



Highway Truck Drivers and Helpers Local 107

Affiliated with
International Brotherhood of Teamsters,
Pennsylvania Conference of Teamsters and Teamsters Joint Council No. 53

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Dear Members of Philadelphia Area Teamster Pension Fund:

You recently received a notice that the Pension Fund's status for the 2010 plan year was "*Seriously Endangered*" Apparently, there are some people out there who take great pleasure in creating false rumors and spreading outright lies.

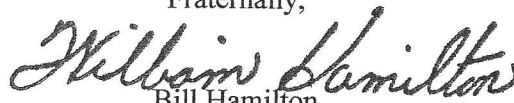
It is true that, because of the stock and bond market collapse in 2008-09, we, as well as almost every other fund in America have fallen into this status. (Many funds, notably large Teamsters Funds, find themselves in even worse shape – "critical" status.) **IT IS NOT TRUE** that the early retirement features of the Plan (i.e., 25 benefit years and out; 30 vesting years and out) are being eliminated. **IT IS NOT TRUE** that benefits currently being received by retirees will be cut. (In fact, the Trustees of a "seriously endangered" plan may not, under Federal law, cut benefits of those already receiving monthly pension benefits.)

Over the past year and a half, I have kept you informed and we have discussed financial market conditions and the effect on pension funds, such as ours, at many Union meetings. This latest news should not be unexpected, especially if you have taken even the smallest amount of time reading the newspaper or listening to the news on TV. What rumor-makers haven't told you is that, despite our Fund's "seriously endangered" status, our Fund remains one of the better funded Teamster Funds in the nation. Central States – CRITICAL; New England – CRITICAL; Upstate New York – CRITICAL; Local 707 (Long Island, NY) – CRITICAL; Joint Council 83 – CRITICAL; Local 641 – CRITICAL.

I have just returned from our annual meetings and the Trustees did **not** discuss elimination of the 25 and out or 30 and out features or cutting retirees pensions. In fact, while the Trustees certainly know that some changes will be necessary to comply with the Pension Protection Act (PPA), there are many factors that could come into play, including a combination of employer contribution increases and reductions in *future* service credits (**not** reductions in that which you have already earned). We find ourselves in a state of flux -- there are presently pending several pieces of legislation in Congress to address the funding issues of not only our Fund, but every multiemployer fund across the country. As always, as the year goes on, I will keep your apprised of these developments and I urge you to attend monthly membership meetings to hear it from a Fund Trustee, rather than rely on unfounded rumors and lies. For your information, our investment returns have been solid in the past year and well above benchmark performance.

In closing, let me repeat and be clear, there have been no discussions or plans to reduce past and present benefits. Do not listen to people who do not know or quite frankly, do not care. We will keep you informed. Our Fund is in much better shape than most around the country.

Fraternally,


Bill Hamilton,
President