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Teamster Campaign Pension Promises

is projected to be able right now to pay 93.8% of its participants' vested ANNE (i.e., 5 years) benefits. The rate of 93.8% is the WCTPT's minimum contribution plan for the country, but it is the combination of plan assets (123 billion), the funding ratio (at 93.8% as of January 1, 2006), and many special features make this by far the best plan available.

This Plan must be negotiated with the company. It is entirely employer paid. Once the Teamsters are voted in, it is up to UAL to make the deal. It is up to employees to decide whether or not they want the Teamsters to proceed to negotiate with UAL to achieve this plan. If desired by UAL members, the Teamsters as a newly certified representative can serve a Section 6 opener and UAL will be obligated to negotiate over the terms of the new agreement with the Teamsters well before the end of the existing contract. (See Baptiste & Wilder, P.C. letter on Teamster website).

Here are some highlights of the plan:

- Participants can earn up to 10 years of past service credits and five years of contributed credits after only five years of employer paid plan participation. (This is the equivalent of 15 years' credit for only 5 years);
- Special vesting rules provide for accelerated vesting using past (i.e., pre-WCTPT participation) employment for participants age 52 or older;
- Retirement benefits as early as age 55 (regular full retirement at age 62 with reductions for earlier retirement); and
- Death and survivor benefits for your family and beneficiary.

Here is an example of monthly benefits using a flat \$2 per hour contribution rate with various years of participation. This is at a normal payment rate (age 62+ with recent coverage), and is assuming 10 years past continuous employment.

Contributory Years (+10 free years)	Monthly Benefit
5(+10)=15	842.40
10(+10)=20	1185.60
15(+10)=25	1528.80
20(+10)=30	1872.00
25(+10)=35	2215.20

What Can AMFA Do For Me to Secure My Retirement?
 One reason AMFA is spending so much time attacking Teamster pensions is because **IT HAS NOT AND CANNOT PROVIDE YOU WITH RETIREMENT SECURITY.**

First, AMFA simply does not have the resources or experience to negotiate a defined benefit pension plan with UAL or even a 401(k) plan with a high enough contribution rate to provide for

retirement security. Second, under the agreement that UAL entered with the PBGC under Section 6(c) of the ERISA, it is prohibited from establishing a defined benefit plan for ten years. The AMFA does not have any independent multi-employer and/or any other credible independent retirement plan, that means it **CANNOT NEGOTIATE YOU A PENSION PLAN.**

Above all, look at our history with AMFA on the issue of retirement security. Its incompetent handling of concessionary bargaining puts us in a situation where we have lost 30% of our pension value. (Unlike the Teamsters at Continental where the pension plan was preserved during their concessionary bargaining and not a single penny of pension value was lost).

What About Early Retirement Restrictions?

Let's get real on this issue. Even with the restrictions you are still way ahead. Think about it, what would you rather have? A great pension plan that provides real retirement security that has some limitation on the number of hours you can work if you retire early or **NO PENSION PLAN AT ALL.** AMFA may complain about these post-retirement employment restrictions, but it has **NO** pension plan to offer.

- Such restrictions are common in many pension plans as a tool to deal with "double dipping."
- The restrictions are not absolute. You can opt for early retirement and can still work but must limit your hours to 50 per month if you work in your craft—in order to get your pension payment. If you opt to work outside your craft the rules are much more liberal.
- The restrictions only apply to early retirement. At age 65 you can work as many hours as you want without it impacting your retirement.

What About My 401(k) Plan?

Negotiation of a defined benefit pension plan will **NOT** impact your 401(k). The Teamsters have successfully negotiated **BOTH** (for instance, at Continental Airlines and Frontier Airlines).

What About My Pension with the Pension Benefit Guaranty Corporation (PBGC)?

The negotiation of a pension with the WCTPT will **NOT** affect your PBGC pension benefits in any way.

What About the Law Suits Against the Teamsters Regarding the Central States Pension Fund and Other Problems with the Central States Plan?

The district dismissed all of the plaintiffs' claims on summary judgment and the seventh circuit upheld that decision on appeal. The Central States Pension Fund is run by different trustees than the WCTPT, and primarily because it, more than most other pension funds, suffered the brunt of trucking deregulation, it is not as well funded as funds that have had a more diverse group of

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