

# Summary Plan Description

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## CHAPTER 1 -- GENERAL INFORMATION

**Q What is the name of the pension plan?**

A The full name of the pension plan is the “Teamsters Joint Council No. 83 of Virginia Pension Plan.” Throughout this book, it will be referred to as the “Plan.”

**Q What kind of pension plan is it?**

A The Plan is a jointly administered, multiemployer Taft-Hartley trust established in September 1957. In accordance with a collective bargaining agreement, contributions are paid on your behalf into the trust, or fund, called the “Teamsters Joint Council No. 83 of Virginia Pension Fund.”

The Plan is a defined benefit plan that pays you a monthly benefit over your lifetime. There is no individual account with investment earnings and losses in your name. You cannot receive your pension in a lump sum.

**Q Who is the Plan’s Administrator?**

A The Board of Trustees is both the Plan Sponsor and the Plan Administrator. The Board of Trustees is made up of an equal number of Union and Employer representatives, chosen by the Union and the Employers who have entered into collective bargaining agreements relating to the Pension Fund. The Teamsters Joint Council No. 83 of Virginia appoints the Union trustees, and the Transport Employers Association appoints the Employer trustees.

The Board of Trustees is responsible for administering benefits for the good of all Participants and seeing that information regarding the Plan is reported to government agencies and disclosed to Plan Participants and beneficiaries in accordance with the requirements of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

The Trustees are:

<u>Union Trustees</u>	<u>Employer Trustees</u>
John D. Farrish	W. Robert Davidson
James R. Smith	William A. Nations
James Wright	Jay Bowers

Inquiries may be directed to the Trustees in care of the Fund Office.

**Q How do I contact the Fund Office?**

A You can write, fax, email, call, or personally visit the Fund Office, generally open from 8:00 am to 5:30 pm EST, Monday through Friday.

Pension department personnel will be happy to provide you with information on your pension benefits. If you do decide to come in person, it is helpful to call the Fund Office the day before so they can better serve you.

The Executive Director oversees the day-to-day operations of the Fund. The Executive Director is also the agent for service of legal process at the Fund Office’s address. If any dispute arises, legal

process may be served upon any member of the Board of Trustees.

<b>Executive Director:</b>	Robin Donovanick MSM, SCP, CEBS
<b>Fund Office address:</b>	8814 Fargo Road, Suite 200 Richmond, VA 23229
<b>Fund Office fax number:</b>	(804) 288-3530
<b>Fund Office phone numbers:</b>	Local Richmond area: (804) 282-3131
<b>Toll free:</b>	1-800-852-0806
<b>Employer Identification Number (EIN):</b>	54-6097996
<b>Plan Number:</b>	001

## CHAPTER 2 -- PARTICIPATION

**Q How do I get into the Pension Plan? (Pension Plan Section 3.1)**

A First, you must work in Covered Employment. That is, you must work for an Employer who is required to pay contributions into the Plan on your behalf. Contributions may be required because of a collective bargaining agreement between your Union and your Employer, or because of an agreement with the Trustees as in the case of some employees of the Fund Office or participating Unions.

To become a Participant, you must complete 1000 hours of service in Covered Employment during your first 12 months of employment or, if you do not meet that requirement, 1000 hours in a following calendar year.

You will become a Participant on the earliest January 1 or July 1 following your completion of this initial 1000 hours.

**Q Can I lose participation? (Pension Plan Section 3.2)**

A Yes. If you work less than 501 hours of service in a calendar year and are not vested or retired, you suffer a 1-year break in service. If you continue to have 1-year breaks in service, you may then suffer a Permanent Break. A Permanent Break will be discussed later.

**Q How can I become a Participant again? (Pension Plan Section 3.3)**

A If you return to Covered Employment after a 1-year break and complete at least 1000 hours of service in a calendar year, you will become a Participant again as of your reemployment date. However, if you return to Covered Employment after a Permanent Break, you will become a Participant as of the earliest January 1 or July 1 following the completion of the 1000 hours of service in the calendar year.

**Q Is there a way to never lose participation?**

A Yes. You remain an active Participant if you continue to complete at least 501 hours of service during a calendar year. Once you earn enough service to become vested (due a benefit from the Plan), you are a Vested Participant. A person who retires under the Plan is considered a Retired Participant. A beneficiary receiving survivor benefits from the Plan is also considered a Participant.

### CHAPTER 3 -- EARNING SERVICE

**Q How do I earn service? (Pension Plan Article 6)**

**A** Generally, as an Active Participant, you earn service based upon the hours you work in Covered Employment during a calendar year – from January thru December. The Plan credits you with 45 hours of service for each week as a Regular Employee and 10 hours of service for each day as a Casual Employee that contributions are paid or supposed to be paid on your behalf. As contributions are earned, you receive two types of service, Vesting Service (VS) and Benefit Accrual Service (BAS).

**Q What is Vesting Service? (Pension Plan Section 6.6)**

**A** Vesting Service (VS) determines your eligibility to receive a pension from the Plan. It also determines when you will become Vested. Once “Vested,” you cannot lose the pension benefit you have earned even if you leave Covered Employment.

Currently, you earn 1 full year VS when you complete 1000 hours of service in a calendar year. You earn ½ year VS when you complete at least 501, but less than 1000 hours of service in a calendar year. You do not earn any Vesting Service if you earn less than 501 hours of service in the calendar year. Refer to the following tables:

<b>9/1/76 and after:</b>	
<u>Hours of Service in a calendar year</u>	<u>Vesting Service (VS) Earned</u>
1000 or more	1.00 year VS
501 but less than 1000	.50 year VS
less than 501	.00
<b>Before 9/1/76:</b>	
<u>Hours of Service in a calendar year</u>	<u>Vesting Service (VS) Earned</u>
1575 or more	1.00 year VS
900 but less than 1575	.50 year VS
less than 900	.00

You may also earn Vesting Service for some service in non-covered employment called “Contiguous, Non-covered Employment.” You could earn such service if you work for a Contributing Employer in a non-covered job immediately prior or immediately following your Covered Employment with that same Employer. See Pension Plan Document, Section 2.10.

**Q What is Benefit Accrual Service? (Pension Plan Sections 6.1, 6.2, 6.3)**

**A** Benefit Accrual Service (BAS) determines the amount of your monthly pension benefit. It may also determine the type of pension you can receive.

Currently, if you complete 1575 hours of service (35 weeks of contributions) in Covered Employment during a calendar year, you earn 1 full year BAS. Benefit Accrual Service can also

be earned in one-quarter, one-half, and three-quarter years. Refer to the following tables:

<b>1/1/85 and after:</b>	
<b><u>Hours of Service in a calendar year</u></b>	<b><u>Benefit Accrual Service (BAS) Earned</u></b>
1575 or more (at least 35 weeks)	1.00 year BAS
1170 – 1574 (at least 26 weeks)	.75 year BAS
900 – 1169 (at least 20 weeks)	.50 year BAS
501 – 899 (at least 12 weeks)	.25 year BAS
<b>Before 1/1/85:</b>	
<b><u>Hours of Service in a calendar year</u></b>	<b><u>Benefit Accrual Service (BAS) Earned</u></b>
1575 or more (at least 35 weeks)	1.00 year BAS
900 – 1574 (at least 20 weeks)	.50 year BAS

Benefit Accrual Service may also be granted for past service.

**Q What is past service? (Pension Plan Section 6.1)**

A Past service is time for which no contributions are paid into the Plan on your behalf. Past service may be granted for time you worked for an Employer before that Employer began contributing to the Plan. For example, you may have been hired in a job several years before your Employer contracted with the Union to have contributions paid into the Plan on its employees with your job classification. Once 17 months of contributions are paid on your behalf, you may be granted past Benefit Accrual Service/Vesting Service back to your date of hire. Please refer to the Pension Plan Document, Section 6.1 for a more complete description of past service.

**Q Can I receive credit for my military service? (Pension Plan Section 6.3)**

A Each period of service in the uniformed services of the United States is considered covered service if you (1) enter the United States military directly from Covered Employment and (2) return to Covered Employment within the time periods required by the Uniformed Service Employment and Reemployment Rights Act, as amended. Past Benefit Accrual Service and Vesting Service will be granted up to a maximum of 5 years as long as the above two requirements are met.

**Q What happens if I am disabled or die while on Active Military Service?**

A If you become disabled or die while performing qualified military service within the meaning of the Heroes Earnings Assistance and Relief Tax (HEART) Act of 2008, you will be treated as if you returned to active employment with your last Contributing Employer on the day before your disability or death and then terminated employment on the day you became disabled or died.



## CHAPTER 4 -- VOLUNTARY CONTRIBUTIONS

**Q Can I earn service by paying my own contributions? (Pension Plan Section 6.9)**

**A** Yes, you can pay Voluntary Contributions. Voluntary Contributions are contributions you choose to pay to earn the last year or years toward your pension. You must meet certain requirements to pay such employee contributions into the Pension Plan to earn Benefit Accrual Service and Vesting Service:

1. You can pay up to 1 year of Voluntary Contributions for any reason to earn your 20th, 25th or 30th year BAS. You must notify the Fund Office in writing within 60 days of leaving Covered Employment of your intent to pay Voluntary Contributions. Your spouse can pay the Voluntary Contributions needed to earn your 20th, 25th, or 30th year of BAS if the Fund Office is notified within 90 days of your death.
2. You can pay Voluntary Contributions for up to 1 year to keep your benefits from being prorated if your termination from Covered Employment is due to
  - a. the closing of your Employer's business,
  - b. your Employer's bankruptcy,
  - c. your Employer's change in operations,
  - d. your rejection of a transfer due to your Employer's change in operations,
  - e. your permanent layoff, or
  - f. your Total and Permanent Disability
 and you notify the Fund Office of your intent to pay Voluntary Contributions within 60 days from the later of the reason above or the date you leave Covered Employment.
3. You can pay up to 3 years of Voluntary Contributions if you become disabled from performing your job in Covered Employment and have earned
  - a. at least 17 but less than 19 years BAS,
  - b. at least 22 but less than 24 years BAS, or
  - c. at least 27 but less than 29 years BAS.

You must notify the Fund Office of your intent to pay Voluntary Contributions within 60 days of the later of your disability or the date your Employer stops paying contributions on your behalf into the Plan.

4. You can pay up to 3 years of Voluntary Contributions if your Employer closes the facility or permanently lays off all participating employees where you work and you have no right to transfer to another facility. You must have earned
  - a. at least 17 but less than 19 years BAS,
  - b. at least 22 but less than 24 years BAS, or
  - c. at least 27 but less than 29 years BAS.

You must notify the Fund Office of your intent to pay Voluntary Contributions within 60 days of leaving Covered Employment because of the closing.

**Q How much do I pay? (Pension Plan Section 6.9(f))**

A When you pay Voluntary Contributions, you pay the same weekly rate your Employer last paid on your behalf according to the contract. (If you last worked as a casual employee, you must still pay the Employer's weekly rate.) The number of weeks you pay will depend on how much service you are trying to earn. And, employer contributions may reduce the amount of Voluntary Contributions you must pay.

To earn .25 year BAS, 19 weeks must be paid;

To earn .50 year BAS, 25 weeks must be paid;

To earn .75 year BAS, 34 weeks must be paid; and,

To earn 1.00 year BAS, 52 weeks must be paid.

**Q How long can I take to pay Voluntary Contributions? (Pension Plan Section 6.9(f))**

A Voluntary contributions must be paid quarterly in advance as billed by the Fund Office if you are paying for 1 year or less for any reason or to avoid a proration of benefits.

If you are paying for up to 3 years due to disability or unemployment, you may pay quarterly or pay in a single lump sum. The lump sum must be paid within 180 days of the later of the date your disability began or your employer contributions stop. You must retire within 180 days of paying the lump sum.

**Q What happens to my money if I go back to work in Covered Employment?****Q What happens to my money if I start to pay but then don't pay all I need to pay? (Pension Plan Section 6.9(g))**

A The money you pay out of your own pocket (employee contributions) cannot be forfeited (lost). If you return to work and earn enough service so that the time you paid is not needed, the money you paid will be returned to you.

Likewise, if you pay some Voluntary Contributions but not enough to earn the desired years, the money will be returned to you.

**Q When will pension benefits begin after I pay Voluntary Contributions? (Pension Plan Section 9.11)**

A Benefits will begin according to the application rules of the Plan. However, no benefits will begin until the required Voluntary Contributions, if applicable, are paid.

**Q Can my employer pay voluntary contributions on my behalf? (Pension Plan Section 6.9(h))**

A Yes. Any Voluntary Contributions that can be paid by you as a Vested Participant may be paid on your behalf by your former Employer. However, Voluntary Contributions paid by your former Employer are not considered employee contributions.

## CHAPTER 5 -- MANDATORY CONTRIBUTIONS

**Q My Employer deducts money from my paycheck to pay towards my pension. What kind of contributions are these? (Pension Plan Section 7.1)**

A Monies deducted from your paycheck and submitted to the Pension Plan by your Employer on your behalf are called Mandatory Contributions. Mandatory Contributions are employee contributions required under the contract between your Union and your Employer. Like Voluntary Contributions, Mandatory Contributions are after-tax contributions and cannot be forfeited.

Mandatory employee contributions, along with the Employer contributions, earn Benefit Accrual Service and Vesting Service just like contributions paid in full by your Employer. If you become vested under the Plan, your pension eligibility and benefit amount will be determined in the same manner as if your Employer paid all the contributions.

**Q What happens to my money if I terminate Covered Employment before becoming vested? (Pension Plan Section 7.2)**

A If the present value (that is, the total of the amount you paid) of your Mandatory Contributions plus interest is more than \$5000, you will be eligible for a Vested Pension based solely on the accumulated Mandatory Contributions. You will have the choice of taking the Vested Pension or a lump sum benefit as explained in the next paragraph.

If the present value of your Mandatory Contributions plus interest is less than or equal to \$5,000, you will be eligible for a lump sum payment. All the money you paid out of your pocket will be returned to you with interest no later than December 31st of the 2nd year after the year you stopped working in Covered Employment. Or, if the present value is at least \$1,000, you can rollover the lump sum directly into another pension plan or IRA.

For more information, you should contact the Fund Office if you have paid Mandatory Contributions and terminate Covered Employment with no intention of returning.

## CHAPTER 6 -- BREAKS IN SERVICE

You suffer or incur a 1-year break in service when you fail to complete at least 501 hours of service (at least 12 weeks) during the calendar year. If you continue to have the 1-year breaks, or interruptions, you may incur a Permanent Break.

**Q What is a Permanent Break? (Pension Plan Section 6.4(a)-(b))**

**A** A Permanent Break in service causes you to lose all the Vesting Service and Benefit Accrual Service that you earned before you had the Permanent Break. You can only have a Permanent Break and lose your service if you are not yet vested. You incur the Permanent Break when you have a specified number of 1-year breaks in a row – consecutive 1-year breaks. There are three different Permanent Break rules.

1. Currently For Periods 01/01/87 and After

You will suffer a Permanent Break and lose all service you earned prior to that break when you have consecutive 1-year breaks in service that are more than or are equal to the greater of

- the number of your years of Vesting Service (VS) or
- 5 years.

For example, assume you begin in 2004 and earn the following:

Year	No. of Hours	No. of weeks	Vesting Service	Breaks
2004	1800 hours	40 weeks	1.00	
2005	2340 hours	52 weeks	1.00	
2006	2340 hours	52 weeks	1.00	
2007	450 hours	10 weeks	.00	<i>1 year break</i>
2008	None		.00	<i>1 year break</i>
2009	None		.00	<i>1 year break</i>
2010	495 hours	11 weeks	.00	<i>1 year break</i>

Although you have more 1-year breaks in service in a row (4) than you have Vesting Service (3.00), you have not yet incurred the Permanent Break since you have not yet had 5 consecutive 1-year breaks. However, you will have to earn at least 501 hours (12 weeks or 51 days) in Covered Employment in 2011 to keep from having the Permanent Break.

2. For Periods 9/1/76 – 12/31/86

You will suffer a Permanent Break and lose all the service you earned prior to that break when you have as many consecutive 1-year breaks in service as you have VS.

For example, assume you begin in 1980 and earn the following:

Year	No. of Hours	No. of Weeks	Vesting Service	Breaks
1980	1800 hours	40 weeks	1.00	
1981	2340 hours	52 weeks	1.00	
1982	2340 hours	52 weeks	1.00	
1983	450 hours	10 weeks	.00	1 year break
1984	none		.00	1 year break
1985	none		.00	1 year break

Since you had 3 consecutive 1-year breaks after earning 3.00 years VS, you incur the Permanent Break and lose the time you earned in 1980, 1981 and 1982.

3. For Periods Prior to 9/1/76 (Pre-ERISA)

Before 9/1/79, you incurred a Pre-ERISA break in service and lost all the service you had earned prior to the break when you failed to earn at least .50 year BAS during a period of 3 consecutive calendar years.

Remember, you can only incur a Permanent Break and lose the service you have earned prior to the break when you are not vested. Once you are vested, you cannot lose the service you earned as of the date you became vested – even if you stop working in Covered Employment.

\* Exceptions to break in service rules (Pension Plan Section 6.4(c))

1. Military: Whether or not entitled by law, if you leave Covered Employment to enter active service in the United States Armed Forces, your military time, up to 5 years, will not count towards a break in service.
2. Disability: If you leave Covered Employment due to total disability, you will be granted a grace period for up to 2 years, which will not count towards a break in service.
3. Family Leave: Any leave of absence you take under The Family and Medical Leave Act of 1993 (FMLA) will not count towards a break in service.

## CHAPTER 7 -- VESTING

**Q     How do I become vested? (Pension Plan Section 6.5)**

A     How someone becomes vested under the Plan has changed over the years. Since 1/1/97, you become vested once you reach Normal Retirement Age or earn 5 years VS - whichever happens first. You reach Normal Retirement Age when you turn age 65, or if later, the 5th anniversary of the date you become a Plan Participant. Most Participants start working in Covered Employment prior to their sixties and become vested by earning the 5.00 years VS.

The one exception to the Vesting Service requirement is if you pay Voluntary or Mandatory Contributions. These contributions are always fully vested as soon as they are paid. You cannot lose the money you pay yourself.

Please refer to Section 6.5 of the Pension Plan Document for vesting requirements prior to 1/1/97.

## CHAPTER 8 -- ELIGIBILITY and BENEFIT CALCULATION

### **Q How do I receive a pension? (Pension Plan Section 4.1)**

A To become eligible for a pension from the Plan you must be a Participant and be vested. The amount of your pension benefit and when you can begin receiving the benefit depends upon age, required years of service, and the schedule of benefits covering you at retirement.

### **Q What are schedules of benefits? (Pension Plan Section 4.1)**

A Schedules indicate the monthly benefit payments at specific ages and years of service. Your schedule is determined by the contribution rate paid on your behalf. The Pension Plan's schedules of benefits are listed in the back of the Pension Plan Document. Except for the Disability Pension schedules, the amounts indicated are based upon at least 20 years BAS.

Contact the pension department at the Fund Office for information if you do not know the benefit schedule that applies to you.

### **Q What if I work under different benefit schedules? (Pension Plan Sections 2.36 & 4.1)**

A Usually, your pension benefit is based upon the benefit schedule that covers you when you last work in Covered Employment, even if you worked under a different benefit schedule before that time. If your benefit schedule changes to a higher schedule as you continue to work under Covered Employment, your pension benefit is fully calculated under that new schedule as long as:

1. at least 1 week of contributions (5 days for casual employees) are paid on your behalf under the new schedule, and
2. you earned at least 501 hours of service in Covered Employment in the 12-month period immediately before contributions are paid on your behalf under the new schedule.

If your benefit schedule changes to a lower schedule while you continue to work, or if you have a 1-year Break in Service, your pension benefits may be prorated between schedules.

### **Q How are benefits prorated? (Pension Plan Section 4.2)**

A When a benefit is prorated, the amount is divided up based upon some fraction or percentage. The Plan uses fractions. The top number of the fraction, the numerator, is the years of your Benefit Accrual Service that applies to a particular schedule. The bottom number, the denominator, is usually 20. However, the denominator will be the total years BAS for a Special Early Pension if the same Contributing Employer changes from one schedule that provides a Special Early Pension to a lower schedule that also provides a Special Early Pension.

### **Q What happens if I go from a higher to lower benefit schedule? (Pension Plan Section 4.2)**

A If your benefit schedule changes from a higher level to a lower level, benefits will be prorated if that will give you the greater pension amount. Let's assume, for example, you earned 19.00 years of service under Schedule 9B and then lost your job when the company closed. You wanted to work 1 more year and retire at age 57. Your Local Union representative was able to get you a job with another Contributing Employer but contributions for your new Employer were only paid under Schedule 7B. You worked 1 more year and retired. Benefits would be calculated as follows:

$\begin{aligned} \text{Schedule 9B, age 57 benefit} &= \$1800 \times \frac{19}{20} = \$1710.00 \\ &+ \\ \text{Schedule 7B, age 57 benefit} &= \$1032 \times \frac{1}{20} = \$51.60 = \$1761.60, \text{ rounded to } \$1762 \end{aligned}$
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Assume also you had a friend who had worked along with you for years and retired under the same circumstances. But your friend had already earned 21 years BAS before the first company closed. Although he continued to work under a lower schedule for that last year, his benefit at age 57 would not be prorated and would be the full \$1800, as that would give him the greater benefit.

**Q What happens if I have a 1-year break in service? (Pension Plan Section 4.2(a))**

A If, during your last 5 years of earned Benefit Accrual Service, you suffer a 1-year break in service –even if you are vested – benefits will be prorated between the benefit schedule covering you right before the break and your last benefit schedule. For example, you lose your job in Covered Employment after earning 17 years of Benefit Accrual Service under Schedule 9A. You return 2 years later and earn 3 years BAS under Schedule 9B. Retiring at age 58, benefits are prorated as follows:

$\begin{aligned} \text{Schedule 9A, age 58 benefit} &= \$1500 \times \frac{17}{20} = \$1275.00 \\ &+ \\ \text{Schedule 9B, age 58 benefit} &= \$1800 \times \frac{3}{20} = \$270.00 \\ &= \underline{\$1545.00} \end{aligned}$
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**Q If I have a 1-year break in service but return to Covered Employment, can I keep my benefits from being prorated? (Pension Plan Section 4.2(a))**

A Yes. If you return to Covered Employment, you can “repair” the break and not be prorated by earning at least 5 years BAS without any more 1-year breaks.

**Q What if I am retiring with less than 20 years BAS?**

A If you are retiring with less than 20 years BAS and you are not retiring under a Disability Pension, the amount indicated in your schedule of benefits would be prorated based on your years of service to determine your benefit.

For example, say you are thinking of retiring at age 60 with 10 years BAS. You work under Schedule 9B and are not disabled. If you look at Schedule 9B under age 60, the monthly amount indicated is \$1800. But remember this amount is based on 20 years BAS. You have earned only 10 years BAS. Your benefit would be determined by multiplying the \$1800 by the fraction of your years of service earned (10) over the required years of service earned per schedule (20). The amount calculates as follows:

$$\text{Schedule 9B, age 60 benefit} = \$1800 \times \frac{10}{20} = \$900.00$$



Your benefit would be \$900 per month. Perhaps that's not enough and you decide to work 2 more years and retire at age 62. Under Schedule 9B the benefit amount at age 62 is still \$1800 per month. However, you have earned 2 more years BAS. The benefit would now become \$1,080 per month, calculated as:

$$\text{Schedule 9B, age 62 benefit} = \$1800 \times \frac{12}{20} = \$1080.00$$

## CHAPTER 9 -- TYPES OF PENSIONS

The Pension Plan provides a number of different types of pensions. You qualify for a type of pension based upon your years of Benefit Accrual and Vesting Service, your age and your schedule of benefits.

You can only receive one type of pension. If you qualify for more than one type, you will be retired under the pension type that will give you the greater benefit.

Types of pensions are Normal, Early, Special Early, Vested, Disability, and Lump Sum Disability. If your years of service are divided between this Plan and another reciprocal Teamster plan, you may qualify for a Partial Pension of the above types.

### **Normal Pensions (Pension Plan Sections 2.24 & 4.3)**

To be eligible for a Normal Pension, you must:

- be age 65 or older, and
- have been a Participant in the Plan for at least 5 years.

#### **Q How much is a Normal Pension?**

A Refer to the amount indicated in your schedule of benefits for your age at retirement. If you have at least 20 years of service, your benefit would be the amount indicated. If you have earned less than 20 years, your benefit would be a prorated amount.

For example, assume you are age 65 with 27 years BAS under Schedule 8A. Your monthly benefit amount, per schedule, is \$2250. Or, as another example, you are age 66, covered under Schedule 9B, and earned 7 years BAS. Your benefit is calculated as follows:

$$\text{Schedule 9B, age 66 benefit, 20 years BAS} = \$2342 \times \frac{7}{20} = \$819.70, \text{ rounded to } \$820.$$

If you are older than age 65 when you retire and did not work in Covered Employment or Disqualifying Employment after Normal Retirement Age, you will receive an actuarial increase in benefits in accordance with the Plan's actuarial assumptions.

### **Early Pensions (Pension Plan Sections 2.17 & 4.4)**

To be eligible for an Early Pension, you must:

- be at least age 50 (age 52 if covered under Schedule CA), and
- have earned at least 20 years BAS.

#### **Q How much is an Early Pension?**

A The amount of your Early Pension is the amount indicated for your age under the benefit schedule covering you at retirement.

### **Special Early Pensions (Pension Plan Section 4.5)**

Special Early Pensions are only payable under some schedules. Depending on the schedule, to be eligible for a Special Early Pension you must have earned at least 25 or 30 years BAS. You may also need to reach

a certain age or have earned at least 20 years BAS as of 12/31/09. Refer to your benefits schedule. If you don't know your benefits schedule, personnel in the Fund Office will be happy to assist you.

**Q How much is the Special Early Pension?**

A The amount of your Special Early Pension is the amount indicated for your age and years of BAS under the benefit schedule covering you at retirement.

For example, you earn 26 years BAS under Schedule 9B and retire at age 52. You would receive \$2600 per month for life.

Or perhaps, you retire after earning 25 years BAS under Schedule 6A at age 55. You would receive \$1000 per month for life.

**Vested Pensions (Pension Plan Section 4.6)**

Since 1/1/97, a Participant who leaves Covered Employment with at least 5 years VS is eligible for a Vested Pension. The 5-year Vesting Service requirement applies to all benefit schedules.

If you left Covered Employment between 9/1/76 and 1/1/97, you would be eligible for a Vested Pension if you earned the required years of VS depending upon the benefit schedule as follows:

Schedules 9B, 9A, 8C, 8A, 7B.....	5 years VS
Schedule 7C, 8/1/92 and after.....	5 years VS
Schedule 7C, before 8/1/92.....	7 years VS
Schedules 7A, 6B, 6A, 5C, 5B, 5A, 4C, 4A, 3, 2, 1A, AA, BA, and CA.....	10 years VS
Regardless of your schedule.....	5 years VS
if your participation was not the result of a collective bargaining agreement	

If you left Covered Employment before 9/1/76, you would be eligible for a Vested Pension if you earned the required years of BAS depending upon the benefit schedule, and had reached the indicated age when you terminated Covered Employment, as follows:

Schedules 2 and 3 .....	15 yrs BAS.....	Age 40
Schedules AA, BA, and 1A.....	15 yrs BAS.....	Age 45

**Q When can I start receiving a Vested Pension?**

A If you were covered under Schedules CA, BA, or AA, benefits begin at age 62 or later. For all other schedules, you are eligible to begin payment at age 60.

**Q How much is a Vested Pension?**

A The amount of your Vested Pension is the amount indicated for your age at retirement under the schedule of benefits covering you when you last worked in Covered Employment multiplied by the

number of years of BAS over 20 years. As previously explained, benefits may also be prorated between schedules.

For example, assume you terminated Covered Employment in 2010 at age 52 after earning 6 years BAS under Schedule 9B with no breaks. When you reach age 60, you would be eligible for \$540 per month for life, calculated as follows:

$$\text{Schedule 9B, age 60 benefit is } \$1800 \times \frac{6}{20} = \$540$$

Or, for example, you terminated Covered Employment in 2011 at age 60 after earning 14 years BAS under Schedule AA with no breaks. When you reach age 62, you would be eligible for \$270 per month for the first 60 months of your retirement, then \$153 per month after that for life. Your benefit would be calculated as follows:

<p>Schedule AA, age 62 benefit, first 60 months = <math>\\$385 \times \frac{14}{20} = \\$269.50</math>, rounded to \$270 then, Schedule AA, age 62 benefit, after 60 months = <math>\\$219 \times \frac{6}{20} = \\$153.30</math>, rounded to \$153</p>
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**Q Is there any way I can draw my Early Pension sooner than age 50 (age 52 for Schedule CA) or my Vested Pension earlier than age 60 (age 62 for Schedules CA, BA, AA)? (Pension Plan Section 4.6(c))**

**A** Yes. If you become Totally and Permanently Disabled from working at all, you may draw your Early or Vested Pension earlier. The amount of your Pension is a reduced benefit that is actuarially equivalent to the amount you would have received had you waited to begin payment when you reached age 50/52 or age 60/62.

For example, assume you terminated Covered Employment after earning 10 years Benefit Accrual Service under Schedule 9B. You are now age 55 and can no longer work. Your earliest possible retirement date is at age 60, five years in the future. You would have the choice of:

- \$900 per month for life, beginning in 5 years at age 60, or
- \$532 per month for life, beginning now at age 55.

Based upon age under a standard mortality table, the monthly benefit amount is reduced since it will be payable over a longer period.

### **Disability Pension (Pension Plan Section 4.7)**

You are eligible to retire on a Disability Pension if:

1. you become Totally and Permanently Disabled while working in Covered Employment, and
2. you earned the number of years Vesting Service (VS) required under your schedule of benefits as follows:

Schedules 1A, AA, and BA	15 yrs VS
All other schedules except CA	10 yrs VS
3. and you are not eligible for or have not received any type of Worker's Compensation for the disability.

**Q What do you mean by ‘Totally and Permanently Disabled’? (Pension Plan Section 2.41)**

A To be Totally and Permanently Disabled means that you are unable to work at any job in any capacity, and most likely will never return to work again. Usually, a Social Security Disability Award is used as proof of the total disability and the date the disability began. However, under the direction of the Trustees, you may be asked to see a doctor of the Fund Office’s choice for an examination. The Trustees are the final judges of Total and Permanent Disability.

**Q How much is a Disability Pension?**

A The amount you would receive under a Disability Pension depends upon your schedule of benefits and years of Benefit Accrual Service (BAS) as follows:

Schedules	Years BAS	Monthly Amount
9B, 9A, 8C, 8A, 7C and 7B	15 or more	\$800
	14	\$720
	13	\$640
	12	\$560
	11	\$480
	10 or less	\$400
7A, 6B, 6A, 5C, 5B, 5A, 4C, 4B, 4A, 3 and 2	15 or more	\$200
	14	\$180
	13	\$160
	12	\$140
	11	\$120
	10 or less	\$100
1A	15 or more	\$200
AA and BA	15 or more	\$100

Prior to 9/8/00, eligibility for a Disability Pension was based upon your years of Benefit Accrual Service rather than Vesting Service with a minimum of 10 years BAS required for Schedules 2 and higher.

**Q When are benefits effective under a Disability Pension?**

A Benefits begin the first day of the 6th month from the date your Total and Permanent Disability began.

**Q Can I switch from a Disability Pension to a Vested Pension when I reach age 60/62?**

A No. Once you retire under a Disability Pension and remain disabled, benefits will continue for life under that type of pension. Before retiring under a Disability Pension, you must decide if you want the Disability Pension or if you would rather wait and retire later when you reach the required age for beginning benefits under another type of pension.

Pension Fund personnel will provide you with information, estimated benefit amounts, and effective dates for the various pension types to help you in your decision.

**Q I’m covered under Schedule CA. What if I become disabled? (Pension Plan Section 4.8)**

A Although Schedule CA does not provide for a Disability Pension, it does pay a Lump Sum Disability Benefit. You can qualify for this benefit if:

- you become Totally and Permanently Disabled while working in Covered Employment,
- you have earned at least 15 years BAS, and

- you are not eligible for or have received any type of Worker's Compensation for the disability.

**Q How much is the Lump Sum Disability Benefit?**

A Under this benefit, you would receive \$2.00 for each week of contributions paid on your behalf into the Pension Fund since your last Permanent Break in Service, if any.

However, if you are eligible to retire with a larger pension of another type under the Plan, you will not be eligible for the Lump Sum Disability Benefit.

**Q If I received a Disability Pension or Lump Sum Disability Benefit, but return to work, can I later retire under the Plan with another type of pension?**

A Yes. Should you recover enough to return to work, you may later be eligible to retire under another type of pension as provided under the Plan.

## CHAPTER 10 -- PARTIAL OR RECIPROCAL PENSIONS (Pension Plan Article 5)

**Q I may have earned service as a Teamster under another pension plan. Will that time count towards a pension here?**

A It might. You may be eligible for a Partial (or reciprocal) Pension if your years of service are split between this Plan and another Teamster pension plan that has signed a reciprocal agreement with this Plan. The other plans that sign a reciprocal agreement with this Plan are called Related Plans. A reciprocal agreement states that the Plan will recognize service earned under the related plan toward eligibility for a pension from this Plan, and then pay its reciprocal share toward a pension. Pension service that you earn with a Related Plan is called Related Service. The total of your service with this Plan and any related plans is called your Combined Service.

**Q How do I qualify for a Partial Pension?**

A To qualify, you must submit a separate application to each plan and meet the eligibility requirements of each plan, such as age and years of service.

You are eligible for a Partial Pension from this Plan if:

- you would be eligible for a pension from this Plan if your Combined Service was treated as if all of it had been earned under this Plan;
- you have earned at least two years of Benefit Accrual Service (BAS) under this Plan based upon contributions paid on your behalf into this Pension Fund;
- you are approved for a Partial Pension from the Related Plan; and,
- you do not receive any other type of pension from this Plan or the Related Plan.

In some instances the two year requirement noted above has been reduced to one year when the Related Plan has signed a unilateral agreement with this Plan to accept one year as well.

**Q What if I have a break between this Plan and a Related Plan?**

A The break in service rules apply to Partial Pensions. However, you will not suffer a permanent break if you do not earn any service under this Plan or a related Plan for less than five years in a row.

**Q How much is a Partial Pension?**

A The amount payable under a Partial Pension from this Plan is calculated as follows:

1. Determine the benefit amount payable under this Plan based upon the Combined Service;
2. Divide the years of Benefit Accrual Service earned under this Plan by the total years of Combined Service. (Service earned prior to 1/1/55 is excluded from these totals.) The result is the percentage of your pension payable by the Plan.
3. Multiply the benefit amount determined in step #1 above by the percentage in step #2.

For example, assume you are retiring after working 30 years for ABF. You earned 15 years Related Service under the Related Plan before being transferred to Virginia and earning 15 years Benefit Accrual Service under this Plan. Your Partial Special Early Pension would be calculated as follows:

1. Schedule 9B, Special Early benefit is \$3500 per month at any age
2. 15 years BAS (under this Plan) = 50.00%
3. 30 years Combined Service  
 $\$3500 \times 50.00\% = \$1750$  per month

You would have to contact the Related Plan for the amount payable under a partial pension with their plan. But remember, the first step in the calculation is determining what would be payable under the plan if all the service was earned under that plan. In the example above, you could end up with \$3500 per month in pension benefits only if the Related Plan also paid \$3500 per month for 30 years of service with ABF! If, for instance, the Related Plan paid \$2000 per month, they would pay their share –  $\$2000 \times 50\% = \$1000$  - and your final pension between the two plans would be \$2750 per month.

**Q If I am approved for partial pensions by two plans, will I receive one pension payment or two?**

A Two. You will receive a separate benefit payment from each plan involved. Each plan and fund has its own rules and regulations that you must follow in applying for and receiving benefits. Personnel in our pension department can direct you to the persons you need to contact in regard to service under another plan.



## CHAPTER 11 -- FORMS OF PENSION BENEFITS

When you retire under the Pension Plan, you are offered different forms of benefit payments. Your choice of forms is dependent upon your schedule of benefits, your years of BAS, and your age and marital status at retirement.

You may have a choice of the following:

- Lifetime Benefit
- 5-year Certain (Death Benefit)
- Joint and Survivor Benefit, or
- Contingent Annuitant Option

### **Lifetime Benefit**

If your pension is payable in the Lifetime Benefit, you will receive the base benefit in accordance with your schedule of benefits, monthly, for the rest of your life. When you die, no further benefits will be payable from the Plan to anyone else on your behalf.

This form of benefit is payable to those retiring with less than 20 years BAS, and who reject the Joint and Survivor Benefit.

### **5-year Certain (Death Benefit) (Pension Plan Section 4.9)**

As with the Lifetime Benefit, if your pension is payable as a 5-year Certain, you will receive the base benefit according to your schedule of benefits, monthly, for the rest of your life. However, if you die during the first 5 years of your retirement, your beneficiary will receive the balance of those first 5 years of monthly benefits. Under this form, it is 'certain' that the Plan will pay at least 5 years of benefits.

For example, under this form, if you die after receiving 2 years of monthly benefits, your beneficiary would receive the same monthly benefit you had been receiving for 3 years. If you die after receiving 4 years and 8 months of benefit, your beneficiary would receive the same monthly benefit you had been receiving for 4 months – the balance of the 5 years not yet paid. If you die after receiving 7 years of monthly benefits, no benefits would be payable to your beneficiary as you had already received the promised 'for certain' 5 years.

This form of benefit is payable to those retiring with at least 20 years BAS, and who reject the Joint and Survivor Benefit.

### **Joint and Survivor Benefit (For Married Participants) (Pension Plan Section 8.1)**

If you are married, you will be offered the Joint and Survivor Benefit upon retirement. This is also called the Qualified Joint and Survivor Annuity, or QJSA. Under this form of benefit, your pension is guaranteed to be payable over two lifetimes – yours and your spouse's. Should you die before your spouse, he/she will receive a percentage of your monthly benefit, per month, for the rest of his or her life. Your spouse is defined as the person you are legally married to at the time you retire under the Plan.

With this benefit, you can choose to leave your spouse 50% (one-half), 66.7% (two-thirds), 75% (three-quarters) or 100% (all) of the benefit amount you receive each month. The amount you receive is less than

the base amount according to your schedule. That base amount is reduced by a factor from a mortality table, using your age and your spouse's age when you retire.

For example, assume you are retiring with 30 years BAS under Schedule 9B. You are age 58 and your wife is age 56. The base benefit amount under Schedule 9B with 30 years BAS is \$3500 per month at any age. Therefore, you could choose from the following benefit forms:

1. **5-year Certain and Life, \$3500 per month** or
2. **50% Joint and Survivor** -- \$3223 payable to you for life, \$1612 payable to your spouse for life after you die ( $\$3500 \times .9208$  (factor) = \$3222.80, rounded to \$3223 then,  $\$3223 \times 50\% = \$1611.50$ , rounded to \$1612) or
3. **66.7% Joint and Survivor** -- \$3128 payable to you for life, \$2086 payable to your spouse for life after you die ( $\$3500 \times .8937 = \$3127.95$ , rounded to \$3128 then,  $\$3128 \times 66.7\% = \$2086.37$ , rounded to \$2086) or
4. **75% Joint and Survivor** -- \$3083 payable to you for life, \$2312 payable to your spouse for life after you die ( $\$3500 \times .8808 = \$3082.80$ , rounded to \$3083, then  $\$3083 \times 75\% = \$2312.25$  rounded to \$2312 or
5. **100% Joint and Survivor**-- \$2954 payable to you for life, \$2954 payable to your spouse for life after you die ( $\$3500 \times .8441 = \$2954.34$ , rounded too \$2954, then  $\$2954 \times 100\% = \$2954$ .

You will notice that the bigger the percentage of your monthly benefit that you want to provide to your spouse when you die, the bigger the reduction to the base benefit. Personnel in the Fund Office's pension department will provide you with estimates of the amount of benefits payable under the various forms.

By federal law, every pension plan must offer a 50% Joint and Survivor Benefit. If you are married, your pension will automatically be paid in this form unless you reject the benefit. Your rejection of the Joint and Survivor Benefit must be witnessed by your spouse and both of you must sign the rejection in front of a notary. The rejection form must be signed and notarized within 90 days of your actual pension effective date.

Your pension application will not be finalized until you have submitted your signed form, either electing the Joint and Survivor Benefit or rejecting the benefit. If you are not married, you must still reject the Joint and Survivor Benefit, swearing that you are unmarried. Any rejection must be signed and notarized within 90 days of retiring. You and your spouse have 30 days to consider the form of benefit.

**Q What if my spouse refuses to consent to my rejection of the Joint and Survivor Benefit?**

A Your pension will automatically be paid in the form of the Joint and Survivor Benefit unless your spouse signs her/his consent to your rejection. In the event your spouse does not consent to your rejection, you will be asked to sign an election form to choose one of the percentages - 50%, 66.7%, 75% or 100%.

**Q What if I am separated from my spouse?**

A Your spouse's signature will not be required on the rejection of the Joint and Survivor Benefit if you and your spouse are legally separated. If this is the case, you will be asked to supply proof of your legal separation such as a copy of the separation papers with the rejection form.

**Q What if I don't know where my spouse is?**

A If you cannot locate your spouse and can provide proof that you have tried to locate him/her and have failed, his/her signature will not be required on the rejection form.

**Contingent Annuitant (CA) Option (For Unmarried Participants) (Pension Plan Section 8.2)**

The Contingent Annuitant form of benefit is similar to the Joint and Survivor Benefit. Where the Joint and Survivor Benefit is for married Participants, the Contingent Annuitant Option applies to unmarried persons. Under this form, you are single but wish to have your pension benefit reduced to provide a lifetime benefit to some other person upon your death. That person, called the Contingent Annuitant (CA), can be anyone – a child, sibling, friend – who is at least 18 years old.

With the Contingent Annuitant Benefit, your normal monthly benefit is reduced by an amount based on an adjusted age differential between you and the Contingent Annuitant. To calculate the Adjusted Age Differential you must first determine how many years older you are than the Contingent Annuitant based on your birthday and their birthday in that calendar year. Next take the number of years for which you are younger than 70 and subtract it from the age difference between you and your Contingent Annuitant. The number you end up with is the Adjusted Age Differential. Like the Joint and Survivor Benefit, you have a choice of four percentages – 50%, 66.7%, 75% or 100% – to leave your Contingent Annuitant (CA). However, if you elect the 66.7% Contingent Annuitant Option, the Adjusted Age Differential between you and a younger CA cannot be more than 25 years. If you elect the 75% Contingent Annuitant Option, it cannot be more than 19 years and if you elect the 100% Contingent Annuitant Option, it cannot be more than 10 years.

**Q What happens if I want to change my form of pension?**

A You can change your mind as to how you wish to receive your pension at any time before retiring. Of course, if you change your mind at the last minute and your pension approval must be reprocessed, your first benefit payment will be late.

No change can be made once you retire and receive your first monthly benefit!

**Q My pension has been reduced to provide the lifetime benefit to my spouse when I die. What if he/she dies first? (Pension Plan Section 8.1(f))**

A If you retire with the Joint and Survivor Benefit and your spouse dies before you, your pension will be recalculated to 'pop up' to the base amount you would have received had you not retired under the Joint and Survivor Benefit.

The recalculated amount will be effective the first of the month following the receipt in the Fund Office of a certified copy of the death certificate.

**Q Would the above apply if I were single and had elected the Contingent Annuitant Option but then the CA died first? (Pension Plan Section 8.2(g))**

A Yes.

**Q What happens if I retire with the Joint and Survivor Benefit and my spouse and I are then divorced?**

A The survivor benefit will still be payable to your ex-spouse upon your death unless he/she waives his/her right to this benefit as part of the divorce. The Plan requires proof of the waiver in the form of a signed court order such as the divorce decree.

If your ex-spouse waives the benefit, your pension will be recalculated to 'pop up' to the base amount you would have received had you not retired under the Joint and Survivor Benefit. The recalculated amount will be effective the first of the month following the Fund Office's receipt of a certified copy of the court order waiving the benefit.

**IMPORTANT:** If your ex-spouse waives the right to the Joint and Survivor Benefit in a legitimate court decree but you do not submit it to the Fund Office and change your beneficiary before you die, your ex-spouse will receive the survivor benefits.

**Q If my spouse dies or I get divorced, can I change the Joint and Survivor Benefit to my new spouse rather than having my pension recalculated and 'popped up'?**

A No. The Joint and Survivor Benefit (as well as the Contingent Annuitant Option) is only payable to you and the spouse (or Contingent Annuitant) on record as of the date you retired. Therefore, it is important to submit a certified copy of the death certificate to the Fund Office as soon as possible should your spouse or Contingent Annuitant die so your pension amount can be recalculated. Until the certified copy of the death certificate is received, you will continue to receive the reduced benefit amount.

## CHAPTER 12 -- DISQUALIFYING EMPLOYMENT

### **Q Can I work after I retire? (Pension Plan Section 4.11)**

A Only if the work you do is not considered “Disqualifying Employment”. There are different rules as to what is considered disqualifying, depending on your age.

### **Before Normal Retirement Date (usually age 65) (Pension Plan Section 4.11(b)(1))**

Disqualifying employment before your Normal Retirement Date is:

1. Employment with any Employer who pays in the Plan (a Contributing Employer), unless you are working less than 40 hours per month and the Employer pays at a certain level on casuals or you are disabled from your covered job and work for the Contributing Employer in another capacity; or,
2. Employment with an employer who competes with a Contributing Employer.

### **After Normal Retirement Date until age 70½ (Pension Plan Section 4.11(b)(2))**

Disqualifying Employment after your Normal Retirement Date is 40 or more hours of service in any employment or self-employment that is:

1. In an industry whose employees were covered by the Plan as of the earlier of the date you retire or your Normal Retirement Date; and,
2. In the same geographic area covered by the Plan as of the earlier of the date you retire or your Normal Retirement Date; and,
3. In a trade or craft (including supervisory work) in which you worked at any time under the Plan.

### **Age 70½ and after (Pension Plan Section 4.11(b)(3))**

When you reach age 70 and 6 months, you can work anywhere for as many hours as you want. There is no Disqualifying Employment once you reach that age.

### **Q What if I don’t know whether a job would be disqualifying?**

A You should always contact the pension department at the Fund Office before you start working after retirement for a ruling on the employment. Pension Fund personnel can guide you on what is acceptable employment. If the Trustees previously approved the employment, the Fund Office will send you an approval for the work for your records. If it is unknown whether the work is acceptable, you will be asked to complete a “Request for Post-Retirement Employment Approval” form which will then be submitted to the Trustees for their decision. You will be advised in writing of the Trustees’ decision.

In all cases, if you begin working at another job after retiring under the Plan, you must notify the Trustees in writing that you have done so within 15 days of returning to work.

### **Q What happens if I work in Disqualifying Employment after I retire? (Pension Plan Section 4.12)**

A If you work in Disqualifying Employment after retiring under the Plan, your pension will be suspended (stopped). You are not due any pension benefits for any month you work in Disqualifying Employment. Therefore, you will have to pay back the money you received while

working in the Disqualifying Employment.

You will always be given the right to appeal any suspension of your pension to the Trustees if you do not feel that your employment is disqualifying.

**Q What happens if I die after my pension has been suspended?**

A Survivor benefits will be payable in the form you chose when you retired under the Plan. Therefore, if you had retired under a Joint and Survivor Benefit, your spouse will receive the lifetime benefit. If you have retired under the Lifetime only benefit, no survivor benefits would be payable.

**Q If my pension is suspended, will my pension start up again when I stop working in Disqualifying Employment?**

A Yes. Your pension will be reinstated once you stop working in Disqualifying Employment. You must submit a notarized statement to the Trustees, stating the date you stopped your Disqualifying Employment. Pension benefits will be reinstated the first of the month following the date your Disqualifying Employment ended.

Money still owed for benefits you received while working in Disqualifying Employment will be deducted from your reinstated pension benefits until the full amount is recovered. The first month of reinstated benefits can be withheld in full toward any overpayment. If you have reached Normal Retirement Age, a maximum of 25% will be deducted from each monthly benefit payment after the first month. If you die before all of the overpayments have been recovered, the deductions will be taken from any benefits payable to your estate or beneficiary.

**Q Can I increase my monthly benefit under the Plan if my pension is suspended and I return to work in Covered Employment? (Pension Plan Section 4.13)**

A Your monthly pension benefit may increase when you re-retire if you earned additional Benefit Accrual Service when you returned to Covered Employment. However, although the best 20 years BAS are generally used, the increase may not be the same as if you had never retired in the first place.

You should not retire under the Plan with the thought that it is only temporary. Remember, you will not be allowed to change your form of benefit once you retire. The decision to retire under the Plan is a lifetime decision and should be given serious consideration.

## CHAPTER 13 -- DEATH BENEFITS BEFORE RETIRING

If you die before retiring, you must be vested for any survivor benefit to be payable. There are three different survivor benefits payable under the Plan depending on your years BAS and marital status. They are:

1. Pre-Retirement Lifetime Survivor Benefit
2. 5-Year Death Benefit
3. Lump Sum Death Benefit

### **Pre-Retirement Lifetime Survivor Benefit (Pension Plan Section 8.3)**

If you die after becoming vested under the Plan but before retiring and:

- you are married, or
  - you are single but had previously named a Contingent Annuitant,
- your spouse or Contingent Annuitant will receive a lifetime monthly benefit on your behalf.

#### **Q When will the lifetime survivor benefit be payable?**

A If you are eligible to retire when you die, the lifetime survivor benefit to your spouse or Contingent Annuitant will start the first of the month following your date of death.

If your earliest possible retirement date is in the future, your spouse or Contingent Annuitant will have the choice of starting survivor benefits on that future earliest possible retirement date, or the first of the month following your date of death at a reduced monthly amount.

#### **Q How much will my spouse (or Contingent Annuitant) receive?**

A If you were eligible to retire when you died, your spouse or Contingent Annuitant will receive 100% of the amount you would have received had you retired the day before you died with the 100% Joint and Survivor Benefit or Contingent Annuitant option in effect.

If you were not yet eligible to retire when you died, your spouse or Contingent Annuitant will receive 100% of the amount you would have received had you lived to your earliest possible retirement date and retired with the 100% Joint and Survivor Benefit or Contingent Annuitant option in effect. This benefit would not begin to be paid until your earliest possible effective date. However, if your spouse or Contingent Annuitant wished to begin payments the first of the month following your death, they could choose to take a reduced benefit that is actuarially equivalent to the amount they would have received had they waited to begin payment.

For example, assume you die after earning 10 years Benefit Accrual Service under Schedule 9B. You are age 55 and your spouse is age 53. Your earliest possible retirement date is at age 60, five years in the future. Your spouse would have the choice of:

- \$737 per month for life, beginning in 5 years at your earliest possible retirement date, or
- \$459 per month for life, beginning the first of the month following your death.

Based upon age under a standard mortality table, the monthly benefit amount is reduced since it will be payable over a longer period.

**Q How do I set up my spouse or Contingent Annuitant to receive the lifetime benefit?**

A If you die after becoming vesting but before retiring under the Plan and are married, your Eligible Spouse will automatically receive the 100% Pre-Retirement Lifetime Survivor Benefit. Your Eligible Spouse is the person who is legally married to you at the time of your death. The only exception to this rule is if you were previously divorced and there is a Qualified Domestic Relations Order on file naming your former spouse as the Eligible Spouse for purposes of the 100% Pre-Retirement Survivor Benefit. Under federal law this is referred to as the Qualified Pre-Retirement Survivor Annuity, or QPSA.

If you are single, you must have named a Contingent Annuitant prior to dying. To do this you must file a completed "Pre-Retirement Contingent Annuitant Designation Form" at the Fund Office. Your signature on the form must be notarized.

Please contact the Fund Office for a form if you are interested in naming a Contingent Annuitant.

**Q Can I name a Contingent Annuitant before I retire just in case I die, but not take my pension in the form of the Contingent Annuitant option when I retire?**

A Yes. In fact, if you are unmarried, you are strongly urged to name a Pre-Retirement Contingent Annuitant if you are vested but have less than 10 years BAS as no other survivor benefit is payable.

**5-Year Death Benefit (Pension Plan Section 4.9)**

The 5-year Death Benefit is payable to your beneficiary, or divided among your beneficiaries, provided:

1. you have no Eligible Spouse as of the date you died,
2. you did not name a Contingent Annuitant,
3. you had earned at least 20 years BAS, and
4. you were at least age 52 when you died if you were covered under Schedule CA.

**Q What would my beneficiary receive under the 5-year Death Benefit?**

A If you were eligible to retire at the time you died (at least age 52 if under Schedule CA; at least age 50 for all other schedules) your beneficiary would receive the base monthly benefit under your benefit schedule that you would have received had you retired the day before you died. The monthly benefit would be paid for 5 years (60 months).

If you were under age 50 at death, your beneficiary would receive:

- \$135 per month for 5 years under Schedules BA and AA
- \$155 per month for 5 years under all other schedules except CA

There is no 5-year Death Benefit payable under Schedule CA if you die prior to age 52.

**Lump Sum Death Benefit (Pension Plan Section 4.10)**

A Lump Sum Death Benefit is payable to your beneficiary, or divided among your beneficiaries, provided:

- you have no Eligible Spouse as of the date you died,
- you did not name a Contingent Annuitant, and



- you had earned at least 10 but less than 20 years BAS, or if covered under Schedule CA, you had earned at least 10 years of Benefit Accrual Service and were less than age 52 when you died.

**Q How much is the Lump Sum Death Benefit?**

A The amount of the Lump Sum Death Benefit is \$2.00 for each week of contributions paid on your behalf into the Plan since your last permanent break in service, if any.

**Q How do I name a beneficiary?**

A To name, or designate, a beneficiary, you must complete a pension beneficiary form and file it at the Fund Office. You must sign the form and an adult who is not named as a beneficiary must witness your signature. You can name a primary beneficiary and a secondary beneficiary, a person who takes the place of the primary beneficiary should the primary beneficiary die before or at the same time as you. You may designate your estate or a trust as your beneficiary. You can also name several beneficiaries, with survivor benefits divided among them. However, there can be only one Eligible Spouse or Contingent Annuitant to receive the Lifetime Survivor Benefit.

You should contact the Fund Office and request a beneficiary form for completion if you do not have a beneficiary statement on file. You may also want to review your designation on a periodic basis, especially when you have a life change, i.e. marriage, death, divorce etc.

**Q What happens if I die without naming a beneficiary? (Pension Plan Section 2.15 & 9.7)**

A As previously stated, lifetime survivor benefits will be payable to any Eligible Spouse at the time of your death. If you are unmarried at the time of death and have not named a Contingent Annuitant or beneficiary, the 5-year Death Benefit or Lump Sum Death Benefit, if applicable, will be paid out in the following order:

- to your child, or children in equal shares;
- to your father and mother in equal shares if both are living;
- to your estate, if no relative listed above survives you.

## CHAPTER 14 – DIVORCE

**Q I'm going through a divorce. Can my spouse get part of my pension? (Pension Plan Section 9.6)**

A Under The Retirement Equity Act of 1984 (REA), your pension can be affected by the terms of a Qualified Domestic Relations Order (QDRO). The Plan may be ordered to pay from your pension benefits child support, alimony or other spousal payments, or marital property rights to a spouse, former spouse, child, or other dependent of yours. Such benefits can be payable as early as the date you become eligible to retire under the Plan - even if you continue working.

For your pension benefits to be paid to someone other than yourself, a domestic relations order must be 'qualified'. Only the Plan can determine if an order is qualified. If you are going through a divorce, you should contact the Fund Office for additional information and a copy of the Fund's Procedures Regarding Qualified Domestic Relations Orders.

## CHAPTER 15 -- APPLICATION FOR BENEFITS

### **Q How do I apply for pension benefits? (Pension Plan Section 9.2)**

A You can contact the Fund Office and request a pension application to be mailed to you. Applications and other forms can also be downloaded from the Fund's website. Or you can call the Fund Office and set up an appointment to come in and apply in person. Unless you are applying for a Disability Pension, your pension application must be completed, signed, and submitted to the Fund Office at least 2 full months prior to your desired pension effective date. The effective date is the date you want pension benefits to start. Under the Plan, pension benefits are always effective the 1st day of the month.

For example, if you plan to stop working on December 31st, your pension effective date will be January 1st and your application will need to be on file at the Fund Office no later than the previous November 1st.

Remember, if you are applying for a Partial Pension, you must contact each fund for their application rules. You must apply with and be approved for benefits, separately, by each fund involved.

### **Q What else will I need to submit?**

A You will have to provide a copy of your birth certificate. If you elect the Joint and Survivor Benefit, you must also provide copies of your spouse's birth certificate and your marriage certificate. If you elect the Contingent Annuitant Option, you must provide a copy of the CA's birth certificate.

Along with the basic 3-page pension application, the Fund Office will provide other necessary forms to complete your application. These forms will include your election or rejection of the Joint and Survivor Benefit and/or Contingent Annuitant Option, tax forms, beneficiary form, post-retirement rules, and direct deposit request.

### **Q How is a Disability Pension different?**

A A Disability Pension is effective the first of the 6th month after your disability began provided you have filed an application. Otherwise, a Disability Pension is effective the first of the next month following the date you file your application. To save time, you should file an application for a Disability Pension if there is any chance you may not return to work.

Most often, the Trustees use the Social Security Disability Award as proof of your total disability. If approved, payments can start sooner if your pension application is already on file when Social Security makes their determination.

### **Q What is direct deposit?**

A With your written request, the Plan will deposit your monthly pension payment directly into your checking or savings account. Direct deposit can be elected at any time and can be stopped at any time. To start direct deposit, you must complete and sign an EFT (electronic fund transfer) authorization form provided to you by the Fund Office or using a standard form from your bank or credit union. The authorization must indicate the name of the institution where your monies are to be deposited, the ABA number of the institution (9 digit number), your individual account number, and whether the account is a savings account or a checking account.

**Q How long does it take to process an application?**

A You will be advised in writing within 90 days of submitting your application to the Fund Office if your pension application has been approved or denied. If more time is needed to make a determination, you will be notified as soon as possible.

**Q How does someone apply for my survivor benefits?**

A They should contact the Fund Office as soon as possible after your death. The Pension Department personnel will notify the appropriate person or persons regarding possible survivor benefits and how to apply for such benefits.

**CHAPTER 16 -- PENSION APPEALS (Pension Plan Section 9.9 & 9.10)**

**Q What if my pension is denied?**

**Q If I have a question about my pension benefits and I don't agree with what the Fund Office personnel tell me, where else can I go?**

A If your claim for pension benefits is denied, if you don't agree with the money amount or effective date, or if you don't agree with any determination made by Fund Office personnel, you have the right to request the Trustees to review the Fund Office's ruling.

**Q How do I request such a review?**

A To appeal a decision by the Fund Office, you must:

1. Put your request in writing,
2. State in your letter
  - your name,
  - your address,
  - the fact that you are appealing a decision of the Fund Office,
  - the date of that decision, and
  - your reasons why you think your appeal should be granted,
3. Address your appeal letter to the Trustees in care of the Fund Office.

**Q Can someone else submit the appeal for me?**

A Yes. Your signed written statement of authorization for that other person must be submitted with the appeal.

**Q How long do I have to appeal a decision of the Fund Office?**

A Your written appeal must be received in the Fund Office within 90 days of the date you received the initial denial from the Fund Office. You will lose your right to a review of your denial if you do not file your appeal within this 90-day period.

**Q How long will the Trustees take to decide on my appeal?**

A If you submit an appeal, the Trustees will usually decide on it at their next regularly scheduled monthly meeting. (If your appeal is received less than 30 days before such a meeting, your appeal may be heard at the second next regularly scheduled meeting.) You will be contacted if additional time is needed. In no event will the period for making a decision extend beyond 180 days from the date your appeal was received in the Fund Office unless additional information is needed from you or your beneficiary. Once they make a decision, you will be advised in writing. The Trustees' decision will be final and binding on all parties and no legal or administrative action can be begun against the Plan more than 180 days after the Trustees' decision on your appeal.

## CHAPTER 17 -- RICHMOND TEAMSTERS AND INDUSTRY FUND

**Q I'm a former Richmond Teamsters and Industry Pension Fund participant. Has my Fund been merged into Teamsters Joint Council No. 83 of Virginia Pension Fund?**

A Yes. On July 1, 2015, the Richmond Teamsters and Industry Fund merged into the Teamsters Joint Council No. 83 of Virginia Fund ("JC83").

**Q Does this mean I will receive my future pension payments from the Teamsters Joint Council No. 83 of Virginia Pension Fund?**

A Yes.

**Q Will I continue to receive the same gross amount per month that I was receiving prior to the merger?**

A Yes.

**Q Do I need to reapply to continue receiving my monthly benefit?**

A No. The Fund Office has received your information from the former administrator, American Benefits Corporation so there's nothing you need to do to continue receiving your benefits.

**Q I'm eligible to retire in the future. Who do I speak to when the time comes to apply?**

A Contact the Fund Office using the information found in Chapter 1

**Q I've yet to retire. How will my monthly benefit be calculated?**

A The merger agreement carries over the formulas used by the Richmond Teamsters and Industry Pension Fund. You are entitled to the benefit earned while part of the Richmond Teamsters and Industry Pension Fund. You may elect to begin your pension as early as the first day on any month after turning 55 years of age. Your benefit will automatically begin at the point you reach 70½ years of age regardless of whether you continue working and no matter what job you are performing. If you elect to begin receiving your benefits prior to age 65, your monthly benefit will be reduced by .5% for each month between your age when benefits begin and 65. However, the monthly amount cannot drop below \$420 if the payment is for your life only, or \$336 if the payment is for you and your spouse's life under a Joint and Survivor Annuity form.

**Q I see some differences in the options mentioned in earlier chapters of this Summary Plan Description and what I recall when reading the Richmond Teamsters and Industry Pension Fund Summary Plan Description. Is that correct?**

A Yes. The Contingent Annuity provisions and the 66.7% Joint and Survivor election do not apply to former Richmond Teamsters and Industry participants. In addition, if the actuarial present value of a pre-retirement survivor benefit equals \$1,000 or less, such amount will be paid in a lump sum to the surviving spouse.

## **CHAPTER 18 -- MISCELLANEOUS INFORMATION ABOUT THE PLAN**

### **Address Changes**

To remain informed about your benefits it is very important to keep the Fund Office advised of any address changes. Changes should be submitted to the Fund Office in writing. If your pension is in payment status, your signature will be required on the address change request. If mail is returned as undeliverable, pension payments, including those that may be direct deposited, could be held up until you are verified to be alive and a change of address request is received.

### **Assignment of Benefits (Pension Plan Section 9.6)**

Your pension and any subsequent survivor benefits cannot be assigned and are not subject to any garnishment or attachments, except as authorized by law – for example, by the Internal Revenue Service or in the form of a Qualified Domestic Relations Order. This means that in most cases, the Plan will not send your monies to a creditor.

### **Funding**

The Pension Fund receives contributions from both Employers and employees. The amount of contributions paid is in accordance with collective bargaining agreements between the Union and the Employers. The Plan is also funded by liability payments from Employers who withdraw from the Plan.

### **Maximum Benefit (Pension Plan Section 4.14)**

Any benefit you are entitled to from the Plan may be reduced to comply with the maximum limitations on benefits established by the Internal Revenue Service. Fund Office personnel will advise you if you will be affected by any such limitation.

### **Plan Year**

The Plan Year begins January 1 and ends December 31.

### **Required Pension Effective Date (Pension Plan Section 9.11)**

The Plan will begin paying you any pension benefits you have earned on April 1st in the calendar year following the calendar year in which you reach age 70½, even if you continue to work.

### **Right of the Trustees to change or terminate the Plan (Pension Plan Article 10)**

The Board of Trustees reserves the right to amend (change) the Plan at any time to improve benefits and to keep it financially and actuarially sound. You will be kept informed of any material modification to the Plan by updates to this Summary Plan Description.

The Board of Trustees intends to continue the Plan indefinitely. However, the Board of Trustees reserves the right to terminate the Plan at any time. If the Plan is terminated, the net assets of the Plan will be allocated to the Participants and Beneficiaries in the manner specified by ERISA and according to the Trust Agreement. Certain benefits of the Plan are insured by the Pension Benefit Guaranty Corporation.

## **CHAPTER 19 -- PENSION BENEFIT GUARANTY CORPORATION (PBGC)**

The Pension Benefit Guaranty Corporation, a federal agency, insures your pension benefits under this multiemployer plan. 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 \$5.00 of the monthly accrual rate and (2) 75% of the next \$15.00. The PBGC's maximum guarantee limit is \$16.25 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 \$5,850.

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 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, ask your plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, NW, Suite 930 Washington, DC 20005-4026 or call 800-736-2444. TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 800-736-2444. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.



## CHAPTER 20 -- STATEMENT OF RIGHTS AND PROTECTIONS UNDER ERISA - THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a Participant in the Teamsters Joint Council No. 83 of Virginia Pension Plan, you are entitled to:

- **Receive Information About Your Plan and Benefits**

- Examine, without charge, at the Fund Office all documents governing the Plan, including insurance contracts and collective bargaining agreements, a list of the Employers and employee organizations (Unions) participating in the plan, 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 Pension and Welfare Benefit Administration.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, a list of the Employers and employee organizations (Unions) participating in the Plan, and a copy of the latest annual report (Form 5500 Series) and updated summary plan description. Because the Plan Administrator may make a reasonable charge for the copies, we suggest you contact the Fund Office to determine the cost before requesting copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of this summary annual report (SAR).
- Obtain a statement telling you whether you have a right to receive a pension at your normal retirement age (generally age 65), and if so, what your benefits would be at that 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 get 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 this statement free of charge.

- **Prudent Action by Plan Fiduciaries**

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

- **Enforce 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 document or the Plan's latest annual report and do not receive it within 30 days, you may file suit in Federal court. In such a case, the court may require the Plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for pension benefits, which is denied or ignored, in whole or in part, you may file suit in a

state or Federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support order, you may file suit in Federal court. If it should happen that Plan 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 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.

- **Assistance With Your Questions**

If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, U. S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.