

ACTUARIAL REPORT
AS OF JANUARY 1, 2009
FOR THE
WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

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August 26, 2009

DATE

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

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SECTION A — INTRODUCTION

The results presented in this January 1, 2009 Actuarial Report for the Western Conference of Teamsters Pension Plan (WCT Pension Plan) are based on (1) census data supplied by Prudential Investments and Northwest Administrators, Inc. and (2) asset information reported by the Plan's auditor, Lindquist, LLP, Prudential Investments, and the Plan's investment advisor, Alan D. Biller & Associates, Inc. In our opinion, the data were adequate for our actuarial computations.

This report includes:

- < A summary of the funding status of the Plan, including the expected amortization period for the Plan's January 1, 2009 unfunded actuarial liability;
- < A comparison of the December 31, 2008 vested benefit liability with the actuarial value of the Plan's assets;
- < A comparison of the Plan's liabilities and costs from the Plan's January 1, 2008 actuarial valuation with the liabilities and costs from this actuarial valuation;
- < A statement of the effects on principal actuarial values of any Plan changes and actuarial assumption changes;
- < Descriptions of the census data used, together with statistical tables that illustrate the data characteristics and validate the data sampling techniques used for non-retired participants;
- < A projection of the 2009 Funding Standard Account. This projection estimates the Plan's funded status for Schedule MB information, reported with Form 5500;
- < The development of the maximum tax deductible contributions for 2009, including disclosure of the various full funding limitations applicable to contributing employers;
- < Information required for disclosure in the Plan's Financial Statements; and
- < A summary of Plan provisions effective January 1, 2009. A brief history of Plan amendments since 1984 is included as an Appendix to this report.

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SECTION B — SUMMARY OF PRINCIPAL RESULTS

1. Unfunded Actuarial Liability and Amortization Period

The Actuarial Liability for this Plan is calculated assuming that the Plan will continue indefinitely at the benefit levels in effect on the valuation date, using the Entry Age Actuarial Cost Method and the actuarial assumptions, as described in Section I. The Unfunded Actuarial Liability (UAL) is the amount by which the Actuarial Liability exceeds the Actuarial Value of Assets.

The existence of the UAL is primarily the result of Plan provisions that grant benefits to participants for (a) periods of contributory service before the valuation date when benefit levels and related contribution rates were lower than those in effect on the valuation date and (b) service rendered by a participant before his/her coverage by the Plan. The UAL as of January 1, 2009 reflects the Plan provisions in effect on that date, together with the employer contribution rates and census data as of December 31, 2008.

The amortization periods shown below represent a measure of how rapidly this UAL can be expected to be paid-off if (a) the demographics and Plan provisions existing on the valuation date remain constant, (b) the actuarially assumed experience is realized, and (c) the annual level of employer contributions is \$1.353 billion. The UAL and amortization period as of January 1, 2008 reflect the Plan provisions, assets, and actuarial assumptions described in the 2008 Actuarial Report. The UAL and amortization period as of January 1, 2009 reflect the Plan provisions, asset values and actuarial assumptions described in this Actuarial Report. Details of both the January 1, 2008 and January 1, 2009 results are shown in Section D.

Development of Unfunded Actuarial Liability (in thousands)		
	January 1, 2008	January 1, 2009
Actuarial Liability	\$34,824,892	\$35,615,631
Assets (actuarial value)	\$31,398,542	\$28,541,798
Unfunded Actuarial Liability	\$3,426,350	\$7,073,833
Amortization Period	5.0 Years	13.4 Years

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SECTION B — SUMMARY OF PRINCIPAL RESULTS (Continued)

2. **Funding Status — Estimated Level of Employer Contributions**

The contribution assumption is used to determine the expected amortization period for the Plan's UAL. Based on our review of the recent history of employer contributions and contributory hours, we have assumed that annual employer contributions would be approximately \$1.353 billion, including expected PEER contributions. This assumed annual employer contribution amount is the same as last year's, based on the anticipation that this year's contribution rate increases would generally be offset by decreases in levels of covered employment.

3. **Funded Status of Vested Benefit Liability**

During 2008, the Plan's Vested Benefit Liability increased by about 3.4%, or \$1.026 billion. The actuarial value of the assets, on the other hand, decreased by 9.1%, or \$2.857 billion. As a result, the Plan has an Unfunded Vested Benefit Liability of \$2.919 billion as of December 31, 2008, based on the actuarial assumptions used for funding purposes.

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SECTION C — CURRENT FINANCIAL EXPERIENCE

1. **Summary Review of Experience**

This section summarizes the Plan's financial information for the last two years and investment return experience for the last five years. The financial information for 2008 indicates that:

- < Employer contributions in 2008 (exclusive of withdrawal liability payments) increased by about 2.3% from \$1.320 billion in 2007 to \$1.351 billion in 2008. This increase is about one-half of the percentage increase we have observed during the preceding several years because of a decrease in the level of covered employment.
- < Benefit payments increased by 3.2% to \$2.060 billion during the 2008 calendar year.
- < Administrative expenses in 2008 amounted to 5.95% of employer contributions, compared with 5.59% of employer contributions in 2007.
- < The net assets available for benefits on a market value basis decreased by \$7.348 billion in 2008, compared with the \$927 million increase experienced during 2007.
- < Taking into account both realized and unrealized investment results, the effective rate of return on the net market value of assets was -20.58% for 2008. The corresponding yields for 2007 and 2006 were 5.41% and 10.61%, respectively. The investment earning shortfall on non-dedicated assets for 2008 was \$8.647 billion.
- < The rate of investment return based on the Actuarial Value of Assets was -6.61% in 2008, compared with 9.08% in 2007 and 7.50% in 2006 (all adjusted to take into account the effect of "rebalancing" the dedicated bond accounts). These rates differ from the market value rates because a five year averaging procedure is used to smooth year by year differences between market value investment results and actuarially expected investment results of non-dedicated assets, and because a portion of the assets are invested in dedicated bond accounts which are valued at amortized cost.
- < In 2008, investment returns net of investment expenses on an actuarial basis for the Plan's non-dedicated assets were lower than actuarial expectations by \$4.126 billion due to the smoothing of prior year investment losses.

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SECTION C — CURRENT FINANCIAL EXPERIENCE (Continued)

2. Rates of Investment Return

Asset Valuation Basis	2004	2005	2006	2007	2008
Market Value - All Assets	9.49%	6.05%	10.61%	5.41%	-20.58%
Market Value - Non Dedicated Assets	10.22%	6.55%	12.98%	5.67%	-25.23%
Actuarial Value	5.19%	6.18%	7.56%	9.12%	-6.67%
Adjusted Actuarial Value	5.11%	5.99%	7.50%	9.08%	-6.61%
Assumed Rate of Return on Non-Dedicated Assets	7.70%	7.50%	7.30%	7.10%	7.00%

Notes:

- < The rates of investment return are total return rates taking into account both realized and unrealized capital gains.
- < An adjusted actuarial return rate is determined because apparent investment gains or losses in the actuarial values of the dedicated bond accounts can be caused by securities trading to improve the cash flow matching of the dedicated bond accounts. These apparent gains or losses are mostly offset by changes in the dedicated liabilities, so the adjusted rate of investment return on the Actuarial Value of Assets is then calculated net of the changes in asset values associated with the rebalancing process.
- < During the five-year experience period shown in the table, the annual compounded average rate of return during the five years was 1.46% based on the market value of assets compared with 4.12% based on the actuarial value of assets and 4.06% based on the adjusted actuarial value of assets.
- < The annual compounded rate of return on the market value of non-dedicated assets over the last five years was 0.95%. During the same period the annual compounded assumed rate of return was 7.32%.

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SECTION C — CURRENT FINANCIAL EXPERIENCE (Continued)

3. Income and Expense (000s omitted)

	<u>Year Ending December 31, 2007</u>	<u>Year Ending December 31, 2008</u>
a. Net Employer Contributions	\$1,320,358	\$1,350,530
b. Other Income	1,049	1,471
c. Securities Litigation Settlement	1,610	278
d. Investment Income (including Realized and Unrealized Gains and Other Income) Net of Investment Management Fees	1,674,595	(\$6,559,899)
e. Benefit Payments	1,996,396	2,059,601
f. Administrative and General Expenses	<u>73,833</u>	<u>80,375</u>
g. Increase in Net Assets Available for Plan Benefits (a. + b. + c. + d. - e. - f.)	\$927,383	(\$7,347,596)

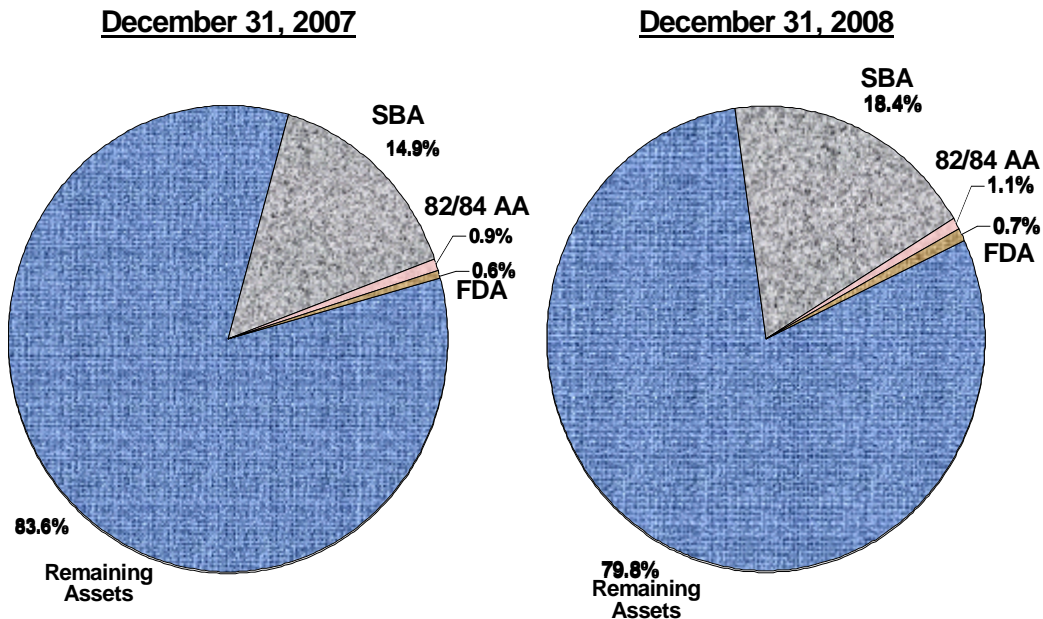
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SECTION C — CURRENT FINANCIAL EXPERIENCE (Continued)

4. Net Assets at Market Value (000s Omitted)

	<u>Year Ending December 31, 2007</u>	<u>Year Ending December 31, 2008</u>
a. Fixed Dollar Account	\$208,000	\$181,121
b. 1982/1984 Annuity Account	289,509	278,425
c. Strategic Bond Account	4,827,271	4,605,623
d. All Remaining Assets	<u>26,997,321</u>	<u>19,909,800</u>
e. Net Assets Available for Plan Benefits	\$32,322,101	\$24,974,969

Note: The assets shown above are valued as described in the Western Conference of Teamsters Pension Trust Fund Financial Statements. The Strategic Bond Account is valued as described by Prudential Investments. These amounts are listed at fair market value and differ from the Actuarial Value of Assets, as described in Section D.



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SECTION D — ACTUARIAL RESULTS

1. Actuarial Value of Assets (000s omitted)

The Actuarial Value of Assets differs from the market (or “current”) value of the net assets available for Plan benefits, as shown in the preceding Section C, because:

- < The Fixed Dollar Account (a “guaranteed” fund maintained by Prudential Investments) is valued at its book value. An additional amount necessary to maintain cash flow matching of \$10.4 million is included at amortized cost.
- < The 1982/1984 Annuity Account and Strategic Bond Account are valued on an amortized cost basis.
- < The remaining assets are valued using a 5-year averaging process whereby 20% of the difference between the market value investment results and actuarially expected results for each of five consecutive years is recognized each year. This process is depicted in the Operation of the Actuarial Asset Valuation Method exhibit on the following page.

The actuarial value of the remaining assets is the market value less the sum of the unrecognized investment results. The value of remaining assets is limited to a corridor of not more than 120% but not less than 80% of the market value of those assets.

	<u>As of</u> <u>1/1/2008</u>	<u>% of</u> <u>Total</u>	<u>As of</u> <u>1/1/2009</u>	<u>% of</u> <u>Total</u>
a. Fixed Dollar Account	\$207,681	0.7%	\$181,105	0.6%
b. 1982/1984 Annuity Account	279,739	0.9%	268,447	0.9%
c. Strategic Bond Account	4,419,289	14.1%	4,216,022	14.8%
d. All Remaining Assets	<u>26,491,833</u>	84.3%	<u>23,876,224</u>	83.7%
e. Total Actuarial Value of Assets	\$31,398,542		\$28,541,798	

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SECTION D – ACTUARIAL RESULTS (Continued)

1. Actuarial Value of Assets (000s omitted) (Continued)

OPERATION OF THE ACTUARIAL ASSET VALUATION METHOD FOR NON-DEDICATED ASSETS (in 000's)

Investment Gain/(Loss) of Market Value over Actuarially Expected Results		Investment Gain/(Loss) Recognized as of January 1, 2009								
		Investment Gain/(Loss) Recognition in Past Years				Investment Gain/(Loss) Recognized in Current Year	Investment Gain/(Loss) to be Recognized in Future Years			
		2004	2005	2006	2007		2009	2010	2011	2012
2004	\$501,362.0	\$100,272.4	\$100,272.4	\$100,272.4	\$100,272.4	\$100,272.4				
2005	(\$207,706.0)		(\$41,541.2)	(\$41,541.2)	(\$41,541.2)	(\$41,541.2)	(\$41,541.2)			
2006	\$1,304,407.0			\$260,881.4	\$260,881.4	\$260,881.4	\$260,881.4	\$260,881.4		
2007	(\$367,932.0)				(\$73,586.4)	(\$73,586.4)	(\$73,586.4)	(\$73,586.4)	(\$73,586.4)	
2008	(\$8,646,585.0)					(\$1,729,317.0)	(\$1,729,317.0)	(\$1,729,317.0)	(\$1,729,317.0)	(\$1,729,317.0)
Preliminary Gains / (Losses) Recognized by Year						(\$1,483,290.8)	(\$1,583,563.2)	(\$1,542,022.0)	(\$1,802,903.4)	(\$1,729,317.0)
Interest on Prior Year Gains / (Losses)						\$35,384.2	(\$466,046.4)	(\$355,197.0)	(\$247,255.4)	(\$121,052.2)
Preliminary Total Gains / (Losses) Deferred and to be recognized in Future Years						(\$6,657,805.6)	(\$5,074,242.4)	(\$3,532,220.4)	(\$1,729,317.0)	\$0.0
Additional Gains / (Losses) Recognized in Current year Because of 80%-120% Corridor						(\$2,678,434.6)				
Adjusted Total Gains / (Losses) Deferred in Current year and to be recognized in Future years						(\$3,979,371.0)				

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SECTION D — ACTUARIAL RESULTS (Continued)

The chart below summarizes the liabilities and assets of the Plan and compares those values with last year's results. Total Liabilities represent the present value of all benefits expected to be paid to current Plan participants for both past and future service. Future Liabilities represent the value of Total Liabilities that are allocated to future periods under the Actuarial Cost Method. The Actuarial Liabilities represent the remaining Total Liabilities which are not allocated by the Actuarial Cost Method to the future periods.

2. Actuarial Present Values and Liabilities (000s omitted)

	January 1, 2008			January 1, 2009		
	Total Liabilities	Future Liabilities	Actuarial Liabilities	Total Liabilities	Future Liabilities	Actuarial Liabilities
a. Active Participants						
i. Pension Benefits	\$14,198,822	\$1,889,313	\$12,309,509	\$14,425,950	\$1,924,134	\$12,501,816
ii. Disability Benefits	\$482,704	\$109,864	\$372,840	\$487,850	\$111,743	\$376,107
iii. Death Benefits*	\$375,080	\$138,868	\$236,212	\$379,746	\$138,867	\$240,879
iv. Termination Benefits	<u>\$1,563,952</u>	<u>\$592,208</u>	<u>\$971,744</u>	<u>\$1,556,598</u>	<u>\$603,070</u>	<u>\$953,528</u>
v. Total	\$16,620,558	\$2,730,253	\$13,890,305	\$16,850,144	\$2,777,814	\$14,072,330
b. Vested Inactive Participants	\$3,300,459	N/A	\$3,300,459	\$3,386,133	N/A	\$3,386,133
c. Retired Participants	<u>\$17,634,128</u>	<u>N/A</u>	<u>\$17,634,128</u>	<u>\$18,157,168</u>	<u>N/A</u>	<u>\$18,157,168</u>
d. Total Liabilities	\$37,555,145	\$2,730,253	\$34,824,892	\$38,393,445	\$2,777,814	\$35,615,631
e. Actuarial Value of Assets			<u>\$31,398,542</u>			<u>\$28,541,798</u>
f. Unfunded Actuarial Liabilities			\$3,426,350			\$7,073,833
g. Funded Ratio			90.2%			80.1%

*Death Benefits are pre-Retirement Benefits only (including Surviving Spouse and Children benefits).

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SECTION D — ACTUARIAL RESULTS (Continued)

This chart compares the various liabilities from this valuation and last year's valuation. Vested Benefit Liabilities equal the present value of vested accrued benefits for current Plan participants under the valuation assumptions. Accrued Benefit Liabilities are the present value of vested and non-vested accrued benefits. The Actuarial Liability represents the cost method liability allocated to past periods and Total Liabilities are the present value of all benefits expected to be paid for both past and future service.

ANALYSIS OF PLAN LIABILITIES (000s omitted)				
	2008		2009	
	Liability	Percent Funded	Liability	Percent Funded
Vested Benefit Liabilities	\$30,434,127	103.2%	\$31,460,549	90.7%
Accrued Benefit Liabilities	\$32,342,445	97.1%	\$33,536,710	85.1%
Actuarial Liabilities	\$34,824,892	90.2%	\$35,615,631	80.1%
Total Plan Liabilities	\$37,555,145	83.6%	\$38,393,445	74.3%
Assets - Actuarial Value	\$31,398,542	N/A	\$28,541,798	N/A

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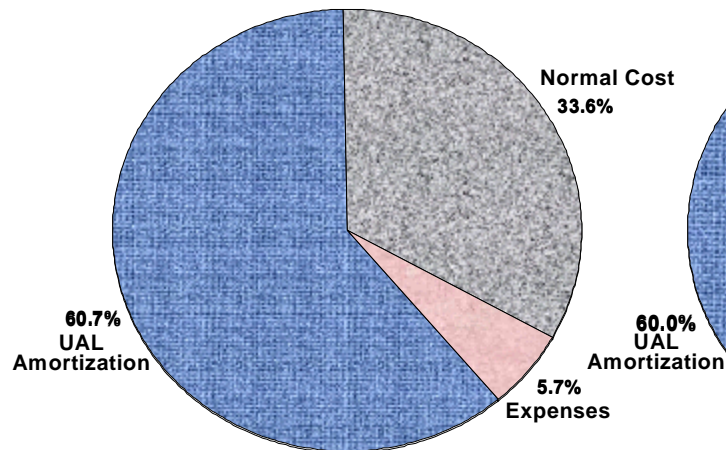
SECTION D — ACTUARIAL RESULTS (Continued)

3. Annual Values (000s omitted)

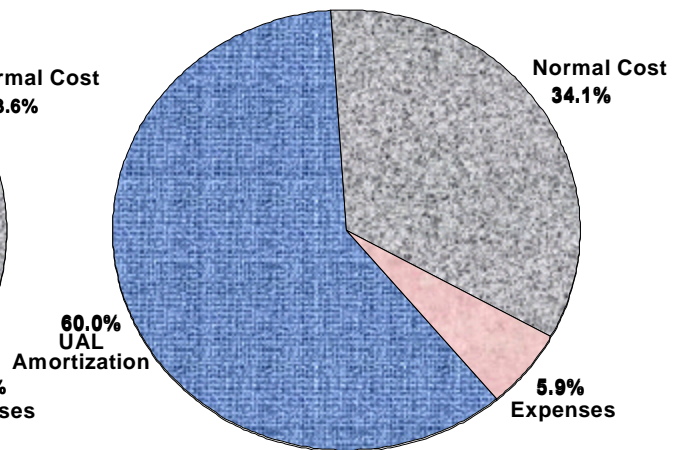
	<u>January 1, 2008</u>	<u>January 1, 2009</u>
a. Estimated Employer Contributions	\$1,353,000	\$1,353,000
b. Expenses	\$77,000	\$80,000
c. Level Normal Cost Charge (payable monthly)	\$454,452	\$461,437
d. Estimated Employer Contributions to Amortize Unfunded Actuarial Liability (a. – b. – c.)	\$821,548	\$811,563
e. Unfunded Actuarial Liability	\$3,426,350	\$7,073,833
f. Estimated Period for Amortizing the Unfunded Actuarial Liability	5.0 years	13.4 years

Contribution Allocation

2008 Contributions - \$1.353 Billion



2009 Contributions - \$1.353 Billion



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SECTION D — ACTUARIAL RESULTS (Continued)

4. Unfunded Vested Benefit Liability (000s omitted)

a. <u>Actuarial Present Value of Vested Benefits</u>	<u>As of December 31, 2007</u>	<u>As of December 31, 2008</u>
i. Active Participants	\$9,511,421	\$9,967,310
ii. Vested Inactive Participants	\$3,299,821	\$3,385,449
iii. Retired Participants	\$17,622,885	\$18,107,790
iv. Total	\$30,434,127	\$31,460,549
b. <u>Actuarial Value of Assets</u>	\$31,398,542	\$28,541,798
c. <u>Unfunded Vested Benefit Liability</u>	N/A	\$2,918,751
d. <u>Excess of the Actuarial Value of Assets over the Vested Benefit Liability</u>	\$964,415	N/A

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SECTION D — ACTUARIAL RESULTS (Continued)

5. Actuarial Balance Sheet (000s omitted)

The following table demonstrates the relationship between the Plan's Actuarial Liabilities and assets. Assets include both the Actuarial Value of Assets and the present value of the portion of the future employer contributions needed to pay-off actuarial liabilities not already funded.

	<u>As of</u> <u>1/1/2008</u>	<u>%</u>	<u>As of</u> <u>1/1/2009</u>	<u>%</u>
a. <u>Actuarial Liabilities</u>				
i. Retirees and Beneficiaries	\$17,634,128	50.6%	\$18,157,168	51.0%
ii. Vested Inactive Participants	\$3,300,459	9.5%	\$3,386,133	9.5%
iii. Active Participants	<u>\$13,890,305</u>	39.9%	<u>\$14,072,330</u>	39.5%
iv. Total Actuarial Liability	<u>\$34,824,892</u>		<u>\$35,615,631</u>	
b. <u>Assets</u>				
i. Actuarial Value of Assets	\$31,398,542	90.2%	\$28,541,798	80.1%
ii. Present Value of Future Employer Contributions required to pay-off Actuarial Liabilities not already funded	<u>\$3,426,350</u>	9.8%	<u>\$7,073,833</u>	19.9%
iii. Total Assets	<u>\$34,824,892</u>		<u>\$35,615,631</u>	

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SECTION E — REVISIONS OF ACTUARIAL ASSUMPTIONS AND PLAN PROVISIONS

1. Changes in Actuarial Assumptions

a. Investment Earnings - Dedicated Assets

The investment earnings rate assumptions used to value Plan liabilities have been revised for dedicated assets in the first two asset categories listed below. As in prior valuations, the revisions to the dedicated account assumptions were made solely to reflect changes in the relationships between the amortized cost value of these accounts and the projected cash flow generated by such assets.

< 1982/1984 Annuity Account: The assumed annual rate of return has been changed to a level 5.40% from the previous valuation assumption of 5.26%.

< Strategic Bond Account (SBA): The assumed annual rate of return has been changed to a level 6.25% from the previous valuation assumption of 6.20%.

< Fixed Dollar Account: The assumed annual rates of return are the same as those assumed in the January 1, 2008 valuation and grade down from 7.1% in 2009 to 6.5% in 2015 and thereafter.

b. Remaining Assets/Benefits: The annual rate of return assumed for benefits not covered by the dedicated accounts, and for the normal cost calculations remains at 7.0%.

c. Expenses: Assumed annual expenses have been increased from \$77 million to \$80 million.

2. Changes in Contribution Rates and PEER Coverage

The actuarial liabilities for the Plan are determined based on contribution rates, PEER levels, and status of the participants on the effective date of the valuation. Contribution rates have generally been increasing, contributing to increases in the actuarial liabilities. PEER levels have been fairly constant for the last several years, but any changes do contribute to changes in the actuarial liabilities.

3. New Supplemental Payment Reserve

The \$40 million supplemental payment reserve has been reflected in our calculations.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION F — COMPARISON OF VALUATION RESULTS USING FORMER AND REVISED ACTUARIAL ASSUMPTIONS AND PLAN PROVISIONS

The following table illustrates the effects on principal actuarial values of the changes in the actuarial assumptions, as described in the preceding Section E. All amounts are shown to the nearest \$1,000.

1. **Prior Assumptions and Plan Coverages**

The liabilities and assets presented using former assumptions and Plan coverages on December 31, 2007 provide a “snap-shot” of the liabilities assuming no changes in basic contribution rates, PEER benefit coverage or actuarial assumptions.

2. **Current Assumptions and Plan Coverages**

The values shown in this column reflect contribution rates and PEER benefit coverages as of December 31, 2008, and other changes, as discussed in Section E.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION F — COMPARISON OF VALUATION RESULTS USING FORMER AND REVISED ACTUARIAL ASSUMPTIONS AND PLAN PROVISIONS *(Continued)*

	<u>Actuarial Liabilities (in 000's)</u>	
	Former Assumptions, Prior Contribution Rates & PEER Coverage, and Former Supplemental Payment Reserve	Revised Assumptions, Current Contribution Rates & PEER Coverage, and Current Supplemental Payment Reserve
1. Actuarial Present Value of Future Benefits for All Participants	\$38,111,900	\$38,393,445
2. Actuarial Present Value of Future Normal Costs	<u>\$2,654,133</u>	<u>\$2,777,814</u>
3. Actuarial Liability for All Participants (1. – 2.)	\$35,457,767	\$35,615,631

The aggregate increase in the Actuarial Liability (= \$35,615,631 minus \$35,457,767) for All Participants is the net result of the following changes:

	<u>Increase (Decrease)</u>
C Contribution Rate and PEER Coverage Changes	\$133,560
C Interest rate changes for liabilities supported by Dedicated Assets	(\$14,196)
C Supplemental payment and change in reserve	(\$1,500)
C New Supplemental Payment Reserve	\$40,000
C Total Increase (Decrease) in Actuarial Liability	\$157,864

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION G — GOVERNMENT AND FINANCIAL REPORTING INFORMATION

1. 2009 Projected Schedule MB Information (000s omitted)

a. Projected Funding Standard Account

The Funding Standard Account (FSA) measures a plan's compliance with the minimum funding standards of ERISA. ERISA's minimum funding standards are satisfied whenever the Credit Balance is equal to or greater than zero.

i. Charges

Prior Year Funding Deficiency, if any	\$0
Beginning of Year Normal Cost (including expenses)	\$522,053
Amortization Charges on January 1, 2009	\$1,086,550
Interest on above to Year End	<u>\$112,602</u>
Total End of Year Charges	\$1,721,205

ii. Credits

Prior Year Credit Balance, if any	\$2,065,365
Expected Employer Contributions during 2009	\$1,353,000
Amortization Credits on January 1, 2009	\$0
Interest on above to Year End	<u>\$183,842</u>
Total End of Year Credits	\$3,602,207

iii. Projected Credit Balance on December 31, 2009	\$1,881,002
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b. Full Funding Limits

i. ERISA Full Funding Limit	\$14,167,899
ii. 90% of Current Liability Override	\$17,155,536

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION G — GOVERNMENT AND FINANCIAL REPORTING INFORMATION (Continued)

2. Maximum Tax Deductible Employer Contributions for 2009

In general, the maximum tax deductible employer contribution under Internal Revenue Code Section 404 is an amount equal to the normal cost for the Plan Year, plus an amount necessary to amortize all unfunded actuarial liabilities or actuarial gains or losses in equal annual payments over a period of ten years from the establishment of the amortizable amount. However, the maximum tax deductible employer contribution cannot be less than the minimum funding required by the Internal Revenue Code.

The calculated maximum deduction is then compared with the Full Funding Limitation (FFL): i.e., the amount of employer contributions that would cause a plan to be considered “fully funded” by the end of the year under IRS rules and regulations. The FFL serves as a ceiling for the maximum deductible employer contributions, subject to a final contribution limit test.

In the final step (the Super Max Calculation), the maximum deductible employer contribution is increased to the amount necessary to fully fund 140% of the Plan’s Current Liability.

For the 2009 Plan Year, the maximum tax deductible employer contributions have been determined to equal \$36,545,724 which is the contribution amount that would fully fund 140% of the Current Liability projected to December 31, 2009. The calculation of the 2009 maximum tax deductible contribution is summarized below. All amounts below are shown to the nearest \$1,000.

a.	<u>Normal Cost Plus Limit Adjustment</u>	
i.	Normal Cost (including expenses) at the beginning of 2009	\$522,053
ii.	Limit Adjustment (maximum amount of contributions allowed to amortize unfunded actuarial liabilities)	\$941,266
iii.	Interest to end of year	<u>102,432</u>
iv.	Total	\$1,565,751
b.	<u>Super Max Calculation</u>	\$36,545,724

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION G — GOVERNMENT AND FINANCIAL REPORTING INFORMATION (Continued)

2. Maximum Tax Deductible Contributions for 2009 (Continued)

c. Current Liability Calculations

Federal law requires the determination and reporting of Current Liability information. The liability amounts determined as of January 1, 2009, as presented in the following table, were determined using the mortality table for Plan Years beginning in 2009 as specified in IRS Reg. 1.430(h)(3)-1 and an interest rate of 4.82% in accord with IRS Notice 2009-2.

	Current Liability (in 000's)		
	Number of Persons	Vested Benefits	Total Benefits
Pensioners and Beneficiaries	227,834	\$22,380,734	\$22,424,660
Inactive Vested Participants	161,580	5,092,780	5,093,287
Active Participants	230,500	14,756,284	17,763,449
Total	619,914	\$42,229,798	\$45,281,396
Expected Increase in the Current Liability as of January 1, 2009 for Benefits Accruing During 2009			\$958,923
Expected Benefit Payments During 2009			\$2,141,985
Interest Used for Determining the Current Liability			4.82%
Interest adjustment to December 31, 2009			\$2,177,161
Current Liability projected to December 31, 2009			\$46,275,495
140% of Current Liability Projected to December 31, 2009			\$64,785,693
Actuarial Value of Assets projected to December 31, 2009			\$28,239,969
Amount required to Fully Fund 140% of the Current Liability projected to December 31, 2009			\$36,545,724

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION G — GOVERNMENT & FINANCIAL REPORTING INFORMATION (Continued)

3. Information for Auditors

The following information is required by the auditors for inclusion in the Plan's Financial Statements. All amounts are shown to the nearest \$1,000.

a.	<u>January 1, 2009 Actuarial Value of Accumulated Plan Benefits</u>	\$33,536,710
i.	Vested Benefits in Pay Status	\$18,107,790
ii.	Other Vested Benefits	\$13,352,759
iii.	Nonvested Benefits	\$2,076,161
b.	<u>January 1, 2008 Actuarial Value of Accumulated Plan Benefits</u>	<u>\$32,342,445</u>
c.	<u>Increase (Decrease) in the Actuarial Value of Accumulated Plan Benefits</u>	<u>\$1,194,265</u>
i.	Plan Amendment	\$40,000
ii.	Change in Nature of Plan	\$0
iii.	Change in Actuarial Assumptions	(\$14,196)
iv.	Benefits Paid	(\$2,059,601)
v.	Decrease in Discount Period	\$2,237,544
vi.	Benefits Accumulated	\$1,083,062
vii.	Other Experience	(\$92,544)

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA

The sources of WCT Plan participant data for our actuarial calculations are: (a) extracts from Prudential Investments' Annuitant Benefit Consolidation (ABC) System file, (b) extracts from the T2 Participant Data File (PDF) maintained by Northwest Administrators and Prudential Investments, and (c) extracts from the Western States Food database.

The following paragraphs describe how the data were prepared for valuation purposes and present statistical characteristics of the data base.

1. **Data Base for Active and Vested Inactive Participants**

Northwest Administrators sent us a December 31, 2008 valuation data file that included T2 extract records for non-retired participants and all claims and deaths for the last five years.

From this file containing 396,456 records, we selected the 5% sample valuation file of active and vested inactive participants (Social Security numbers ending in 00, 05, 10, 15, or 20). A participant was considered Active as of January 1, 2009 if he or she was not included on the ABC file as retired as of the valuation date, and if he/she earned at least 250 covered hours during 2008, or earned at least 1 covered hour in 2008 and earned at least 250 covered hours in 2007.

10,864 Non-Seasonal Active 5% sample records representing 217,280 participants were included in the valuation. For this purpose, Active participant records with non-seasonal industry codes or with 1,000 or more covered hours in each of the last two years were considered Non-Seasonal.

661 Seasonal Active 5% sample records representing 13,220 participants were included in the valuation. Active participants with a seasonal industry code and less than 1,000 covered hours in one or both of the last two years were considered Seasonal.

8,079 Vested Inactive 5% sample records representing 161,580 participants were included in the valuation.

376,852 T2 extract records were not used for the valuation. These records primarily represent non-5% sample participant records, pre-valuation date claims, and non-vested inactives. Pre-valuation date claim records were used for experience analysis only.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

2. Statistical Information

Highlights of the data characteristics for Active Plan participants on January 1, 2009 are shown below, together with corresponding information from the January 1, 2008 and January 1, 2007 Actuarial Reports.

- < For actuarial valuation purposes, the Active participant population was 232,950 as of January 1, 2007, 234,720 as of January 1, 2008, and 230,500 as of January 1, 2009. The aggregate number of Active participants covered under PEER is 84.8% (including Non-Seasonal and Seasonal employees) on January 1, 2009. (Note that the information summarized below for 1/1/07 is based on 2% sample data, whereas the information for 1/1/08 and 1/1/09 is based on 5% sample data.)

NUMBER OF ACTIVE PLAN PARTICIPANTS			
Industry	As of 1/1/07	As of 1/1/08	As of 1/1/09
ALL ACTIVES			
Non-Seasonal	218,400	220,700	217,280
Seasonal	14,550	14,020	13,220
Total	232,950	234,720	230,500
PEER UNITS			
Non-Seasonal PEER 80	74,550	74,300	72,080
Non-Seasonal PEER 82	6,200	6,180	5,560
Non-Seasonal PEER 84	103,600	105,900	105,900
Seasonal PEER 80	9,400	8,900	8,860
Seasonal PEER 82	350	260	300
Seasonal PEER 84	3,400	3,560	2,820
Total PEER Participants	197,500	199,100	195,520
NON-PEER UNITS			
Non-Seasonal	34,050	34,320	33,740
Seasonal	1,400	1,300	1,240
Total Non-PEER Participants	35,450	35,620	34,980

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

2. Statistical Information (Continued)

- < The average attained age of Active Plan participants whose records include valid dates of birth is 41.6 years for Non-Seasonal participants and is 46.7 years for Seasonal participants. The corresponding ages as of January 1, 2008 were 41.1 years for Non-Seasonals and 45.9 years for Seasonals. The average attained ages for all Active participants, for the last three years, including the separate PEER units, are summarized below.

AVERAGE ATTAINED AGES FOR ACTIVE PLAN PARTICIPANTS			
Industry	As of 1/1/07	As of 1/1/08	As of 1/1/09
ALL ACTIVES			
Non-Seasonal	40.9 years	41.1 years	41.6 years
Seasonal	45.6 years	45.9 years	46.7 years
PEER UNITS			
Non-Seasonal PEER 80	42.8 years	43.2 years	43.5 years
Non-Seasonal PEER 82	42.1 years	43.3 years	44.2 years
Non-Seasonal PEER 84	38.5 years	38.7 years	39.2 years
Seasonal PEER 80	47.2 years	47.3 years	47.8 years
Seasonal PEER 82	33.4 years	41.3 years	43.1 years
Seasonal PEER 84	44.8 years	44.4 years	46.3 years
NON-PEER UNITS			
Non-Seasonal	43.6 years	43.5 years	44.4 years
Seasonal	39.8 years	40.9 years	41.1 years

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

2. Statistical Information (Continued)

- < The average number of years of contributory service for Active Plan participants is 10.5 years for Non-Seasonal participants and is 10.7 years for Seasonal participants. As of January 1, 2008, the corresponding average number of years of contributory service was 10.3 years for Non-Seasonals and 10.0 years for Seasonals. The average number of years of contributory service for Active participants during the last three years are compared below.

AVERAGE CONTRIBUTORY SERVICE YEARS FOR ACTIVE PLAN PARTICIPANTS			
Industry	As of 1/1/07	As of 1/1/08	As of 1/1/09
ALL ACTIVES			
Non-Seasonal	10.2 years	10.3 years	10.5 years
Seasonal	10.6 years	10.0 years	10.7 years
PEER UNITS			
Non-Seasonal PEER 80	13.7 years	14.1 years	14.4 years
Non-Seasonal PEER 82	10.4 years	11.1 years	11.7 years
Non-Seasonal PEER 84	9.0 years	8.9 years	9.1 years
Seasonal PEER 80	12.8 years	11.9 years	12.2 years
Seasonal PEER 82	6.1 years	9.0 years	11.2 years
Seasonal PEER 84	7.3 years	6.9 years	8.2 years
NON-PEER UNITS			
Non-Seasonal	6.5 years	6.5 years	6.7 years
Seasonal	5.4 years	5.6 years	6.1 years

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

2. Statistical Information (Continued)

- < The end of year average basic hourly contribution rate for Non-Seasonal Actives included in the valuation was \$3.07 for 2008 and \$3.18 for 2009. The average basic hourly contribution rate for Seasonal Actives included in the valuation was \$0.79 for 2008 and \$0.89 for 2009. This information is displayed for Active participants, including separate data for PEER units, in the following table.

AVERAGE BASIC HOURLY CONTRIBUTION FOR ACTIVE PARTICIPANTS			
Industry	As of 1/1/07	As of 1/1/08	As of 1/1/09
ALL ACTIVES			
Non-Seasonal	\$2.94	\$3.07	\$3.18
Seasonal	\$0.74	\$0.79	\$0.89
PEER UNITS			
Non-Seasonal PEER 80	\$3.82	\$4.00	\$4.12
Non-Seasonal PEER 82	\$2.77	\$3.02	\$3.21
Non-Seasonal PEER 84	\$2.86	\$2.99	\$3.14
Seasonal PEER 80	\$0.87	\$0.93	\$1.03
Seasonal PEER 82	\$0.11	\$0.11	\$0.18
Seasonal PEER 84	\$0.43	\$0.48	\$0.50
NON-PEER UNITS			
Non-Seasonal	\$1.32	\$1.30	\$1.29
Seasonal	\$0.79	\$0.80	\$0.93

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

2. **Statistical Information (Continued)**

- < Based on the data for continuing non-seasonal Active participants in the sample who worked 500 or more hours in each of the last two years, the Plan's hourly contribution rates for “continuing” Non-Seasonals increased an average of 12.2% even though aggregate contributions increased by only 2.3% during 2008. When the data are analyzed by broad contribution rate groupings, the average increase for groups with hourly rates \$2.00 and below was 17.0% while the average increase was 10.9% for rate groups between \$2.00 and \$4.00, and 9.1% for rate groups over \$4.00. The higher contribution rate groups generally have longer service and older age characteristics than the lower rate groups, and they are becoming a larger portion of the total population. Table 2009–2 presents substantial statistical data on rate increases during the most recent four Plan Years.

3. **Comparison of Sample Data Characteristics with Full Population Data Characteristics**

Each year we receive three Employee Census Reports from the Administrative Office based on the T2 Participant Data File (PDF). The first report contains information for the full population of Plan participants and the second and third contain corresponding information for the 2% and 5% samples of the full population. A comparison of key information from the full population and 5% reports is used to corroborate our assumption that the sample records adequately represent the total population (see Table 2009–1).

4. **Procedures to Account for Data with Missing or Invalid Birthdates or Sex Codes**

Records with missing or invalid birthdates were accounted for by prorating the present values generated by the records with valid birthdates, based on the number of career hours in the records with missing or invalid birthdates. The prorating is done separately for employee groups categorized by valuation industry code (Non-Seasonal or Seasonal), valuation status (Active or Vested Inactive), sex code and vesting status. This straightforward approach is adequate because of the very small liability represented by the relatively few participants in the data sample whose records are lacking valid birthdates.

Records with missing sex codes were assumed to represent males in the Non-Seasonal group and females in the Seasonal group. We have concluded that this assumption is reasonable based on the population characteristics illustrated in this section.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

4. Procedures to Account for Data with Missing or Invalid Birthdates or Sex Codes (Continued)

There were 212 non-retired sample valuation records, representing 4,240 participants with missing dates of birth. There were 1,332 Non-Seasonal non-retired sample valuation records with missing or invalid sex codes who are assumed to be males and 143 Seasonal non-retired sample valuation records with missing or invalid sex codes who are assumed to be female. The non-retired participant T2 extract records included in the valuation had the characteristics shown in the following table:

		Number of Records*20		
Status	Sex Code	With Valid Date of Birth	Without Valid Date of Birth	% Without Valid Date of Birth
Non-Seasonal Active Vested	Male	123,780	40	0.03%
Non-Seasonal Active Vested	Female	19,960	0	0.00%
Non-Seasonal Active Non-Vested	Male	61,320	2,640	4.13%
Non-Seasonal Active Non-Vested	Female	9,400	140	1.47%
Seasonal Active Vested	Male	2,360	0	0.00%
Seasonal Active Vested	Female	6,440	80	1.23%
Seasonal Active Non-Vested	Male	1,340	60	4.29%
Seasonal Active Non-Vested	Female	2,800	140	4.76%
Non-Seasonal Vested Inactive	Male	122,620	660	0.54%
Non-Seasonal Vested Inactive	Female	21,660	80	0.37%
Seasonal Vested Inactive	Male	5,700	40	0.70%
Seasonal Vested Inactive	Female	10,460	360	3.33%

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION H — PARTICIPANT DATA (Continued)

5. Age Retirees, Disability Retirees, and Surviving Beneficiaries

We based our actuarial calculations for retired lives on extracts from the ABC retired file provided by Prudential Investments. This file contains records for all Pensioners and Beneficiaries.

Of the 238,285 retired records received, 10,462 were disregarded (9,405 deaths, 399 expirations and 658 other rejects, such as cancellations, post valuation retirements, etc.). In addition, we added 11 liability records from the end of year 2007 data, based on our review of Prudential's "previous year liability lives missing from current year file" exhibit. This resulted in the inclusion of 227,834 records representing all benefits associated with 194,789 participants. Approximately 76.6% of these records are for Age Retirees, 9.5% are for Disability Retirees, and 13.9% are for Beneficiaries. There were no missing birthdates in these records.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY

1. Actuarial Basis

For valuation purposes, age last birthday has been used to reference the tables of probabilities of death, termination, age retirement and disability retirement. The assumptions employed are described below.

a. Investment Earnings Assumptions

- i. Fixed Dollar Account: The assumed investment return for these assets, which is used to value the pension benefits* for Pensioners and Beneficiaries whose benefits commenced on or before August 1, 1982 (as identified by Prudential Investments), is determined by a schedule of rates that varies by calendar year, starting at 7.1% in 2009 and decreasing gradually to 6.5% in 2015 and thereafter.
- ii. 1982/1984 Annuity Account: The assumed rate of return for these assets, which is used to value the pension benefits* for Pensioners and Beneficiaries whose benefits commenced from September, 1982 through December, 1984 (as identified by Prudential Investments), is 5.40%.
- iii. Strategic Bond Account (SBA): The assumed rate of return for these assets is 6.25%. This assumption is used to value 85.2% of the pension benefits* related to service through December 31, 1985, based on December 31, 1984 Plan provisions and not covered by the prior asset dedications.

* Single sum death benefits are not valued using the investment earnings assumptions described above. Instead, the "Remaining Assets" assumption described on the next page is used.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

1. Actuarial Basis (Continued)

- iv. Remaining Assets/Benefits: The assumed rate of investment return which is used to value all benefits expected to be paid out of remaining assets and future contributions is 7%.

b. Mortality Rates

The assumed mortality rates for non-retired participants and for age retirees and beneficiaries are based on the various RP-2000 mortality tables and adjustment factors -- modified to reflect recent Plan experience and projected (using Scale AA) to provide a margin for mortality improvement. Special mortality tables, reflecting Plan experience, are used for disabled pensioners.

Examples of mortality rates used are shown in the table below:

ANNUAL PROBABILITY OF DEATH						
Age Last Birthday	Non-Retired Plan Participants		Age Retirees and Beneficiaries		Disabled Retirees	
	Male	Female	Male	Female	Male	Female
25	.0004	.0002	.0004	.0002	.0277	.0139
40	.0014	.0009	.0014	.0009	.0278	.0139
55	.0036	.0029	.0052	.0042	.0287	.0139
70	.0178	.0141	.0244	.0206	.0382	.0223
85	.1133	.0824	.1133	.0824	.1548	.1231

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

1. **Actuarial Basis (Continued)**

c. **Provision for Expenses**

\$80 million of employer contributions per year.

d. **Age Retirement Rates for Participants with fewer than 25 Years of Service**

Age retirement rates apply only to retirement eligible participants.

Age Last Birthday	Non-PEER Actives	PEER Eligible Actives	Vested Terminated
49	.030	.150	N/A
50	.030	.150	N/A
51	.030	.150	N/A
52	.030	.150	N/A
53	.030	.150	N/A
54	.080	.160	.160
55	.060	.120	.120
56	.060	.120	.060
57	.060	.120	.060
58	.060	.120	.060
59	.100	.200	.100
60	.100	.200	.100
61	.350	.350	.300
62	.350	.350	.200
63	.150	.150	.150
64	.300	.300	.300
65	.300	.300	.200
66	.200	.200	.060
67	.200	.200	.060
68	.200	.200	.060
69	1.000	1.000	1.000

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

1. **Actuarial Basis (Continued)**

e. Age Retirement Rates for Participants with 25 or more Years of Service

Age retirement rates apply only to retirement eligible participants.

Age Last Birthday	Non-PEER Actives	PEER Eligible Actives	Non-PEER Vested Terminated	PEER Eligible Vested Terminated
49	.030	.150	.150	.230
50	.030	.150	.150	.230
51	.030	.150	.150	.230
52	.030	.150	.150	.230
53	.030	.150	.150	.230
54	.080	.160	.160	.350
55	.060	.120	.120	.250
56	.060	.120	.090	.200
57	.060	.120	.090	.180
58	.060	.120	.090	.180
59	.100	.200	.150	.300
60	.100	.200	.150	.300
61	.350	.350	.350	.350
62	.350	.350	.350	.350
63	.150	.150	.150	.150
64	.300	.300	.300	.300
65	.300	.300	.300	.300
66	.200	.200	.200	.200
67	.200	.200	.200	.200
68	.200	.200	.200	.200
69	1.000	1.000	1.000	1.000

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

f. Disability Retirement

Disability rates apply only to employees with 4 or more years of vesting service.

Age Last Birthday	Examples of Annual Probability of Retirement
32	.0006
37	.0008
42	.0011
47	.0017
52	.0030
57	.0052

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

1. Actuarial Basis (Continued)

g. Employee Termination Rates

The termination rates shown below exclude death, disability and retirement rates. Termination rates are not applied when an individual is eligible for age retirement. Below are examples of annual probabilities of employment termination for Active employees with less than 9 years of coverage.

Non-Seasonal Employees				
Age Last Birthday At First Covered Hour	Years Since First Covered Hour			
	0	1	2	8
22	.0945	.1795	.2272	.1120
32	.0844	.1478	.1914	.0896
42	.0776	.1214	.1674	.0784
52	.0641	.0898	.1435	.0784
62	.0574	.0686		
Seasonal Employees				
Age Last Birthday At First Covered Hour	Years Since First Covered Hour			
	0	1	2	8
22	.7004	.5443	.3039	.1600
32	.6254	.4482	.2559	.1280
42	.5754	.3682	.2240	.1120
52	.4753	.2721	.1920	.1120
62	.4253	.2081		

Examples of annual probabilities for termination are listed below for Non-Seasonal and Seasonal Active employees with 9 or more years of coverage.

Non-Seasonal and Seasonal Employees		
Age Last Birthday on Valuation Date	After 9 or more Years Since First Covered Hour	
	Non-Seasonal	Seasonal
32	.0734	.0978
42	.0435	.0790
52	.0422	.0562
62	.0077	.0102

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY (Continued)

1. Actuarial Basis (Continued)

h. Benefit Projection Assumptions

Projected benefit amounts were calculated assuming that: (a) Non-Seasonal employees work an average of 1800 hours per year; (b) Seasonal employees work an average of 600 hours per year; and (c) contribution rates would continue at the December 31, 2008 levels.

i. Expected Annual Employer Contributions

The annual employer contributions expected during 2009 have been assumed to be \$1.353 billion. This amount is used to determine the expected amortization period (13.4 years) for the UAL (\$7,073,833,000).

j. Actuarial Value of Assets

The Prudential Investments Fixed Dollar Account (FDA), in general, was valued at book value. However, to the extent the FDA value was lower than the retired life liabilities that its value was required to support, certain bonds valued at amortized cost were assigned to the FDA so that all FDA liabilities were supported by dedicated assets. When book value is referenced, such value is equal to amounts deposited, plus interest credited, less amounts disbursed. The 1982/1984 Annuity Account and the SBA were valued on an amortized cost basis, running from cost at purchase to par value at maturity or earliest call date.

The remaining invested assets were valued by determining an investment gain or loss by comparing the actuarially expected investment results with the investment results based on the fair market value of assets for each of five years. Twenty percent of each year's investment gain or loss is added to the Actuarial Value of Assets at the beginning of the year. In no event is the actuarial value of the remaining assets allowed to be greater than 120% or less than 80% of the fair market value of those assets, pursuant to IRS regulations.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY *(Continued)*

2. Other Assumptions and Funding Methodology

a. Sample Valuation Data

We have relied on data supplied by Prudential Investments and Northwest Administrators. The actuarial values for non-retired participants are based on a sample of the employees covered under the Plan, as described in Section H. The actuarial values for records with valid data are adjusted for sampling and incomplete data, and the results are assumed to represent the values of the entire covered group.

b. Past Employment

Total past employment (continuous past employment plus special past employment) for each employee was calculated as the number of years from year of union membership until year of coverage, but not less than the known continuous past employment for the employee.

c. Survivor Benefit Costs

The family composition of covered employees was assumed to be similar to that tabulated in the 15th Actuarial Valuation published by the Railroad Retirement Board. This assumption was used to estimate the probability that an employee will be survived by a beneficiary eligible for a survivor benefit and to establish the probable duration of the benefit.

d. Entry Age Distribution

The entry age distribution used to determine the normal cost was based on the age-at-participation characteristics of employees who have recently become participants. New Non-Seasonal participants were assumed to have accrued 900 covered hours and new Seasonal participants 450 covered hours on their participation date.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION I — ACTUARIAL ASSUMPTIONS: BASIS AND METHODOLOGY *(Continued)*

2. Other Assumptions and Funding Methodology (Continued)

e. Actuarial Cost Method

The entry age actuarial cost method was used. Under this method, the prospective pension benefits at retirement age are calculated for a cohort of new entrants with entry age characteristics as described above. Level cost factors payable from entry age to retirement are developed based upon the actuarial assumptions. The normal cost per participant is found by applying these level cost factors to the prospective benefits.

The present value of the expected future benefits payable to current Plan members is also calculated. The actuarial liability is the excess of the present value of the future benefits of current Plan members over the present value of future normal costs.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION J — SUMMARY OF PLAN PROVISIONS EFFECTIVE JANUARY 1, 2009

1. Active Participation

Non-Seasonal employees for whom contributions are required to be made to the Trust under the terms of a pension agreement become "Active Participants" on the day on which they first accumulate 750 covered hours in the current and immediately preceding calendar year. Seasonal employees become "Active Participants" if they satisfy one-half of the covered hour requirement of Non-Seasonal employees.

2. Monthly Pension at Normal Retirement

The monthly pension earned for service prior to 1987 is determined based on the 1986 Plan provisions as outlined in the January 1, 1986 Actuarial Report. The final five year average contribution rate used for this determination will recognize contribution rates applicable to all 500 hour years through 1991.

For service after 1986, monthly pension benefits are earned as follows:

Calendar Year	Contribution Percentage	
	1 st 20 years	After 20 years
1987 – 1991	2.00%	2.65%
1992 – 1996	2.30%	3.05%
1997 – 1999	2.46%	3.26%
2000 – 2002	2.70%	3.58%
1/2003 – 6/2003	2.20%	2.92%
7/2003 - 2006	1.20%	1.20%
2007	1.65%	1.65%
2008	2.00%	2.65%
2009 +	1.20%	1.20%

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION J — SUMMARY OF PLAN PROVISIONS EFFECTIVE JANUARY 1, 2009 (Continued)

3. **Past Service Credits**

A participant is granted credit for the number of years and months of specified types of unbroken employment rendered prior to his or her first covered hour, subject to limits specified in the Plan.

4. **Vesting Service**

A Plan member earns a vesting service year for each year after 1975 during which he or she is credited with at least 500 covered hours (250 covered hours for Seasonal Plan members). For service before 1976, a Plan member is credited with a vesting service year for each year of continuous coverage under the Plan.

5. **Normal Retirement Age**

The later of age 65 or an Active participant's age on the second anniversary of his or her first covered hour.

6. **Normal Pension Form**

The Normal Form of pension for unmarried participants is a life pension. In general, married participants who do not elect otherwise receive a reduced Employee and Spouse Pension. This reduced amount is an "actuarial equivalent" of the life pension. Participants who retired under the Employee and Spouse Pension Option will have their pension restored to the amount payable under the Normal Form if the spouse dies first. In the event that the participant dies first, the amount of spouse pension is 66 2/3% of the retiree's pension for those who retired after 1991 with recent coverage; otherwise, the amount of spouse pension is 50% of the retiree's pension. In both instances the actuarial reduction factor for the Employee and Spouse Benefit amount is calculated as though the spouse pension benefit would be 50% of the reduced Employee and Spouse Pension.

7. **Other Pension Forms**

An Optional Employee and Spouse Pension providing a 75% spouse pension is available. Participants retiring under age 65 may elect a Benefit Adjustment Option with or without the regular or Optional Employee and Spouse Pension.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION J — SUMMARY OF PLAN PROVISIONS EFFECTIVE JANUARY 1, 2009 (Continued)

8. Early Retirement Eligibility Date

In general, this date is the first day of the month coincident with or immediately following the later of the participant's 55th birthday or the date the individual becomes a vested participant. However, a participant with recent coverage may retire at any age if he or she meets the Rule of 84 (or Rule of 82 or Rule of 80 under a PEER program); that is, the sum of his or her attained age plus years of contributory service is equal to or greater than 84 (or 82 or 80).

9. Monthly Pension Benefit at Early Retirement for a Participant who has Recent Coverage

If a participant meets the Rule of 84 and has recent coverage, the monthly pension benefit is reduced by the sum of 0.45% for each of the first 60 months that the early retirement date precedes his or her 62nd birthday and 0.33% for each month that the early retirement date precedes his or her 57th birthday.

If a participant has recent coverage but does not meet the Rule of 84, his or her monthly pension benefit is reduced by the sum of 0.6% for each of the first 60 months that the early retirement date precedes his or her 62nd birthday plus 0.4% for each month that the early retirement date precedes his or her 57th birthday.

10. Monthly Pension Benefit at Early Retirement for a Participant who has Current PEER Coverage

If a participant meets the Rule of 84 (or Rule of 82 or Rule of 80), is a member of a bargaining unit which has negotiated PEER 84 (or PEER 82 or PEER 80) contribution surcharges, and has current PEER coverage, the early retirement benefit equals 100% of the earned pension benefits. A participant has current PEER coverage at his or her retirement effective date if the applicable PEER contributions have been paid for at least 1,000 covered hours in the 24 month period immediately preceding his or her retirement effective date.

Note: If a participant is in a category of early retirement where benefits are subsidized (as described in paragraph 1 of Item 9 or in Item 10) and accumulates 25 years of service under the Plan while so covered, then, his or her subsidized early retirement benefits are “locked-in” and cannot be forfeited.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION J — SUMMARY OF PLAN PROVISIONS EFFECTIVE JANUARY 1, 2009 (Continued)

11. **Disability Benefit**

Upon a vested participant's total and permanent disability before age 65, the monthly benefit is the greater of (a) 85% of the earned monthly pension benefit or (b) the early retirement pension otherwise payable, provided the vested participant has met the specified recent coverage requirement on the disability onset date.

12. **Vested Benefit Upon Termination of Employment**

Upon termination of employment, a participant is vested in his or her accrued pension, based on past and future service credits, if he or she has completed at least 5 years of vesting service, one of which was completed during or after 1991.

A terminated vested participant may elect early commencement of the earned retirement benefit at any time on or after the Early Retirement Eligibility Date. If the participant does not have recent coverage and has not "locked-in" rights to unreduced pension benefits by having completed 25 years of Plan service before termination, the benefit is reduced by the sum of 0.6% per month for each of the first 60 months that the early retirement date precedes the participant's 65th birthday plus 0.4% per month for each month that such early retirement date precedes the participant's 60th birthday.

Vested participants who are not covered by the current Plan provisions may be subject to additional limitations on their benefits.

13. **Death Benefits**

Upon the death of a participant or pensioner who has met the specified recent coverage requirement, a temporary monthly pension is payable to the surviving children under conditions specified in the Plan.

A pre-retirement benefit to the surviving spouse is payable upon the death of a vested participant. If a married participant had recent coverage at the time of death, the spouse receives an immediate benefit based on the participant's earned benefit. The earned benefit is reduced to reflect early retirement, as specified in the Plan, and the appropriate Employee and Spouse Pension factor. 66 2/3% of the resulting amount is then payable immediately to the spouse. If the participant does not have recent coverage, the benefit is calculated as described above, but a 50% factor is applied in lieu of the 66 2/3% factor, and, if the participant was not eligible to retire on the date of death, commencement of the pension is deferred until the time the participant would have been first eligible to retire.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

SECTION J — SUMMARY OF PLAN PROVISIONS EFFECTIVE JANUARY 1, 2009 (Continued)

13. **Death Benefits (Continued)**

A single sum death benefit equal to 50% of contributions, subject to a maximum of \$10,000, is payable upon the death of an Active or Terminated participant who has completed at least 5 years of vesting service. In addition, for unmarried vested participants who satisfy the recent coverage requirement and would otherwise be eligible to retire, a death benefit of 48 times the participant's accrued pension, reduced to reflect early retirement as specified in the Plan, is payable as a lump sum amount.

Upon the death of a pensioner with a retirement date before January 1, 1992, a single sum benefit of 12 times the monthly normal form pension (life annuity), subject to a maximum of \$10,000, is payable. Beginning with retirements in 1992, beneficiaries of retirees with recent coverage who elect a Life Only or Benefit Adjustment Option (without the Spouse Pension) receive a 4 Year Certain death benefit payment equal to 48 times the pensioner's Life Only benefit amount minus the total monthly payments already received by the pensioner.

If a pensioner retires after January 1, 1992, he or she may elect an Optional Lump Sum Death Benefit equal to 12 times the monthly normal form pension ("Life-only" Pension). The Optional Lump Sum Death Benefit is paid for by reducing the pensioner's monthly payment.

14. **Transition Provisions**

Certain minimum benefits are provided to participants who were covered by prior versions of the Plan.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

INTRODUCTION TO THE TABLES OF 2009 STATISTICAL DATA

In the process of completing the actuarial valuation, we have compiled a considerable amount of statistical information that should prove useful in understanding the operation of the Plan. This information is illustrated in the following tables:

< **TABLE 2009-1 Comparison of Sample Data with Total Population Data for Active Vested Participants**

This table demonstrates that the 5% sample accurately represents the entire population. Sample and full file participant counts, average hours and average contribution rates are compared for the Active Vested participants. The table provides breakdowns of the data by forty-cent rate bands through \$5.20, and for rates over \$5.20. The correlation between sample and total population also was tested for non-vested and new participants and, in our opinion, actuarial results based on the sample population (as described in Section H) adequately represent values for the total population.

< **TABLE 2009-2 Basic Rate Increases for Continuing Non-Seasonal Active Participants**

This table shows the year-to-year increases in contribution rates for continuing Active Non-Seasonal participants, analyzed by end of year basic contribution rates. The percentage increases are shown for four experience years. Overall, the basic contribution rates for continuing Non-Seasonal participants increased by 12.2%. About one-third of the continuing Non-Seasonal population had rates of under \$2.00 per hour, and their contribution rates increased an average of 17.0%; the balance of the population, with rates over \$2.00 per hour experienced an average contribution rate increase about 10.1%.

< **TABLE 2009-3 Distribution of Non-Seasonal Active Participants in PEER and Non-PEER Units by Contribution Rate**

This table shows the distribution of Non-Seasonal Actives in PEER and Non-PEER units by their basic hourly contribution rates. The distribution supports the fact that about 97% of the Plan's Non-Seasonal Active participants with basic contribution rates over \$2.00 per hour are in PEER units. Overall, the proportion of Non-Seasonal Active participants in PEER units is 84.5% this year and 84.4% last year.

INTRODUCTION TO THE TABLES OF 2009 STATISTICAL DATA
(Continued)

< **TABLE 2009-4 Age at First Participation Distributions — Comparison of Experience with Actuarial Assumptions**

This table compares the entry age distributions of new participants during the most recent three years with the assumed distributions used in calculating the Plan's normal cost. The relationship of actual versus assumed percentages indicates that the assumptions remain suitable for normal cost calculation purposes.

< **TABLE 2009-5 Distribution of Non-Seasonal Active Participants with Good Birthdates by Attained Age and Contributory Service**

This table shows how Non-Seasonal Active participants with valid birthdates are distributed by attained age and length of service.

< **TABLE 2009-6 Data Build-Through Report/Participant Reconciliation**

This Table exhibits a data reconciliation by status for active and vested terminated participants. The Table also compares the number of retirements from the sample population of non-retired participants with the number of actual new retirements from the full population.

< **TABLES 2009-7 and 2009-8 New 2008 Pensioners and Beneficiaries; Recent History of New Pensioners**

Table 2009-7 shows the counts and average monthly pensions for Age Pensioners, Disabled Pensioners and Beneficiaries who were new to the December 31, 2008 retiree data file. The data for Age Pensioners is shown by option election.

Table 2009-8 compares the counts and average monthly pensions of new Pensioners during the most recent three-year period.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

INTRODUCTION TO THE TABLES OF 2009 STATISTICAL DATA (Continued)

< **TABLE 2009–9 Historical Statistics by Year of Retirement**

For this table, all 174,417 records representing Age Pensioners were analyzed by year of retirement. 13,536 of these records represent surviving participants who retired during or before 1983. These participants have attained an average age of 87.5 years. The overall average pension, payable under the normal form of pension, is \$884.40 per month, but the average pension for those retiring in the most recent five years is \$1,160.20. The table illustrates the rapid rise in pensions for recent retirees.

< **TABLES 2009–10 through 2009–12 Age/Longevity of Age Pensioners,
Beneficiaries and Disabled Pensioners**

These tables show the distribution of Pensioners and Beneficiaries by attained age group and number of years since retirement or pension commencement, as applicable. There are almost 33,000 records representing Age Pensioners who have been receiving pensions for more than 19 years. 10,829 of the 31,701 beneficiary records represent beneficiaries who have been receiving pensions for more than 19 years. 6,227 of the Age Pensioner and Beneficiary records represent individuals who are at least 90 years old. There are 21,716 records representing Disabled Pensioners.

The count for Disabled Pensioners is somewhat inflated by the presence of record pairs for many of the disabled retirees receiving an increase because of the increase in the floor percentage from 62% to 85% effective January 1, 2000.

< **TABLE 2009–13 Life Expectancies for Pensioners**

This table shows the number of years of life expectancy for retirees according to the mortality tables (see Section I., 1.b. for descriptions of tables) used to value liabilities under the Plan. Male Age Pensioners retiring at age 60, on average, are assumed to live about 21.2 years. A corresponding Female Pensioner is expected to live 23.4 years. The long periods over which age retirees are expected to receive payments indicate the significant assets required to fund benefits for participants who are already retired. The shorter life expectancies for Disabled Pensioners imply a lower level of assets required for males and females who retire under the Plan's disability provisions.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-1
Comparison of Sample Data with Total Population Data
for Active Vested Participants

Contribution Rates	5% Sample			Total Population		
	No. of Participants (Times 20)	Avg. 2008 Hrs. per Participant	Avg. 2008 Contrib. Rate	No. of Participants	Avg. 2008 Hrs. per Participant	Avg. 2008 Contrib. Rate
Seasonals - Food Processing						
All Contribution Rates	9,360	669	\$0.95	9,725	664	\$0.92
Regulars - Food Processing						
Regulars All Contribution Rates	6,640	2,011	\$1.55	6,853	1,999	\$1.54
Non-Seasonals - Non Food Processing						
\$0.40 and under	1,260	1,709	\$0.24	1,345	1,774	\$0.24
Over \$0.40 but not more than \$0.80	4,140	1,861	\$0.56	4,046	1,870	\$0.56
Over \$0.80 but not more than \$1.20	12,700	1,857	\$1.01	12,193	1,867	\$1.02
Over \$1.20 but not more than \$1.60	8,300	1,914	\$1.43	8,457	1,903	\$1.43
Over \$1.60 but not more than \$2.00	8,220	1,919	\$1.79	8,511	1,941	\$1.80
Over \$2.00 but not more than \$2.40	7,360	1,936	\$2.19	7,457	1,927	\$2.20
Over \$2.40 but not more than \$2.80	8,280	1,975	\$2.64	8,347	1,947	\$2.64
Over \$2.80 but not more than \$3.20	16,180	1,957	\$3.03	16,284	1,956	\$3.02
Over \$3.20 but not more than \$3.60	12,080	1,975	\$3.45	11,566	1,975	\$3.46
Over \$3.60 but not more than \$4.00	6,580	1,997	\$3.80	7,494	1,995	\$3.80
Over \$4.00 but not more than \$4.40	11,280	2,020	\$4.32	12,215	1,988	\$4.33
Over \$4.40 but not more than \$4.80	7,280	1,554	\$4.57	7,363	1,555	\$4.58
Over \$4.80 but not more than \$5.20	1,880	1,658	\$5.04	2,089	1,599	\$5.04
Over \$5.20	27,580	1,884	\$5.75	27,749	1,884	\$5.75
Total Non-Seasonals - Non Food Processing	133,120	1,905	\$3.34	135,116	1,902	\$3.36

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-2
Basic Rate Increases for Continuing Non-Seasonal Active Participants

End of Year Contribution Rate	2008 Number of Lives	Average Increase			
		2008	2007	2006	2005
\$0.40 and under	3,880	56.5%	-5.6%	-2.0%	42.2%
Over \$0.40 but not more than \$0.80	6,000	24.5%	31.2%	27.4%	6.7%
Over \$0.80 but not more than \$1.20	19,280	4.3%	11.9%	10.7%	9.3%
Over \$1.20 but not more than \$1.60	13,920	23.0%	14.4%	13.8%	5.6%
Over \$1.60 but not more than \$2.00	15,480	14.6%	11.1%	6.1%	8.9%
Weighted Average: \$2.00 and under	58,560	17.0%	12.9%	12.0%	10.4%
Over \$2.00 but not more than \$2.40	10,900	21.7%	4.5%	4.4%	5.8%
Over \$2.40 but not more than \$2.80	11,160	9.0%	18.9%	30.0%	4.5%
Over \$2.80 but not more than \$3.20	20,240	2.7%	7.0%	11.8%	10.3%
Over \$3.20 but not more than \$3.60	12,820	10.6%	8.3%	18.6%	7.6%
Over \$3.60 but not more than \$4.00	13,340	16.5%	14.6%	20.4%	9.9%
Weighted Average: Over \$2.00 but not more than \$4.00	68,460	10.9%	9.8%	16.8%	8.1%
Weighted Average: Over \$4.00	64,000	9.1%	8.5%	7.5%	7.4%
Weighted Average: All Rates	191,020	12.2%	10.4%	12.7%	8.7%

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-3
Distribution of Non-Seasonal Active Participants
in PEER and Non-PEER Units by Contribution Rate

End of Year Contribution Rate	Number of PEER Actives	Number of Non-PEER Actives	Total Number of Actives
\$0.40 and under	1,640	4,520	6,160
Over \$0.40 but not more than \$0.80	1,540	5,940	7,480
Over \$0.80 but not more than \$1.20	14,560	8,160	22,720
Over \$1.20 but not more than \$1.60	8,420	7,600	16,020
Over \$1.60 but not more than \$2.00	15,420	2,460	17,880
Total for Rates \$2.00 and under	41,580	28,680	70,260
Over \$2.00 but not more than \$2.40	10,920	1,480	12,400
Over \$2.40 but not more than \$2.80	10,940	800	11,740
Over \$2.80 but not more than \$3.20	21,900	860	22,760
Over \$3.20 but not more than \$3.60	12,920	1,140	14,060
Over \$3.60 but not more than \$4.00	13,640	380	14,020
Total for Rates Over \$2.00 but not more than \$4.00	70,320	4,660	74,980
Total for Rates over \$4.00	71,640	400	72,040
Total for All Rates	183,540	33,740	217,280

PEER Eligibility Statistics (Non Seasonal Actives)

PEER Unit	Number of Actives	% of Non Seasonal Actives by PEER Unit	Prior Year's % of Non Seasonal Actives by PEER Unit
Non-PEER	33,740	15.5%	15.6%
PEER 84	105,900	48.7%	48.0%
PEER 82	5,560	2.6%	2.8%
PEER 80	72,080	33.2%	33.6%

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-4
Age at First Participation Distributions
Comparison of Experience with Actuarial Assumptions

Ages	Non-Seasonal Employees		Seasonal Employees	
	Actual Percentages for 2006 thru 2008 New Participants	Percentages Assumed for Actuarial Calculation Purposes	Actual Percentages for 2006 thru 2008 New Participants	Percentages Assumed for Actuarial Calculation Purposes
Through 24	29.8%	30.0%	17.7%	22.5%
25 – 29	17.5%	16.5%	10.4%	15.0%
30 – 34	12.9%	15.0%	8.2%	10.0%
35 – 39	11.0%	12.5%	9.3%	12.5%
40 – 44	9.6%	12.5%	16.0%	15.0%
45 – 49	7.9%	7.5%	15.9%	12.5%
50 – 54	5.6%	6.0%	12.1%	12.5%
55 and Over	5.7%	0.0%	10.4%	0.0%

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

**TABLE 2009-5
Distribution of Non-Seasonal Active Participants with
Good Birthdates by Attained Age and Contributory Service**

Age Last Birthday	Years of Contributory Service							Total
	Less Than 5	5-9	10-14	15-19	20-24	25-29	30 and over	
Under 20	1,020	0	0	0	0	0	0	1,020
20 - 24	15,700	1,580	0	0	0	0	0	17,280
25 - 29	13,440	8,600	680	0	0	0	0	22,720
30 - 34	10,580	7,560	5,060	340	0	0	0	23,540
35 - 39	8,280	7,520	5,700	4,520	740	0	0	26,760
40 - 44	7,620	6,980	5,880	5,040	3,900	360	0	29,780
45 - 49	6,280	6,480	5,260	5,040	6,280	2,940	740	33,020
50 - 54	4,720	5,740	3,480	3,400	4,080	4,740	3,740	29,900
55 - 59	2,860	3,320	1,900	2,240	2,820	1,760	3,920	18,820
60 - 64	1,420	1,760	1,240	1,100	1,100	920	2,180	9,720
65 - 69	580	260	320	60	140	0	160	1,520
70 &	220	80	40	0	20	20	0	380
Total	72,720	49,880	29,560	21,740	19,080	10,740	10,740	214,460

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

**TABLE 2009-6
Data Build-Through Report/Participant Reconciliation**

Active Participants 1/1/2008	234,720
New Participants	
Nonvested	+ 23,800
Vested	+ 440
Rehires	+ 1,400
Terminations	
Nonvested	- 16,420
Vested	- 8,580
Retirements	- 4,400
Deaths	- 220
Data Adjustments	- 240
Active Participants 1/1/2009	230,500
Vested Termination 1/1/2008	160,080
New Vested Terminations	+ 9,440
Rehires	- 1,400
Retirements	- 5,100
Deaths	- 180
Data Adjustments	- 1,260
Vested Terminations 1/1/2009	161,580

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-7
New 2008 Pensioners and Beneficiaries
Option Elections, Average Pensions and Average Ages

Option	Count	Average Monthly Pension	Average Age as of January 1, 2009
Life Only	1,895	\$856.69	63.4
Employee and Spouse (50%) Option	469	\$300.54	63.6
Employee and Spouse (67%) Option	997	\$1,213.68	63.8
Benefit Adjustment Option	2,553	\$1,323.46	58.6
Employee and Spouse (50%) with Benefit Adjustment Option	427	\$444.79	60.8
Employee and Spouse (67%) with Benefit Adjustment Option	1,208	\$1,829.73	59.1
All Age Pensioners	7,549	\$1,159.55	61.0
Disabled Pensioners	785	\$980.47	54.6
Surviving Beneficiaries	359	\$612.92	48.7
Total	8,693	\$1,120.80	59.9
Total Last Year	9,053	\$1,121.83	59.7

Notes: This exhibit includes all pensions associated with participants new to the December 31, 2008 ABC file.

The average monthly pension amount shown for the Benefit Adjustment Option and the Employee and Spouse with Benefit Adjustment Option is the sum of the lifetime portion of the benefit, plus any temporary benefit remaining as of December 31, 2008.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-8
Recent History of New Pensioners
Option Elections and Average Monthly Pensions

	2008		2007		2006	
	Count	Average Monthly Pension	Count	Average Monthly Pension	Count	Average Monthly Pension
Life Only Option	1,895	\$856.69	1,910	\$795.88	1,750	\$876.91
Benefit Adjustment Option	2,553	\$1,323.46	2,759	\$1,350.42	2,899	\$1,416.29
Employee and Spouse Option	1,466	\$921.55	1,473	\$915.05	1,366	\$912.21
Employee and Spouse with Benefit Adjustment Option	1,635	\$1,468.04	1,750	\$1,468.89	1,854	\$1,548.45
All Age Pensioners	7,549	\$1,159.55	7,892	\$1,161.22	7,869	\$1,239.97
Disabled Pensioners	785	\$980.47	797	\$970.43	776	\$959.95
Surviving Beneficiaries	359	\$612.92	364	\$599.36	404	\$563.48
Total	8,693	\$1,120.80	9,053	\$1,121.83	9,049	\$1,185.75

Notes: This exhibit includes all pensions associated with participants new to the ABC file as of December 31, 2006, 2007 and 2008.

The average monthly pension amount shown for the Benefit Adjustment Option and the Employee and Spouse with Benefit Adjustment Option is the sum of the lifetime portion of the benefit, plus any temporary benefit remaining as of December 31, 2008.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

TABLE 2009-9
Historical Statistics by Year of Retirement
(Based on Number of Records)

Year of Retirement	Average Age at Retirement	Average Age as of 1/1/2009	Number of Surviving Retirees	Average Monthly Pension (Normal Form)
1983 & prior	59.2	87.5	13,536	\$287.00
1984 — 1988	59.7	81.8	19,210	\$513.99
1989 — 1993	60.0	77.2	25,501	\$729.52
1994 — 1998	60.1	72.4	33,084	\$867.42
1999 — 2003	60.1	67.4	43,253	\$1,086.17
2004 – 2008	59.9	62.6	39,833	\$1,160.20
Total	59.9	71.8	174,417	\$884.40
Last Year's Total	59.9	71.7	172,005	\$869.06

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TABLE 2009-10
Age/Longevity of Age Pensioners
(Based on Number of Records)

Attained Age Group	Years Since Pension Commencement						Total
	Less Than 1	1-4	5-9	10-14	15-19	Greater Than 19	
Under 50	34	89	39	15	2	0	179
50 - 54	617	1,504	124	18	8	0	2,271
55 - 59	1,529	8,071	1,981	85	12	0	11,678
60 - 64	1,833	9,763	11,001	963	41	7	23,608
65 - 69	1,323	12,927	13,887	9,468	302	13	37,920
70 - 74	33	2,059	13,212	11,385	8,061	27	34,777
75 - 79	0	40	2,867	8,138	8,950	6,250	26,245
80 - 84	1	9	112	2,849	6,352	11,624	20,947
85 - 89	0	0	17	127	1,730	9,896	11,770
90 & Over	0	1	13	36	43	4,929	5,022
Total	5,370	34,463	43,253	33,084	25,501	32,746	174,417

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TABLE 2009–11
Age/Longevity of Beneficiaries
(Based on Number of Records)

Attained Age Group	Years Since Pension Commencement							Total
	Deferred	Less Than 1	1–4	5–9	10–14	15–19	Greater Than 19	
39 & Under	10	141	966	907	352	57	26	2,459
40 - 44	24	11	83	82	60	19	36	315
45 - 49	62	27	189	189	145	57	41	710
50 - 54	78	66	325	420	295	161	83	1,428
55 - 59	39	58	462	731	568	372	170	2,400
60 - 64	8	25	400	993	985	697	287	3,395
65 - 69	0	8	212	840	1,452	1,235	548	4,295
70 - 74	0	2	62	370	1,147	1,839	1,153	4,573
75 - 79	0	1	15	118	565	1,616	1,965	4,280
80 - 84	0	1	2	31	166	828	3,023	4,051
85 - 89	0	0	2	8	44	173	2,363	2,590
90 & Over	0	0	0	11	10	50	1,134	1,205
Total	221	340	2,718	4,700	5,789	7,104	10,829	31,701

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

**TABLE 2009-12
Age/Longevity of Disabled Pensioners
(Based on Number of Records)**

Attained Age Group	Years Since Pension Commencement						Total
	Less Than 1	1-4	5-9	10-14	15-19	Greater than 19	
39 & Under	2	42	39	11	0	0	94
40 - 44	3	91	107	45	21	0	267
45 - 49	13	190	247	129	48	2	629
50 - 54	29	482	508	235	229	37	1,520
55 - 59	65	874	910	413	381	170	2,813
60 - 64	40	764	1,298	733	642	401	3,878
65 - 69	1	163	973	1,034	1,180	687	4,038
70 - 74	0	0	134	722	1,580	1,045	3,481
75 - 79	0	0	0	77	808	1,778	2,663
80 - 84	0	0	0	2	46	1,445	1,493
85 - 89	0	0	0	0	0	683	683
90 & Over	0	0	0	0	0	157	157
Total	153	2,606	4,216	3,401	4,935	6,405	21,716

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**TABLE 2009-13
Life Expectancies for Pensioners**

Age	Years of Life Expectancy			
	Age Pensioner		Disabled Pensioner	
	Male	Female	Male	Female
45	34.5	37.0	22.9	30.3
50	29.9	32.2	21.0	27.3
55	25.4	27.7	18.8	24.1
60	21.2	23.4	16.5	20.7
62	19.5	21.8	15.4	19.2
65	17.2	19.4	13.9	17.0
70	13.6	15.7	11.0	13.1
75	10.4	12.4	8.3	9.8
80	7.6	9.5	6.1	7.2
85	5.5	6.9	4.5	5.1
90	3.9	5.1	3.4	3.5

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS

The following is a summary of the major Plan changes since 1984.

Effective Date	Description of Change
1/1/2009	A 75% Optional Employee and Spouse Pension was added. Also, a \$40 million reserve for extra check payments was established.
1/1/2008	Effective for calendar year 2008 only, the percentages used to calculate Plan participant account benefits have been increased from 1.20% to 2.00% for participants who have not completed 20 years of service, and from 1.20% to 2.65% for participants who have completed at least 20 years of service. The percentages for years 2009 and later remain at 1.20%.
1/1/2007	Effective for calendar year 2007 only, the percentage used to calculate Plan participant account benefits was increased from 1.20% to 1.65%. The percentages for years 2008 and later remained at 1.20%.
7/1/2003	Effective July 1, 2003, the percentage used to calculate Plan participant account benefits has been reduced to 1.20% for the second half of 2003 and all subsequent years.
1/1/2000	<p>Effective for calendar years 2000, 2001 and 2002, <u>the percentage used to calculate Plan participant account benefits</u> has been increased. An Active participant will earn a monthly pension benefit of 2.70% instead of 2.16% for contributions credited in this period if he/she has not completed 20 years of service. If such participant has completed at least <u>20</u> years of contributory service, he/she will earn a monthly pension benefit of 3.58% instead of 2.86% during this same period.</p> <p>Effective for calendar years 2003, 2004 and 2005, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.20% instead of 2% for contributions credited in this period, if he/she has not completed 20 years of service. If such participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 2.92% instead of 2.65% during this same period.</p> <p><u>Effective with calendar year 2000, all Disability Pensioner benefits</u> have been increased to 85% of his/her Normal Retirement Benefit unless said Disability Pensioners' benefits are already payable in a greater amount. Spouses of certain deceased Disability Pensioners have had their benefits appropriately adjusted, as applicable. The same 85% "floor" monthly pension benefit shall be paid to all Disability Pensioners and, as applicable, to their spouses for Plan participants who become Disabled Pensioners after calendar year 1999.</p>

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS (Continued)

Effective Date	Description of Change
1/1/2000 (Continued)	<p><u>Effective with calendar year 2000, the maximum Child Survivor Benefits have been increased to \$1,000 and such increased benefits shall be payable, in general, upon the death of a person who was an Active Participant on 1/1/87 or thereafter and who otherwise satisfied the applicable recency of employment requirements at the time of death.</u></p> <p>Effective with calendar year 2000, PEER eligible <u>participants with 25 years of contributory service “lock-in” PEER coverage</u> by working at least 1,000 covered hours during any consecutive 24 month period that ends on or after completion of 25 years of contributory service.</p>
1/1/99	<p>Effective with retirements in calendar year 1999, <u>a vested participant who has not suffered a forfeiture of service after 1975 may qualify to have pre-1976 forfeited contributory service credit restored.</u></p>
1/1/98	<p>Effective for calendar years 1997, 1998 and 1999, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.46% instead of 2% for contributions credited in this period if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 3.26% instead of 2.65% during this same period.</p> <p>Effective for calendar years 2000, 2001 and 2002, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.16% instead of 2% for contributions credited in this period, if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 2.86% instead of 2.65% of contributions during this same period.</p>
1/1/94	<p>Effective for calendar years 1994, 1995 and 1996, the percentage used to calculate Plan participant contribution account benefits has been increased. An Active participant will earn a monthly pension benefit of 2.3% instead of 2% for contributions credited in 1992 through 1996, inclusive, if he/she has not completed 20 years of contributory service. If a participant has completed at least 20 years of such service, he/she will earn a monthly pension benefit of 3.05% instead of 2.65% during this same period.</p> <p>The "Rule of 85" early retirement test was lowered to a "Rule of 84" test for both the PEER program supported by 6.5% surcharge contributions and regular enhanced early retirement features.</p>

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS (Continued)

Effective Date	Description of Change
1/1/94 (Continued)	<p>The Program for Enhanced Early Retirement (PEER) was expanded to allow participants who meet the Rule of 82 (or Rule of 80) to retire with no early retirement reduction. To qualify, a participant must have current PEER coverage and must retire from a bargaining unit that has negotiated 11.5% PEER 82 surcharge contributions, effective on or after 8/1/93, or 16.5% PEER 80 surcharge contributions, effective on or after 8/1/94.</p> <p>The Plan's recent coverage provisions were liberalized to provide protection to participants with at least 25 years of contributory service. Participants who satisfy the latter condition and who leave covered employment under age 55 now have access to the Plan's enhanced retirement, death and survivor benefits.</p> <p>The Plan's minimum disability pension has been increased from 55% to 62%.</p>
1/1/92	<p>A Plan participant is vested in his/her accrued pension if he/she has completed at least 5 years of vesting service, one of which was earned in 1991 or later. Prior to this date, a participant became vested upon completion of 10 years of vesting service.</p> <p>Effective for calendar years 1992 and 1993, Plan participants will receive a 15% increase in the percentage used to calculate their Contribution Account Benefit. A participant will earn a monthly pension benefit of 2.3% instead of 2% for contributions credited in 1992 and 1993 if he/she has not completed 20 years of service. If a participant has completed at least 20 years of contributory service, he/she will earn a monthly pension benefit of 3.05% instead of 2.65%.</p> <p>Pre-Retirement Death Benefits were modified as follows:</p> <ul style="list-style-type: none"> < The temporary spouse survivor benefit is eliminated; < For married vested participants who die with recent coverage, a 66-2/3% Spouse Lifetime Pension is payable immediately; and < For non-married vested participants who die with recent coverage, a single sum death benefit is payable to their designated beneficiaries. The lump sum amount equals 48 times the participant's monthly accrued benefit.

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS (Continued)

Effective Date	Description of Change
<p>1/1/92 (Continued)</p>	<p>Post-Retirement Death Benefits were revised as follows:</p> <ul style="list-style-type: none"> < For participants who retire with recent coverage, the After Retirement Spouse Lifetime Pension is increased from 50% to 66-2/3%. If a participant retires without recent coverage, the After Retirement Spouse Lifetime Pension remains at 50%. < Non-married vested participants or married vested participants who did not elect the Employee and Spouse Pension, who retired with recent coverage and die before receiving 4 years of benefit payments will have the remainder of 4 years benefits paid to their designated beneficiary. <p>Enhanced early retirement benefits became available for participants with recent coverage if the sum of their attained age and years of contributory service is equal to or greater than 85 (the "Rule of 85"). Reduction for early retirement under this provision is cut by approximately 25%.</p> <p>The Program for Enhanced Early Retirement (PEER) also became available. Under this program, participants who meet the Rule of 85, who retire from a bargaining unit that has negotiated 6.5% surcharge PEER contributions, and who have current PEER coverage can retire with no early retirement reduction, regardless of their age.</p> <p>There is a 9 month period (4/1/91 to 12/31/91) where members with pension effective dates or application requests (and recent coverage) within this time frame were permitted to rescind their 1991 pension effective dates and defer them until 1/1/92 in order to benefit from Plan improvements effective on that date. Members electing to rescind and defer their pension effective dates were required to repay any benefit amounts paid to them. Also, pension increases effective after 1991 are governed by the new death and survivor benefit rules.</p>
<p>7/1/88</p>	<p>The Plan was modified to provide an additional optional pension form: The Employee and Spouse Pension with Benefit Adjustment Option.</p>

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS (Continued)

Effective Date	Description of Change
1/1/87	<p>Two formulas were used to compute a participant's retirement benefit: An improved version of the Plan's pre-1987 5-Year Average Benefit formula (used to determine the retirement benefit for service before January 1, 1987 and applicable only if a participant first became covered by the Plan before 1987) and the Contribution Account Benefit (used to determine the retirement benefit for a participant's contributory service under the Plan after 1986). Note, participants active in the Plan both before and after January 1, 1987 had their retirement benefit based on the sum of their 5-Year Average Benefit <u>and</u> their Contribution Account Benefit. Also, participants who first became covered by the Plan after 1986 might have qualified for a Non-contributory Service benefit based on any past employment either before or after January 1, 1987.</p> <p>< <u>5-Year Average Benefit</u>: A participant's monthly retirement benefit was based on his/her total prior Plan past and future service credits earned as of 12/31/86 multiplied by his/her 5-year average rate benefit factor. The maximum prior Plan credits were increased from 30 credits to 33-1/3 credits. Also, when determining a participant's 5-year average contribution rate, the formula recognized employer contributions after 1986 up to the end of 1991 (or participant's retirement date if earlier).</p> <p>< <u>Contribution Account Benefit</u>: A participant's monthly retirement benefit is based on a percentage of the total Employer Contributions made on his/her behalf for contributory service after 1986. The percentage that applies is:</p> <p style="padding-left: 40px;">2% of all the employer contributions made for a participant's covered employment (after 1986) during the first 20 calendar years of service PLUS</p> <p style="padding-left: 40px;">2.65% of all the employer contributions made for a participant's covered employment (after 1986) that comes after the end of his/her 20th calendar year of service.</p>

WESTERN CONFERENCE OF TEAMSTERS PENSION PLAN

APPENDIX — BRIEF HISTORY OF PLAN AMENDMENTS (Continued)

Effective Date	Description of Change
1/1/87 (Continued)	<p>< <u>Non-contributory Service Benefit</u>: If a participant first started working in covered employment after 1986, the value of this benefit is based on 2% of the participant's average annual contribution in his/her first five 500 covered hour years multiplied by the participant's years of noncontributory service (to a maximum of 10).</p>
1/1/85	<p>A 25% increase in retirement and survivor benefits calculated under the Plan's 5-year average contribution rate benefit schedule was adopted. To be eligible a participant must have had a pension effective date on or after January 1, 1985 and have earned 250 or more covered hours in a single calendar year beginning on or after January 1, 1983.</p>
8/1/84	<p>Pre-retirement spouse benefits were extended to the surviving spouses of all vested participants who die before the effective date of their retirement benefit. Under the old rules, a pre-retirement spouse benefit was only payable if the vested participant attained age 55 and was in active service under the Plan for at least one calendar month ending after his 55th birthday.</p> <p>The rule requiring reduction of the spouse survivor benefit by the amount of any pre-retirement spouse benefit was eliminated.</p>