



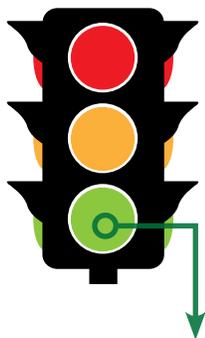
A Report to Contributing Employers of **The Western Conference of Teamsters Pension Trust Fund**



Why the Western Conference of Teamsters Pension Plan is Right for You and Your Employees

The Plan is Well-Funded and Effectively Manages Risk

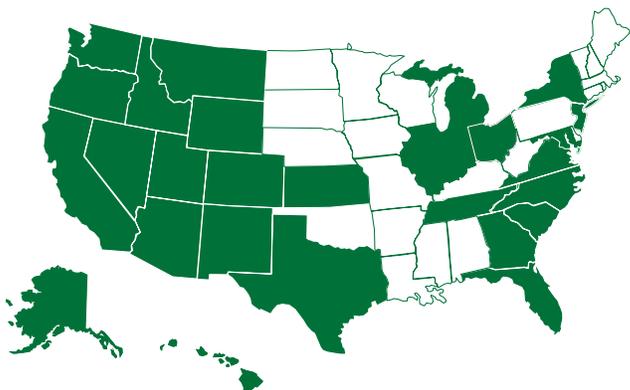
Under the Pension Protection Act of 2006 (PPA), pension plans are required each year to disclose their funded status. Independent actuaries certify each plan's funded status so participants can see its "health" and its likelihood of meeting its benefit promises to existing and future participants and retirees. The PPA created three "zones" that operate like a stoplight.



Plans designated in the **Green Zone** are considered healthy and have the highest and safest funding levels. Plans in the **Yellow Zone** are considered "Endangered." Trustees and bargaining parties must take action to improve the funding levels. Plans in the **Red Zone** are considered "Critical." Trustees and plan sponsors are required to take immediate and drastic actions to keep the plan from deteriorating further. These required steps can place a financial burden on employers.

The Western Conference of Teamsters Pension Plan is very well funded (carrying a 90% PPA funded percentage for 2017) and has been in the **GREEN ZONE** every year since the zone concept was introduced!

The Plan is Expanding Nationwide, Providing Thousands of New Participants True Retirement Security

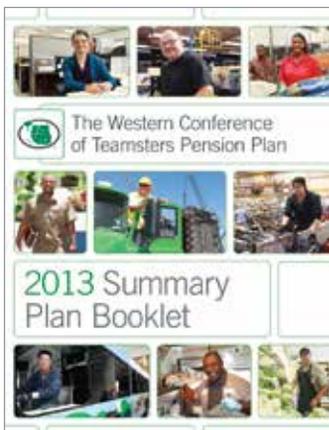


The Western Conference of Teamsters Pension Plan covers over 203,000 active participants through pension agreements negotiated with more than 1,400 employers. Once limited to the western United States, the Plan is now expanding nationwide. Over 13,000 new participants have joined in the past five years, with almost 5,000 working for employers outside the West. The states shown in green are where active participants currently receive credit towards benefits.



Key Advantages of the Plan for You and Your Employees

- » The Plan continues to be well-funded, retaining its Green Zone status for 2017.
- » The Plan has broad geographic coverage and continues to expand.
- » The industry diversification of contributing employers lowers risk.
- » The Plan is professionally managed and operates with greater efficiency due to its larger size.
- » The Plan assures that your employees don't have to be investment experts to face the future with confidence.
- » The Plan provides more than just retirement benefits. Also included are disability benefits, child and spousal survivor benefits, and lump sum death benefits—all of which provide an umbrella of retirement security.
- » The Plan promotes employment longevity.
- » Your employees won't outlive their benefits from the Plan.
- » Communications from the Plan are transparent. Valuable information for both you and your employees is available on the Plan's website at www.wctpension.org.



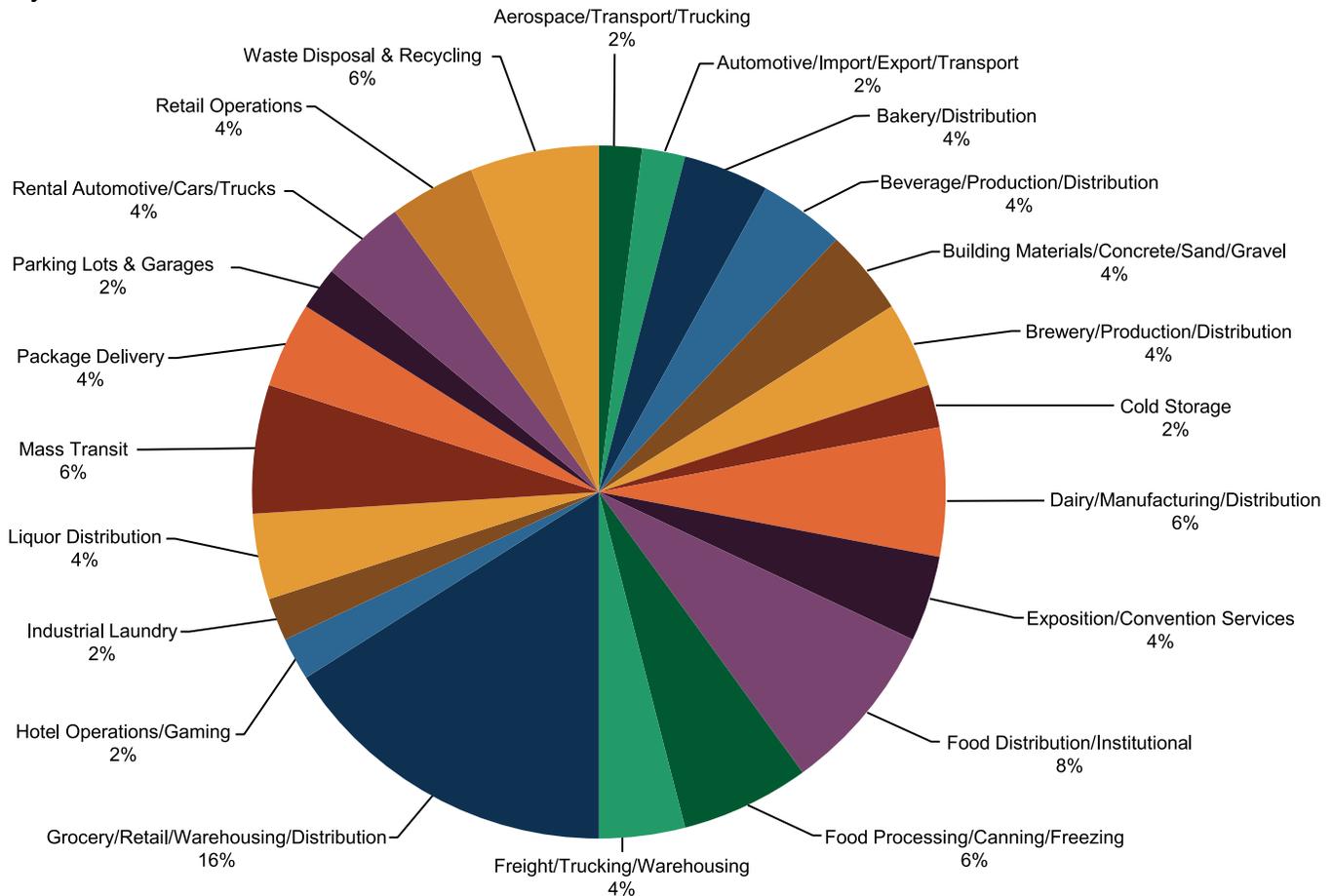
More detailed information about the Plan can be found, in both English and Spanish, in the Summary Plan Booklet at www.wctpension.org.

You can refer your employees to the following Trust Administrative Offices for questions:

- » Seattle, WA: 800-531-1489
- » Pasadena, CA: 866-648-6878
- » Brisbane, CA: 800-845-4162
- » Portland, OR: 800-845-9040

Industry Diversification Lowers Risk

Because many different employers from different industries contribute to the Plan, financial strength is maintained. This is especially important during economic downturns because the Plan isn't tied to just one or a few industries. The chart below shows the percentage share by the industry of the top 50 contributing employers.

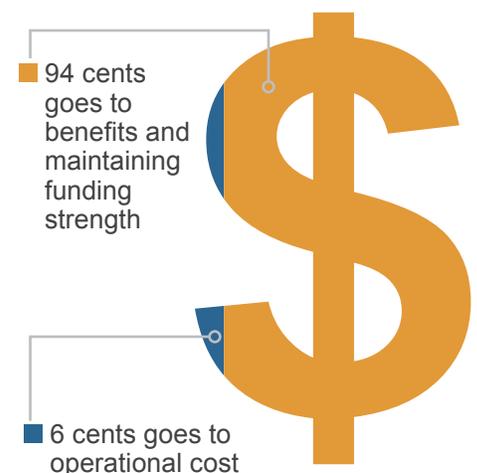


The Plan is Efficiently Managed

The Western Conference of Teamsters Pension Plan is the largest collectively-bargained defined benefit pension plan in the United States, with **assets over 38 billion dollars**. The Plan's size provides economies of scale that can't be matched by any other retirement program. The Plan obtains the best investment services and administration at net costs well below the average 401(k) or defined contribution scheme.

By way of example, for every dollar you contribute to the Plan on behalf of your employees, only 6 cents is needed to pay for the operations of the Plan (called General and Administrative Expense). This leaves 94 cents of the contribution dollar, and all investment income, available to pay for benefits and maintain funding strength.

Your Contribution Dollar



Predictable Lifetime Benefits Are the Best Way to Ensure a Happy Retirement

Most people lack the interest, time, or financial acumen to undertake all the decisions required to guarantee a safe and secure retirement. It's a daunting challenge to save, select appropriate investments, manage plan costs, and determine how and how much to take in retirement to ensure one does not "outlive his or her money." A major advantage of a well-funded defined benefit plan such as the Western Conference of Teamsters Pension Plan is that the Trust removes these concerns from your employees. The Trust hires the best investment managers, administrators and plan experts to ensure you and your employees a secure, predictable stream of retirement income, no matter how long participants or beneficiaries may live. This is true regardless of financial market volatility and increasing life expectancies.

As of 3/15/2017,
the Plan has
over **140**
Retirees over
the age of 100.

People are living longer

According to data compiled by the Social Security Administration:

- » A man reaching age 65 today can expect to live, on average, until age 84.3.
- » A woman turning age 65 today can expect to live, on average, until age 86.6.

And those are just averages. About one out of every four 65-year-olds today will live past age 90, and one out of 10 will live past age 95.

The Plan Promotes Employee Retention

Pension plan benefits are based upon years of service, so the longer an employee stays in covered employment, the more the employee will receive in benefits.

According to one survey, nearly four out of five (approximately 78%) of business leaders rank employee retention as important or urgent.* The costs of turnover will depend on your company's particular mix of employees. Some will be relatively inexpensive to replace, some will be quite a bit more costly. One estimate is that direct turnover costs are 50-60% of an employee's salary.**

*According to *Eremedia.com and **SHRM.com*

The Plan Provides Peace of Mind

The Western Conference of Teamsters Pension Trust Fund provides real retirement security for a lifetime.

The Plan doesn't just pay traditional retirement benefits. It protects your employees if they become totally and permanently disabled prior to retirement. It also provides both minor child and spousal survivor benefits if an employee dies before or after retirement, as well as lump sum death benefits. Benefits like these give your employees options above and beyond what a retirement plan like a 401(k) can provide, and remove some of the financial pressures associated with planning.

Frequently Asked Questions from Your Employees

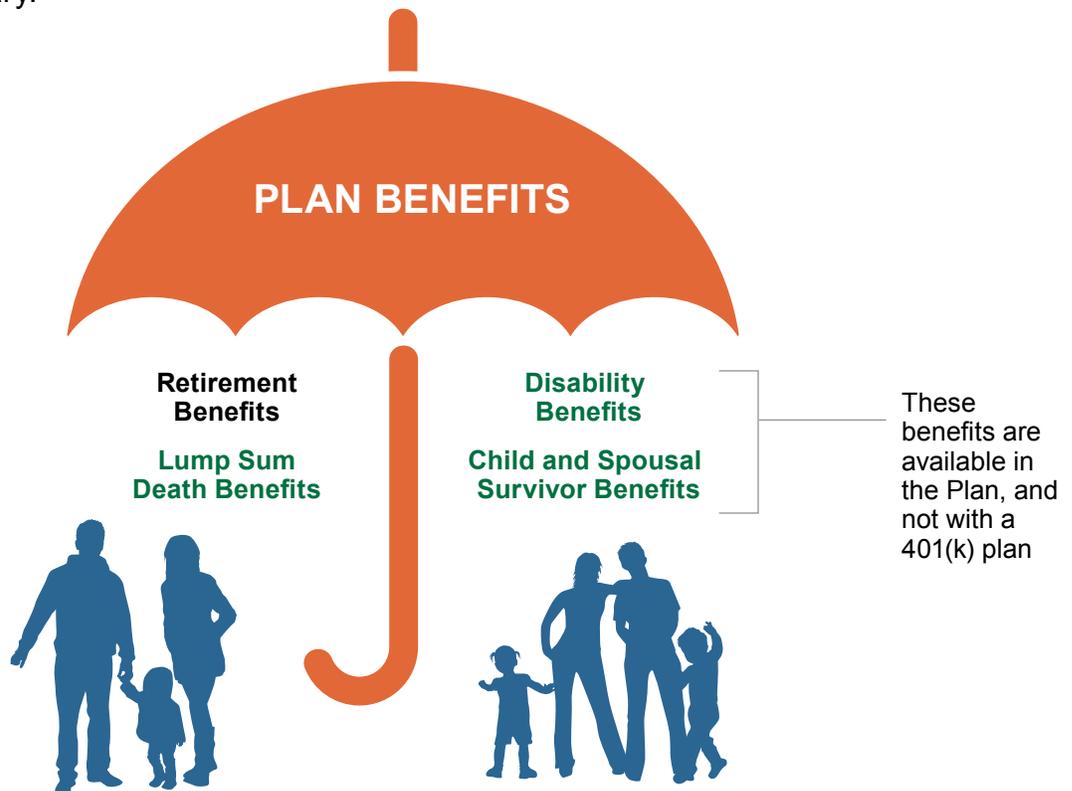
What benefits are provided by the Plan?

The Plan provides more than just lifetime retirement benefits. It protects you if you become totally and permanently disabled before retirement. Whether you die before or after retirement, your Plan can provide monthly income security to your surviving spouse and minor children and substantial lump sum death benefits to your designated beneficiary.*

**Subject to Plan rules*

What determines the amount and length of you and your beneficiaries' benefits?

Benefits are based on a percentage of contributions paid into the Plan on your behalf. Therefore, the longer you stay in covered employment the more your benefits will improve. Various lifetime payment options are available.



Who makes contributions to the Plan?

Each month, your employer makes contributions for your covered employment based on the contribution rate in your collective bargaining agreement. Employees do not make contributions.

Who makes investment decisions?

A group of investment professionals advise the Board of Trustees.

RETIREMENT SECURITY FOR A LIFETIME