ALASKA TEAMSTER-EMPLOYER

PENSION TRUST

Summary Plan Description

Applicable to Retirements After June 30, 2016

www.959trusts.com

TABLE OF CONTENTS

WELCOME TO THE ALASKA TEAMSTER-EMPLOYER PENSION PLAN

BE SURE TO READ THIS HANDBOOK CAREFULLY.

The principal purpose of the Alaska Teamster-Employer Pension Plan ("Plan") is to provide retirement benefits to eligible Participants. In certain circumstances, death benefits are also provided.

This handbook is the Summary Plan Description ("SPD") for the Alaska Teamster-Employer Pension Plan. This SPD explains:

- How your benefit is calculated;
- When you can retire;
- The forms of payment provided under the Plan;
- How to apply for benefits; and
- The restrictions and administrative procedures that apply.

This SPD also explains the conditions that may result in a loss of participation and benefits, and the conditions that must be met for reinstatement of participation and benefits. The SPD applies to retirements after June 30, 2016. If you retired before that date, you should consult prior SPDs, summaries of Plan modifications, and the Trust Customer Service Office.

This SPD summarizes and simplifies the Plan document provisions. In the event the provisions of the SPD do not cover your situation, or if any term or provision in the SPD is unclear, ambiguous or conflicts with the Plan, the provisions of the Plan document will govern.

The Board of Trustees is the Plan Administrator. As Plan Administrator, the Board of Trustees has the sole and exclusive discretionary authority to interpret the Plan and other Plan documents, make all factual and equitable determinations, and decide all claims for coverage, eligibility or benefits.

If you have any questions about the information in this SPD, or if you want to know how a specific Plan provision applies to you, write or call the Trust Customer Service Office. A Plan representative will be glad to answer your questions. The Trust Customer Service Office is the only party authorized by the Board of Trustees to answer questions about the Plan. No Trustee, Employer, Employer Association, or Labor Organization, nor their employees or representatives, have any authority in this regard.

Trust Customer Service Office
520 East 34th Avenue, Suite 107
Anchorage, AK 99503-4116
(907) 751-9700 or (800) 478-4450 *toll free*
Fax: (907) 751-9738
Email: benefits@959trusts.com
Website: www.959trusts.com

1 INTRODUCTION

There are several key points that are important to understanding how the Pension Plan works.

- The first is **participation**. You do not begin to earn retirement benefits under the Pension Plan until you begin to participate.

- The second is **vesting**. Vesting refers to the legal (i.e., non-forfeitable) right to receive a benefit under the Pension Plan. Until you are vested, you will have no right to receive any benefit under the Pension Plan.

- The third is **benefit calculation**. Since the beginning of the Pension Plan in 1966, there have been several different formulas to calculate Plan benefits. Improvements in the formulas took place in 1997, 1999 and again in 2001. Reductions to the accrual rate occurred in 2003 and 2006. Therefore, depending on when you work in Covered Employment, your benefit may be made up of several different parts, which are calculated in different ways.

- The fourth is **when you can retire** and begin to receive a benefit. The Normal Retirement Age under the Plan is the later of age 65 or your fifth anniversary of pension plan participation. However, under various circumstances earlier retirement is allowed.

- The last important point is the **form of the benefit** you choose. A retiring Participant is allowed to choose from several different forms of retirement benefits. Some options require spousal consent, if married. The amount of the monthly payment to you and/or your Spouse or Beneficiary will be different under the various forms of benefit payment.

These points, as well as others, are explained below.

Please note that whenever terms are capitalized in this SPD, the terms are defined in the *Definitions* section.

2 PARTICIPATION

2.1 General Participation Rules

These participation rules apply to your service after June 30, 2001. See the Appendices for participation rules before that date.

You become a Participant the next month after you receive credit for 250 Contributory Hours within one Plan Year. The Plan Year is July 1 through June 30.

EXAMPLE:

In April 2012, Jack worked 150 hours in Covered Employment and then in May 2012, Jack worked another 100 Contributory Hours.

Jack became a Participant on June 1, 2012, the first day of the month following the month he completes his 250th hour because he worked a total of 250 hours in one Plan Year.

You continue as a Participant by working at least 250 Contributory Hours each Plan Year. If you do not satisfy this requirement, you cease to be a Participant unless you are vested.

2.2 Earning Participation with "Contiguous Non-Covered Employment"

You can also earn credit toward participation if you work for a Contributing Employer in a job which is not covered by the Pension Plan that immediately precedes or follows Covered Employment with the same Employer without interrupting or terminating your employment. This is called Contiguous Non-Covered Employment. Once you begin working in Covered Employment, all of your past work for that Contributing Employer while the Employer contributed to the Plan on behalf of some of its other employees counts toward establishing your status as a Plan Participant. To take advantage of this rule, you must satisfy the 250-hour participation rule by working the entire 250 hours with a Contributing Employer. If you have such Contiguous Non-Covered Employment, you must inform the Trust Customer Service Office.

EXAMPLE:

In April 2012, Frank worked 100 hours for ABC Construction, a Contributing Employer, in employment <u>not</u> covered by the Plan, and then in May 2012 worked 150 hours for ABC Construction in Covered Employment.

Frank became a Participant on June 1, 2012, the first day of the month following the month he completed his 150th hour in Covered Employment, because the total hours that count toward becoming a Participant totaled at least 250.

3 VESTING

Generally, you will begin earning credits toward your retirement benefit as soon as you become a Participant. However, you do not have a right to receive a benefit until you become vested.

These vesting rules apply to your service after June 30, 2001. See Appendix B for vesting rules before that date.

3.1 Vested Percentage

You vest in your Normal Retirement Age Benefit according to your years of Vesting Service as shown in the following table:

Years of Vesting Service	Percent Vested
Less than 5	0%
5 or more	100%

3.2 Vesting Service

For purposes of establishing an entitlement to Early and Rule of 85 Retirement Benefits, your Contributory Years of Service will be used instead of the Vesting Service described here.

3.2.1 Vesting Service Earned for Work in Covered Employment

For purposes of determining vesting in your Normal Retirement Age benefit, you earn one Year of Vesting Service when you work between 250 and 2,000 Contributory Hours during a Plan Year.

If you work less than 250 hours during a Plan Year after June 30, 2001, you earn a partial Year of Vesting Service equal to your Contributory Hours divided by 250.

EXAMPLE:

$$\frac{200 \text{ hrs}}{250} = .80 \text{ years of Vesting Service}$$

If you work more than 2,000 hours during a Plan Year, you earn more than one Year of Vesting Service equal to your Contributory Hours divided by 2,000.

EXAMPLE:

$$\frac{2080 \text{ hrs}}{2{,}000} = 1.04 \text{ years of Vesting Service}$$

3.2.2 Vesting Service for Covered Employment Before You Become a Participant

When you become a Participant, you may receive Vesting Service credit for past Covered Employment if both of the following requirements are met:

- You worked at least one hour in Covered Employment during each Plan Year; and
- The Plan Years are consecutive with the Plan Year in which you become a Participant.

EXAMPLE:

Brian worked the following Contributory Hours:

Plan Year	Hours	Vesting Service
2013	50	0.20
2014	100	0.40
2015	50	0.20
2016	1,200	1.00

Brian became a Participant in Plan Year 2016 the month after he worked over 250 Contributory Hours during that Year. He also received a partial year of Vesting Service credit for the hours he worked in Plan Years 2013, 2014, and 2015, for a total of 1.80 years of Vesting Service for Plan Years 2013 through 2016.

3.2.3 Vesting Based on "Contiguous Non-Covered Employment"

You can also earn credit toward vesting if you work for a Contributing Employer in a job which is not covered by the Plan immediately before or immediately after you earn Contributory Hours with that employer, without any interruption or termination of your employment. If you have such Contiguous Non-Covered Employment, you must inform the Trust Customer Service Office.

3.2.4 Vesting Based on When You Reach Your "Normal Retirement Age"

The Plan's Normal Retirement Age is the later of the following:

age 65, or
the fifth anniversary of the date you became a Plan Participant.

If you reach Normal Retirement Age while still a Participant in the Plan, you will then be vested in your Normal Retirement Age benefit even if you do not yet have sufficient years of Vesting Service to have vested under the sections above.

3.3 Past Vesting Service

The Plan is not required to give Vesting Service for employment with an employer before it became a Contributing Employer. However, when a new group joins the Pension Plan, the Trustees, in their sole discretion, may credit Past Vesting Service based on past work performed with that employer.

Customarily, if the Trustees have decided to grant Past Vesting Service for your group, you will receive credit for one Year of Past Vesting Service for each Year of Vesting Service you earn after the employer begins making Contributions to the Pension Trust on your behalf. In addition, unless otherwise approved by the Trustees, Past Vesting Service will be credited only if you work at least 2,000 Contributory Hours within two years after the date the employer is first required to contribute to the Plan on your behalf. If your employer withdraws from the Pension Plan, your Past Vesting Service may be cancelled.

3.4 Break-in-Service Loss of Benefits Before Vesting

This Section 3.4 applies to vesting in your Normal Retirement Age Benefit for Plan Years after June 30, 2001. If you work less than 250 hours under the Plan during a Plan Year, you incur a Break-in-Service at the end of that Plan Year. If you are not fully vested, you cease to be a Participant at that time. You also forfeit the unvested portion of your Vesting and Benefit Service from any prior year and have no right to receive a benefit from the Pension Plan based on that service.

3.4.1 Reinstatement of Benefits

If you incur a Break-in-Service because you are not yet vested and you work less than 250 hours in a Plan Year, you must once again have 250 Hours of Work in one Plan Year to re-establish your participation. If you re-establish your participation no later than five Plan Years from the date you incur the Break-in-Service, your service will be reinstated.

3.4.2 Waiver of Break-In-Service

In certain limited circumstances, a Break-in-Service is waived. A waiver is used solely for the purpose of preventing a Break-in-Service. To qualify for a waiver, you must meet one of the following requirements:

- You are physically or mentally disabled, provable to the Trustees' satisfaction;
- You are in employment covered under a Collective Bargaining Agreement between your employer and the Union, but such employment does not require the employer to contribute to the Plan on your behalf (i.e. Dues only agreement);
- You are on a leave of absence from employment because of your pregnancy, the birth of your child, placement of a child with you for adoption, or to care for a child following such birth or placement;

- You are on a military or uniformed services leave covered by the Uniformed Services Employment and Re-employment Rights Act ("USERRA") and return to Covered Employment. (In addition to avoiding a Break-in-Service, you may also receive vesting and benefit credit for an eligible USERRA leave.) For further details, see Section 13.4, *Military and Uniformed Service*; or

- You are on a leave covered under the Family and Medical Leave Act (FMLA).

3.4.3 Waiver of Break-in-Service During Maternity and Paternity Leave

The following rules apply to Maternity or Paternity leave:

- You will receive a waiver for the number of hours required to prevent a Break-in-Service for the Plan Year in which your Maternity or Paternity leave begins;

- If you do not need this waiver to prevent a Break-in-Service for the Plan Year in which your leave begins, you will receive this waiver for the following Plan Year to the extent you are absent due to a Maternity or Paternity leave; and

- If you are absent from work due to layoff or similar reason when leave begins, you will not receive a waiver for Maternity or Paternity leave.

To receive a waiver for Maternity or Paternity leave, you must provide the following to the Trust Customer Service Office:

- A statement that the absence was due to your pregnancy, the birth or adoption of your child, placement of a child with you for adoption, or caring for your newborn or newly adopted child; and

- Information required to determine the length of your absence.

4 WHEN YOU MAY RETIRE

The retirement rules in this Section apply to Participants who retire on or after July 1, 2016. See Appendix C for additional retirement options and rules that may apply to you. In all cases you must be vested and you must apply for benefits before payments begin.

4.1 Normal Retirement Age

The Plan's Normal Retirement Age for a Participant is the later of the following:

age 65, or
the fifth anniversary of the date you became a Plan Participant.

You may retire with full benefits on the first of the month after you reach your Normal Retirement Age. In order to receive retirement benefits you must file an approved application with the Trust Customer Service Office. Applications can be obtained from the Trust Customer Service Office or on-line from the Trust website www.959trusts.com.

4.2 Minimum Retirement Age

You may retire as early as age 52 with a reduced benefit. Unless you qualify for the Rule of 85 or meet the requirements for an unreduced benefit under an Early (age 63) Retirement, the benefit payments you receive will be reduced to account for commencement before Normal Retirement Age at 65.

Age	Factor
65	1.0000
64	.8859
63	.7870
62	.7009
61	.6258
60	.5600
59	.5023
58	.4513
57	.4063
56	.3664
55	.3310
54	.2995
53	.2713
52	.2462

SECTION 4

4.3 Early and Rule of 85 Retirement Benefits

If you meet the Early Retirement requirements, you may retire at or after age 63 with unreduced benefits. If you meet the Rule of 85 requirements, you may retire as early as age 60 with unreduced benefits.

If you meet all but the age requirement of the Early Retirement or Rule of 85 benefit, you may retire as early as age 52 with benefit payments reduced to account for commencement before age 63 (Early Retirement) or age 60 (Rule of 85 Retirement).

To qualify for an Early or Rule of 85 Retirement, you must meet the requirements below for that benefit, including the specified amount of Contributory Years of Service. A Contributory Year of Service is computed as follows.

1. You earn one Contributory Year of Service if you have at least 1,000 or more Contributory Hours in a Plan Year. You earn proportionately less than one Contributory Year of Service if you work less than 1,000 Contributory Hours in a Plan Year (this is computed by dividing your Contributory Hours in that Plan Year by 1,000). For Plan Years or portions thereof prior to January 1, 2012, you earn proportionately more than one Contributory Year of Service for working more than 2,000 Contributory Hours in that Plan Year or portion thereof (computed by dividing your Contributory Hours in that Plan Year or portion of a Plan Year by 2,000).

2. Only Contributory Hours count toward determining your Contributory Years of Service. For example, the following will <u>not</u> count toward Contributory Years of Service: Past Service, Contiguous Non-Covered Employment, hours for which you have received a lump sum payment, or other hours you work for which an Employer does not contribute to the Plan.

3. If you recapture service under Section 6, *Recaptured Vesting and Benefit Service*, it will count as Contributory Hours toward your Contributory Years of Service in the Plan Year that it is recaptured. Otherwise, if you had a Break-in-Service before you were vested and did not reinstate your benefits by re-establishing Participation in the Plan according to Section 3.4.1, *Reinstatement of Benefits*, any Contributory Years of Service earned before your Break in Service cannot be counted.

SECTION 4

4.3.1 Early Retirement Benefit

To be eligible for an Early Retirement benefit, you must:

- be at least age 63 for an unreduced benefit; and
- have at least 60,000 Contributory Hours <u>or</u> 30 Contributory Years of Service.

If you previously retired and took a lump sum payment (other than a small annuity described at Section 7.6, *Payment of Small Annuities*), service before that retirement is not counted in determining your eligibility for an Early Retirement benefit. Also, your initial retirement payment is not recalculated if you subsequently qualify for a benefit under this Section. See Appendix C for other Early Retirement benefits.

Age	Factor
63	1.0000
62	.8907
61	.7952
60	.7116
59	.6382
58	.5735
57	.5163
56	.4656
55	.4206
54	.3805
53	.3448
52	.3128

EXAMPLE:

Steve is age 58. He has credit for 68,304 Contributory Hours and 37 Contributory Years of Service. When he reaches age 63, he will be eligible for unreduced retirement benefits. He may retire now with benefits actuarially reduced from age 63.

SECTION 4

4.3.2 Rule of 85 Retirement Benefit

To be eligible for a benefit under the Rule of 85, you must:

- Be at least age 60 for an unreduced benefit;
- Your age plus Contributory Years of Service must total at least 85 at the time you stop working in Covered Employment;
- You must have a minimum of 10,000 Rule of 85 Surcharge hours and 1,000 hours of currency. For the currency, your employer must have been required to pay the Rule of 85 Surcharge for a total of at least 1,000 hours of your work, during the Plan Year in which you cease Covered Employment and the immediately preceding Plan Year or over the two immediately preceding Plan Years before the Plan Year in which you cease Covered Employment. Plan Years run from July 1 to June 30.
- Your retirement under the Rule of 85 must be at least 12 months after your Employer was first required to pay the Rule of 85 Surcharge on your behalf.

The Rule of 85 Surcharge is the portion of a Contribution that is specifically designated as a Rule of 85 Surcharge required by your employer's Collective Bargaining Agreement or Written Agreement with the Trust (or specifically designated as a Rule of 80 Surcharge) under surcharge requirements adopted by the Board of Trustees. The Rule of 85 Surcharge is not included in the calculation of your retirement benefit.

If you previously retired and took a lump sum payment (other than a small annuity described at Section 7.6, *Payment of Small Annuities*), the service before that retirement is not counted in determining your eligibility for Rule of 85 benefit. Also, your initial retirement payment is not recalculated if you subsequently qualify for a benefit under this Section. See Appendix C for other Early Retirement benefits.

Age	**Factor**
60	1.0000
59	.8968
58	.8059
57	.7255
56	.6543
55	.5911
54	.5348
53	.4845
52	.4396

4.4 Deferred Retirement

If you do not work in Suspendible Employment (refer to Section 10 for further information) after your Normal Retirement Age (age 65) and you defer your retirement, your benefit payments will be increased to take into account the late starting date.

4.5 When Payments are Mandatory

If you have separated from service (see Section 9, *Separation from Service*) or are a more than 5% owner of your employer, you must make application to start receiving your retirement benefit no later than April 1 of the year which follows the year in which you reach age 70½.

5 HOW YOUR BENEFIT IS CALCULATED

Your benefit is calculated as a Straight Life Annuity. This is a retirement benefit payable in equal monthly installments over your life only. If you receive a form of payment other than a Straight Life Annuity, your monthly benefit amount is actuarially reduced for that form of payment. The current accrual rate is 1.0% of Contributions required on your behalf. Prior accrual rates are shown in Appendix H.

5.1 Past Benefit Service

When a new group joins the Pension Plan, the Trustees, in their discretion, may credit Past Benefit Service. Your Past Benefit Service is based on your work with your employer before it began making Contributions to the Pension Trust. If the Trustees grant Past Benefit Service for the new group, you will receive credit for one Year of Past Benefit Service for each Year of Contributory Benefit Service you earn after the employer begins making Contributions to the Pension Trust on your behalf, not to exceed your Past Vesting Service. If the employer withdraws from the Pension Plan, the Past Benefit Service may be canceled. Your Years of Contributory Benefit Service will be determined by dividing your Contributory Hours by 2,000.

For Past Benefit Service granted after June 30, 2001, the monthly benefit at Normal Retirement Age is equal to $25 times your credited Years of Past Benefit Service.

> EXAMPLE:
>
> Ellen worked 12½ years before her employer became a contributing Employer. In 2002, her Employer began contributing to the Plan for Ellen's Hours of Work. The Trustees granted Past Benefit Service Credit to Ellen's group. Ellen worked 20,000 hours under the Plan. Ellen's monthly Normal Retirement Benefit for her Past Benefit Service is computed as follows:
>
> 20,000 hours ÷ 2,000 = 10 years of the 12½ years earned out
>
> 10 years x $25 = $250 per month at Normal Retirement Age
>
> This $250 is added to the monthly benefit at Normal Retirement Age that Ellen earns with her Contributory Hours, explained previously in this Section 5.

5.2 Section 415 Maximum Benefit

Federal law limits the maximum monthly benefit payment you can receive from this Plan. The limits, such as limitations based on your age at retirement, are stated in Section 415 of the Internal Revenue Code and are subject to change.

These limits more than likely would not impact you unless you worked most of your history with a single employer and are retiring at a fairly young age. If you worked for multiple employers or if your employer changed ownership, those periods of employment can be split out and tested separately against the limits. Ask the Trust Customer Service Office for information concerning the limits that may apply to you.

5.3 Return to Covered Employment

If you return to work in Covered Employment for 40 or more hours during a month, your monthly retirement benefit may be suspended. See Section 10, *Suspendible Employment*. This 40-hour limit is measured by 4-week payroll periods in the case of employers that pay on the basis of 2-week or 4-week payrolls.

In addition, if you work in Covered Employment during any month after you have retired, you may earn additional retirement benefits. Your additional benefit will be calculated based only on Contributions after your return to Covered Employment. If you return to work in Covered Employment and your benefit is not suspended under Section 10, *Suspendible Employment*, additional retirement benefits that you earn may be reduced or offset completely by the actuarial value of the monthly retirement benefit paid to you. If Covered Employment after your retirement results in additional contributions on your behalf, your benefit will be reviewed annually to determine the amount of any resulting increase in your pension benefit.

If you return to Covered Employment after August 31, 1999, the additional benefits earned are payable at the later of your subsequent retirement or when you reach age 65.

When you retire for the second time, you may choose a different form of payment for the additional benefits you earned during your re-employment, but you cannot change the form of payment for benefits earned prior to your first retirement.

5.4 Special Rules Regarding Calculation of Benefits

If you retired and then returned to Covered Employment on or before August 31, 1999, see **Appendix D** for special rules that apply to the benefits you earned on your return to Covered Employment. In **Appendix E**, special rules that apply to Past Benefit Service granted before July 1, 2001 are described. See **Appendix F** for special rules that apply to benefits accrued before July 1, 1990. See **Appendix G** for your benefits accrued during Plan Years 1991 to 1997 if you earned less than 1,000 Contributory Hours after June 30, 1997.

Refer to **Appendix H** if you accrued Benefit service:

- After June 30, 2006;
- After June 30, 2003 and Before July 1, 2006,
- After June 30, 1997 and Before July 1, 2003,
- After June 30, 1990 and Before July 1, 1997 or
- Before July 1, 1990; the Overlay.

6 RECAPTURED VESTING AND BENEFIT SERVICE

Participants (including retirees) who worked at least 500 Contributory Hours in one of the Plan Years beginning July 1, 2001 or later will be eligible to begin recapturing any previously forfeited Contributory Vesting and Benefit Service on a "dollar for dollar" and an "hour for hour" basis. Recaptured service is credited in the Plan Year that the recapture occurs, not the Plan Year of the earlier forfeiture.

EXAMPLE:

During Plan Years 1988 to 1991, Roger earned 5,800 Contributory Hours and his employer made $17,400 in Contributions on his behalf. Roger then left Covered Employment. Because Roger had not vested as of June 30, 1992, and did not return to work within the five year period permitted for him to reinstate his service, the 5,800 Contributory Hours Roger worked and his benefit derived from $17,400 in employer Contributions were permanently forfeited as of June 30, 1997.

Roger returned to Covered Employment in Plan Year 2012, and during Plan Years 2012 to 2014 earns 5,000 Contributory Hours and has $20,000 in employer Contributions made on his behalf. With this return to Covered Employment, Roger recaptures his forfeited Contributory Hours and Contributions on an "hour for hour" and "dollar for dollar" basis. In this example, Roger recaptures 5,000 of the 5,800 Contributory Hours he had forfeited and all of his $17,400 in forfeited Contributions.

If Roger continues to work in Covered Employment after Plan Year 2014, he may continue to recapture forfeited Contributory Hours, up to his remaining 800. He will have already recaptured all of his $17,400 in forfeited Contributions.

See the tables below for a review of Roger's forfeited and recaptured Contributory Hours and Contributions:

Roger's Forfeited Service, Plan Years 1988 to 1991

Plan Year	Contributory Hours	Contributions
1988	2,500	$7,500
1989	500	$1,500
1990	1,800	$5,400
1991	1,000	$3,000
1992	0	$ 0.00
Total	**5,800**	**$17,400**

Roger's Service and Recaptured Service, Plan Years 2014 to 2016

Plan Year	Contributory Hours	Recaptured Contributory Hours	Total Contributory Hours	Contributions	Recaptured Contributions	Total Contributions	Total Years of Vesting Service	Total Contributory Years of Vesting Service
2014	1,800	1,800	3,600	$7,200	$7,200	$14,400	1.80	1.00
2015	400	400	800	$1,600	$1,600	$3,200	1.00	.80
2016	2,800	2,800	5,600	$11,200	$8,600	$19,800	2.80	1.00
Total	5,000	**5,000**	10,000	$20,000	**$17,400**	$37,400	5.60	2.80

In addition to his benefits earned based on current Contributions, Roger will earn a benefit at Normal Retirement Age equal to 1.00% of his recaptured Contributions during Plan Years 2014, 2015 and 2016.

The Contributory hours worked are combined with the Recaptured Contributory Hours for purposes of applying the vesting credit schedule.

Roger's Monthly Benefit Earned Including Recaptured Contributions, Plan Years 2014 to 2016

Plan Year 2014	(1.00% accrual rate)	$14,400 x 1.00% =	$144.00	(current & recaptured)
Plan Year 2015	(1.00% accrual rate)	$ 3,200 x 1.00% =	$32.00	(current & recaptured)
Plan Year 2016	(1.00% accrual rate)	$19,800 x 1.00% =	$198.00	(current & recaptured)

Total Monthly Benefit Earned			$374.00	

Forfeited Past Benefit and Past Vesting Service are <u>not</u> eligible for recapture. Service before you established Participation is eligible for recapture, if there is no intervening Break-in-Service.

Recaptured Benefit Service is payable at the times explained in Section 4, *When You May Retire*, without regard to the Appendices.

Recaptured Vesting and Benefit Service does <u>not</u> count toward:

- The Contributory Years of Service and the Contributory Hours that are required to qualify for an Early or Rule of 85 Retirement benefit;
- The Contributory Years of Service and Contributory Hours required to qualify for retirement forms and/or benefit accruals under Appendix C or Appendix H;
- The initial 500 Contributory Hours required in a Plan Year beginning July 1, 2001 or later to trigger recapture;

In addition, the recaptured amount will be reduced by the value of any amounts you received or may receive pursuant to a court-approved settlement, judgment or order.

7 HOW BENEFITS ARE PAID

The Pension Plan generally provides monthly payments. When you retire, you have the opportunity to choose a form of payment.

You will make your choice when you apply for benefits at retirement. If you are married on your Retirement Date, your Spouse must consent to any form of payment other than a Joint Annuity or payment to any Beneficiary other than your Spouse. Neither you nor your Spouse can revoke this consent. If spousal consent cannot be obtained, your form of payment will be defaulted to the 50% Joint Annuity.

Generally benefit amounts are expressed as a Straight Life Annuity and benefits payable in other forms are actuarially reduced from the Straight Life Annuity form. However, for benefits earned before July 1, 1990; see **Appendix F** for available forms.

The terms "actuarially adjusted" or "actuarially reduced" and similar terms in this SPD refer to an adjustment that ensures that two different forms of payment have equal value. The actuarial factors used to make the adjustment are based on the Unisex Pension Mortality Table projected to 1984 and 8% interest. The difference in ages between you and your Joint Annuitant is used to calculate the amount of annuity payable under the option you select by multiplying the standard form of benefit by the appropriate factor.

7.1 Straight Life Annuity

The Straight Life Annuity pays monthly retirement benefits to you from your Retirement Date until your death. It does not pay benefits to any survivor after your death. No actuarial adjustment is made when your benefit is paid as a Straight Life Annuity.

If you have been married at least one year when you retire you may, with your Spouse's consent, elect to receive benefits in the form of a *Modified Straight Life Annuity*. This option gives your Spouse the protection of receiving the survivor's portion of the 66⅔% Joint Annuity Option if you die within the first twelve months after retiring. If you die after the first twelve months, your Spouse would **not** receive a survivor benefit. The reduction in your Straight Life Annuity benefit would be 5% for this option. The 5% charge ceases after the earlier of (1) the first twelve months of payment of the Modified Straight Life Annuity, or (2) your death.

7.2 Five Year Certain Life Annuity

The Five Year Certain Life Annuity pays benefits to you from your Retirement Date until your death. If you die before you receive 60 monthly payments, the remainder of the 60 monthly payments are paid to your Beneficiary. No payments are made to your Beneficiary after the 60th payment.

Your Beneficiary is the person you name at retirement to receive payments if you die before you receive 60 monthly benefit payments. You can name your Spouse or any other person at retirement. Your spouse, if any, must consent to a designation of a beneficiary other than your spouse.

If you do not name a Beneficiary, or if your Beneficiary does not survive you, your benefits are paid equally to the first living persons on the following list:

- your Spouse
- your natural or adopted children
- your parents
- your brothers and sisters
- your estate

If more than one person in a category named above survives you, they will receive benefits in equal amounts. If your Beneficiary begins to receive payments but dies before the 60th payment following your retirement, your remaining retirement payments will be made to your next Beneficiary.

If after making reasonable efforts the Plan cannot locate a Beneficiary or a Beneficiary does not timely respond to requests for information, that Beneficiary forfeits all rights under the Plan, and the next Beneficiary will receive benefits. This does not apply to a Beneficiary who is also a Spouse.

The actuarial reduction factors for the Five Year Certain Life Annuity are based on your age at retirement. They range from 99.33% at age 52 to 97.26% at age 65.

7.3 Joint Annuity

The Joint Annuity options pay monthly retirement benefits to you from your Retirement Date until your death. These benefits are actuarially adjusted to take into consideration the difference between your age and the age of your Joint Annuitant. After your death, these options pay benefits to your Joint Annuitant. Benefits continue until your Joint Annuitant's death. If your Joint Annuitant dies before you, benefit payments end at your death.

Your Joint Annuitant is the person you name to receive Joint Annuity payments after your death. You can name your Spouse or any other person.

However, if you are married on your Retirement Date, your Spouse must consent to any form of payment other than a Joint Annuity or payment to any Beneficiary other than your Spouse. Neither you nor your Spouse can revoke this consent. If spousal consent cannot be obtained, your form of payment will be defaulted to the 50% Joint Annuity.

You can select any one of the following joint annuities:

- The **50% Joint Annuity Option** provides you with monthly pension payments for your lifetime. When you die, your Joint Annuitant will continue to receive pension payments equal to 50% of your pension payment. For example, if you are entitled to $1,200.00 per month under this option, and you die before your Joint Annuitant, that person would receive $600.00 per month for their lifetime.

- The **66⅔% Joint Annuity Option** provides you with monthly pension payments for your lifetime. When you die, your Joint Annuitant will continue to receive pension payments equal to 66⅔% of your pension payment. For example, if you are entitled to $1,200.00 per month under this option, and you die before your Joint Annuitant, that person would receive $800.00 per month for their lifetime.

- The **75% Joint Annuity Option** provides you with monthly pension payments for your lifetime. When you die, your Joint Annuitant will continue to receive pension payments equal to 75% of your pension payment. For example, if you are entitled to $1,200.00 per month under this option, and you die before your Joint Annuitant, that person would receive $900.00 per month for their lifetime.

- The **100% Joint Annuity Option** provides you monthly pension payments for your lifetime. When you die, your Joint Annuitant will continue to receive pension payments equal to 100% of your pension payment. For example, if you are entitled to $1,200.00 per month under this option, and you die before your Joint Annuitant, that person would receive $1,200.00 per month for their lifetime.

7.4 Automatic Changes in the Form of Benefit Payment

In the following situations, your Joint Annuity will terminate and the dollar amount of each monthly benefit payment will retroactively revert to the dollar amount that would have been paid if your benefit had been originally paid as a Straight Life Annuity:

- If your Joint Annuitant is your Spouse and your Spouse dies before you and within 12 months after your Retirement Date;

- If your Joint Annuitant is your Spouse and you die within one year of the date you were married, or

- If your Joint Annuitant is someone other than your Spouse and you die within one year of the date you designated that person as your Joint Annuitant.

See **Appendix F.8.1**, *Automatic Changes in the Form of Benefit Payment for Benefits Earned Before July 1, 1990*, for a description of the dollar amounts and forms of payment applicable to benefits earned before July 1, 1990.

The following table shows the benefit amount for different forms of payment. Alice's Normal Retirement Benefit is $1,000. We'll assume that Alice and her Spouse are age 65.

If Alice elects a . . .	**she will receive monthly payments of . . .**	**and after her death monthly payments of . . .**
Straight Life Annuity	$1,000	$0
Modified Straight Life Annuity	$950.00 for one year followed by	$589.46 if Sandra dies before receiving 12 monthly payments.
	$1,000.00 after the first year	$0 if Alice dies after receiving 12 or more monthly payments
Five Year Certain Life Annuity	$972.60	$972.60, assuming Alice receives less than 60 monthly payments, her Spouse would receive the remaining number of payments so the total payments to Alice and her Spouse equal 60.
50% Joint Annuity	$914.24	$457.12
66-2/3% Joint Annuity	$885.07	$589.46
75% Joint Annuity	$875.34	$656.51
100% Joint Annuity	$855.89	$855.89

The actuarial reduction factor for the Five Year Life Annuity depends on age at retirement. At age 65 the factor is 97.26%. The actuarial reduction factors based on the Five Year Certain Life Annuity for the 50% Joint Annuity, the 66 2/3% Joint Annuity, the 75% Joint Annuity and the 100% Joint Annuity are 94%, 91%, 90% and 88%, respectively. For each year that the Joint Annuitant is younger (or older) than you, the percentage factor is reduced (or increased, but to not more than 99%) by 1/2%.

7.5 When Payments Begin

You must apply for benefits before payments will begin. After your application is approved, your benefit will commence as soon as practicable based on the commencement date you have requested. Your Retirement Date can be established up to three months before you provide your complete benefit application, if you have not worked in Suspendible Employment during that time.

Typically, if the Trust Customer Service Office has received all required documentation, your benefit payments will begin the first of the second month following the date you terminate your employment. Your first benefit received would be for two months paid retroactive to your established Retirement Date. If final hours are received after your retirement has been processed, a retroactive adjustment to your benefit is processed.

7.6 Payment of Small Annuities

If your monthly benefit payment is $100 or less or the present value (lump sum payment value) of your retirement benefit is less than $3,500, you may elect (with spousal consent if you are married) to receive your benefit as a single lump sum. The Trust will determine the present value of your benefit and pay that amount to you.

8 HOW TO APPLY FOR RETIREMENT BENEFITS

When you are eligible to retire, you must file a written application for benefits, on a form approved by the Trustees. You may not receive retirement benefits while working in Suspendible Employment depending on the number of hours worked.

Along with forms provided by the Trust Customer Service Office, you must submit all of the following items from your personal records:

- your certified birth certificate or passport;
- your Joint Annuitant's certified birth certificate or passport; and
- a copy of your marriage certificate.

Retirement forms are available by contacting the Trust Customer Service Office or on our website www.959trusts.com.

The Trust Customer Service Office may require you to submit additional documentation or require that you provide additional information in order to determine whether you are entitled to benefits and the amount of benefits you may receive.

You will select your form of payment when you make application. If you are married, your Spouse must provide written consent if you choose a form of payment other than a Joint Annuity (as described in Section 7.3, *Joint Annuity*) or if you name another person as your Beneficiary.

8.1 Change in Form of Payment within 90 Days of Your Retirement Date

You may change the form of payment you selected if you satisfy the following conditions:

- you submit a written request to the Trust Customer Service Office within 90 days after your Retirement Date;
- you repay any payments already made which exceed the amount due under the new form of payment you select; and
- your Spouse provides written consent to any change from a Joint Annuity to another form of payment.

9 SEPARATION FROM SERVICE

You must have a Separation from Service before benefit payments begin. This means you permanently terminate employment with your most recent Contributing Employer and with any other related business or trade (whether or not incorporated) that is a member of a controlled group or under common control with your employer through common ownership. If you return to work for your most recent Contributing Employer within six months of the date you terminate, it will be presumed that you did not have a bona fide Separation from Service and you may owe any retirement benefits you received back. You will not be considered as Separated from Service if your employer withdraws from the Plan or if you change jobs to a non-covered position with the same employer.

The Plan Administrator requires certification that you have Separated from Service. If you have questions about whether an employer is a member of a controlled group or under common control of another employer, contact the Trust Customer Service Office for information.

10 SUSPENDIBLE EMPLOYMENT

If you work 40 or more hours per payroll month in Suspendible Employment after retirement and are not receiving benefits under Section 4.5, *When Payments Are Mandatory*, you will forfeit your right to benefits for those months. In addition, you will not receive the increase for deferred retirement explained under Section 4.4, *Deferred Retirement* if you work in Suspendible Employment 40 or more hours per payroll month beyond your Normal Retirement Age.

When it is not possible to determine the actual number of hours you worked in Suspendible Employment in a month, you will be deemed to have worked 40 or more hours where you receive payment for any hours worked on eight or more days in that payroll month.

If the Suspendible Employment is Covered Employment, benefit accruals earned during that employment are paid at the later of your subsequent retirement or when you reach age 65. See Section 5.3, *Return to Covered Employment*.

10.1 Suspendible Employment Defined

Suspendible Employment is employment that meets all three of the following conditions:

- *Industry*. The employment is in any industry covered by the Plan on your Retirement Date or when you satisfied the Plan's age and service requirements for retirement benefits;
- *Trade/Craft*. The employment is in any trade or craft in which you worked in Covered Employment at any time (which includes, for example, any job classifications you held, the duties you performed, or the skills you used or acquired while working in Covered Employment); and
- *Geographic Area*. The employment is in the geographic area covered by the Plan, which includes the entire State of Alaska.

Suspendible Employment includes supervisory employment or self-employment which meets these conditions, regardless of whether it is covered by a Collective Bargaining Agreement.

There is an exception to the Suspendible Employment rules if you are a member of a collective bargaining unit on the first date employment in that unit becomes Covered Employment. In this case, so long as your employment wasn't Suspendible Employment before Contributions for that employment began, your continued employment as a member of that unit is not Suspendible Employment. In addition, employment with the Alaska Teamster-Employer Service Training Trust in the capacity of training Teamster positions is not considered Suspendible Employment, if the union certifies that no active member is available to fill that position. Other exceptions to Suspendible Employment may be adopted by the Board of Trustees to address labor shortages or other circumstances. Please contact the Trust Customer Service Office if you would like further information regarding any Suspendible Employment exceptions.

10.2 Suspension of Benefits

If your benefit payments or increases to future benefit payments must be suspended because you are working in Suspendible Employment, including Covered Employment, the Trust will use the following procedure:

- You will receive a notice by first class mail or personal delivery. The notice will state the following:

    - specific reasons for the suspension;
    - Plan provisions on which the suspension is based;
    - procedure you must follow to resume benefit payments;
    - specific months to which the suspension applies;
    - if payments were made during the suspension period, the amount of your monthly benefit which will be withheld to offset those payments;
    - references to applicable Department of Labor regulations; and
    - procedure you must follow to request a review of the suspension.

- Your benefit payments will resume no later than the first day of the third calendar month after the later of:

    - the last calendar month of the suspension period; or
    - the calendar month in which the Trustees receive your written notice that you worked less than 40 hours in Suspendible Employment during a calendar month.

When benefit payments resume, any payments made during the suspension period will be deducted. The first payment is subject to full reduction. Subsequent monthly payments may be reduced by up to 25%. If you die before payments made during the suspension period are fully deducted, the Trust may deduct the remainder from any survivor benefit payable.

10.3 Verification of Employment

You may make a written request to the Trust Customer Service Office to find out if a specific employment situation is Suspendible Employment, thereby impacting your retirement benefit. The Trust Customer Service Office will provide a written determination whether the employment is suspendible within 30 days after your request has been received based on the facts you provide, or as soon as reasonably possible.

If additional information is needed, a decision will be made within 30 days of receiving the additional information.

If you work or plan to work after you retire, you must notify the Trust Customer Service Office of your employment. You must provide enough information to determine whether you are working in Suspendible Employment.

The Trustees or Trust Customer Service Office may from time to time request information concerning your employment so that a determination can be made regarding whether the work is Suspendible Employment. This request may be made once in any 12-month period. If you do not respond to this request, your benefit payments may be withheld until you provide the requested information. If your benefit is withheld for a lack of response, it will be reinstated retroactively once a sufficient response is received, assuming any employment you may have engaged in is not suspendible.

11 CHANGING YOUR FORM OF PAYMENT AFTER 90 DAYS

When you apply for benefits, you must choose a form of payment. For example, you may choose a Straight Life Annuity or a Joint Annuity. If you choose a form of payment which provides payments to a Beneficiary after your death, you will also name a Beneficiary.

In most situations, you cannot change your form of payment more than 90 days after your Retirement Date. There are, however, some limited exceptions. Any change you make will result in an adjustment in the amount of your benefit and your Beneficiary's benefit.

11.1 Non-Spouse Joint Annuitant

If you selected a Joint Annuity and designated a non-Spouse Joint Annuitant when you applied for benefits, you may change to a Straight Life Annuity or you may designate your Spouse as your Joint Annuitant. The change will take effect two years after the date the Trust receives your application, and only if you and the person you originally named as Joint Annuitant are alive at the end of this two-year period.

11.2 Change to Benefit for a Joint Annuitant

If you selected a Straight Life Annuity or a Five Year Certain Life Annuity, you may select a Joint Annuity and name your Spouse as Joint Annuitant. The change will take effect two years after the date the Trust receives your application, and only if you are still living at the end of this two-year period.

11.3 Death of Spouse After Retirement – Spousal Substitution

If you were married on your Retirement Date and selected a Joint Annuity with your Spouse as Joint Annuitant and your Spouse subsequently dies and you remarry, you may substitute your new Spouse as your Joint Annuitant. The change will take effect the first of the month following the date the Pension Trust receives your application, provided you and your new Spouse are still living at the end of the required two-year qualification period, and you submit the following documents:

- former Spouse's death certificate;
- new Spouse's birth certificate; and
- certificate of marriage to new Spouse

12 PRE-RETIREMENT DEATH BENEFITS

Death benefits are paid to your Spouse or other Beneficiary if you are vested and die before you retire. If you are married, your Spouse is automatically your Beneficiary.

12.1 Surviving Spouse Annuity

Your Spouse is eligible to receive a surviving spouse annuity if all the following conditions are met:

- you die before your Retirement Date;
- you were vested on the date of your death; and
- you were married to your Spouse throughout the one-year period which ended the day before your death.

Your Spouse will be eligible to receive monthly payments until his or her death. Payments may begin as early as the month following your death (assuming proper application is made and there are no disputes regarding the benefit). The amount of the payments will be valued as the Joint Annuitant portion of a 66⅔% Joint Annuity option, as if you had retired the day before your death.

In lieu of electing this annuity until his or her death, your Spouse may elect to receive 60 monthly installments in an amount actuarially equivalent to the 66⅔% survivor annuity. Your Spouse's election is irrevocable, and installments under this option will cease following the 60th payment.

The Trust Customer Service Office provides the amount of both payment options available to your spouse upon our notification of your death.

12.2 Beneficiary Survivor Annuity

Your Beneficiary is eligible to receive a death benefit if all the following conditions are met:

- you die before your Retirement Date;
- you were vested on the date of your death; and
- you do not have a Spouse who is eligible for a Surviving Spouse Annuity.

Your eligible Beneficiary will receive 60 monthly benefit payments, beginning as early as the first of the month following your death (assuming proper application is made and there are no disputes regarding the benefit). The amount of the payments will be valued as a Five Year Certain Life Annuity assuming that you had retired the day before your death. If your Beneficiary dies before she or he receives all 60 payments, benefits will be payable to your next Beneficiary.

Your Beneficiary is the individual designated on a Beneficiary designation form provided by the Trust, signed by you and received in the Trust's offices before your death. If you did not designate a Beneficiary in this manner, your Beneficiary is the same as explained in Section 7.2, *Five Year Certain Life Annuity*.

13 ADMINISTRATIVE INFORMATION

13.1 Incapacity

If you (or your Beneficiary, after your death) should become unable to properly handle benefit payments from the Pension Plan, the Plan Administrator may arrange to make payments to another party. To facilitate this, one of the following should be submitted:

- durable power of attorney;
- legal guardianship; or
- legal conservatorship

13.2 Improper Payments

If you were paid any amounts in excess of benefits due, the Trust has the right to recover the excess payment by withholding future payments, or through legal action. An adjustment for interest, at the Plan's actuarial interest rate, may also apply.

13.3 Qualified Domestic Relations Orders (QDROs) and Protection of Benefits

Benefits under this plan cannot be assigned, sold, transferred, used to secure debts, or subject to attachment, garnishment, or any other legal process except in limited situations as provided by federal law (including levies by the IRS).

Enforcement of a qualified domestic relations order (QDRO) is allowed. A QDRO is a court judgment, decree, or order which governs child support, spousal support or alimony, or marital property rights.

Payments under a QDRO cannot be made until a Participant separates from service or reaches age 52 and would be eligible to retire based on age and service. Should a participant retire with a QDRO on file, the Alternate Payee will commence their payments as well. You may obtain a copy of a model QDRO and the Plan's QDRO procedures from the Trust Customer Service Office.

13.4 Military and Uniformed Service

Federal Law (USERRA) may require that you receive benefit and vesting credit while serving for up to five years in the Uniformed Service. The term "Uniformed Service" means the Armed Forces (including the Coast Guard), the Army National Guard and the Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty, the commissioned corps of the Public Health Service, and any other category of persons designated by the President in time of war or emergency. Voluntary and involuntary service are covered; as are various types of duty: active duty, active and inactive duty for training, National Guard duty under Federal statute, absence from employment for fitness-for-duty examination, and performance of funeral honor duty.

To qualify, you must leave work with a Contributing Employer for eligible service in the Uniformed Service, you must qualify for re-employment rights under USERRA, and you must be re-employed in Covered Employment after applying to return within a certain time period after your service ends (the period to re-apply will be no more than 90 days, and in some cases is shorter). The "Participant Rights Under USERRA" Notice that you receive when you go on Uniformed Service leave includes detailed description of the requirements under USERRA including certain other limitations and restrictions that apply. Please note that to preserve your rights under USERRA, you generally must provide notice to your Contributing Employer and/or hiring hall before your Uniformed Service begins. You should contact the Trust Customer Service Office as soon as you know you'll be leaving Covered Employment to serve in the Uniformed Service and again as soon as you return from such service.

13.5 Payments for Retiree Health Coverage

You may direct the Trust Customer Service Office to withhold medical plan coverage payments due under the Alaska Teamster-Employer Welfare Trust from your pension benefit payments. An election form will be provided to you upon retirement or upon request.

14 FACTS ABOUT THE PLAN

14.1 Future of the Plan

It is the intent of the Trustees to continue this Pension Plan in full force and effect. However, the Trustees reserve the right to amend or modify the Plan in any way. The Trustees further reserve the right to discontinue the Plan or any part of the Plan in order to safeguard against any unforeseen contingencies. In the event of complete discontinuance of the Plan or the termination or partial termination of the Plan, the rights of each affected Participant to benefits accrued to the date of such termination or discontinuance, to the extent funded, are nonforfeitable and the assets then held by the Trustees with respect to this Plan will be allocated to Participants and Beneficiaries in accordance with the Employee Retirement Income Security Act of 1974.

14.2 PBGC Information

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a Participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrued and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a Participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers:

(1) Normal and early retirement benefits;
(2) Disability benefits if you become disabled before the plan becomes insolvent; and
(3) Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

(1) Benefits greater than the maximum guaranteed amount set by law;
(2) Benefit increases and new benefits based on plan provisions that have been in place for fewer than 5 years at the earlier of:
    (i) The date the plan terminates or
    (ii) The time the plan becomes insolvent;
(3) Benefits that are not vested because you have not worked long enough;
(4) Benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and
(5) Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, contact the Trust Customer Service Office or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 1-800-400-7242. TTY/TDD users may call the federal relay service toll- free at 1-800-877-8339 and ask to be connected to 1-800-400-7242. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

14.3 In Case Your Claim for Benefits is Denied

A claim for benefits under the Plan arises only if you have filed a written request for a benefit determination with the Plan Administrator. The following sets forth the Plan's timelines for deciding your claim, and your appeal rights if your claim for benefits is denied.

14.3.1 Timing of Written Notice of Benefit Denial

A written denial notice will generally be provided to you within 90 days after the date your claim is received by the Plan Administrator. However, if special circumstances require an extension of time for processing the claim beyond the initial 90-day period, written notice of the extension will be furnished to you before the end of the initial 90-day period. An extension of time will not exceed a period of 90 days from the end of the initial 90-day period. An extension notice will explain the reasons for the extension and the expected date of a decision.

14.3.2 Contents of Written Notice of Benefit Denial

If your claim for a benefit is denied, you will be notified in writing by the Plan Administrator. The written notice will include the following:

- the specific reason or reasons for the denial;
- references to the specific Plan provisions on which the denial is based;
- a description of any additional material or information necessary in order for you to perfect the claim, and an explanation of why such material or information is needed;
- an explanation of the Plan's review procedure for denied claims, including the applicable time limits for submitting your claim for review; and
- a statement of your right to bring a civil action under Section 502(a) of ERISA, if your claim is denied on appeal.

14.3.3 Procedure for Appeal of Denied Claim

If you wish to appeal a denial of a claim for benefits other than disability benefits, you or your authorized representative must file a written appeal with the Plan Administrator within 60 days after receipt of written notice of the denial. You or your authorized representative may submit a written statement, documents, records, and other information. You may also, free of charge upon request, have reasonable access to and copies of Relevant Documents. The review will consider all statements, documents, and other information submitted by you or your authorized representative, whether or not such information was submitted or considered under the initial denial decision. Claim determinations are made in accordance with Plan documents and, where appropriate, Plan provisions are applied consistently to similarly situated claimants.

The Administrative Committee of the Board of Trustees reviews appeals of denied claims and makes final determinations. The Administrative Committee has the discretionary authority to construe and interpret the terms and provisions of the Plan, SPD and Trust Agreement and to determine eligibility for benefits under the Plan.

14.3.4 Timing of Written Notice of Appeal Decision

If the Administrative Committee holds regularly scheduled quarterly meetings, the decision on your appeal generally will be made at the next regularly scheduled quarterly meeting after an appeal is received. If, however, your appeal is received within 30 days prior to such a meeting, it will be considered at the second regularly scheduled quarterly meeting after it is received. In addition, if special circumstances require an extension of time for processing your appeal, a decision will be rendered no later than the third regularly scheduled quarterly meeting after your appeal is received. Written notice of any extension of time will be sent before it commences explaining the reason for the extension and the expected date of the appeal determination. Notice of the appeal decision will be provided not later than five days after the decision is made.

If the Administrative Committee does not hold regularly scheduled quarterly meetings, a decision on your appeal will be made not later than 60 days after an appeal is received, unless special circumstances require an extension of time for processing, in which case a decision will be rendered not later than 120 days after an appeal is received. Written notice of any extension of time will be sent before the end of the initial 60-day period explaining the reason for the extension and the expected date of the appeal determination.

If an extension is required because you have not provided the information necessary to decide your claim, the time period for processing your claim will not run from the date of notice of an extension until the earlier of 1) the date the plan receives your response or 2) the date set by the plan for your requested response (at least 45 days).

14.3.5 Contents of Written Notice of Appeal Decision

If you appeal a denied claim, the decision on review will be in writing and will include the following information:

- the specific reason or reasons for the decision;
- reference to the specific Plan provisions on which the decision is based;
- a statement of your right to receive, upon request free of charge, reasonable access to and copies of Relevant Documents; and
- a statement of your right to bring a civil action under Section 502(a) of ERISA.

14.3.6 Hearing on Appeal

Within a reasonable time after receipt of the request for review, you will be notified of the date, time and place of the appeal hearing by regular mail addressed to your address as shown on the request for review. You may request to be present at the hearing before the Administrative Committee. You may be represented at the hearing by an attorney or any other representative of your choosing. The proceedings at the hearing may be recorded by a method determined by the Committee. In conducting the hearing, the Committee shall not be bound by the usual common law or statutory rules of evidence. Copies will be made of all statements, documents, and records that you or your authorized representative introduces at the hearing and all other Relevant Documents. This information will be attached to the record of the hearing, and made a part thereof.

14.3.7 Relevant Documents

Relevant Document means any document, record or other information that:

- was relied upon in making a decision to deny benefits;
- was submitted, considered, or generated in the course of making the decision to deny benefits, whether or not it was relied upon in making the decision to deny benefits; or
- demonstrates compliance with any administrative processes and safeguards designed to confirm that the benefit determination was in accord with the Plan and that Plan provisions, where appropriate, have been applied consistently regarding similarly situated individuals.

14.4 Your Rights Under ERISA

As a Participant in the Alaska Teamster-Employer Pension Plan, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA).

14.4.1 Your Right to Receive Information About Your Plan and Benefits

ERISA provides that all Plan Participants are entitled to:

- examine, without charge, at the Trust Customer Service Office and at other specified locations, such as work sites and union halls, all documents governing the Plan, including insurance contracts and Collective Bargaining Agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

- obtain, upon written request to the Trust Customer Service Office, copies of documents governing the operation of the Plan, including insurance contracts and Collective Bargaining Agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Trust Customer Service Office may make a reasonable charge for the copies.

- receive a summary of the Plan's annual financial report. The Trust Customer Service Office is required by law to furnish each Participant with a copy of the Summary Annual Report.

- obtain a statement telling you whether you have a right to a pension at Normal Retirement Age (age 65) and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to earn a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

14.4.2 Your Right to Prudent Actions by Plan Fiduciaries

In addition to creating rights for Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries," have a duty to do so prudently and in the interests of you and all other Plan Participants and Beneficiaries.

No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

14.4.3 Enforcing Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Trust Customer Service Office to provide the materials and that the Plan Administrator pay you up to $110 per day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Administrator. If your claim for a benefit is denied or ignored, in whole or in part, you may file suit in a state or federal court, but only if you have complied with the Plan's required administrative appeals procedures. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file a suit in federal court. If it should happen that the fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

14.4.4 Assistance with Your Questions

If you have any questions about your Plan, you should contact the Trust Customer Service Office. If you have any questions about this document or about your rights under ERISA, or if you need assistance in obtaining documents from the Trust Customer Service Office, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Office of Participant Assistance, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

14.5 Communications

Written communications to the Trustees or the Trust Customer Service Office, or to their agents or representatives, must be received before the expiration of any time period specified under the Plan, this Summary Plan Description ("SPD"), or any modifications to the Plan or this SPD. The records of the Trustees and the Trust Customer Service Office, and the records of their agents or representatives, will be conclusive as to whether a communication has been received and the date of such receipt, without regard to the common law "mailbox rule," unless the sender produces a United States Postal Service return receipt. The common law "mailbox rule" applies for all other purposes under the Plan and this SPD.

14.6 Disputed Payments

If any controversy or disagreement arises regarding the propriety of any payment to a Participant or a Participant's Spouse, Beneficiary, Joint Annuitant, or Alternate Payee under a QDRO, or if a controversy arises between or among individuals or with any person claiming a right to a payment under the Plan, the Plan Administrator may (a) retain the assets involved, without liability, until resolution to its satisfaction of the controversy or disagreement, or (b) commence an interpleader in a court of competent jurisdiction. Reasonable expenses incurred in such an interpleader, including attorneys' fees, shall be charged to the accrued benefits in controversy.

15 PLAN INFORMATION

15.1 Plan Name

This plan is known as the Alaska Teamster-Employer Pension Plan

15.2 Plan Number

The plan number is 024.

15.3 Type of Plan

This plan is a multiemployer defined benefit pension plan.

15.4 Plan Year

The Plan Year is July 1 through June 30.

15.5 Description of Collective Bargaining Agreements

This Plan is maintained as a result of collective bargaining between the International Brotherhood of Teamsters Local Union No. 959 and various employers. This Plan is funded and maintained by more than 100 separate Collective Bargaining Agreements. These Agreements generally provide that the employers will make Contributions to the Alaska Teamster-Employer Pension Trust for the purpose of enabling the Employees working under these Agreements to participate in the Pension Plan. The Contribution rates are specified in the Agreements.

Copies of these Collective Bargaining Agreements may be obtained by Participants and Beneficiaries upon written request to the Trust Customer Service Office, and are available for examination by eligible individuals at the offices of the Trust Customer Service Office. The Trust Customer Service Office may impose a reasonable charge for the cost of furnishing copies of such Collective Bargaining Agreements.

The Plan is funded solely through employer Contributions, as specified in the Collective Bargaining Agreements. Employee contributions are neither required nor permitted.

15.6 Funding

Employer Contributions are received and held in trust by the Board of Trustees of the Alaska Teamster-Employer Pension Trust. The assets of the Plan are professionally managed and invested.

15.7 Plan Sponsor and Plan Administrator

The employees, retirees and employers are represented in the administration of this Plan through a joint Board of Trustees. The Board of Trustees is the Plan Sponsor and the Plan Administrator.

Board of Trustees of the
Alaska Teamster-Employer Pension Trust
520 East 34th Avenue, Suite 107
Anchorage, AK 99503-4116
(907) 751-9700
(800) 478-4450

<u>The names and addresses of the Union Trustees are:</u>

Rick Boyles
Teamsters Local 959
520 E 34th Avenue
Anchorage, AK 99503

Ken Coleman
Teamsters Local 959; Retired
PO Box 471
Kenai, AK 99611

Michael Gott
Teamsters Local 959
1724 Barnswallow Way
Fairbanks, AK 99709

Gary Dixon
Teamsters Local 959
520 E 34th Avenue
Anchorage, AK 99503

<u>The names and addresses of the Employer Trustees are:</u>

Marion Davis
Matson Navigation, Inc.
1717 Tidewater Road
Anchorage, AK 99501

Frank Monfrey
United Freight & Transport, Inc.
1701 E. 1st Avenue
Anchorage, AK 99501

Scott DePaepe
United Parcel Service, Inc.
6200 Lockheed Drive
Anchorage, AK 99502

Todd Henderson
Brice, Inc.
PO Box 70668
Fairbanks, AK 99707

A complete list of the employers and employee organizations sponsoring the Plan may be obtained by Participants and Beneficiaries upon written request to the Trust Customer Service Office. This list is available for examination at the Trust Customer Service Office. The Trustees may impose a reasonable charge for the cost of furnishing these lists. You may also make a written request as to whether a particular employer or employee organization is a Plan sponsor, and if so, the sponsor's address.

15.8 Employer Identification Number

The employer identification number assigned to the Plan Sponsor by the Internal Revenue Service is 92-6003463.

15.9 Type of Administration

This Plan is administered by a joint Board of Trustees. The Trustees contract with third party administrative organizations, the Alaska Teamster-Employer Service Corporation, and State Street Retiree Services. The addresses of these contract administrative organizations are as follows:

Alaska Teamster-Employer Service Corporation
520 E. 34th Avenue, Suite 107
Anchorage, AK 99503-4116
(907) 751-9700
(800) 478-4450
Fax: (907) 751-9738
Email: benefits@959trusts.com

State Street Retiree Services
PO Box 5149
Boston, MA 02206-5149

15.10 Name and Address of Agent for Service of Legal Process

The Board of Trustees has designated Ms. Dennie Castillo, Administrative Agent, as their Agent for Service of Process. Ms. Castillo's address and telephone number are:

Board of Trustees of the Alaska Teamster-Employer Pension Trust
520 E. 34th Avenue, Suite 107
Anchorage, AK 99503-4116
(907) 751-9700
(800) 478-4450

Service of process may also be made upon members of the Board of Trustees.

APPENDIX A: Participation Rules

Before July 1, 2001, to become a Participant in the Plan the rules in Section 2, *Participation* apply, except the requirement of 250 hours in one Plan Year is increased to 1,000 hours in one Plan Year or two consecutive Plan Years.

APPENDIX B: General Vesting Rules

B.1 Vesting in Your Normal Retirement Age Benefit if You Have Not Been a Participant After June 30, 2001.

If you have been a Participant and were not in a Break in Service after June 30, 1999, you become 100% vested after 5 or more years of Vesting Service, as shown in Section 3.1, *Vested Percentage*. The same is true for service not covered by a Collective Bargaining Agreement after June 30, 1989. If you have not been a Participant after June 30, 2001, the Normal Retirement Age vesting rules in Section 3, *Vesting* otherwise apply, except where it appears in Section 3.2, *Vesting Service*, 250 hours is increased to 1,000 hours, and where it appears in Section 3.4, *Break-in-Service Loss of Benefits before Vesting*, 250 hours is increased to 500 hours.

B.2 Vesting in Your Normal Retirement Age Benefits if You Have Not Been a Participant After June 30, 1999.

If you have been a Participant and were not in a Break in Service after June 30, 1990 but have not been a Participant after June 30, 1999, you become vested as shown in the following table:

Years of Vesting Service	Percent Vested
Less than 5	0%
5 (after June 30, 1990) but less than 10	50%
10 or more	100%

The Normal Retirement Age vesting rules in Section 3, *Vesting,* otherwise apply; except where it appears in Section 3.2, *Vesting Service*, 250 hours is increased to 1,000 hours, and where it appears in Section 3.4, *Break-in-Service*, 250 hours is increased to 500 hours.

B.3 Summary Table of Vesting Requirements Prior to July 1, 2001

The following table summarizes the requirements for Vesting Service and vesting standards under the Plan before July 1, 2001.

VESTING REQUIREMENTS

<table>
<tr><th></th><th>Before June 30, 1990</th><th>July 1, 1990 - June 30, 1999</th><th>July 1, 1999 - June 30, 2001</th></tr>
<tr><td>Work Requirement</td><td>Participant in Plan before June 30, 1990</td><td>Participant after July 1, 1990</td><td>Participant after July 1, 1999</td></tr>
<tr><td>Vesting Service[a]</td><td colspan="3"><u>Hours of Work in Plan Year</u> — <u>Vesting Service</u>
Less than 1, 000 — Hours/1,000
1,000 - 2,000 — 1
More than 2,000 — Hours/2,000</td></tr>
<tr><td>Vesting Standards</td><td>100% if you have:
• 10 years Vesting Service,[b]
or
• Vesting Service (minimum 5 plus age equals 60[c] or more, with at least 2,000 Contributory Hours
or
65 or older and reached 5th anniversary of participation[d]</td><td>• Less than 5 years Vesting Service: 0%
• 5 years - 9 years Vesting Service after June 30, 1990: 50%
• 10 or more years Vesting Service: 100%[b]
or
65 or older and reached 5th anniversary of participation</td><td>5 years Vesting Service: 100%
or
65 or older and reached 5th anniversary of participation</td></tr>
</table>

a. There were pre-ERISA qualifications for Vesting Service earned prior to June 30, 1976.

b. For those with 1 hour of service after June 30, 1989, 5 years vesting service if you are not covered by a Collective Bargaining Agreement.

c. The number 60 becomes 55 if you qualified for retirement benefits, as explained in Appendix F.

d. 10th anniversary if not a Plan Participant after July 1, 1988.

B.4 Break-in-Service

If you were not yet vested and worked less than 500 hours under the Plan during a Plan Year before June 30, 2001, you incurred a Break-in-Service at the end of that Plan Year. If not fully vested, you ceased to be a Participant with respect to the unvested portion of your benefit at that time, and forfeited the unvested portion of your Vesting and Benefit Service from any prior year with no right to receive a benefit from the Pension Plan based on service to that date.

B.5 Re-establishing Participation

If you are not fully vested and do not have an Hour of Work after June 30, 1999, you were required to work 1000 Hours of Work in one or two consecutive Plan Years to re-establish your participation. If you re-established your participation, your prior service could be reinstated. To have service reinstated, you were required to re-establish your participation no later than:

- five Plan Years following the Break-in-Service; or
- the number of years equal to your years of Vesting Service following the Break-in-Service. A fraction is treated as one year. (Example: 7.20 years of Vesting Service gives you 8 Plan Years to reinstate.)

If you were 50% vested and received a lump sum payment of your benefit and you subsequently re-establish participation in the Plan, you must also repay the lump sum payment (plus interest) to reinstate the service credited prior to the lump sum payment. The repayment must occur before the earlier of (1) five years after you re-establish participation or (2) five consecutive one-year Breaks-in-Service.

APPENDIX C: Early Retirement, Qualified Retirement, and Rule of 80 Retirement for Benefits Accrued Before January 1, 2012

The Early, Qualified and Rule of 80 Retirement Benefits in this Appendix C are subject to all other requirements, limitations, and calculations described in Section 4, *When You May Retire,* and in this SPD.

C.1 Early Retirement for Benefits Accrued Before January 1, 2012

The benefits described in this Section C.1 are calculated based on Section 5, including prior accrual rates applicable under Appendix H.

If you both attained age 57 and met the service requirements specified in Subsection (a) or (b) of this Section C.1 one or before December 31, 2011, you are entitled to receive the amount of your Normal Retirement Benefit earned on or before December 31, 2011 as an Unreduced Benefit. The service requirements are:

(a) 50,000 Contributory Hours, 10,000 of which are earned after June 30, 1990, or
(b) 25 years of Contributory Years of Service, 5 of which are earned after June 30, 1990.

If you qualify for this Unreduced Early Retirement Benefit you may elect to receive the Unreduced Benefit for the amount of your Normal Retirement Benefit earned on or before December 31, 2011 as of a Retirement Date before or after December 31, 2011.

C.2 Qualified Retirement for Benefits Accrued Before January 1, 2012

The benefits described in this Section C.2 are calculated based on Section 5, including prior accrual rates applicable under Appendix H.

If you both attained age 60 and met the service requirements specified in Subsection (a) and (b) of this Section C.2 on or before December 31, 2011, you are entitled to receive the amount of your Normal Retirement Benefit earned on or before December 31, 2011 as an Unreduced Benefit. The service requirements are:

(a) At least 1,500 Contributory Hours in either the consecutive 3-Plan Year period after reaching age 49 or the 36 months immediately after reaching age 49 and prior to your Retirement Date and,

(b) At least:
   (i) 20,000 Contributory Hours, 10,000 of which are earned after June 30, 1990, or
   (ii) 10 years of Contributory Years of Service, 5 of which are earned after June 30, 1990.

If you qualify for this Unreduced Qualified Retirement Benefit may elect to receive the Unreduced Benefit for the amount of your Normal Retirement Benefit earned on or before December 31, 2011 as of a Retirement Date before or after December 31, 2011.

C.3 Rule of 80 Retirement for Benefits Accrued Before January 1, 2012

The benefits described in this Section C.3 are calculated based on Section 5, including prior accrual rates applicable under Appendix H.

If you both attained age 50 and met the service requirements specified in Subsection (a) through (d) of this Section C.3 on or before December 31, 2011 you are entitled to receive the amount of your Normal Retirement Benefit earned on or before December 31, 2011 as an Unreduced Benefit. The service requirements are:

(a) During either the two consecutive Plan Years ending June 30, 2011, or the two consecutive Plan Years ending June 30, 2012, you earned a total of 1,000 or more Contributory Hours for which a Rule of 80 or Rule of 85 Surcharge was payable; and

(b) You earned at least 10,000 Contributory Hours after June 30, 1990, or earned at least 5 Contributory Years of Service after June 30, 1990; and

(c) Your age plus Contributory Years of Service totals at least 80; and

(d) Your Retirement Date is no less than 12 months after your first Hour of Work for which a Rule of 80 or 85 Surcharge is owed.

C.4 Other Calculations and Forms of Benefits Apply After December 31, 2011

The provisions of this Appendix do not apply to the amount of benefits, if any, that you may earn after December 31, 2011, and any such benefits can only be paid as an early or unreduced benefit to the extent that you meet the requirements of Section 4.

APPENDIX D: Return to Covered Employment

D.1 Return to Covered Employment Before September 1999

If after retiring you return to Covered Employment on or before August 31, 1999, the monthly benefit amount you earn following such retirement will be calculated based on your age on your original Retirement Date. If you work 5,000 or more hours after your retirement, your age is “unlocked” and increased by your adjustment months (up to your age at second retirement). Adjustment months are your Contributory Hours (up to 2,076 per year) worked during your return to Covered Employment, divided by 173. This adjustment will increase the benefit amount you receive upon your second retirement. If you again return to Covered Employment, your benefits earned following your second retirement will not be payable earlier than age 65.

See Appendix F for rules that apply to return to Covered Employment before July 1, 1990.

APPENDIX E: Past Benefit Service

E.1 Past Benefit Service Granted Between July 1, 1990 and June 30, 2001

For Past Benefit Service granted before July 1, 2001 and earned between July 1, 1990 and June 30, 2001, your monthly benefit is $25 times your credited Years of Past Benefit Service times your Average Contribution Rate after June 30, 1990. Your Average Contribution Rate is equal to Contributions made on your behalf after June 30, 1990 divided by your total Contributory Hours after June 30, 1990.

APPENDIX F: Special Provisions for Benefits Accrued Before July 1, 1990

If you were a Pension Plan Participant and earned a benefit before July 1, 1990, the rules in this Section apply to that benefit. This section does not apply to any Benefit Service or Vesting Service earned on or after July 1, 1990, unless an exception is specifically stated. If your benefit is computed under this Appendix F, Section 4.3 and Appendix C do not apply.

F.1 Unreduced Retirement

You have a right to unreduced benefits at the earliest of the following:

- age 50 if you have ten years of Vesting Service;
- your age on the date that your age plus a minimum of five years of Vesting Service equals 60 and you have 2,000 Contributory Hours; or
- the later of age 65 or the fifth anniversary of the date you became a Plan Participant (tenth anniversary for service performed before July 1, 1988).

F.2 Unreduced Retirement Date If You Meet Minimum Hour and Contribution Requirements

If you meet the following requirements:

- the minimum hour and Contribution requirements described in the next section, and
- the employer Contributions made on your behalf from July 1, 1987, through June 30, 1990, are at least $3.00 per hour,

then you are eligible to receive an unreduced retirement at the earliest of the following:

- age 45 if you have ten years of Vesting Service; or
- your age on the date that your age plus five years of Vesting Service equal 55 and you have 2,000 Contributory Hours.

F.2.1 Minimum Hour and Contribution Requirements for Retirement

Employer Contributions made on your behalf determine the minimum hour and Contribution requirements which apply to you, as shown in the following table.

This table shows the minimum number of hours you must work with employer Contributions of at least $3.00 per hour. The number of hours depends on the year in which your employer began making Contributions at $3.00 per hour. You also receive credit for Contributions over $2.00 per hour for the 12 months before the $3.00 per hour Contributions began.

APPENDICES

The year in which Contributions at $3.00 per hour began	Minimum Contributory Hours at $3.00 per hour or more
1978 and earlier	2,000
1979	2,500
1980	3,000
1981	3,500
1982	4,000
1983	4,500
1984 through June 30, 1990	5,000

EXAMPLE:

Ruth's employer began making Contributions at $3.00 per hour on January 1, 1983. She worked 1,500 hours in 1983, 2,000 hours in 1984 and 2,000 hours in 1985 to meet her 4,500 hour requirement.

Ruth continued to work for this employer through June 30, 1990 and received credit for Contributions at the $3.00 rate for that work. She had over ten years of Vesting Service on June 30, 1990, so her Normal Retirement Age is 45 for the benefit she earned as of June 30, 1990.

F.2.2 Special Extension for Minimum Hour and Contribution Requirements

If you did not meet the requirements in the above table before July 1, 1990, you may have had an extension if employer Contributions of at least $3.00 per hour were made on your behalf after June 30, 1987 and before July 1, 1990. In that event, you had until June 30, 1993, to meet the requirements in the table.

F.2.3 Special Qualification for Participants Who Retire and Return to Covered Employment

If you retired and later returned to Covered Employment but did not meet the requirements in the above table before July 1, 1990, you can meet the minimum hour and Contribution requirements as follows:

- between June 30, 1987 and July 1, 1990, your employer made Contributions of at least $3.00 per hour on your behalf; and

- by June 30, 1993, you had worked at least 8,000 hours after you returned to work, for which your employer made Contributions of at least $3.00 per hour.

F.3 Vesting

You become vested when you meet any one of the following requirements:

- you earn 10 years of Vesting Service;
- you earn 5 years of Vesting Service, you receive credit for 2,000 Contributory Hours, and your age plus your years of Vesting Service equals at least 60;

- you meet the minimum hour and Contribution requirements explained under Retirement Date, you earn 5 years of Vesting Service, you receive credit for 2,000 Contributory Hours, and your age plus your years of Vesting Service equals at least 55;
- you are age 65 or older and have reached the fifth anniversary of the date you became a Pension Plan Participant (tenth anniversary for service performed before July 1, 1988); or
- for Participants not covered by a Collective Bargaining Agreement after June 30, 1989, you meet the Vesting requirements described in Appendix B.

If you have at least three years of Vesting Service before August 1, 1990, you will have your vested benefit, for all Benefit Service, calculated according to the vesting rules explained above or the vesting rules explained in Appendix B.

If you became a Participant before July 1, 1990, you will receive Vesting Service as described in Section 3.2.2, *Vesting Service for Covered Employment Before You Became a Participant* for those Contributory Hours, except that each Plan Year in which you earned Contributory Hours does not have to be consecutive with another Plan Year in which you had Contributory Hours.

F.4 Your Retirement Benefit

Your Benefit Service and Average Contribution Rate determine your monthly retirement benefit. Your Average Contribution Rate for benefits earned prior to July 1, 1990 is determined by the employer Contributions made on your behalf divided by your hours worked. Only Contributions and hours worked after July 1, 1971, are counted. In addition, only Contributions up to $2.00 per hour are used.

<u>Average Contribution Rate (ACR) $1.00 per Hour or Less</u>

Benefit Service	x	ACR times $27.90	=	Monthly Retirement Benefit

<u>Average Contribution Rate Over $1.00 but Less Than $2.00 per Hour</u>

Benefit Service	x	$27.90 <u>plus</u> $23.50 times (ACR - $1)	=	Monthly Retirement Benefit

<u>Average Contribution Rate Equals or Exceeds $2.00 per Hour</u>

Benefit Service	x	$51.40	=	Monthly Retirement Benefit

Your Monthly Retirement Benefit under this Appendix F is calculated as a five year Certain Life Annuity. If you receive another form of payment, your monthly benefit is actuarially adjusted for that form of payment.

If you postpone your retirement beyond your Normal Retirement Age, you will receive an increase in your benefits to reflect the delay in the commencement of benefits.

F.5 Retirement Benefits If You Meet Minimum Contribution Requirements

Employer Contributions made on your behalf determine the minimum contribution requirements which apply to you, as shown in the following table.

F.5.1 Minimum Contribution Requirements

The table shows the minimum contribution your employer must have made on your behalf at $4.00 per hour. The contribution amount depends on the date on which your employer Contributions meet the minimum amount listed in the table.

Date on Which Contribution Requirement Was Met	Minimum Contributions *in Excess of* $3.00 per Hour
On or before June 30, 1982	$2,000
June 30, 1983	$3,000
June 30, 1984	$4,000
June 30, 1985	$5,000
June 30, 1986 through June 30, 1990	$6,000

The employer Contributions made on your behalf at greater than $3.00 but less than $4.00 per hour were also counted to meet this requirement if the Contributions were made:

- within 12 months of the date the Contributions at more than $3.00 per hour began; and
- by an employer who later made Contributions at $4.00 per hour.

F.5.2 Special Extension for Minimum Contribution Requirements

If you did not meet the requirements in the above table before July 1, 1990, and Employer Contributions of at least $4.00 per hour were made on your behalf after June 30, 1987 and before July 1, 1990, you had until June 30, 1993, to meet the requirements in the table.

F.5.3 Special Qualification for Participants Who Retire and Return to Covered Employment

If you retired and later returned to Covered Employment but did not meet the requirements in the above table before July 1, 1990, you have met the minimum contribution requirements if all of the following have occurred:

- between June 30, 1987 and July 1, 1990, your employer made Contributions of at least $4.00 per hour on your behalf, and
- by June 30, 1993, you worked at least 8,000 hours, after you returned to work, for which your employer made Contributions of at least $4.00 per hour.

If you met the minimum contribution requirements, your Benefit Service and average contribution rate determine your monthly retirement benefit as follows:

Average Contribution Rate (ACR) $1.00 per Hour or Less

Benefit Service	x	ACR times $34.85	=	Monthly Retirement Benefit

Average Contribution Rate Over $1.00 but Less Than $2.00 per Hour

Benefit Service	x	$34.85 plus $29.35 times (ACR - $1)	=	Monthly Retirement Benefit

Average Contribution Rate Equals or Exceeds $2.00 per Hour

Benefit Service	x	$64.20	=	Monthly Retirement Benefit

F.6 Past Benefit Service

The monthly benefit at Normal Retirement Age for pre-July 1, 1990 Past Benefit Service is computed as follows:

Average Contribution Rate (ACR) $1.00 per Hour or Less

Past Benefit Service	x	ACR times $27.90	=	Past Service Monthly Retirement Benefit

Average Contribution Rate Over $1.00 but Less Than $2.00 per Hour

Past Benefit Service	x	$27.90 plus $23.50 times (ACR - $1)	=	Past Service Monthly Retirement Benefit

Average Contribution Rate Equals or Exceeds $2.00 per Hour

Past Benefit Service	x	$51.40	=	Past Service Monthly Retirement Benefit

The $27.90 and $23.50 figures above are replaced by $34.85 and $29.35, respectively, if you met the minimum contribution requirement at $4.00 per hour before July 1, 1993.

F.7 Lump Sum Payment of Employer Contributions

If you elected to receive a lump sum payment of employer Contributions that were required to be paid to the Pension Trust on your behalf before July 1, 1990:

- You are ineligible for the Overlay, as described in Appendix H, with respect to the amounts received as a lump sum payment;
- A full actuarial reduction from Normal Retirement Age will be applied to the residual annuity for any benefit accruals after June 30, 2000. For earlier benefit accruals, a full actuarial reduction will also be applied to the residual annuity, but the actuarial reduction is calculated from the age that you qualify for unreduced early retirement benefits, or from Normal Retirement Age, whichever is earliest; and
- Your pre-lump sum service does not count toward the hours or service requirements under Section 4 or Appendix C.

F.8 Form of Benefit Applicable to Benefits Earned Before July 1, 1990

If you are married on your Retirement Date, your Spouse must consent to any form of payment other than a Joint Annuity or payment to any Beneficiary other than your Spouse. Neither you nor your Spouse can revoke this consent. If spousal consent cannot be obtained, your form of payment will be defaulted to the 50% Joint Annuity.

Your benefit amount with respect to the portion of your benefit earned before July 1, 1990 is expressed as a Five Year Certain Life Annuity with your Spouse as Beneficiary, and benefits payable in other forms are actuarially reduced from this Five Year Certain Life Annuity form.

F.8.1 Automatic Changes in the Form of Benefit Payment for Benefits Earned Before July 1, 1990

In the following situations, your Joint Annuity will terminate and the dollar amount of each monthly benefit will retroactively revert to the dollar amount that would have been paid if your benefit had been paid as the Five Year Certain Life Annuity:

- If your Joint Annuitant is your Spouse and your Spouse dies before you and within 12 months after your Retirement Date;

- If your Joint Annuitant is your Spouse and you die within one year of the date you were married; or

- If your Joint Annuitant is someone other than your Spouse and you die within one year of the date you designated that person as your Joint Annuitant.

F.9 Special Suspendible Employment Rules for Benefits Earned Before July 1, 1990

If your monthly retirement benefit includes benefits earned before July 1, 1990, two special Suspendible Employment rules come into effect after June 2004 regarding that portion of your benefit. First, after June 2004, the portion of your benefit earned before July 1990 will only be suspended if the Suspendible Employment involved is Covered Employment. Second, if you defer retirement past Normal Retirement Age and to a date after June 2004, then after June 2004 the portion of your benefit earned before July 1990 will be increased as described in Section 4.4, *Deferred Retirement*, without regard to whether you have worked in Suspendible Employment.

APPENDIX G: Special Provisions for Benefits Accrued Between July 1, 1990 and June 30, 1997

If you have not worked a least 1,000 Contributory Hours after June 30, 1997, then your monthly benefit for benefits payable after July 1, 2000 based on your Contributory Hours from July 1, 1990 through June 30, 1997 (Plan Years 1991 to 1997) is 1.875% of your Contributions during that period.

APPENDIX H: Special Provisions for Benefits Accrued Before and After July 1, 2006

H.1 Benefit Service After June 30, 2006

For Contributions required for your Covered Employment during the Plan Year from July 1, 2006 through June 30, 2007, you earn a Straight Life Annuity payment at Normal Retirement Age based on an accrual rate of 2.0% for those Contributions. You earn a Straight Life Annuity payment at Normal Retirement Age for Contributions made on your Covered Employment after June 30, 2007 at an accrual rate for this period of 1.0% of your Contributions.

EXAMPLE:

During Plan Year 2007, Gary's employer contributed $10,000 to the Plan on his behalf. In Plan Year 2008, Gary's employer contributes another $12,000 to the Plan on his behalf.

Gary's benefit from these Contributions is computed as follows:

$10,000 x 2.0% =	$200
$12,000 x 1.0% =	$120
TOTAL =	$320 monthly benefit at Normal Retirement Age for Contributions after June 30, 2006

APPENDICES

H.2 Benefit Service After June 30, 2003 and Before July 1, 2006

You earn a Straight Life Annuity payment at Normal Retirement Age for Contributions made on your Covered Employment after June 30, 2003 and before July 1, 2006. The accrual rate for this period is 1.25% of Contributions.

EXAMPLE:

During Plan Year 2004, Scott's employer contributed $9,200 to the Plan on his behalf. In Plan Years 2005 and 2006, Scott's employer contributes another $21,600 to the Plan on his behalf.

Plan Years 2004-2006	$30,800 x 1.25% =	$385

As shown, Scott has earned a benefit of $385 per month at Normal Retirement Age for Contributions between July 1, 2003 and June 30, 2006.

H.3 Benefit Service After June 30, 1997 and Before July 1, 2003

You earn a Straight Life Annuity monthly payment at Normal Retirement Age for Contributions made on your Covered Employment after June 30, 1997. The accrual rate for that period is equal to 2.5% of those Contributions. However, for Contributions during the period from July 1, 2000 to June 30, 2002 (Plan Years 2001 and 2002), the accrual rate was 3.0% of Contributions. These years are commonly referred to as the "bonus years."

EXAMPLE:

John worked 4,000 Covered Hours in Plan Years 1998 to 2000, worked 4,000 Covered Hours in Plan Years 2001 to 2002, and 2,000 Covered Hours in Plan Year 2003. The Collective Bargaining Agreement required John's employer to contribute $3.00 per hour for those hours. John's monthly benefit for those hours is computed as follows:

2.5% Accrual Rate		
Plan Years 1998-2000	$3.00 x 4,000 x 2.5% =	$300
Plan Year 2003	$3.00 x 2,000 x 2.5% =	$150
Bonus 3% Accrual Rate		
Plan Years 2001-2002	$3.00 x 4,000 x 3.0% =	$360

		$810

As shown, John earned a benefit of $810 per month at Normal Retirement Age based on his Contributions after June 30, 1997 and before July 1, 2003.

H.4 Benefit Service After June 30, 1990 and Before July 1, 1997

You also earn a Straight Life Annuity monthly payment at Normal Retirement Age for Contributions on your Covered Employment after June 30, 1990 and before July 1, 1997. If you have at least 1,000 Contributory Hours after June 30, 1997, your accrual rate is equal to at least 2.0% of those Contributions. This benefit accrual is increased by an additional .5% for the amount of your Contributions during Plan Years 1991 to 1997 that are matched by Contributions made on your behalf after June 30, 1997.

EXAMPLE:

During Plan Years 1991 to 1997, Carl's employer contributed $45,000 to the Plan on his behalf. After June 30, 1997, Ricard's employer contributed $30,000 to the Plan on his behalf.

Carl's benefit from his Plan Year 1991 to 1997 Contributions is therefore computed as follows, including the .5% increase on the $30,000 in Contributions during Plan Years 1991 to 1997 matched by Contributions made on his behalf after June 30, 1997:

$45,000 x 2.0% =	$900
$30,000 x 0.5% =	$150
TOTAL =	$1,050 monthly benefit at Normal Retirement Age for Contributions between July 1, 1990 and June 30, 1997

In addition, Carl will receive $810 toward his monthly benefit for his employer's Contributions after June 30, 1997 and before July 1, 2003, as shown in the example at Section 5.3, *Benefit Service After June 30, 1997 and Before July 1, 2003*. In these examples Carl is entitled to receive a $1,050 monthly benefit at Normal Retirement Age for his July 1, 1990 to June 30, 1997 Contributions and $810 in monthly benefits at Normal Retirement Age for his Contributions in Plan Years 1998 through 2003, for a total benefit payable at Normal Retirement Age of $1,860 ($1,050 + $810 = $1,860.)

H.5 Benefit Service Before July 1, 1990: the Overlay

If you have at least 1,000 Contributory Hours after June 30, 1997, you are eligible to have your monthly benefit at Normal Retirement Age for service before July 1, 1990 computed at 2.5% of Contributions during that period.

In order to receive the 2.5% Overlay accrual rate and qualify for a Qualified Retirement Benefit (age 60) or Early Retirement Benefit (age 57) under Appendix C, you must have at least 10,000 of your qualifying Contributory Hours or 5 of your qualifying Contributory Years of Service earned after June 30, 1990.

DEFINITIONS

The terms defined below have special meanings when they describe your Pension Plan benefits. Please read these definitions and refer to this Section often when you read other parts of this SPD.

Actuarially Adjusted or Actuarially Reduced – See Section 7, *How Benefits Are Paid.*

Administrative Committee of the Board of Trustees – The Committee appointed by the Board of Trustees to decide Participant appeals from denials of benefits.

Beneficiary – The person you name to receive benefit payments after your death. If you do not name a Beneficiary or if your named Beneficiary does not survive you, your benefits are paid to the first living person on the following class list:

your Spouse
your natural or adopted children
your parents
your brothers and sisters
the executors or administrators of your estate

Note: If you are married and you die before you retire, your Spouse is automatically your Beneficiary. You may designate a Beneficiary other than your Spouse when you retire, provided your Spouse consents to the designation.

Benefit Service – Contributory Hours for which you are entitled to accrue benefits.

Break-in-Service – After June 30, 2001, a Plan Year in which you do not have 250 Hours of Work. Before July 1, 2001, a Plan Year in which you were not credited with at least 500 Hours of Work.

Collective Bargaining Agreement – A collectively bargained contract that obligates an employer to contribute to the Trust on behalf of employees.

Contiguous Non-Covered Employment – Non-Covered Employment with a Contributing Employer, immediately before or after you work in Covered Employment with the same Contributing Employer.

Contributing Employer – An employer who contributes to the Plan on behalf of employees, under the terms of the Trust Agreement, pursuant to a Collective Bargaining Agreement or Written Agreement.

Contribution – Money that an employer pays to the Plan on behalf of an Employee under terms of a Collective Bargaining Agreement or Written Agreement.

Contributory Benefit Service – The total number of Contributory Hours you work divided by 2,000.

Contributory Hour – An Hour of Work for which an employer is obligated to make a Contribution to the Trust on your behalf.

Contributory Vesting Service – Vesting Service for which an employer is obligated to make a Contribution to the Trust on your behalf.

Contributory Years of Service – See Section 4.3

Covered Employment – Employment for which an Employer is obligated to make a Contribution to the Trust on your behalf.

Early Retirement – A type of Plan benefit payable before your Normal Retirement Age. See Section 4, *When You May Retire* for details on qualifying for this benefit.

Election Period – The 90-day period before a Participant's Retirement Date.

ERISA – The Employee Retirement Income Security Act of 1974 and any amendments and regulations associated with the Act. See Section 14.4, *Your Rights Under ERISA*.

Five Year Certain Life Annuity – See Section 7, *How Benefits Are Paid*.

Hour of Work – An hour for which an employee is paid or entitled to be paid for the performance of duties, receives a back pay award, or is entitled to be paid for non-work by a Contributing Employer, to the extent credit is required by applicable Department of Labor regulations.

Joint Annuitant – The individual who receives a benefit after you die, if you choose a Joint Annuity form of benefit. See Section 7, *How Benefits Are Paid.*

Joint Annuity – See Section 7, *How Benefits Are Paid*.

Maternity or *Paternity Leave* – See Section 3.4.3, *Waiver of Break-in-Service During Maternity and Paternity Leave*.

Minimum Retirement Age – The earliest age at which you may retire. See Section 4, *When You May Retire*.

Normal Retirement Age – Age 65 or, if later, the fifth anniversary of the date you became a Plan Participant. See Section 4, *When You May Retire*.

Normal Retirement Benefit – Benefits earned and to be paid at Normal Retirement Age.

Overlay – Special benefit formula for which Participants who have at least 1,000 Contributory Hours after June 30, 1997 may be eligible. See Section H.5, *Benefit Service Before July 1, 1990: The Overlay*.

Participant – An employee who meets the requirements of Section 2, *Participation*, a former employee who is vested, or a retiree receiving a pension benefit.

Past Benefit or Vesting Service – Work for which you receive benefit or vesting credit, pursuant to the requirements explained under Sections 3 and 5, *Vesting* and *How Your Benefit is Calculated.*

Pension Plan or Plan – The Alaska Teamster Employer Pension Plan, or Plan.

Plan Year – July 1 through June 30. A Plan Year is designated by the calendar year in which it ends. For example, Plan Year 2016 refers to July 1, 2015 through June 30, 2016.

Qualified Retirement – A type of Plan benefit payable before your Normal Retirement Age. See Section 4, *When You May Retire* for details on qualifying for this benefit.

Relevant Documents – See Section 14.3.7, *Relevant Documents.*

Retirement Date – The date as of which a Participant's benefit payments begin.

Separate from Service – A requirement that you terminate your employment relationship with your last Covered Employer. See details under Section 9, *Separation from Service*.

Spouse – The person to whom you are married on your Retirement Date or death; whichever is earlier.

Straight Life Annuity – See Section 7, *How Benefits Are Paid.*

Suspendible Employment – Employment in the State of Alaska, in an industry in which employees were employed in Covered Employment when you became eligible to retire, and in a trade or craft in which you were employed at any time in Covered Employment. See Section 10, *Suspendible Employment*.

Trust Fund, Trust or Trust Agreement – The legal entity and document (Agreement and Declaration of Trust) which provides for adoption of the Plan, and which holds Plan assets.

Trust Customer Service Office – Third party administrators that can assist you with inquiries.

Trustees – The joint Board of Trustees designated to carry out certain duties under the Plan.

USERRA – Uniformed Services Employment and Reemployment Rights Act. Refer to Section 13.4, *Military and Uniformed Service.*

Vesting Service – Service which determines vesting status. You earn a year of Vesting Service toward your benefit at Normal Retirement Age according to Section 3, *Vesting*. (Contributory Years of Service, defined above, are used to determine whether you qualify for certain early retirement benefits and are calculated differently than Vesting Service.)

Written Agreement – An agreement obligating the employer to make Contributions to the Trust on behalf of non-collectively-bargained employees. Such employees may participate under the Plan under the terms of policies and agreements adopted by the Board of Trustees.