

ANNUAL FUNDING NOTICE

For

LOCAL 705, INTERNATIONAL BROTHERHOOD OF TEAMSTERS PENSION FUND

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning January 1, 2021 and ending December 31, 2021 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years are shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
	2021 Plan Year	2020 Plan Year	2019 Plan Year
Valuation Date	01/01/2021	01/01/2020	01/01/2019
Funded Percentage	76.8%	71.5%	69.0%
Value of Assets*	\$1,485,489,337	\$1,373,817,098	\$1,297,570,643
Value of Liabilities	1,934,141,134	1,921,840,127	1,881,567,787

* Excludes receivable withdrawal liability payments.

The FIP's benchmarks are expected to be achieved with the current design in the Plan Document, which is reflected in the FIP Schedule. Accordingly, both the default schedule (the schedule that must include plan changes, if necessary, and will be applicable should a schedule not be implemented on a timely basis as described below) and the alternative schedule consist of the following:

1. Contribution rates no less than those in effect as of the date the FIP was adopted for all contributing employers for every year that the Plan is in Endangered status; and
2. Maintain the plan of benefits in effect as of the 2017 actuarial status certification date (March 31, 2017), for all current and new active participants and for every year that the Plan is in Endangered status, except for:
 - a. any benefit changes required for the Plan to continue meeting the requirements to maintain its tax qualification under the Internal Revenue Code and comply with other applicable law, or
 - b. specific benefit increases after the end of the Funding Improvement Adoption Period if the Trustees determine that these increases will be financed out of contributions not contemplated by the FIP and will not impede the Fund's progress toward achieving the PPA benchmarks for plans in Endangered status.

You may obtain a copy of the FIP and FIP Schedule (including any updates, amendments or other modifications) and the actuarial and financial data that demonstrate the actions taken by the Plan toward fiscal improvement by contacting the Plan Administrator (see "Where to Get More Information" below).

The Plan emerged from endangered status in the 2022 Plan year. The Plan was certified as not being in endangered, critical, or critical and declining status in the Plan Year ending December 31, 2022, because the projected funded percentage as of January 1, 2022 is over 80% and there is no projected funding deficiency within the next 7 years.

In other words, the Plan entered the Green Zone in the 2022 Plan year.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 15,885. Of this number, 5,303 were current employees, 8,077 were retired and receiving benefits, and 2,505 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The Plan is funded by contributions made by contributing employers pursuant to the terms of collective bargaining agreements, and other agreements, to which the contributing employers and unions representing Plan participants are signatory. Participant contributions are not permitted under the Plan and therefore are not a source of funding Plan benefits. The investment earnings on the contributions made to the Plan are also a source of funding.

accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant's guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pb.gc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information" below.

Where to Get More Information

For more information about this notice, you may contact the individual below.

Mr. Jack F. Witt
Plan Administrator
Local 705, International Brotherhood of Teamsters Pension Fund
1645 West Jackson Boulevard, 7th Floor
Chicago, Illinois 60612
(312) 738-2811

For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" is Board of Trustees Local 705 I. B. of T. Pension Trust Fund and 36-6492502.