

**LOCAL 705 INTERNATIONAL BROTHERHOOD OF TEAMSTERS PENSION PLAN
(CARTAGE PARTICIPANTS)**

Delaying the Date Your Pension Starts Could Affect Your Benefit Amount

Normal Pension: If you are a Plan Participant and you retire on or after age 65, you are eligible for an unreduced Normal Pension, as explained on page 16 of the Summary Plan Description. The Normal Pension is calculated based on the years in which you earned your benefit service and the number of years of benefit service. You will find instructions about how to estimate your monthly pension benefit on page 20 of the Summary Plan Description.

Early Retirement Pension: If you retire between age 57 and 65 with at least 10 Years of Vesting Service, you may be eligible for a reduced Early Pension, as explained on page 17 of the Summary Plan Description. The amount of the reduction is 4% per year that your Early Retirement Pension payments begin before your Normal Retirement Age (generally age 65).

Example of a reduced Early Pension:

John is retiring at age 60 with at least 10 Years of Vesting Service. His Normal Retirement Pension is calculated to be \$1,000.00 per month. Because John is retiring five years before his Normal Retirement Age of 65, his Normal Pension is reduced by 20% (5 years x 4%) so that John's reduced Early Pension is \$800.00 (\$1,000 - \$200 (20% x \$1,000)) = \$800).

Delaying Retirement Will Increase Your Pension. If you delay starting your pension and continue to work, your pension will increase because you are earning additional benefits. In addition, if you are eligible for a Deferred Vested Retirement Pension that is subject to actuarial reduction for early payment, your pension will also increase the closer you are to age 65 before starting your pension.

Deferred Vested Pension: If you terminate covered employment prior to age 65 with at least 5 Years of Vesting Service, you may be eligible for a Deferred Vested Pension starting at age 65, as explained on page 18 of the Summary Plan Description. If you have 10 or more Years of Vesting Service, you may be eligible for a Deferred Vested Pension starting as early as age 57, actuarially reduced for early retirement, as explained on page 18 of the Summary Plan Description. If your Annuity Starting Date is after your Normal Retirement Age (generally age 65), then your monthly benefit will be actuarially increased for each month after your Normal Retirement Age that you do not receive your pension (and you are not in Industry Employment).

Example of a Deferred Vested Pension:

Edward worked in covered employment from age 35 to age 41 and earned 5 Years of Vesting Service. He pursued a career as a computer technician and did not return to covered employment. When Edward reaches age 65, he will be entitled to a Deferred Vested Pension based on the accrual rate during the years in which he earned his benefit service. If Edward waits until after age 65 to receive his Deferred Vested Pension, his benefit will be actuarially increased to account for the delay. Edward may not receive his Deferred Vested Pension early because he does not have 10 or more years of Vesting Service.

Service Pension. If you have 25 or more years of Future Benefit Service and you retire from active service at any age, you are eligible for a Service Pension, as explained on page 15 of the Summary Plan Description. The Service Pension is calculated based on the number of years of benefit service you earned.

Years of Future Benefit Service	Monthly Service Pension Amount
30 or more	\$3,000** Additional \$100 for each year in excess of 30 years (Minimum employer contribution rate at retirement must equal the highest Joint Area Cartage Agreement rate as January 1). If not, participant will receive a pro-rated increase for each year in excess of 30 years.
29	\$2,900
28	\$2,800
27	\$2,700
26	\$2,600
25	\$2,500

Example of a Service Pension:

Don is retiring after September 1, 2006 at age 55 with 27 years of Future Benefit Service. Don's Service Pension will be \$2,700 per month, in accordance with the chart above. As you can see from the above chart, Don becomes eligible for higher benefits, the longer he waits to retire.