved under the Plan, or an employee of the Road Carriers Local 707 Pension Fund, the Road Carriers Local 707 Welfare Fund, or the Highway & Local Motor Freight Dockmen and Helpers Local Union No. 707, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers (referred to as "Contributing Employers").

**6. How do I become a Participant in the Plan?**

You will become a Participant on the earlier of the dates set forth in paragraphs (1) or (2) below:

(1) The January 1 coincident with or next following the date on which you complete 250 Hours of Service in Covered Employment within a Plan Credit Year (as defined in Paragraph 7 of Part B), provided you are an employee on such January 1. Covered Employment includes employment with a Contributing Employer in a category covered by the collective bargaining agreement or other agreement approved under the Plan, as well as employment with the Road Carriers Local 707 Pension Fund, the Road Carriers Local 707 Welfare Fund, or the Highway & Local Motor Freight Dockmen and Helpers Local Union No. 707, International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers.

(2) The January 1 nearest the date on which you complete a year of service. A "year of service" is the 12-month period commencing on your date of hire or any subsequent January 1 in which you earn at least 1,000 Hours of Service in Covered Employment, and continuous non-Covered Employment with the same Contributing Employer, provided you are in Covered Employment on such January 1. Non-Covered Employment is employment with a Contributing Employer in a job not covered by the Plan. Your non-Covered Employment is continuous with your Covered Employment if there is no quit, discharge, or other termination of employment between such periods.

**7. What is an Hour of Service??**

An Hour of Service includes each hour for which you are directly or indirectly paid, or entitled to payment, by your Contributing Employer. However, no more than 501 Hours of Service will be credited for any single continuous period during which you perform no duties (e.g., during vacation, holiday, illness). You will not be credited with any Hours of Service for any work in self-employment.

8. When will my participation in the Plan end?

If you incur a One-Year Break-in-Service when you are not vested (see "Earning Vesting Service"), your participation in the Plan will stop. Your participation will also stop in the event of your death. If you are vested your participation in the Plan will stop when you receive your full benefit from the Plan.

9. What is a One-Year Break-in-Service?

A One-Year Break-in-Service occurs when you do not complete 250 or more Hours of Service in Covered Employment in a Plan Credit Year (as defined in Paragraph 7 of Part B).

For the purpose of determining whether a One-Year Break-in-Service has occurred, the rules for determining Hours of Service are modified as follows:

- (1) If you work for a Contributing Employer in non-Covered Employment and that employment is continuous with your Covered Employment with the same Contributing Employer (e.g., you have not terminated employment), your service in such non-Covered Employment will be included as Hours of Service.
- (2) Effective August 31, 1987, if you are absent from work for maternity or paternity reasons you will receive credit for up to 250 Hours of Service in a Plan Credit Year if they would have been otherwise credited but for such absence. Such Hours of Service will be credited to the Plan Credit Year in which the absence begins only to the extent necessary to prevent a One-Year Break-in-Service for that year, and in all other cases, the following Plan Credit Year. (This credit will be used solely to determine if a One-Year Break-in-Service has occurred, and may not be used to earn Pension Credits or Vesting Service.)
- (3) Effective December 12, 1994, if you are absent from work due to military service for the United States, you will receive credit for up to 250 Hours of Service for each Plan Credit Year quarter (up to the maximum required by law), provided you return to Covered Employment within 90 days of your discharge (or such longer period of time while your reemployment rights are protected by the Uniformed Services Employment and Reemployment Rights Act of 1994).

**EARNING A PENSION**

**10. What is Pension Credit and why is it important?**

Pension Credits are the units credited to you based on your Hours of Service. Pension Credit is used to determine your eligibility for benefits and the amount of certain benefits you may have earned under the Plan.

**11. How do I earn Pension Credit?\***

On and after August 1, 1976, you are credited with Pension Credit based on the Hours of Service that you perform in each Plan Credit Year (as defined in Paragraph 7 of Part E). Pension Credit is credited according to the following schedule:

Hours of Service in Covered Employment	Pension Credit
1 to 249	0
250 to 499	1/4
500 to 749	1/2
750 to 999	3/4
1,000 or more	1

**12. What happens if I take military leave?**

Effective December 12, 1994, in accordance with the Uniformed Services Employment and Reemployment Rights Act of 1994, if you are absent from work with a Contributing Employer on account of qualified military leave, you will receive 1/4 Pension Credit for each Plan Credit Year quarter that you are absent (up to five years). In addition, effective January 1, 2005, you will accrue pension benefits equal to the greater of the benefits you receive pursuant to your collective bargaining agreement, or the following:

(1) the average of the hours multiplied by Employer Contributions you worked in Covered Employment for the immediately preceding calendar years, up to a maximum of 3, if you worked in Covered Employment for more than 1 of the 3 immediately preceding calendar years prior to your absence due to military service; or

(2) the average of all hours multiplied by Employer Contributions worked by Participants in Covered Employment for the 3 immediately preceding calendar years, if you worked in Covered Employment for 1 calendar year or less prior to your absence due to military service.

If your absence on account of military service includes a fraction of a year, you will be credited with a prorata portion of paragraphs (1) or (2) equal to the length of your absence.

To receive pension credits and benefit accruals as described above, you must return to employment with a Contributing Employer within 90 days from discharge (or such longer period of time while your reemployment rights are protected by the Uniformed Services Employment and Reemployment Rights Act). In order to receive proper credit, you will need to provide the Fund Office with official confirmation of your military service.

13. Can I earn any Pension Credit for time that I am disabled?

Yes. You will earn up to 1/4 Pension Credit for each quarter that you are credited with less than 250 Hours of Service provided that you were eligible for benefits under the Road Carriers Local 707 Welfare Fund throughout the immediately preceding four coverage quarters (or would have been eligible if your employer contributed to that Fund), and meet any of the following criteria:

- (1) Your failure to earn Pension Credit otherwise is a result of your disability up to the maximum period compensated by the weekly accident and sickness plan provided under the Road Carriers Local 707 Welfare Fund or by any other welfare plan recognized for this purpose by the Trustees. In no event can you receive more than one-half (1/2) Pension Credit under this paragraph.
- (2) Your failure to earn Pension Credit is a result of your disability arising from Covered Employment for a period not exceeding 24 months that is compensated under worker's compensation. In no event can you receive more than two (2) Pension Credits in any 5-year period under this paragraph.
- (3) Your failure to earn Pension Credit is a result of your disability arising out of an automobile accident that previously would have been covered by the weekly accident and sickness benefit, but which now is covered by no-fault automobile insurance. In no event can you receive more than one-half (1/2) Pension Credit under this paragraph.

14. Can I lose my Pension Credits once I have earned them?

If you incur a Permanent Break-in-Service before you are vested, you will forfeit the Pension Credits that you have earned. However, see "Earning Vesting Service" for information regarding how Pension Credits can be restored.

15. Are there any further limitations on my ability to earn Pension Credits?

Yes. You may only earn Pension Credits while you are a Participant in the Plan and in the 12-month period immediately preceding your commencement of participation. Also, Pension Credits will not be granted for any time during which you are self-employed.

**EARNING VESTING SERVICE**

**16. How do I become vested under the Plan?**

You become vested under the Plan by accumulating 5 Years of Vesting Service. A Year of Vesting Service is a Plan Credit Year during which you are credited with 1,000 Hours of Service in Covered Employment and continuous non-Covered Employment.

**17. What happens if I experience a One Year Break-in-Service?**

If you are not vested and incur a One-Year Break-in-Service, you will forfeit your Years of Vesting Service earned prior to the One-Year Break-in-Service and you will also cease to be a Participant. Such Years of Vesting Service will be restored only if you complete a year of Vesting Service prior to incurring a Permanent Break-in-Service.

**18. What is a Permanent Break-in-Service?**

On and after September 1, 1987, a Permanent Break-in-Service occurs if you have consecutive One-Year Breaks-in-Service that equal or exceed the greater of 5 years, or the number of Years of Vesting Service you have earned prior to your initial One-Year Break-in-Service.

**19. What happens if I incur a Permanent Break-in-Service?**

If you incur a Permanent Break-in-Service before you are vested, you will forfeit the Pension Credits that you have accrued prior to the beginning of the Permanent Break-in-Service.

However, if you resume participation in the Plan by meeting the eligibility requirements as set forth in the Plan, and subsequently earn 10 Pension Credits in 10 consecutive Plan Credit Years based only on service under this Plan (exclusive of any combined service with a Related Plan – see “Reciprocal Pension”), the Pension Credits that you earned prior to the beginning of your Permanent Break-in-Service will be restored.

**20. What are the requirements for vesting under the Plan?**

If you are credited with an Hour of Service on or after September 1, 1999, you will become vested in your benefit under this Plan when (1) you accumulate at least 5 Years of Vesting Service, (2) become eligible for an Early Retirement Pension, or (3) on the date you attain Normal Retirement Age (regardless of your Years of Vesting Service).

If you do not have an Hour of Service on or after September 1, 1999, you will have your nonforfeitable percentage determined according to the terms of the Plan in effect when you were last credited an Hour of Service.

21. What is the Normal Retirement Age under the Plan?

Normal Retirement Age is age 65, or if later, the 5<sup>th</sup> anniversary of the date you commenced participation in the Plan provided you are still a Participant.

**PENSION BENEFITS ~ NORMAL RETIREMENT PENSION**

**22. Who is eligible for a Normal Retirement Pension?<sup>10</sup>**

You will be eligible to receive a Normal Retirement Pension when you reach the Normal Retirement Age, and you apply for a Normal Retirement Pension.

**23. How is the Normal Retirement Pension calculated under the Plan?<sup>11</sup>**

The Normal Retirement Pension is a monthly pension benefit that is equal to 1% of the eligible portion of your Employer's Contribution for the year for each year you earn Pension Credit after January 1, 2005, plus the number of Pension Credits you earned before January 1, 2005, multiplied by the applicable "benefit level" under the Plan. For Normal Retirement Pensions that are effective on or after January 1, 2001, the Normal Retirement Pension is calculated using both whole and fractional Pension Credits. (For example, if a Participant had 20 1/4 Pension Credits when he or she retired, the Normal Retirement Pension would be calculated using 20 (whole) Pension Credits plus 1/4 (fractional) Pension Credit.) For purposes of Pension Credits earned after January 1, 2005, the eligible portion of the Employer Contribution may not exceed \$4,3975 per hour; provided, however, that such amount may not exceed the rate in effect as of December 31, 2004 for any Contributing Employer obligated to contribute to the Plan at a rate lower than the contribution rate established under the National Master Freight Agreement.

**24. How is my Employer Contribution calculated under the Plan?<sup>12</sup>**

Your Employer Contribution is the contribution your Employer makes to the Fund on your behalf. It is based only on those hours you work or are credited with and for which your Employer has an obligation to contribute to the Plan, including any hours credited to you for military service and any hours that are imputed to you relating to workers' compensation or disability insurance, multiplied by your Employer's contribution rate for such hours.

**25. What benefit level will apply in calculating my Normal Retirement Pension?<sup>13</sup>**

Generally, the portion of your Normal Retirement Pension earned before January 1, 2005 will be calculated using the benefit level in effect when you last earned an Hour of Service (but not later than December 31, 2004). If you earned credit under the NIMFA, please refer to the chart below titled "National Master Freight Agreement Normal Retirement Pension Benefit Levels" to see which benefit level applies to you.

National Master Freight Agreement Normal Retirement Pension Benefit Levels

Effective Date of Pension	Benefit Level
On and after July 1, 2000 and prior to January 1, 2005	\$115.00
On and after April 1, 1998 and prior to July 1, 2000	\$100.00
On and after September 1, 1997 and prior to April 1, 1998	\$89.16
On and after September 1, 1994 and prior to September 1, 1997	\$85.83
On and after September 1, 1991 and prior to September 1, 1994	\$83.33
On and after January 1, 1989 and prior to September 1, 1994	\$80.00 (up to a maximum of 25 Pension Credits), and \$12.00 (hereafter).

If your Employer made contributions to the Plan on your behalf at a rate lower than the National Master Freight Agreement rate, the benefit level under the National Master Freight Agreement will be multiplied by a fraction whose numerator will be your Employer's contribution rate, and whose denominator will be the National Master Freight Agreement rate.

If you are a non-NMFA participant or you need information on the benefit level that applies prior to January 1, 1989, you should contact the Fund Office.

The portion of your Normal Retirement Pension earned after January 1, 2005, will be calculated as described in Q&A 23.

**EARLY RETIREMENT PENSION**

**26. Who is eligible for an Early Retirement Pension?**

You will be eligible to receive an Early Retirement Pension when you reach age 55, have earned at least 15 Pension Credits, and you apply for an Early Retirement Pension. If you separate from service with 15 Pension Credits before age 55, you will be eligible to receive an Early Retirement Pension once you reach age 55.

**27. How is the Early Retirement Pension calculated under the Plan?**

The Early Retirement Pension is a monthly pension benefit calculated as follows: First you calculate your Normal Retirement Pension. Second, you reduce that amount by  $\frac{1}{2}$  of 1% times the number of calendar months that your Early Retirement Pension precedes the first day of the calendar month on or following your 65th birthday.

**Example:** Consider a Participant who will turn age 65 on December 15, 2013. As of December 1, 2005, he has at least 15 Pension Credits and elects to retire and begin receiving an Early Retirement Pension on January 1, 2006 when he is 57 years old. His Early Retirement Pension will be calculated as follows:

First, his Normal Retirement Pension will be calculated. Let's assume that his Normal Retirement Pension is \$1,000 per month.

Second, his Normal Retirement Pension will be reduced for early payment. There are 96 months from January 1, 2006 until January 1, 2014 (the first day of the month following his 65th birthday).

His \$1,000 Normal Retirement Pension will be reduced by 48% because 96 times  $\frac{1}{2}$  of 1% equals 48%.

His Early Retirement Pension will be \$520 per month, because \$1,000 minus \$480 (48% of \$1,000) equals \$520.

**TWENTY-FIVE YEAR SERVICE PENSION**

28. Who is eligible for a Twenty-Five Year Service Pension?

You will be eligible to receive a Twenty-Five Year Service Pension at any age if, at that time, you have earned at least 25 Pension Credits.

29. How is the Twenty-Five Year Service Pension calculated under the Plan?<sup>24</sup>

The Twenty-Five Year Service Pension is a monthly pension benefit that is equal to 1% of your Employer's contribution for the year as described in Q&A 24 for each year you earn Pension Credit after January 1, 2005, plus the number of Pension Credits you earned before January 1, 2005 multiplied by the applicable "benefit level" under the Plan. Beginning January 1, 2005, if you are under age 55, the portion of your benefit that accrues after January 1, 2005 will be reduced by 1/2 of 1% times the number of whole calendar months that your Twenty-Five Year Service Pension precedes the first day of the calendar month on or next following your 55th birthday.

For Twenty-Five Year Service Pensions that are effective on or after January 1, 2001, the Twenty-Five Year Service Pension is calculated using both whole and fractional Pension Credits. (For example, if a Participant had 25 1/2 Pension Credits when he or she retired, the Twenty-Five Year Service Pension would be calculated using 25 (whole) Pension Credits plus 1/4 (fractional) Pension Credit.)

30. What benefit level will apply in calculating my Twenty-Five Year Service Pension?<sup>25</sup>

Generally, the portion of your Twenty-Five Year Service Pension earned before January 1, 2005 will be calculated using the benefit level in effect when you last earned an Hour of Service (but not later than December 31, 2004). If you earned credit under the NMFA, please refer to the chart below titled "National Master Freight Agreement Twenty-Five Year Service Pension Benefit Levels" to see which benefit level applies to you.

National Master Freight Agreement Twenty-Five Year Service Pension Benefit Levels

Effective Date	Benefit Level
On and after July 1, 2000 and prior to January 1, 2005	\$115

Effective Date	Benefit Level
On and after April 1, 1999 and prior to July 1, 2000	(a) Under age 55: \$2,000 per month + \$100 for each Pension Credit in excess of 25 Credits; <u>or</u> (b) Age 55 and above, or with 30 or more Pension Credits regardless of age: \$100 for each Pension Credit.
On and after April 1, 1998 and prior to April 1, 1999	\$1,800 per month (if at least 25 Pension Credits but < 30) <u>or</u> \$100 per Pension Credit (if at least 30 Pension Credits, contributions under the General Freight Agreement on or after April 1, 1997, and effective date on or after April 1, 1998).
On and after September 1, 1997 and prior to April 1, 1998	\$1,600 per month (if at least 25 Pension Credits but < 30) <u>or</u> \$89.16 per Pension Credit (if at least 30 Pension Credits).
On and after September 1, 1994 and prior to September 1, 1997	\$1,545 per month (if at least 25 Pension Credits but < 30) <u>or</u> \$85.83 per Pension Credit (if at least 30 Pension Credits).

Effective Date	Benefit Level
On and after April 1, 1991 and prior to September 1, 1994	\$1,500 per month (if at least 25 Pension Credits but < 30) or \$83.33 per Pension Credit (if at least 30 Pension Credits).
On and after January 1, 1989 and prior to April 1, 1991	\$1,200 per month (if at least 25 Pension Credits but < 30) or \$66.67 per Pension Credit (if at least 30 Pension Credits).

If your Employer makes contributions to the Plan on your behalf at a rate lower than the National Master Freight Agreement rate, the benefit level under the National Master Freight Agreement will be multiplied by a fraction whose numerator will be your Employer's contribution rate, and whose denominator will be the National Master Freight Agreement rate.

If you are a non-NMFA participant or you need information on the benefit level that applies prior to January 1, 1989, you should contact the Fund Office.

The portion of your Twenty-Five Year Service Pension earned after January 1, 2005, will be calculated as described in Q&A 29.

**SUPPLEMENTAL PENSION**

**31. Who is eligible for a Supplemental Pension?<sup>16</sup>**

If (a) you retire after reaching age 55 but before reaching age 65, and you have 25 or more Pension Credits (18 of which are based on service under this Plan), or (b) you retire at any age before reaching age 65 and have 30 or more Pension Credits (18 of which are based on service under this Plan) you will be eligible for a Supplemental Pension.

**32. How is the Supplemental Pension calculated under the Plan?<sup>17</sup>**

Provided you earn Pension Credit after January 1, 2005 and then retire, the Supplemental Pension is equal to \$200 per month, plus an additional \$100 per month multiplied by the number of additional Pension Credits you earn after each January 1st following your initial eligibility for the Supplemental Pension on or after January 1, 2005. The Supplemental Pension is payable 12 times a year, beginning on your effective date of pension and ending the month before you reach age 65. The Supplemental Pension is payable only to the Participant for the temporary period described, and cannot continue for a surviving spouse. The Supplemental Pension will not be included in calculating the amount of the Thirteenth Check, as discussed in the "Forms of Payment" section.

**DISABILITY PENSION**

**33. Who is eligible for a Disability Pension?<sup>18</sup>**

If you become Totally and Permanently Disabled while you are working in Covered Employment after you have earned at least 15 Pension Credits, you may be eligible to receive a Disability Pension if you are not yet age 55.

**34. What is a Total and Permanent Disability?**

A Total and Permanent Disability is a physical or mental impairment that prevents you from engaging in any gainful activity and, as a result of which, you become entitled to a Social Security disability award.

**35. How is the Disability Pension calculated under the Plan?**

The amount of the Disability Pension will be equal to the amount of the Early Retirement Pension that you could receive under the Plan, calculated as if you had attained age 55.

**36. When will my Disability Pension begin?**

You must file a written application with the Fund Office and apply for a Social Security disability award. Note that you should not wait to hear from Social Security to file your application with the Fund Office. As soon as you believe you might be entitled to a Disability Pension under this Plan you should apply.

Your Disability Pension will begin as of the first month after the month in which the application for payment and proof of your Social Security disability award are received by the Trustees and payment of a Disability Pension is approved by the Trustees. The amount of your Disability Pension will include payments retroactive to the effective date of your Social Security disability award (but in no event will payments be retroactive prior to the first month after the month in which your application for a Disability Pension is received by the Trustees).

A medical examination by the Social Security Administration's doctors will be required for the purpose of determining your eligibility for a disability award, and may be required by the Plan's doctors from time to time for the purpose of determining continued eligibility for a Disability Pension under the Plan.

**37. When will my Disability Pension end?**

Your Disability Pension will end on the earliest to occur of the following: