

# Teamster Pension Plan Update

We are pleased to announce that the Western Conference of Teamsters Pension Trust has just had a 2007 accrual rate increase from 1.2% to 1.65% for *contributory* years! (Contributions x Accrual Rate = Your Monthly Benefit) For the past ten years this plan has been rated in the top 6% of Taft-Hartley trusts for investment performance, and plan assets are now at \$30.2 Billion! Here's some of the ways the plan can benefit you and your family:

- After 5 years of plan contributions, participants can earn up to 10 years *Non-Contributory Credit* for past employment prior to joining the plan. Basically, you receive 2 years *Non-Contributory Credit* for every year of *Contributory Credit* during your vesting period, based on your previous years of continuous employment.
- *Special Vesting Rule* that provides accelerated vesting using past employment for participants age 52 or older. For example, entering the plan at age 52, 1 year past employment will be credited to you allowing you to vest in 4 years; at age 53, 2 years past employment allows vesting after 3 years; 54 vests in 2 years, and 55 and older vests in 1 year. (*Normal Benefits* can start at age 62 with recent coverage, and prior to that age benefits are at a reduced percentage rate.)
- *Death and Survivor Benefits* for your family or beneficiary.

This plan is funded **ONLY BY EMPLOYERS**. There are over 5000 employers in many industries contributing into this plan. Currently UAL is contributing 4-6% (about \$1 to \$1.50) into our 401K, which is very low. This will most likely be our starting rate. However, your monthly benefit will be dependent on the increases to contributions as negotiated during your Plan Participation. Your negotiated contribution rate will be used in determining your contributory and non-contributory benefits.

Here is an **EXAMPLE** of monthly benefits using a flat \$2 an 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

Letter of Agreement 05-03M, item 5c (on page 210 of the contract), states that the company will meet and confer annually with the union to consider plan investment options. If the Teamsters become our representative, we could switch to this pension plan without waiting for contract negotiations. The company should not have an issue with this because it won't cost them anything, yet it would benefit all of our union members.

This plan offers retirement security for a lifetime! Imagine being 90 years old or more and still receiving these monthly checks!

The decision to switch to Teamster representation is a no-brainer. Better representation and the best union pension plan in the country! To see the plan details, please go to our website at [www.teamstersatual.com](http://www.teamstersatual.com).