NEW ENGLAND TEAMSTERS AND TRUCKING INDUSTRY PENSION FUND

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January, 2021

ANNUAL FUNDING NOTICE

Active & Inactive Vested Participants:

Introduction

This notice includes important funding information about your pension plan ("the Pension Fund"). This notice also provides a summary of federal rules governing multiemployer plans in reorganization and insolvent plans and benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("the PBGC"), a federal agency. This notice is for the plan year beginning October 1, 2019 and ending September 30, 2020 (referred to hereafter as "Plan Year").

Funded Percentage

The funded percentage of a plan is a measure of how well that plan is funded. This percentage is obtained by dividing the Pension Fund's assets by its liabilities on the valuation date for the plan year. In general, the higher the percentage, the better funded the plan. The Pension Fund's funded percentage for the Plan Year and 2 preceding plan years is set forth in the chart below, along with a statement of the value of the Pension Fund's assets and liabilities for the same period.

	2019	**2018**	**2017**
Valuation Date	10/1/2019	10/1/2018	10/1/2017
Value of Liabilities	$8,638,163,547	$8,391,404,221	$8,206,447,352
Actuary's Value of Assets	$2,596,005,727	$2,730,943,720	$2,793,595,489
Funded Percentage – Actuary's Value	30.1%	32.5%	34.0%
Auditor's Fair Market Value of Assets	$4,165,686,126	$4,293,871,918	$4,356,907,139
Funded Percentage – Auditor's Value	48.2%	51.2%	53.1%

It should be noted that the Pension Fund has negotiated transition agreements with over 100 employers whereby those transition employers have agreed to simultaneously pay to the Pension Fund their withdrawal liability, as well as remitting ongoing pension contributions. Therefore, the Pension Fund's auditors have included approximately $1.8 billion of receivable withdrawal liability payments in their certified fair market value of Pension Fund assets.

Fair Market Value of Assets

Two asset values are included in the chart above, 1) the actuary's value of assets and 2) the auditor's fair market value of assets. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. The auditor's fair market values of assets include the value of receivable employer withdrawal liability payments.

Participant Information

The total number of participants in the plan as of the Pension Fund's valuation date was 72,693. Of this number, 21,975 were active participants, 32,500 were retired or separated from service and receiving benefits, and 18,218 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Pension Fund is to comply with the funding requirements of the Internal Revenue Code, as amended from time to time. The Board of Trustees monitors the level of funding with the assistance of the Pension Fund's enrolled actuary and the Pension Fund's investment consultant.

Once money is contributed to the Pension Fund, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Pension Fund's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries, who are responsible for plan investments, with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Pension Fund is as follows:

The Board of Trustees, in conjunction with the Pension Fund's professional investment advisor, has established Investment Policy Guidelines for the investment of plan assets which are periodically updated. The Investment Policy Guidelines set forth the investment strategy and investment manager procedures, as well as describing the types of asset classes appropriate for Pension Fund investments.

Based on the latest Investment Policy Guidelines, the current target percentage and acceptable range for each asset class is as follows:

Asset Class	**Target %**	**Range**
Equity Securities	48%	38% to 58%
Fixed Income Securities	17%	12% to 22%
Real Estate	17%	12% to 22%
Alternative (private equity, infrastructure and hedge funds)	18%	11% to 28%

This set of asset classes, and target investment percentages, is developed according to the risk constraints and return objectives of the Investment Policy Guidelines and is designed to generate realistic returns with an acceptable amount of risk. Investments are made in these asset classes through qualified investment managers that employ commingled and/or separate account funding vehicles through which marketable securities are held and transacted. Each investment manager is responsible for generating competitive investment results while adhering to the Investment Policy Guidelines. Investment performance is measured no less than quarterly at which time asset class rebalancing adjustments, if necessary, are made.

In accordance with the Pension Fund's Investment Policy Guidelines, the Pension Fund's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets as reported on DOL Form 5500 Schedule H.

Asset Allocations	**Percentage**
1. Interest-bearing cash	1%
2. U.S. Government securities	2%
3. Corporate debt instruments (other than employer securities):	
Preferred	1%
All other	1%
4. Corporate stocks (other than employer securities):	
Preferred	0%
Common	8%
5. Partnership/joint venture interests	38%
6. Real estate (other than employer real property)	6%
7. Loans (other than to participants)	0%
8. Participant loans	0%
9. Value of interest in common/collective trusts	43%
10. Value of interest in pooled separate accounts	0%
11. Value of interest in master trust investment accounts	0%
12. Value of interest in 103-12 investment entities	0%
13. Value of interest in registered investment companies (e.g., mutual funds)	0%
14. Value of funds held in insurance co. general account (unallocated contracts)	0%
15. Employer-related investments:	
Employer securities	0%
Employer real property	0%
16. Buildings and other property used in plan operation	0%
17. Other	0%

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202-693-8673. Or you may obtain a copy of the Pension Fund's annual report by making a written request to the plan administrator.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called "plan reorganization rules," a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are not eligible for the PBGC's guarantee (generally, benefits that have been in effect for less than 60 months). If a plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both). The law requires the plan to furnish this notification to each contributing employer and the labor organization.

Despite the special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available financial resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC, by law, will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notification of the insolvency to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of any lump sum option. This information will be provided for each year the plan is insolvent.

The Pension Fund is neither in reorganization status nor insolvent.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50. The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee: pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates; benefits above the normal retirement benefit; disability benefits not in pay status; or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact the Fund Office, at 1-781-345-4400 or 1 Wall Street, Burlington, MA 01803-4768. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 04-6372430. For more information about the PBGC and multiemployer benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

Pension Status and Estimated Benefit Statement

If you would like information about your status in the Fund the following options are available to assist you:

1. Visit the Member Portal on the Pension Fund's website, www.nettipf.com, select Member Login to review your status in the Fund. If you are vested you can calculate and print an Estimated Benefit Statement. If you are not vested you can review your hours and vesting status. If you have any questions or need assistance in the Member Portal click the Contact Us Button and we will help.
2. Call the Fund Office to speak to a Pension Fund Representative at 800-447-7709 open Monday through Friday 8 AM to 4 PM, closed on all major holidays.
3. Send a written request to the Fund Office at One Wall Street, Burlington MA, 01803-4768.