

LOCAL 705

I. B. of T.



PENSION FUND

1645 WEST JACKSON BLVD

Telephone 312-788-2313

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CHICAGO, IL 60612-8227

Local 705, International Brotherhood of Teamsters Pension Plan Plan Status Notice

April 2011

Participants, Beneficiaries, Participating Unions, and Contributing Employers to the Local 705 International Brotherhood of Teamsters Pension Plan (the "Plan"), this document is being provided to you as required under the Pension Protection Act of 2006, which requires that the Trustees disclose certain information regarding the Plan's funding status.

The United States Congress enacted the Pension Protection Act of 2006 ("PPA" or "Act"), in part, to ensure that pension plans have the assets necessary to fund pension liabilities when participants retire and apply for their pensions. The Act implemented several safeguards aimed at improving plan funding levels, and imposed on plans the obligation to provide participants, contributing employers, and other interested parties with helpful information regarding the "financial health" of the plans in which they participate or otherwise have an interest.

Many of the Act's safeguard provisions relate to funding, which, in the most simple terms, is how much a plan has coming in, going out, how the assets are invested, and what is in reserve (or "in the bank") to fund pensions that become payable in the future. These safeguards are intended to create more discipline in determining the funding strategy for pension benefits, with the ultimate goal of avoiding preventable funding problems.

Starting with the 2008 Plan Year, the Act requires that the Plan be tested annually to determine how well it is funded. The Act established formal benchmarks for measuring a plan's funding. Plans that are in the yellow ("endangered"), orange ("seriously endangered") or red ("critical") zones must notify all plan participants, beneficiaries, unions, and contributing employers of the plan's status, as well as take corrective action to restore the plan's financial health.

Plan's Status — Yellow Zone

For the Plan Year beginning January 1, 2011, the Plan is less than 80% funded (the Plan's projected funded percentage is 60.5%) and there is no projected funding deficiency within seven years. The Plan's actuary provided this certification based on the Act's funding measures. On March 31, 2011, the Plan was categorized as being in the yellow "endangered" zone for the 2011 Plan Year.

Funding Improvement Plan

Yellow zone status is like an early warning to focus on correcting problems to head off more serious trouble. To comply with the Act, the Trustees adopted a "Funding Improvement Plan" in late 2008, designed to improve the Plan's funded status. The Act also requires annual updates to the Funding Improvement Plan, and the Trustees did the latest update in November 2010. The updated Funding Improvement Plan has been given to contributing employers and participating unions.

What's Next

Since the Plan's financial condition generally changes with changes in the financial markets and the economy, the Act requires that the Plan's funding status be reviewed and certified annually, which means that you will receive a notice like this each year until the Plan is no longer in the yellow zone.

We understand that legally required notices like this one can create concern about the Plan's future. While the "endangered" label is required to be used by law, the fact is that we have been working with our actuaries and consultants for some time now to address these issues. Please be aware that improving the Plan's funded status is a top priority and we are committed to taking any actions necessary to ensure your benefits will be there when you retire.

For more information about this Notice or the Plan in general, please contact the Plan's Administrator, Jack F. Witt, at the address listed at the start of this letter.

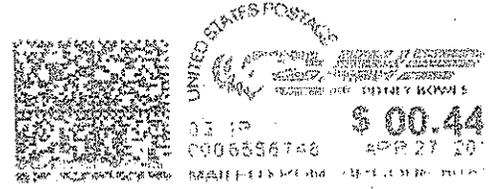
Sincerely,

Board of Trustees

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Secretary of the Department of Labor.



LOCAL 705, I. B. of T.
Health & Welfare and Pension Funds
1645 WEST JACKSON BLVD. - SUITE 700
CHICAGO, ILLINOIS 60612



Secretary of Labor
U. S. Department of Labor
200 Constitution Ave., NW
Washington, DC 20210

