

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

FINANCIAL STATEMENTS

DECEMBER 31, 2009

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

FINANCIAL STATEMENTS WITH ADDITIONAL INFORMATION

DECEMBER 31, 2009 AND 2008

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REPORT OF INDEPENDENT AUDITORS

To the Participants and Trustees of
Western Conference of Teamsters Pension Plan

We have audited the accompanying statements of net assets available for benefits of the Western Conference of Teamsters Pension Plan (the Plan) as of December 31, 2009 and 2008, and the related statements of changes in net assets available for benefits for the years then ended. These financial statements are the responsibility of the Plan's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform an audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the Plan's management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2009, and changes therein for the year then ended and its financial status as of December 31, 2008, and changes therein for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Lindquist LLP

September 9, 2010

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

DECEMBER 31, 2009 AND 2008

ASSETS	<u>2009</u>	<u>2008</u>
INVESTMENTS - at fair value		
U.S. Government and Government Agency obligations	\$ 1,351,815,130	\$ 2,420,128,785
Corporate debt securities	2,235,461,075	2,116,434,509
Equity securities	1,373,508,951	1,814,258,699
Insurance company contracts	7,402,538,164	8,652,570,073
Common/commingled trusts	8,892,175,175	6,463,059,763
Real estate	913,887,017	1,035,177,217
Limited partnerships	1,427,894,018	805,732,357
Limited liability companies	80,590,649	-
103-12 investment entities	263,029,393	-
Foreign debt securities	299,160,813	82,710,274
Cash and cash equivalents	776,301,986	406,969,516
	<u>25,016,362,371</u>	<u>23,797,041,193</u>
Securities on loan:		
U.S. Government and Government Agency obligations	243,127,923	92,004,791
Corporate debt securities	53,511,143	23,117,605
Equity securities	102,538,635	133,331,332
Insurance company contracts	2,332,769,939	2,174,500,308
	<u>2,731,947,640</u>	<u>2,422,954,036</u>
Fair value of collateral held for securities on loan	2,548,635,498	2,026,856,624
Total investments	<u>30,296,945,509</u>	<u>28,246,851,853</u>
RECEIVABLES		
Contributions due from employers	94,798,819	92,236,021
Accrued investment income	105,531,332	113,770,663
Swaps receivable from counterparties	195,002,670	417,258,321
Forward foreign currency contracts	1,710,544	2,182,861
Due from broker for securities sold	298,683,936	259,170,715
Total receivables	<u>695,727,301</u>	<u>884,618,581</u>
OTHER ASSETS	<u>16,232,669</u>	<u>18,208,427</u>
CASH	<u>4,126,122</u>	<u>3,566,992</u>
Total assets	<u>31,013,031,601</u>	<u>29,153,245,853</u>
LIABILITIES AND NET ASSETS		
LIABILITIES		
Accounts payable and accrued expenses	36,209,793	17,744,379
Due to broker for securities purchased	574,338,486	880,445,436
Securities sold, not yet purchased	738,719,526	386,319,906
Swaps payable to counterparties	196,766,435	419,094,124
Forward foreign currency contracts	-	2,010,396
Liability to return collateral held for securities on loan	2,794,421,532	2,491,281,569
Total liabilities	<u>4,340,455,772</u>	<u>4,196,895,810</u>
NET ASSETS AVAILABLE FOR BENEFITS	<u>\$ 26,672,575,829</u>	<u>\$ 24,956,350,043</u>

See accompanying notes to financial statements.

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS

YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
ADDITIONS		
Investment income		
Interest, dividends and other investment income	\$ 839,440,399	\$ 1,028,282,553
Net appreciation (depreciation) in fair value of investments	1,733,432,230	(7,143,764,719)
Net appreciation (depreciation) in fair value of collateral for securities on loan	218,638,912	(370,024,341)
	<u>2,791,511,541</u>	<u>(6,485,506,507)</u>
Less investment expenses	(99,987,367)	(95,159,061)
Investment income (loss) - net	2,691,524,174	(6,580,665,568)
Employer contributions	1,264,682,544	1,350,529,596
Securities litigation settlement	822,602	277,552
Other income	1,033,043	1,471,490
Total additions	<u>3,958,062,363</u>	<u>(5,228,386,930)</u>
DEDUCTIONS		
Pension benefits	2,154,334,979	2,059,600,837
Administrative expenses	87,501,598	78,228,136
Total deductions	<u>2,241,836,577</u>	<u>2,137,828,973</u>
NET CHANGE	1,716,225,786	(7,366,215,903)
NET ASSETS AVAILABLE FOR BENEFITS		
Beginning of year	24,956,350,043	32,322,565,946
End of year	<u>\$ 26,672,575,829</u>	<u>\$ 24,956,350,043</u>

See accompanying notes to financial statements.

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2009 AND 2008

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Method of Accounting - The accompanying financial statements are prepared using the accrual basis of accounting.

Investment Valuation, Transactions and Income Recognition -

General - Investments are carried at fair value, which is determined, presented and disclosed in accordance with Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 820, *Fair Value Measurements and Disclosures*. Under FASB ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

FASB ASC 820 establishes a fair value hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Plan. Unobservable inputs reflect the Plan’s assumptions about inputs that market participants would use in pricing the investments developed based on the best information available in the circumstances. The fair value hierarchy is categorized into three levels, based on the inputs, as follows:

Level 1 - Valuations based on quoted prices in active markets for identical assets or liabilities that the Plan has the ability to access.

Level 2 - Valuations based on quoted prices in markets that are not active, quoted prices for similar investments in active markets or model-based valuations for which all significant assumptions are observable and can be corroborated by observable market data.

Level 3 - Valuations based on unobservable inputs that are supported by little or no market activity and are significant to the overall fair value measurement. Values are determined using proprietary pricing models, discounted cash flow models that include the investment entities’ own judgments and estimations or some other pricing method using unobservable inputs.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

In determining fair value, FASB ASC 820 allows various valuation approaches. The specific method for each of the Plan's investment classes are presented below.

Inputs and Valuation Methods -

U.S. Government and Government Agency obligations: The fair value of U.S. government and government agency obligations is generally based on quoted market prices in active markets (Level 1). When quoted prices are not available, valuation is determined using a market-based model in which valuation consideration is given to yield or price of comparable securities, coupon rate, maturity, credit quality and dealer-provided prices (Level 2).

Corporate debt securities: The fair value of corporate debt securities is generally determined based on a model that uses inputs that may include interest-rate yield curves, which are similar to the valued obligations in terms of issuer, maturity and seniority (Level 2).

Equity securities: The fair value of common stocks is generally based on quoted market prices in active markets (Level 1).

Insurance company contracts: The insurance company contracts consist of investments of various types, including U.S. Government and Government Agency obligations, corporate debt securities, cash and cash equivalents, real estate, pooled separate accounts, mortgages and unallocated insurance contracts. The insurance company contract investments in U.S. Government and Government Agency obligations and corporate debt securities are valued as described above.

Unallocated insurance contracts: Investments in the Prudential Fixed Dollar Account are stated at the principal amount invested plus income earned (Level 2).

Pooled separate accounts (insurance company contracts): Investments in the Temporary Investment Account (TIA) are stated at the principal amount invested plus income earned (Level 2).

Investments in the Union Mortgage Account (UMA), which is composed primarily of mortgage loans on income-producing commercial properties, are valued at estimated fair value using Prudential's Asset Liability Pricing System (ALPS). The discount rates are calculated from the current treasury yield curve and the mortgage spreads corresponding to each loan's quality rating. The discount rates are then used to calculate the loan's estimated fair value based on the scheduled cash flows for each loan. The estimated fair value of the mortgages may be adjusted for such factors as contractual prepayment options or losses in the fair value of the underlying real estate. The credit quality ratings are reviewed annually and are monitored by the portfolio manager throughout the year for events that could affect the quality of the mortgages (Level 2).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The underlying investments in PRISA and PRISA II real estate accounts are valued at estimated fair value. Real estate investments are initially recorded at the purchase price plus closing costs. Development costs and major renovations are capitalized as a component of cost. The fair value estimates are based upon property appraisals prepared by independent real estate appraisers within a reasonable amount of time following acquisition and no less frequently than annually thereafter. The investment debt on acquired real estate is reported at estimated fair value. The estimated fair value of the underlying debt is determined using the discounted cash flow method, which applies key assumptions including the contractual terms of the contract, market interest rates, interest spreads, credit risk, liquidity and other factors (Level 3).

Real estate (insurance company contracts): Investments in the insurance company contract real estate account, WCOT, are valued at the estimated fair value. The WCOT real estate investments are initially recorded at the purchase price plus closing costs. Development costs and major renovations are capitalized as a component of cost. The fair value estimates are based upon property appraisals prepared by independent real estate appraisers within a reasonable amount of time following acquisition and no less frequently than annually thereafter. The investment debt on acquired real estate is reported at estimated fair value. The estimated fair value of the underlying debt is determined using the discounted cash flow method, which applies key assumptions including the contractual terms of the contract, market interest rates, interest spreads, credit risk, liquidity and other factors (Level 3).

Real estate (other): Investments in real estate accounts (UBS Brinson and TA Realty Associates - TA/Western LLC) are valued at estimated fair value based on appraisal reports prepared by independent real estate appraisers and/or the account's investment manager. Generally the methods used in the valuation of real estate are the income capitalization, cost and sales comparison approaches of estimating the property values. The income capitalization approach is designed to transform future income expectations for a property into a present value estimate through application of capitalization or yield rates derived from recent market transactions and other industry data for similar properties. Under the cost approach, the value is indicated by estimating the current replacement cost of the improvements less depreciation from all sources (physical, functional and/or external), and adding an estimated land value. The sales comparison approach utilizes available sales of comparable properties, adjusted for differences, to indicate a value for the property. The accounts that are appraised by the investment manager are required to be independently appraised at least once every three years. The outstanding mortgages loans on the properties are stated at estimated fair value. The valuations for each obligation are based on the present value of expected debt service cash flows, the terms of the obligation, market interest rates and other factors, including an analysis of available comparable leveraged sale transactions (Level 3).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Cash and cash equivalents: The value of temporary cash held in short-term investment funds is based on quoted prices for similar assets in active markets (Level 2). Temporary cash held in banks is valued at cost which approximates fair value (Level 1).

Common/commingled trusts: Common/commingled trusts consist primarily of units in the Mellon Bank EB Daily Valued Market Completion Fund, Mellon Bank EB Daily Valued Stock Index Fund, Mellon Bank EB International Equity Alpha Plus Fund, Northern Trust Global Investment Quantitative Management Collective Daily Small Cap Equity Index Fund, Northern Trust Global Investment Quantitative Management Collective Daily S&P 500 Equity Index Fund, Russell 3000 Alpha Tilts Fund, Invesco Global Asset Allocation Alpha Overlay International Equity Fund and Invesco Premia Plus Fund. The common/commingled trusts hold investments in domestic and foreign equity securities, debt securities and units in other affiliated and unaffiliated commingled trusts. The underlying assets may be valued based on quoted market prices, independent pricing services or by dealers making a market for certain securities. The unit values of the common/commingled trusts are determined by dividing the underlying net asset values (assets less liabilities) by the outstanding number of units (Level 2).

Limited liability companies: The Plan's investment in the Onshore Gresham A+ Fund, L.L.C. (Gresham), a Delaware limited liability company, is primarily composed of a portfolio of commodities. Gresham utilizes futures contracts in connection with its proprietary trading activities, which are recorded at fair value. Gresham values investments in futures contracts that are freely tradable and are listed on a national futures exchange at their last sales price as of the last business day of the year. Gresham also invests in US treasury bills. Their fair value is generally based on quoted prices in active markets (Level 2).

The Plan's investment in JPMorgan U.S. Corporate Finance Institutional Investors IV L.L.C. (JP Morgan Corporate), a Delaware limited liability company has two Delaware limited liability company subsidiaries, JP Morgan U.S. Pooled Corporate Finance Institutional Investors IV L.L.C (the Pooled Corporate Subsidiary) and JP Morgan U.S. Direct Corporate Finance Institutional Investors IV L.L.C (the Direct Corporate Subsidiary). The Plan's investment in JP Morgan Venture Capital Institutional Investors IV L.L.C. (JP Morgan Venture Capital), a Delaware limited liability company has two Delaware limited liability company subsidiaries, JP Morgan Pooled Venture Capital Institutional Investors IV L.L.C (the Pooled Venture Capital Subsidiary) and JP Morgan Direct Venture Capital Institutional Investors IV L.L.C (the Direct Venture

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Capital Subsidiary). Private equity investments are valued taking into consideration the initial transaction price, as well as available market data, including but not necessarily limited to observations of the trading multiples of public companies considered comparable to the private companies being valued and cash flow expectations of the private companies. Valuations are also adjusted to give consideration to the financial condition and operating results specific to the issuer, the lack of liquidity inherent in a non-public investment, credit markets and the fact that comparable public companies are not identical to the companies being valued (Level 3).

Limited partnerships (private equity): The Plan's investments in Yucaipa American Alliance Fund I, L.P., a limited partnership, and Yucaipa American Alliance Fund II, L.P., a limited partnership (collectively, the Yucaipa Funds), are composed of private equity investments, equity-related investments and investments in debt or other securities providing equity-type returns. The underlying investments in the Yucaipa Funds are recorded at estimated fair value. Investments in securities for which market quotations are readily available are valued at market value. Investments in securities for which market quotations are not readily available are valued at estimated fair value as determined by the general partners of the Yucaipa Funds using valuation methodologies after giving consideration to a range of factors, including but not limited to the price at which the investment was acquired, the nature of the investment, local market conditions, trading values on public exchanges for comparable securities, current and projected operating performance and financing transactions subsequent to the acquisition of the investment. Valuation methods utilized may include a multiple of trailing twelve months EBITDA, the Black-Scholes option model analysis, discounted cash flows, or acquisition cost (Level 3).

The Plan's investments in Landmark Equity Partners XIII, L.P., and Landmark Equity Partners XIV, L.P. (Landmark), are limited partnerships that are composed of a diversified portfolio of interests in limited partnership interests in venture capital funds, buy-out funds and mezzanine funds, as well as certain direct private equity and equity-related investments, primarily through secondary market purchases. Landmark's general partners estimate the fair value of investments in limited partnerships and other direct investments which do not have readily ascertainable market values. Factors utilized in estimating fair value include industry trends, public company comparables and other recent transactions (Level 3).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Plan's investment in WP Global Partners COREalpha Private Equity Partners II, L.P. (WP Global), a limited partnership, is composed of other investment partnerships. The investments in the other investment partnerships are valued at estimated fair value. In determining the estimated fair value of the other investment partnerships, WP Global takes into consideration the valuations reported by the general partners of these partnerships. Generally, the following guidelines are used:

- Private securities are valued at the discretion of the general partner. Typically, the methodology used is either to value a company at cost, adjusted by subsequent financing rounds with independent non-strategic investors or determine fair value based on information that is available using material factors such as other recent transactions, industry trends and public company comparables.
- Public securities are valued by the general partners at either the closing price or at the average closing price of up to 10 trading days (or at closing bid or average of bids, if not traded).
- Restricted securities may be valued at a discount by the general partner (Level 3).

The Plan's investment in UBS International Infrastructure Fund (UBS IIF), a limited partnership, is composed of other parallel United Kingdom limited partnerships. The UBS IIF invests primarily in infrastructure assets located in the Organization for Economic Cooperation and Development (OCED) region. Investments are initially recognized at cost. Subsequent to initial recognition, all investments are measured at estimated fair value. The fair value of the investments that are not traded in an active market have been determined using valuation techniques appropriate for each investment including discounted cash flow analysis and comparable transaction multiples in accordance with the International Private Equity and Venture Capital Valuations Guidelines. These valuation techniques make use of assumptions that are based on market conditions existing at each valuation date (Level 3).

The Plan's investment in JPMorgan Infrastructure Fund (JP Morgan), a limited partnership, invested in holding companies or master funds, which primarily invest in infrastructure and infrastructure-related assets located in the OCED region with a primary focus on investment in the United States, Canada, Western Europe and Australia. The estimated fair value of the infrastructure and infrastructure-related investments of the underlying holding companies are determined by J.P. Morgan Investment Management, Inc. (the Adviser) at each valuation date. As part of the Adviser's valuation process, infrastructure assets are valued by independent appraisers on an annual basis. Asset valuations and the valuation-sensitive assumptions of each

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

investment are reviewed by the Adviser and values are adjusted if there has been a material change in circumstances related to the asset since the last valuation. Three valuation techniques may be used: the market, income, or cost approach. The appropriateness of each approach depends on the type of asset or business being valued. Key inputs used to determine the estimated fair value include, among others, revenue and expense projections and discount rates (Level 3).

The Plan's investment in BlackRock Vesey Street Fund IV (ERISA), L.P. (BlackRock), a limited partnership, is one of a series of parallel funds (the BlackRock Funds) originally established as part of the BlackRock Diversified Private Equity Program IV. Direct investments are stated at estimated fair value as determined in good faith by BlackRock's general partner, giving consideration to available market prices, type of security held, purchase price, purchases of the same or similar securities by other investors, marketability, restriction on disposition, yield-to-maturity, the original purchase price multiple, purchase multiples paid in other comparable third-party transactions, current financial position and operating results, and any other pertinent data. Any investee funds are stated at estimated fair value as determined in good faith by BlackRock's general partner, giving consideration to BlackRock's net contributions to the respective investee funds, its allocable share of their undistributed profits and losses and the fair value of their investment as reported to BlackRock (Level 3).

The Plan's investment in Pantheon USA Fund VIII, L.P. (Pantheon), a limited partnership, is composed of a diversified portfolio of private equity investment partnerships primarily operating in the United States. Pantheon's fund investments are stated at estimated fair values as determined in good faith by Pantheon's general partner and is generally based on the valuation provided by the general partners or manager of such investments. The valuations provided by the general partner or managers typically reflect the estimated fair value of Pantheon's proportionate share of the capital account balance of each investment fund. The values of the investments in the underlying partnerships are generally increased by additional contributions to the underlying partnerships and Pantheon's share of net earnings from the underlying investments and decreased by distributions from the underlying investments and Pantheon's share of gains and losses from the underlying partnerships (Level 3).

The Plan's investment in Dover Street VII, L.P. (Dover), a limited partnership, is composed of investments in other limited partnerships or other pooled investment vehicles, which invest in equity-oriented investments in growing emerging companies in the United States, Europe, Latin America, Asia, and emerging private equity markets. Dover's investments are stated at estimated fair value as determined by Dover's general partner. In estimating fair value, Dover's general partner takes into consideration the information received from those partnerships, including their financial statements, the currency in which the investment is denominated and other information deemed appropriate (Level 3).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The Plan's investment in Hamilton Lane Capital Opportunities Fund L.P. (Hamilton Lane), a limited partnership, is composed of other private, collective investment funds that make private equity and equity-related investments that have varying investment strategies and geographical focuses. Hamilton Lane's investments are stated at estimated fair value as determined by Hamilton Lane's general partner and consider various factors, including current net asset valuation of the funds, the financial statements and other financial information provided by the general partners of the funds. Most of the funds' underlying investments are generally required to be valued at estimated fair value using present value and other subjective valuation techniques. For investments held by the funds that are publicly traded and for which market quotations are available, valuations are generally based on the closing sales prices, or an average of the closing bid and ask prices, as of the valuation date (Level 3).

The Plan's investment in IFM Global Infrastructure (US) Fund, L.P. (IFM), a limited partnership, is substantially composed of investment in IFM Global Infrastructure (Cayman) Fund (the IFM Master Fund), which is a Cayman Islands-exempted company. IFM's investment in the IFM Master Fund is valued at estimated fair value based on IFM's proportionate interest in the net assets of the IFM Master Fund. Independent valuations are prepared to estimate the fair value of IFM Master Fund investments. Also, discounted cash flow valuation techniques have been utilized in the determination of the estimated fair value of those investments (Level 3).

The Plan's investment in Schroder Commodity Portfolio (Schroder) is a separate series of Schroder Investment Portfolios, L.P. (the Schroder Partnership). Schroder's commodity-related investments may include futures contracts, swaps, options, forward contracts, and structured notes, and to a lesser extent, equities, debt securities, convertible securities and warrants of issuers in commodity-related industries. Futures contracts and options traded on an exchange or board of trade are valued at the last reported sales price or, in the absence of a sale, at the closing mid-market price on the principal exchange where they are traded. Options not traded on an exchange or board of trade from which over-the-counter market quotations are readily available are valued at the most recently reported mid-market price. Instruments for which market quotations are readily available are valued based on those quotations. Instruments for which current market quotations are not readily available are valued at estimated fair value pursuant to procedures established by the Schroder's general partner (Schroder Investment Management North America, Inc.) (Level 2).

The Plan's investment in Partners Group Secondary 2008, L.P. (Partners Group), a limited partnership, is composed of investments in other limited partnerships with underlying investments in private equity, public equity, leveraged debt assets, venture capital and global macro asset investments across multiple sectors and industries. The estimated value of the underlying non-traded financial instruments use a variety of

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

methods such as time of last financing, earning and multiple analysis, discounted cash flows method and third-party valuation and utilize assumptions that are based on market conditions existing at each end of reporting period. Other techniques, such as option pricing models and estimated discounted value of future cash flows, are used for certain financial instruments. Any financial instruments traded in active markets are based on quoted market prices at the end of the reporting period. A significant portion of Partners Group investments require critical estimates and judgments (Level 3).

The Plan's investment in Pomona Capital VII, L.P., a limited partnership, invests in a diversified portfolio of investments including venture capital, buyout funds and fund of funds through secondary market or direct purchases; securities of undervalued private and public companies; privately issued securities of public companies; and other alternative assets. The valuation of investments in limited partnerships, limited liability companies and direct investments requires significant judgment by the general partner due to the absence of quoted market values, inherent lack of liquidity and long-term nature of such assets. The general partner's valuation is generally based on the valuations provided by the general partners or managers of the underlying investments. For investee fund investments, the valuations provided by the investment managers typically reflect the fair value of the partnership's capital account balance for each investment. In reviewing these underlying valuations, the general partner is advised by the Investment Advisor, which reviews the capital account balances and may adjust the value of each investment. For direct portfolio company private investments, when reviewing the valuations provided by the investment managers, consideration is also given to market, past and current and projected future operations of the portfolio company and other valuations techniques, such as an income or market approach, as applicable (Level 3).

103-12 investment entity: The Plan's investment in All Weather Portfolio Limited (All Weather), a 103-12 investment entity, functions as a feeder fund invested in the All Weather Portfolio Trading, LLC (All Weather Master Fund). The All Weather Master Fund invests in a variety of financial instruments, including futures and forward currency contracts, swap contracts, corporate and government bonds, repurchase and reverse repurchase agreements and money market instruments. The exchange traded futures contracts are valued at the closing settlement price of the instrument's local exchange. Forward currency contracts are valued based on an interpolation mid-spot price and forward points. Domestic and international inflation linked government bonds are valued based on mid-market prices from Barclays Capital market maker at the local market close (Level 2).

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Collateral held for securities on loan: Cash collateral for securities on loan with the custodial bank has been reinvested in various types of debt securities or which values are determined using a model-based approach. Cash collateral for securities on loan through Prudential have been reinvested in the Dryden Core Short-Term Bond Account (Level 2).

Futures contracts and options: Futures contracts and options that are publicly traded in active markets are valued at closing prices as of the last business day of the year (Level 1). Other futures contracts and options are valued at their fair value as determined in good faith in accordance with the procedures adopted by the investment manager. Such procedures include obtaining quotes from pricing agents and utilizing pricing models based on available market data (Level 2).

Swap agreements: Swap agreements are recorded on the contract date. Amounts payable or receivable under the swap agreements are included on a net basis as a receivable from or payable to the swap counterparty on the statement of net assets available for benefits. As no market quotations are readily available, swap agreements are valued at estimated fair value, as determined by the investment manager, utilizing pricing models based on available market data (Level 2).

Valuation Methods, Consistency - The valuation techniques used in the accompanying financial statements have been consistently applied.

Transactions and Income Recognition - Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Contributions Receivable - Employer contributions due and not paid prior to the year-end are recorded as contributions receivable. Contributions owed as a result of payroll audits or other delinquencies are recorded when received. Allowance for uncollectible accounts is considered unnecessary and is not provided.

Actuarial Present Value of Accumulated Plan Benefits - Accumulated Plan benefits are those future periodic payments, including lump-sum distributions, that are attributable under the Plan's provisions to the service that participants have rendered. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated employees or their beneficiaries, (b) beneficiaries of participants who have died, and (c) present active participants or their beneficiaries.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Equipment and Other Fixed Assets - The Plan's computer equipment and other fixed assets are recorded at cost. Furniture and computer equipment are depreciated using the straight-line method. Internally developed software is amortized using the straight-line method. Enhancements to internally developed software that result in additional functionality are capitalized.

Depreciation and amortization is calculated using the following estimated useful lives:

Furniture	7 years
Computer equipment	3 years
Internally developed software	10 years

Depreciation and amortization expense for the years ended December 31, 2009 and 2008 was \$3,020,649 and \$2,770,410, respectively.

Estimates - The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

Risks and Uncertainties - The actuarial present value of accumulated plan benefits is calculated based on certain assumptions pertaining to interest rates, participant demographics and other assumptions, all of which are subject to change. Due to the inherent uncertainty of the assumption process, it is at least reasonably possible that changes in these assumptions in the near term would be material to the disclosure to the financial statements of actuarial present value of accumulated plan benefits.

The Plan invests in equity securities, corporate debt securities, mortgages, commodities, real estate, futures, swaps, limited partnerships and other investment securities. Such investments are exposed to various risks, such as interest rate, market and credit. Due to the level of risk associated with certain investments and the level of uncertainty with respect to changes in the value of investments, it is at least reasonably possible that changes in risks in the near term would materially affect the amounts reported in the statement of net assets available for benefits and the statement of changes in net assets available for benefits.

Reclassifications - Certain accounts in the prior-year financial statements have been reclassified for comparative purposes to conform to the presentation in the current-year financial statements.

NOTE 2. DESCRIPTION OF THE PLAN

The following description of the Western Conference of Teamsters Pension Plan (the Plan) is provided for general information purposes only. Participants should refer to the summary plan description for complete information.

General - The Plan was established pursuant to the Western Conference of Teamsters Pension Agreement and Declaration of Trust dated April 26, 1955, to provide and maintain retirement, death and termination benefits for employees in collective bargaining units represented by local unions affiliated with the Western Conference of Teamsters. The Plan defines the retirement, death and termination benefits to be provided, the conditions of eligibility for those benefits, the terms of payment and other necessary or appropriate items. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA), as amended.

Board of Trustees - The Plan is administered by a Board of Trustees (Trustees) composed of 14 union trustees and 14 employer trustees. The Trustees are selected from the various geographic areas served by the Plan.

Area Administrative Offices - The Trustees have engaged administrative organizations (Area Administrative Offices) to perform administrative and managerial functions for the Plan. The Trustees have also engaged one of these administrative organizations (Overall Administrative Office) to oversee the Area Administrative Offices and to implement the policies of the Trustees.

The Trustees have also contracted with the Area Administrative Offices for services relating to the testing of contributing employers' records. The purpose of the testing is to determine that the proper amount of contributions has been made. The fees for these services are included in the Administrative Offices expense.

Insurance Company - The Plan is party to two group annuity contracts with Prudential Insurance Company of America (Prudential): one is a participating annuity contract (GA-8216); the other is an investment-only contract (GA-8217) (see Note 12). Benefit payments and administrative services are provided under both contracts.

Retirement Benefits - The Plan's normal retirement benefits are determined using a two-step defined benefit formula.

The first formula is the five-year average benefit formula. This formula is used to determine an eligible participant's retirement benefits for service before 1987. Under this formula, monthly retirement benefits are based on the length of a participant's service and the rate of employer contributions payable for the participant's last five years of service; although service after 1986 is not recognized for this formula, employer contribution rates payable on behalf of active participants through the end of 1991 are recognized in determining retirement benefits.

NOTE 2. DESCRIPTION OF THE PLAN (CONT'D)

The second formula is the contribution account benefit formula. This formula is used to determine an eligible participant's retirement benefits for contributory service after 1986 and, if the participant is first covered by the Plan after 1986, for noncontributory service when applicable. Under this formula, monthly retirement benefits are based on a percentage of total employer contributions payable for all of the participant's non-forfeited service after 1986.

The Plan was amended and the benefit accrual rates were changed for the years 2007 through 2009 and later as follows:

<u>Calendar Year</u>	<u>Less than 20 Years of Service</u>	<u>20 Years of Service or More</u>
2007	1.65%	1.65%
2008	2.00%	2.65%
2009 and later	1.20%	1.20%

Benefits earned by a non-vested participant may be permanently forfeited under certain conditions.

For participants who earned a year of vesting service after December 31, 1990, the vesting period was reduced from 10 years to five years.

Early Retirement Benefits - The three conditions for early retirement benefits eligibility are that a participant:

- be a vested participant,
- has reached the earliest retirement date, and
- has retired from employment.

The Plan allows certain eligible participants to retire early and receive a retirement benefit equal to 100% of the normal retirement benefit. The subsidized early retirement benefits provided under the Plan are subject to payment of increased contribution surcharges.

NOTE 2. DESCRIPTION OF THE PLAN (CONT'D)

Disability Retirement Benefits - The five conditions for disability retirement benefits eligibility are that a participant:

- be a vested participant or an age pensioner,
- meet the recent coverage requirement,
- be receiving disability insurance benefits under the Federal Social Security Act,
- be under age 65 when meeting the first three conditions, and
- remain continuously disabled from the disability onset date to the date of meeting the first three conditions.

Participants eligible for disability retirement benefits receive a benefit in the amount of the early retirement benefit, if eligible, but no less than 85% of their normal retirement benefit.

Other Benefits - Surviving spouses and children are entitled to monthly survivor benefits under certain conditions. Also, beneficiaries of retired participants and of non-retired participants are entitled to death benefits under certain conditions as determined under the Plan.

NOTE 3. PRIORITIES UPON TERMINATION

It is the intent of the Trustees to continue the Plan in full force and effect; however, the right to discontinue the Plan is reserved to the Trustees. Termination shall not permit any part of the Plan assets to be used for or diverted to purposes other than the exclusive benefit of the pensioners, beneficiaries and participants. In the event of termination, the net assets of the Plan will be allocated to pay benefits in priorities as prescribed by ERISA and its related regulations. Whether or not a particular participant will receive full benefits should the Plan terminate at some future time will depend on the sufficiency of the Plan's net assets at that time and the priority of those benefits.

Certain benefits under the Plan are guaranteed by Prudential (see Note 12). In addition, certain benefits under the Plan are insured by the Pension Benefit Guaranty Corporation (PBGC) if the Plan terminates. Generally, the PBGC guarantees most vested normal-age retirement benefits, early retirement benefits, and certain disability and survivor's pensions. The PBGC does not guarantee all types of benefits, and the amount of any individual participant's benefit protection is subject to certain limitations, particularly with respect to benefit increases as a result of the Plan amendments in effect for less than five years. Some benefits may be fully or partially provided, while other benefits may not be provided at all.

NOTE 4. TAX STATUS

The Plan obtained its latest determination letter on August 30, 2001, in which the Internal Revenue Service stated that the Plan, as then designed, was in compliance with the applicable requirements under Section 401(a) of the Internal Revenue Code and was, therefore, exempt from federal income taxes under the provisions of Section 501(a). The Plan has been amended since receiving the determination letter. However, the Trustees and the Plan's counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code. Therefore, no provision for income taxes has been included in the Plan's financial statements.

NOTE 5. FUNDING POLICY

The Trust Agreement provides that the Trustees shall establish and adjust the levels of prospective Plan benefits so that the employer contributions received by the Plan will always meet the minimum funding standards of Section 302 of ERISA and Section 412 of the Internal Revenue Code of 1986. The Trustees have established a funding policy that specifies funding targets that may result in more rapid funding than prescribed by the minimum funding standards and provide for benefit adjustments based on specified funding targets.

Employer contributions are determined from employment hours reported by participating employers and the contractual employer contribution rates in effect.

The Plan's actuary has advised that the minimum funding requirements of ERISA are being met as of January 1, 2009 and 2008.

NOTE 6. ACTUARIAL INFORMATION

Actuarial valuations of the Plan were made by McGinn Actuaries Ltd. as of January 1, 2009 and 2008. Information in the reports included the following:

	<u>2009</u>	<u>January 1,</u> <u>2008</u>
Actuarial present value of accumulated plan benefits:		
Vested benefits		
Participants currently receiving payments	\$ 18,107,790,000	\$ 17,622,884,000
Other participants	<u>13,352,759,000</u>	<u>12,811,243,000</u>
Total	31,460,549,000	30,434,127,000
Nonvested benefits	<u>2,076,161,000</u>	<u>1,908,318,000</u>
Total actuarial present value of accumulated plan benefits	<u>\$ 33,536,710,000</u>	<u>\$ 32,342,445,000</u>

As reported by the actuary, the changes in the present value of accumulated plan benefits for the year ended January 1, 2009, were as follows:

Actuarial present value of accumulated plan benefits at beginning of year		\$ 32,342,445,000
Increase (decrease) during the year attributable to:		
Change in actuarial assumptions	\$ (14,196,000)	
Benefits accumulated	1,083,062,000	
Increase due to decrease in discount period	2,237,544,000	
Benefits paid	(2,059,601,000)	
Plan amendment	40,000,000	
Other experience	<u>(92,544,000)</u>	<u>1,194,265,000</u>
Net change		
Actuarial present value of accumulated plan benefits at end of year		<u>\$ 33,536,710,000</u>

NOTE 6. ACTUARIAL INFORMATION (CONT'D)

The method used in the valuation was the Entry Age Actuarial Cost Method. The significant actuarial assumptions used are as follows:

Assumed rates of return on investments and the rates used to discount liabilities specially backed by dedicated asset investments:

Fixed Dollar Account:	7.10% for 2009 decreasing gradually to 6.50% in 2015 and thereafter.
82/84 Annuity Account:	5.40% (2009), 5.26% (2008).
Strategic Bond Account:	6.25% (2009), 6.20% (2008).
Assumed rates of return on remaining investments and the rates used to discount remaining liabilities	7.00% for 2009 and thereafter.
Expenses:	\$80 million per year (2009); \$77 million per year (2008).
Rates of age retirements:	Tables developed from plan experience based on years of service, eligibility for PEER and other factors.
Rates of employee termination:	Tables developed from plan experience based on separate rates for non-seasonal and seasonal employees.
Rates of mortality for retirements:	Tables developed from the RP-2000 mortality tables and adjustment factors for non-retired participants and age retirees and beneficiaries.
Rates of mortality for disability retirements:	Tables developed from plan experience.
Survivor benefit cost:	Family composition tables from the 15th Actuarial Valuation published by the Railroad Retirement Board.

NOTE 6. ACTUARIAL INFORMATION (CONT'D)

The January 1, 2009, valuation reflects the change in benefits related to the optional employee and spouse pension option from 66-2/3% to 75%.

The above actuarial assumptions are based on the presumption that the Plan will continue. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the actuarial present value of accumulated plan benefits. Pension benefits in excess of the present assets of the Plan are dependent upon contributions received under collective bargaining agreements with employers and income from investments.

Since information on the accumulated plan benefits at December 31, 2009, and the changes therein for the year then ended are not included above. These financial statements do not purport to present a complete presentation of the financial status of the Plan as of December 31, 2009, and the changes in its financial status for the year then ended, but only to present of the net assets available for benefits and the changes therein as of and for the year ended December 31, 2009. The complete financial status is presented as of December 31, 2008.

NOTE 7. INVESTMENTS

The following summary presents fair value for each of the Plan's investment categories:

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
Investments at fair value as determined by quoted market price:		
U.S. Government and Government Agency obligations	\$ 567,919,849	\$ 147,334,416
Equity securities	1,476,047,586	1,947,590,031
Foreign debt securities	6,129,478	3,878,062
Cash and cash equivalents	48,167,375	759,262
	<u>2,098,264,288</u>	<u>2,099,561,771</u>
Investments at estimated fair value based on models, cash flow analyses, or other observable inputs:		
U.S. Government and Government Agency obligations	1,027,023,204	2,364,799,160
Corporate debt securities	2,288,972,218	2,139,552,114
Insurance company contracts:		
U.S. Government and Government Agency obligations	3,740,426,293	3,548,726,907
Corporate debt securities	3,700,209,947	3,341,916,980
Cash and cash equivalents	290,841,381	209,847,210
Pooled separate accounts	487,168,758	1,421,757,947
Mortgages	63,110,039	33,966,407
Unallocated insurance contracts	165,325,969	170,043,654
Common/commingled trusts	8,892,175,175	6,463,059,763
Foreign debt securities	293,031,335	78,832,212
103-12 investment entities	263,029,393	-
Limited liability companies	80,103,952	-
Limited partnerships	158,987,950	-
Cash and cash equivalents	728,134,611	406,210,254
Securities lending collateral (see Note 10)	2,548,635,498	2,026,856,624
	<u>24,727,175,723</u>	<u>22,205,569,232</u>
Investments at estimated fair value as determined by the investment manager or other unobservable inputs:		
Insurance company contracts:		
Real estate	641,312,899	1,104,016,826
Pooled separate accounts	646,912,817	996,794,450
Real estate	913,887,017	1,035,177,217
Limited liability companies	486,697	-
Limited partnerships	1,268,906,068	805,732,357
	<u>3,471,505,498</u>	<u>3,941,720,850</u>
Total	<u>\$ 30,296,945,509</u>	<u>\$ 28,246,851,853</u>

NOTE 7. INVESTMENTS (CONT'D)

The following presents investments that represent 5% or more of the Plan's net assets available for benefits:

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
Investments at estimated fair value:		
Insurance company contracts:		
Prudential Insurance Company of America, Group Annuity Contract GA-8216	\$ 4,170,380,006	\$ 4,422,070,521
Prudential Insurance Company of America, Group Annuity Contract GA-8217	5,564,928,097	6,404,999,860
Common/commingled trusts:		
Barclays Russell 3000		
Alpha Tilts Fund	-	1,588,499,998
EB Daily Valued Stock Index Fund of The Bank of New York Mellon	3,285,414,780	-

NOTE 7. INVESTMENTS (CONT'D)

The Plan's investments, including investments bought, sold, or held during the year, appreciated (depreciated) in value as follows:

	<u>Year Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
Investments at fair value as determined by quoted market price:		
Corporate debt securities	\$ -	\$ 499,701
U.S. Government and Government Agency obligations	(16,851,573)	2,714,088
Equity securities	361,623,991	(1,168,027,183)
Foreign debt securities	(679,326)	-
Futures contracts	220,646,244	(257,985,184)
Securities sold short	(132,137,156)	124,080,096
Forward foreign currency contracts	(3,137,761)	994,152
	<u>429,464,419</u>	<u>(1,297,724,330)</u>
Investments at estimated fair value based on models, cash flow analyses, or other observable inputs:		
U.S. Government and Government Agency obligations	22,029,713	52,612,974
Corporate debt securities	639,684,087	(1,000,869,176)
Foreign debt securities	(1,915,627)	(18,174,824)
Insurance company contracts:		
U.S. Government and Government Agency obligations	(345,495,625)	309,181,903
Corporate debt securities	286,941,521	(229,626,218)
Pooled separate accounts	5,465,137	(13,312,675)
Mortgages	3,965,806	(4,665,492)
Futures and options contracts	2,583,149	-
Swap agreements	(209,356)	-
Common/commingled trusts	1,946,426,826	(4,149,752,774)
Limited partnerships	8,903,797	-
Limited liability companies	5,222,420	-
103-12 investment entities	13,029,393	-
Swap agreements	11,681,890	(1,818,586)
	<u>2,598,313,131</u>	<u>(5,056,424,868)</u>
Investments at estimated fair value as determined by the investment manager or other unobservable inputs:		
Insurance company contracts:		
Real estate	(627,190,326)	(290,114,982)
Pooled separate accounts	(459,030,157)	(227,952,718)
Real estate	(273,410,337)	(145,761,925)
Limited partnerships	64,591,867	(125,785,896)
Limited liability companies	693,633	-
	<u>(1,294,345,320)</u>	<u>(789,615,521)</u>
Total	<u>\$ 1,733,432,230</u>	<u>\$ (7,143,764,719)</u>

NOTE 7. INVESTMENTS (CONT'D)

The Plan's invested securities lending collateral appreciated (depreciated) in value as follows:

	<u>Year Ended December 31,</u>	
	<u>2009</u>	<u>2008</u>
Investments at estimated fair value:		
Reinvested custodial bank securities	\$ 5,509,361	\$ (10,549,308)
Insurance company contracts:		
Dryden Core Short Term		
Bond Account	<u>213,129,551</u>	<u>(359,475,033)</u>
Total unrealized gains (losses)		
on reinvested collateral	<u>\$ 218,638,912</u>	<u>\$ (370,024,341)</u>

NOTE 8. INVESTMENTS AT FAIR VALUE HIERARCHY

Assets measured at fair value on a recurring basis based on their fair value hierarchy at December 31, 2009, are as follows:

Description	December 31, 2009	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government and Government Agency obligations:				
U.S. treasury securities	\$ 567,919,849	\$ 567,919,849	\$ -	\$ -
Mortgage-backed securities	1,002,700,719	-	1,002,700,719	-
Other government debt securities	24,322,485	-	24,322,485	-
Corporate debt securities:				
Corporate debt securities	1,865,721,262	-	1,865,721,262	-
Asset-backed securities	414,701,078	-	414,701,078	-
Other corporate securities	8,549,878	-	8,549,878	-
Foreign debt securities	299,160,813	6,129,478	293,031,335	-
Equity securities:				
Capital goods	84,868,189	84,868,189	-	-
Communication	49,072,982	49,072,982	-	-
Consumer goods	137,082,793	137,082,793	-	-
Consumer services	131,309,064	131,309,064	-	-
Financial	187,403,016	187,403,016	-	-
Healthcare	182,095,072	182,095,072	-	-
Technology	351,689,389	351,689,389	-	-
Utilities	207,133,002	207,133,002	-	-
Other	145,394,079	145,394,079	-	-
Insurance company contracts:				
U.S. Government and Government Agency obligations:				
U.S. treasury securities	1,091,383,596	-	1,091,383,596	-
Mortgage-backed securities	2,314,930,085	-	2,314,930,085	-
Other government debt securities	334,112,612	-	334,112,612	-
Corporate debt securities:				
Corporate debt securities	3,031,006,888	-	3,031,006,888	-
Asset-backed securities	490,333,432	-	490,333,432	-
Other corporate securities	178,869,627	-	178,869,627	-
Mortgages	63,110,039	-	63,110,039	-
Cash and cash equivalents	290,841,381	-	290,841,381	-
Pooled separate accounts	1,134,081,575	-	487,168,758	646,912,817
Unallocated insurance contracts	165,325,969	-	165,325,969	-
Real estate	641,312,899	-	-	641,312,899
Common/commingled trusts	8,892,175,175	-	8,892,175,175	-
103-12 investment entities	263,029,393	-	263,029,393	-
Limited liability companies	80,590,649	-	80,103,952	486,697
Limited partnerships	1,427,894,018	-	158,987,950	1,268,906,068
Cash and cash equivalents	776,301,986	48,167,375	728,134,611	-
Real estate	913,887,017	-	-	913,887,017
Collateral for securities on loan	2,548,635,498	-	2,548,635,498	-
Total	\$ 30,296,945,509	\$ 2,098,264,288	\$ 24,727,175,723	\$ 3,471,505,498

NOTE 8. INVESTMENTS AT FAIR VALUE HIERARCHY (CONT'D)

Assets measured at fair value on a recurring basis based on their fair value hierarchy at December 31, 2008, are as follows:

Description	December 31, 2008	Fair Value Measurements at Reporting Date Using:		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
U.S. Government and Government Agency obligations	\$ 2,512,133,576	\$ 147,334,416	\$ 2,364,799,160	-
Corporate debt securities	2,139,552,114	-	2,136,604,402	-
Foreign debt securities	82,710,274	3,878,062	78,832,212	-
Equity securities	1,947,590,031	1,947,590,031	-	-
Insurance company contracts	10,827,070,381	-	8,729,206,817	2,100,811,276
Common/commingled trusts	6,463,059,763	-	6,463,059,763	-
Limited partnerships	805,732,357	-	-	805,732,357
Cash and cash equivalents	406,969,516	759,262	406,210,254	-
Real estate	1,035,177,217	-	-	1,035,177,217
Collateral for securities on loan	2,026,856,624	-	2,026,856,624	-
Total	<u>\$ 28,246,851,853</u>	<u>\$ 2,099,561,771</u>	<u>\$ 22,205,569,232</u>	<u>\$ 3,941,720,850</u>

A reconciliation of the activity from the beginning to the end of year for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at December 31, 2009 is as follows:

Description	Balance, Beginning of year	Fair Value Measurement Using Significant Unobservable Inputs (Level 3)				Balance, End of Year
		Total Realized and Unrealized Gains and Losses, Included in Changes in Net Assets	Purchases, Sales, Issuances, Settlements, net	Transfers In and/or Out of Level 3		
Insurance company contracts:						
Real estate	\$ 1,104,016,826	\$ (627,190,326)	\$ 61,986,399	\$ 102,500,000		\$ 641,312,899
Pooled separate accounts	996,794,450	(459,030,157)	55,690,524	53,458,000		646,912,817
Real estate	1,035,177,217	(273,410,337)	63,320,137	88,800,000		913,887,017
Limited liability companies	-	693,633	(206,936)	-		486,697
Limited partnerships	805,732,357	64,596,473	36,171,053	362,406,185		1,268,906,068
Total	<u>\$ 3,941,720,850</u>	<u>\$ (1,294,340,714)</u>	<u>\$ 216,961,177</u>	<u>\$ 607,164,185</u>		<u>\$ 3,471,505,498</u>

NOTE 8. INVESTMENTS AT FAIR VALUE HIERARCHY (CONT'D)

For the year ended December 31, 2009, the amounts of total gain or loss, as shown above, and included in the changes in net assets available for benefits attributed to the unrealized gain and losses of assets still held at year-end, are as follows:

<u>Description</u>	<u>Unrealized Gains and Losses</u>
Insurance company contracts:	
Real estate	\$ (617,279,862)
Pooled separate accounts	(459,030,157)
Real estate	(275,284,433)
Limited liability companies	616,144
Limited partnerships	49,840,620
Total	<u>\$ (1,301,137,688)</u>

A reconciliation of the activity from the beginning to the end of year for assets measured at fair value on a recurring basis using significant unobservable inputs (Level 3) at December 31, 2008 is as follows:

<u>Fair Value Measurement Using Significant Unobservable Inputs (Level 3)</u>					
<u>Description</u>	<u>Balance, Beginning of year</u>	<u>Total Realized and Unrealized Gains and Losses, Included in Changes in Net Assets</u>	<u>Purchases, Sales, Issuances, Settlements, net</u>	<u>Transfers In and/or Out of Level 3</u>	<u>Balance, End of Year</u>
Insurance company contracts:					
Real estate	\$ 1,162,900,275	\$ (290,114,982)	\$ 66,700,814	\$ 164,530,719	\$ 1,104,016,826
Pooled separate accounts	1,112,908,019	(227,952,718)	58,382,149	53,457,000	996,794,450
Real estate	1,221,790,047	(145,761,925)	62,649,095	(103,500,000)	1,035,177,217
Limited partnerships	59,930,797	(125,785,896)	(13,541,582)	885,129,038	805,732,357
Total	<u>\$ 3,557,529,138</u>	<u>\$ (789,615,521)</u>	<u>\$ 174,190,476</u>	<u>\$ 999,616,757</u>	<u>\$ 3,941,720,850</u>

For the year ended December 31, 2008, the amounts of total gain or loss, as shown above, and included in the changes in net assets available for benefits attributed to the unrealized gain and losses of assets still held at year-end, are as follows:

<u>Description</u>	<u>Unrealized Gains and Losses</u>
Insurance company contracts:	
Real estate	\$ (291,528,322)
Pooled separate accounts	(227,952,718)
Real estate	(145,692,527)
Limited partnerships	(125,957,850)
Total	<u>\$ (791,131,417)</u>

NOTE 9. FINANCIAL INSTRUMENTS

As part of the total investment strategy, and to meet the primary objectives established by the Trustees, several of the Plan's investment managers utilize derivative financial instruments. Risks associated with derivatives vary widely, but generally may be categorized as market risk, credit risk and interest rate risk. Market risk is defined as that risk associated with fluctuations in market price. Credit risk is defined as that risk associated with an entity not paying. Interest rate risk is defined as risk associated with changed in general interest rates or yield curves that could adversely affect the fair value of an investment.

Some of the Plan's investment managers enter into options, warrants and rights, futures, swaps and forward currency exchange contracts. The Plan uses futures, options and swaps for hedging purposes and not on a speculative basis, but the use of these instruments would be considered trading securities for purposes of reporting. The Plan uses futures, swaps and forwards for bona fide hedging purposes and to manage duration, yield curve, convexity, spread risk and credit risk with portfolios.

In addition, investment managers utilize currency forward transactions to protect or partially protect against fluctuations in exchange rates between countries when purchasing non-dollar issues for the portfolio. These instruments are helpful in eliminating volatility that may be experienced by the portfolio due to changes in exchange rates. By purchasing or selling the proper amount of these instruments, the investment manager is able to capture the underlying value of the foreign security without taking on the additional risk of currency.

An option is a contract that grants the right, but not the obligation, to exercise a specific purchase or sales transaction at a stated exercise price. Warrants and rights are investment instruments similar to options. A futures contract is a standardized agreement between two parties to buy and sell an asset at a set price on a future date. The Plan enters into financial futures contracts solely for the purpose of hedging its existing portfolio securities, or securities the Plan intends to purchase, against fluctuations in fair value caused by changes in prevailing interest rates or as substitutes for cash securities permitted under the relative account guidelines. Upon entering into a financial futures contract, the Plan is required to pledge to the broker an amount in cash, United States government securities or other assets equal to a certain percentage of the contract amounts (initial margin deposit).

Subsequent payments, known as "variation margin," are made or received by the Plan each day, depending on the daily fluctuations in the fair value of the underlying security. The Plan recognizes an unrealized gain or loss equal to the daily variation margin. Should market conditions move unexpectedly, the Plan may not achieve the anticipated benefits of the financial futures contracts and may realize a loss. When the contract is closed, the Plan recognizes a realized gain or loss equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed.

NOTE 9. FINANCIAL INSTRUMENTS (CONT'D)

The use of futures transactions involves the risk of imperfect correlation in movements in the price of futures contracts, interest rates and the underlying hedged assets. The variation margin receivable/payable is included in accrued investment income on the statement of net assets available for benefits.

Credit default swaps (CDS) entered into by the Plan typically represent the exchange by a counterparty with the Plan of a commitment to provide credit protection for a commitment to receive interest at a fixed rate based on the potential risk of default of the relevant underlying issuer. Receiving credit protection from a counterparty tends to decrease the Plan's exposure to the underlying instrument held by the Plan. Such contracts may have a term of one to seven years, but typically require periodic interim settlement in cash. Credit default swaps are marked to market daily based on prices obtained from independent broker/dealers; and changes in value, as well as the accrual of the periodic coupon income, are recorded as unrealized appreciation or depreciation. Gains and losses on CDS agreements are realized upon termination of the swap contract and the periodic payments.

A credit default swap index (CDX) is a credit derivative used to hedge credit risk or to take a position on a group of credit entities. A CDX may be more liquid and trade at a smaller bid-offer spread. This means that it can be cheaper to hedge a portfolio of credit default swaps or bonds with a CDS index than it would be to buy many CDS to achieve a similar effect. Credit-default swap indexes are benchmarks for protecting the Plan's investments in bonds against default.

The Plan has entered into interest rate swap agreements. Through such transactions, the parties agree to pay on specific dates either a fixed or floating rate of interest on the contract amount. Risks in these transactions involve both the risk of counterparty nonperformance under the terms of the contract and the risk associated with changes in the market value of the swaps.

In addition, the Plan has entered into foreign currency forward contracts to protect its investments in foreign securities from price declines caused by changes in currency exchange rates. A foreign currency forward contract is a commitment to purchase or sell a foreign currency at a future date at a negotiated forward rate. The gain or loss arising from the difference between the value of the original contracts and the value upon closing of such contracts is included in net realized gain or loss on foreign currency transactions. Fluctuations in the value of open foreign currency forward contracts are recorded as unrealized gains and losses.

The Plan may sell a security it does not own in anticipation of a decline in the fair value of that security. When the Plan sells a security short, it must borrow the security sold short and deliver it to the broker-dealer through which the short sale was made. A gain, limited to the price at which the Plan sold the security short, or a loss, unlimited in size, will be recognized upon termination of the short sale.

NOTE 9. FINANCIAL INSTRUMENTS (CONT'D)

Total open contracts and unrealized gain (loss) by category at December 31, 2009, consisted of the following:

<u>Type</u>	<u>Position</u>	<u>Notional/ Contractual Amount</u>	<u>Unrealized Gain (Loss)</u>
Futures:			
S&P 500 Stock Index Futures	Long	\$ 1,153,740,000	\$ 14,929,739
U.S. Treasury Bond Futures	Long	617,363,000	(9,610,885)
U.S. Treasury Bond Futures	Short	(357,930,000)	6,472,162
Euro Dollar Futures	Long	83,227,000	560,844
Euro Dollar Futures	Short	(742,000)	(2,427)
Euro Bund Futures	Short	(17,040,000)	239,918
Commodities:			
Agriculture	Long	12,991,000	194,317
Energy	Long	19,945,000	362,656
Metals	Long	8,102,000	128,683
Total futures		<u>\$ 1,519,656,000</u>	<u>\$ 13,275,007</u>
Swaps:			
Credit Default Swaps	Long	\$ 32,935,000	\$ (124,313)
Credit Default Swaps	Short	(34,645,000)	(5,654,743)
Credit Default Index Swaps	Long	56,990,000	54,344,935
Credit Default Index Swaps	Short	(55,280,000)	(54,785,635)
Interest Rate Swaps	Long	296,760,000	137,435,597
Interest Rate Swaps	Short	(296,760,000)	(134,581,891)
Total swaps		<u>\$ -</u>	<u>\$ (3,366,050)</u>
Options:			
Interest Rate Swap Call Options	Short	\$ (26,180,000)	\$ 1,474,700
Interest Rate Swap Put Options	Short	(91,980,000)	1,567,008
Euro Dollar Call Options	Short	(190,000)	18,172
Euro Dollar Put Options	Short	(177,000)	53,656
U.S. Bond Call Options	Long	54,375	(47,862)
Common Stock Call Options	Long	3,696,000	1,776,592
Common Stock Call Options	Short	(18,000)	33,937
Common Stock Put Options	Long	92,000	(17,478)
Total options		<u>\$ (114,702,625)</u>	<u>\$ 4,858,725</u>
Warrants:			
Common Stock Warrants	Long	<u>\$ 8,426,000</u>	<u>\$ 461,236</u>
Forward Contracts Foreign Currency:			
Pay CAD/Rec USD			\$ 105,448
Pay EUR/Rec USD			1,605,096
Total forward contracts foreign currency			<u>\$ 1,710,544</u>

NOTE 9. FINANCIAL INSTRUMENTS (CONT'D)

Total open contracts and unrealized gain (loss) by category at December 31, 2008 consisted of the following:

<u>Type</u>	<u>Position</u>	<u>Notional/ Contractual Amount</u>	<u>Unrealized Gain (Loss)</u>
Futures:			
S&P 500 Stock Index Futures	Long	\$ 707,029,000	\$ 15,306,164
U.S. Treasury Bond Futures	Long	444,277,000	9,697,297
U.S. Treasury Bond Futures	Short	(191,877,000)	(4,784,578)
Euro Dollar Futures	Long	172,622,000	3,687,136
Euro Dollar Futures	Short	(73,770,000)	(1,482,188)
Euro Bund Futures	Long	42,863,000	32,875
UK Long Gilt Future	Long	16,509,000	1,040,313
Total futures		<u>\$ 1,117,653,000</u>	<u>\$ 23,497,019</u>
Swaps:			
Credit Default Swaps		\$ 29,600,000	\$ 3,640,869
Interest Rate Swaps		495,800,000	6,448,393
Credit Default Index Swaps		100,000,000	4,158,048
Total swaps		<u>\$ 625,400,000</u>	<u>\$ 14,247,310</u>
Options:			
Common Stock Call Options	Long	\$ 785,000	\$ (1,029,634)
Common Stock Call Options	Short	(189,000)	345,183
Common Stock Put Options	Long	3,232,000	1,135,597
Common Stock Put Options	Short	(63,000)	(44,924)
Interest Rate Swap	Long	40,700,000	(947,568)
Interest Rate Swap Call	Short	(6,200,000)	(107,249)
Interest Rate Swap Put	Short	(6,200,000)	88,383
90 Day Eurodollar Futures Call	Short	(987,000)	(600,879)
90 Day Eurodollar Futures Put	Short	(1,000)	148,907
10 Year U.S. Treas. Futures Call	Short	(3,495,000)	(3,098,292)
10 Year U.S. Treas. Futures Put	Short	(66,000)	669,723
Total options		<u>\$ 27,516,000</u>	<u>\$ (3,440,753)</u>
Right and Warrants:			
Common Stock Rights and Warrants	Long	<u>\$ 9,447,000</u>	<u>\$ 195,894</u>
Forward Contracts Foreign Currency:			
Pay in CAD/Rec in USD			\$ 112,036
Pay in USD/Rec in CAD			(69,797)
Pay in EUR/ Rec in USD			(2,279,351)
Pay in USD/Rec in EUR			1,664,600
Pay in GBP/Rec in USD			124,467
Pay in MXN/Rec in USD			620,510
Total forward contracts foreign currency			<u>\$ 172,465</u>

NOTE 9. FINANCIAL INSTRUMENTS (CONT'D)

The accompanying financial statements reflect these unrealized gains and losses, not the gross value or notional amount of the underlying securities. At December 31, 2009 and 2008, approximately \$97,850,000 and \$77,765,000, respectively, have been pledged against the futures contracts to cover the initial margin and collateral requirements.

NOTE 10. SECURITIES LENDING

The Trustees authorized the Plan to enter into securities lending agreements with a custodial bank and Prudential (Lending Agents) to lend securities to third parties. The Lending Agents must obtain collateral from the borrowers in the form of cash or securities issued or guaranteed by the United States Government or its agencies equal to at least 102% (105% for foreign loans) of the market value of the loaned securities plus accrued income. The market value of the collateral is marked to market daily. Except as noted below, if the market value of the collateral is less than the minimum percentage (100%), the Lending Agents require additional collateral be delivered the following day to meet the required percentage of the market value of the loaned securities, plus accrued interest. During the time the securities are on loan, the Plan will continue to receive the interest and dividends or amounts equivalent thereto on the loaned securities. The right to terminate the loan is given to both the lenders and the borrowers, subject to appropriate notice. Upon termination of the loan, the borrowers will return to the lenders securities identical to the loaned securities and the collateral held by lenders will be returned to the borrowers.

The fair value of the securities on loan is as follows:

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
Securities on loan, at fair value		
Custodial bank	\$ 399,177,701	\$ 248,453,728
Prudential	<u>2,332,769,939</u>	<u>2,174,500,308</u>
Total securities on loan	<u>\$ 2,731,947,640</u>	<u>\$ 2,422,954,036</u>

The Lending Agents are authorized to invest and reinvest any and all cash collateral. Cash collateral may be invested or reinvested in accordance with the investment guidelines set forth in the securities lending agreements. Prudential invested a portion of the cash collateral in the Dryden Core Short-Term Bond Account (Dryden Bond Account), an approved vehicle for reinvested cash collateral. The custodial bank reinvested the cash collateral in a pool of approved securities.

NOTE 10. SECURITIES LENDING (CONT'D)

The fair value, unrealized losses and liability to return securities lending collateral is as follows:

<u>As of December 31, 2009</u>	<u>Liability to Return Collateral</u>	<u>Unrealized Loss</u>	<u>Fair Value of Collateral</u>
Collateral for securities on loan			
Custodial bank	\$ 416,401,298	\$ (5,039,946)	\$ 411,361,351
Prudential	2,378,020,234	(240,746,087)	2,137,274,147
Total	<u>\$ 2,794,421,532</u>	<u>\$ (245,786,033)</u>	<u>\$ 2,548,635,498</u>

<u>As of December 31, 2008</u>	<u>Liability to Return Collateral</u>	<u>Unrealized Loss</u>	<u>Fair Value of Collateral</u>
Collateral for securities on loan			
Custodial bank	\$ 256,897,350	\$ (10,549,308)	\$ 246,348,042
Prudential	2,234,384,219	(453,875,637)	1,780,508,582
Total	<u>\$ 2,491,281,569</u>	<u>\$ (464,424,945)</u>	<u>\$ 2,026,856,624</u>

As shown on the statements of changes in net assets available for benefits, the unrealized gains (losses) on the reinvested collateral for the years ended December 31, 2009 and 2008, were \$218,638,912 and (\$370,024,341), respectively.

Although the Plan's securities lending activities are collateralized as described above, they involve both market and credit risk. In this context, market risk refers to the possibility that the borrowers of securities will be unable to collateralize their loan upon a sudden material change in the fair value of the loaned securities or collateral. Credit risk refers to the possibility that counterparties involved in the securities lending program may fail to perform in accordance with the terms of their contracts. To minimize risk, the Plan restricts counterparties to the highest quality firms. If a loan of securities is terminated and such securities are returned, the Plan could sustain realized losses on the collateral if it were necessary to liquidate collateral invested in the Dryden Bond Account.

The Plan earned securities lending income (net of fees) totaling approximately \$18,622,000 and \$20,697,000, respectively, for the years ended December 31, 2009 and 2008. These amounts are included in investment income on the statement of changes in net assets available for benefits.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE

In September 2009, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update No. 2009-12, *Investments in Certain Entities that Calculate Net Asset Value Per Share (or its Equivalent)* (ASU 2009-12), which amended certain subsections of FASB ASC 820. Overall the guidance permits entities to use net asset value (NAV) per share (or its equivalent), as a practical expedient, to measure fair value when the investment does not have a readily determinable fair value and the net asset value is calculated in a manner consistent with investment company accounting. The Plan adopted this guidance in ASU 2009-12 for the reporting period ended December 31, 2009. As a result, the Plan has provided additional disclosures regarding the nature and risks of investments within the scope of this guidance. The adoption of ASU 2009-12 did not have a material effect on the Plan's net assets available for benefits or its changes in net assets available for benefits. The fair value of the following investments was measured using NAV (or its equivalent).

<u>Investment Type/Name</u>	<u>Fair Value</u>	<u>Benchmark</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Common/collective trusts:				
Equity:				
Northern Trust:				
Short-Term Investment Fund	\$ 55,887 {a}	Citigroup T-Bill; 3 month	Daily	1 day
Extended Equity Market Fund	660,687,018 {a}	Weighted (DJ US Completion Stock	Daily	1 day
S&P 500 Equity Fund	1,280,306,955 {a}	Market Total Return Index and S&P 500)	Twice monthly; limited to 25% of invested funds	6 days
Mellon:				
Mellon EB Daily Valued Stock Index Fund	3,285,414,780 {b}	Weighted (DJ US Completion Stock	Daily	1 day for cash redemptions; 2 days for in-kind redemptions
Mellon EB Market Completion Fund	1,097,926,985 {b}	Market Total Return Index and S&P 500)	Daily	
International equity:				
INVESCO GTAA	750,315,617 {c}	MSCI EAFE Net Dividend Index	Daily	1 day; for withdrawals in excess of \$1 million, 2-5 days is preferred
Mellon EB International Equity Alpha Plus Fund	1,253,440,862 {d}	MSCI EAFE Net Dividend Index	Twice monthly	2 days for cash redemptions; 3 days for in-kind redemptions
Risk parity:				
INVESCO Premia Plus	307,775,378 {e}	Barclays Capital T-Bill; 3 month	Daily	1 day; for withdrawals in excess of \$1 million, 2-5 days is preferred

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

<u>Investment Type/Name</u>	<u>Fair Value</u>		<u>Benchmark</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Cash:					
TBC INC Pooled Emp Daily	256,251,693	{f}	Citigroup T-Bill; 3 month	Daily	None required
Limited partnerships:					
Infrastructure:					
UBS International Infrastructure	176,563,683	{g}	None designated	Not permitted	N/A
JP Morgan IIF ERISA L.P.	509,528,819	{h}	None designated	Semi-annually	90 days written notice - See {h}
IFM Global Infrastructure (US) Fund	315,700,382	{i}	None designated	Quarterly	90 days written notice to the general partner
Commodities:					
Schroder Commodity Portfolio	158,987,950	{j}	DJ UBS Commodity Index Total Return	Monthly, first business day of each month	30 days
Private equity:					
Yucaipa American Alliance Fund I	30,641,181	{k}	30%-40% Fund IRR with managed risk; 2.5x-3.0x return multiple on capital invested	Not permitted	N/A
Yucaipa American Alliance Fund II	74,459,037	{k}		Not permitted	N/A
Landmark Partners XIII	31,400,403	{l}	None designated	None permitted, unless an event occurs that is deemed to be in violation of ERISA	N/A
Landmark Partners XIV	12,452,371	{l}	None designated		
WP COREalpha II	14,643,168	{m}	None designated	Not permitted	N/A
BlackRock Vesey Street Fund IV	20,851,266	{n}	None designated	Not permitted	N/A
Hamilton Lane Capital Opportunities Fund L.P.	20,847,671	{o}	Performance compared to S&P 500	Not permitted	N/A
HarbourVest Dover Street VII					
Cayman Fund L.P.	20,498,221	{p}	None designated	Not permitted	N/A
Pantheon USA Fund VIII L.P.	11,970,073	{q}	None designated	Not permitted	N/A
Partners Group Secondary 2008, L.P.	19,999,812	{r}	None designated	Not permitted	N/A
Pomona Capital VII, L.P.	25,193,940	{s}	See {s}	Not permitted	N/A

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

<u>Investment Type/Name</u>	<u>Fair Value</u>	<u>Benchmark</u>	<u>Redemption Frequency (if currently eligible)</u>	<u>Redemption Notice Period</u>
Pooled separate accounts:				
Real estate:				
PRISA	343,934,607 {t}	NCREIF - Open-End Commingled Fund Index	Quarterly	90 days written notice
PRISA II	302,978,210 {u}	NCREIF - Open-End Commingled Fund Index plus 200bp	Quarterly	90 days written notice
Mortgages:				
UMA	105,068,332 {v}	Barclays U.S. Government/Credit Bond Index	Quarterly at quarter end	90 days prior to quarter end
Cash:				
Temporary Investment Account	382,100,426 {w}	Citigroup T-Bill; 3 month	Daily	15 or more business days in advance; Prudential may agree to a shorter request period
103-12 investment entities:				
Risk parity:				
Bridgewater Associates All Weather	263,029,393 {x}	None designated	Monthly	5 business days
Limited liability companies:				
Commodities:				
Gresham Onshore A+	80,103,952 {y}	DJ UBS Commodity Index	Monthly	5 business days
Other:				
JP Morgan U.S. Corporate Finance Inst. Investors IV	108,890 {z}	500bp above public equity markets as measured by the S&P 500 and NASDAQ indices	Not permitted	N/A
JP Morgan Venture Capital Inst. Investors IV	377,807 {z}		Not permitted	N/A

{a} The Northern Trust common/collective funds are composed of equities with weighted investments in S&P 500 and market completion funds to approximate as closely as practicable the performance of the entire U.S. equity market. The term of the funds is perpetual.

{b} The Mellon common/collective funds are composed of equities with weighted investments in S&P 500 and market completion funds to approximate as closely as practicable the entire U.S. equity market. The term of the funds is perpetual.

{c} This INVESCO GTAA common/collective fund takes short and long positions in developed-country equity, bond and currency markets, with the aim of outperforming the MSCI EAFE Index by approximately 4% per year. The term of the fund is perpetual.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

- {d} This Mellon International Equity Alpha Plus common/collective fund follows an active, global, tactical asset-allocation strategy and targets a return of 4% above the MSCI EAFE Index. The fund takes short and long positions in developed-country equity, bonds and currency markets. The term of the fund is perpetual.
- {e} This INVESCO Premia Plus common/collective fund is a leveraged portfolio with a target leverage range of 1.3 to 2 times invested capital. INVESCO uses its proprietary GTAA model to tactically shift exposures among asset classes. The term of the fund is perpetual.
- {f} This Pooled cash common/collective fund is utilized by the custodian for managing cash transactions and settling trades for the Plan's actively managed equity and debt portfolios. The term of the fund is perpetual.
- {g} The UBS Infrastructure Fund does not have a designated performance benchmark; however, the Plan anticipates a CPI plus 5% return on its investments in the fund. The UBS Fund is a close-end fund that invests in stabilized assets in OECD countries with selected value-added opportunities. The term of the UBS Fund is 15 years from the first closing date, and thus, the term of the UBS fund ends September 28, 2022. Limited partners may extend the term in the fund by an additional five years (from 15 to 20 years). Such an extension requires a simple majority of the limited partners (by committed capital) and is subject to regulatory approvals, including the approval of the Federal Reserve Board.
- {h} The JP Morgan Infrastructure Fund does not have a designated benchmark; however, the Plan anticipates a CPI plus 5% return on its investment in the fund. The Fund's objective is to invest in a broad range of infrastructure and infrastructure-related assets located primarily in (or connected with) the United States, Canada, Western Europe and Australia and, secondarily, in (or connected with) other OECD countries. These assets may include, without limitation: (a) toll roads, bridges and tunnels, (b) oil and gas pipelines, (c) electricity transmission and facilities, (d) contracted power generation assets, (e) communication assets, (f) water distribution and waste water collection and processing assets, (g) railway lines and rapid rail links, (h) seaports, and (i) airports. The determination as to whether a redemption request will be satisfied shall be made by the Fund's investment advisor in its absolute discretion, taking into consideration the best interest of the Fund. Generally, redemption requests made prior to the fourth anniversary of the drawdown of the last portion of the Plan's relevant commitment shall be subject to a 6% redemption discount, with two-thirds of such discount retained by the holding company. In May 2009, the Plan agreed to extend the redemption discount period for an additional two years (January 2, 2014). Due to the nature of the Fund's investments, the Fund is considered a perpetual-life, open-end fund. The Fund has quarterly calendar closings in perpetuity.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

- {i} The IFM Global Infrastructure Fund does not have a designated benchmark; however, the Plan anticipates a CPI plus 5% return on its investment. The investment objective of the fund is to acquire and maintain a diversified portfolio of global infrastructure investments in the target sub-sectors, such as energy, transportation, water, communication and social infrastructure, with varied maturities such that the fund will achieve returns of 10% per annum over rolling three-year periods. The fund focuses on proprietary deal flow opportunities where assets are identified with monopoly characteristics or regulated revenues, high barriers to entry or superior market position, consistent and steadily growing demand and predictable cash flows supporting high yields or dividends. The fund may impose withdrawal restrictions of up to 2.5% of the account balance each quarter during the first two years following the drawdown of the Plan's commitment. The fund is considered open-ended; therefore, the term of the fund is perpetual.
- {j} The Schroeder Commodity Portfolio seeks long-term total return through investments in commodity-related investments including, for example, futures contracts, options, swaps, forward contracts and structured notes and, to a lesser extent, equities, debt securities, convertible securities and warrants of issuers in commodity-related industries. The investment approach is index unconstrained; however, the performance objective is to outperform a simple average of the four major commodities indices. The fund will continue for an indefinite term or until the general partner elects to terminate the fund.
- {k} The Yucaipa Funds are private-equity limited partnerships that seek to make controlling private investments in mid-sized domestic companies with significant upside potential, mostly in retail or logistics. The funds' objective is to earn superior risk-adjusted returns. The term of the funds is ten years from the final closing. The term of the funds may be extended by the general partner: (a) initially, with the approval of the funds' advisory board, for up to two successive periods not to exceed one year each, and (b) thereafter, with the approval of two-thirds in interest of the limited partners, for successive periods not to exceed one year each. The term may not extend beyond the 15th anniversary of the final closing.
- {l} The Landmark Funds invest in a diversified private-equity portfolio of venture capital, buyout and mezzanine assets through secondary market transactions, which may include investments in newly formed private-equity partnerships made in connection with or to facilitate a secondary market transaction and direct investments in companies. The funds may also make stand-alone investments in newly formed private-equity partnerships.
- {m} The WP COREalpha investment strategy is to make long-term equity investments in pooled investment vehicles by investing across a spectrum of industries and business stages. The fund may acquire interests in underlying partnerships directly from such partnerships and through secondary purchase from other investors. The term on the fund is ten years from the initial closing; however, the term of the fund may be extended for up to two one-year terms or may terminate earlier following the sale of all or substantially all of the fund's assets.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

- {n} The BlackRock Vesey Street Fund is one of a series of parallel funds with an objective to seek superior capital appreciation through investments in private equity, while reducing risk through portfolio construction and diversification. The fund expects to allocate up to 75% of total capital commitments to interests in private-equity funds, up to 15% to interests in secondary funds and up to 30% to direct investments in individual companies. While there is no designated benchmark, once the fund matures, the fund will compare its performance to the VentureXpert All Private Equity (U.S. and Europe) database for the years the fund has made investments. The fund will dissolve no later than one year after the later of the termination or disposition of the last underlying fund and the sale of the last direct investment.
- {o} The Hamilton Lane Capital Opportunities Fund's investment objective is to achieve top-quartile private-equity risk-adjusted returns through investment in a diversified portfolio of private-equity assets, primarily in limited partnerships and other pooled investments that make direct private-equity investments. The fund may also invest in secondary fund investments. The term on the fund is ten years after the initial closing, which occurred July 27, 2007, unless sooner dissolved. The general partner may extend the term of the fund for up to two successive one-year terms following the expiration of the initial term. The general partner may further extend the term of the fund until the 180th day immediately following the date of the final liquidation of the last portfolio investment.
- {p} The HarbourVest Dover Street Fund focuses on investments in the United States, Asia, Europe, Latin America and emerging private-equity markets. The fund's objective is to invest in a diversified global portfolio of secondary investments in venture capital, leverage buyout and other private-equity funds, as well as in selected strategic primary opportunities. The fund will continue until December 31, 2017, unless the fund is dissolved sooner in accordance with the provisions of the partnership agreement. The fund may extend its term for up to four one-year periods in accordance with the partnership agreement.
- {q} The Pantheon USA Fund VIII invests primarily in a diversified portfolio of leveraged buyout, venture capital and special situation funds, including distressed debt and mezzanine investments, with up to 20% exposure to secondary markets, as well as co-investments. The fund's term is 13 years from the initial closing date, which was October 18, 2007. The term of the fund may be extended by the general partner for up to three additional one-year periods; and provided, further, that the term of the fund may be extended further upon election by the general partner, with the consent of a majority interest of limited partners.
- {r} The Partner Group Secondary 2008 invests in the global private-equity secondary market. The value-based investment strategy is to acquire secondary investments at an attractive discount to their intrinsic value. The term of the fund begins at the initial closing date and ends four years after the final closing date. The general partner of the fund may extend the investment period by 12 months.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

- {s} The Pomona Capital VII invests in a portfolio of secondary interest in buyout and venture capital funds, primarily in North America and Europe. The fund may not, without approval from its advisory committee, invest more than 20% of the aggregate capital commitments in the securities of any single equity fund. The fund uses two benchmarks: (1) Thomson Reuters VentureXpert; specifically, the median IRR for the fund first year (2007) and (2) the Cambridge Associate Fund of Funds and Secondary benchmarks; specifically, the median vintage IRR by vintage year. The term of the fund is ten years from the initial closing, or November 20, 2017. The fund is subject to two one-year extensions at the election of the general partner and with a simple majority consent of the limited partner interests.
- {t} PRISA is a commingled, broadly diversified equity real estate portfolio that invests primarily in complete, income-producing properties with strong cash flows that are expected to increase over time and thereby provide the potential of capital appreciation. PRISA makes investments in office, retail, industrial, apartment, hotel, and self-storage properties. Investment may be made through direct property ownerships or indirectly through such vehicles as joint ventures, general and limited partnership; limited liability companies; mortgage and other loans, including mezzanine debt; or interest in companies or entities that directly or indirectly hold real estate or real estate interests. The term of the fund is perpetual.
- {u} PRISA II is a commingled fund that seeks to structure investments to enhance risk-adjusted returns. Investments may be made through direct property ownership or indirectly through such vehicles as joint ventures; general or limited partnerships; limited liability companies; mortgage and other loans, including mezzanine debt; and debt secured by an interest in the borrowing entity or interest in companies or entities that directly or indirectly hold real estate or real estate interests. PRISA II focuses on investments in property types including office, residential, retail, hotel, and self-storage properties. Other permissible investments include real estate operating companies, mezzanine debt and joint ventures. The term of the fund is perpetual.
- {v} UMA (Union Mortgage Account) is an open-end commingled fund that invests in mortgages on properties constructed with union labor. The term of the fund is perpetual.
- {w} TIA (Temporary Investment Account) is a commingled money market account that tends to have a slightly longer average maturity and, over time, has produced slightly better returns than comparable funds. The term of the fund is perpetual.
- {x} The investment objective of Bridgewater Associate All Weather is to hold investments in different asset classes that have different biases to economic conditions. The asset classes include the currency, fixed income, inflation-linked bond, equity and commodity markets. The long-term annual targeted return of the portfolio is expected to be approximately 5% to 7% above cash (90-day Treasury Bills), and the targeted risk is expected to be approximately 10%. The term of the portfolio is perpetual.

**NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET
VALUE (CONT'D)**

- {y} The investment objectives of Onshore Gresham A+ Fund are to provide a partial inflation hedge, with an attractive risk/return profile as compared to other products, using a commodity index or pool of commodities. This objective is achieved by investing in accordance with proprietary commodity futures term structure monetization trading strategies of long-only, unleveraged, diversified U.S.-dollar-denominated futures and forward contracts in tangible commodities on U.S. and non-U.S. exchanges. The term of the fund is perpetual.
- {z} The JP Morgan U.S. Corporate Finance IV will make commitments to U.S.-based private-equity managers with a focus on strategies that invest in the growth of small and mid-sized companies. Approximately 75% of the commitments will be directed to 15–18 private-equity firms with approximately 25% of the committed capital available for opportunistic secondary sales, direct investments in portfolio companies or other strategies. The JP Morgan Venture Capital Institutional Investors IV will make commitments to venture capital managers with a focus on firms that have domain expertise and/or early stage practices. Venture capital investments are likely to be concentrated in the technology, life sciences and materials sectors. Approximately 8% of the commitments will be committed to 15–18 venture capital firms with approximately 20% of the committed capital available for opportunistic secondary sales, direct investments in portfolio companies and other strategies. The term of the JP Morgan funds is the earlier of (a) the tenth anniversary of the last commitment in the funds' pooled subsidiary, or (b) the 13th anniversary of commencement of operations. Two one-year extensions are permitted for each fund.

NOTE 11. INVESTMENTS IN CERTAIN ENTITIES THAT CALCULATE NET ASSET VALUE (CONT'D)

The Plan has the following commitments to fund investments in 2010 and beyond:

	<u>Year of Commitment</u>	<u>Initial Commitment</u>	<u>Remaining Commitment</u>
Private-equity investments:			
Yucaipa American Alliance Fund I L.P.	2004	\$ 50,000,000	\$ 2,100,000
Yucaipa American Alliance Fund II L.P.	2007	100,000,000	54,800,000
Landmark Partners XIII	2006	50,000,000	7,300,000
Landmark Partners XIV	2008	100,000,000	89,000,000
WP Global COREalpha II	2007	75,000,000	57,300,000
BlackRock Vesey Street Portfolio IV	2007	75,000,000	50,600,000
Hamilton Lane Capital Opportunities Fund	2007	75,000,000	53,188,000
HarbourVest Dover Street VII	2008	100,000,000	79,000,000
Pantheon USA Fund VIII L.P.	2008	100,000,000	86,000,000
UBS Intl. Infrastructure Fund	2008	300,000,000	117,201,000
JP Morgan U.S. Corporate Finance IV	2009	85,000,000	85,000,000
JP Morgan Venture Capital Institutional Investors IV	2009	15,000,000	15,000,000
Partners Group Secondary 2008, L.P.	2009	140,000,000	111,506,000
Pantheon PGSF IV (Secondary)	2009	100,000,000	100,000,000
Pomona Capital VII, L.P.	2009	100,000,000	71,300,000
WP Global COREalpha III	2009	60,000,000	60,000,000
LODH Europe	2010	140,000,000	140,000,000
Hancock Agricultural Investment	2010	100,000,000	100,000,000
UBS Agrivest	2010	100,000,000	100,000,000
Forest Investment Associates	2010	100,000,000	100,000,000
The Campbell Group	2010	100,000,000	100,000,000
Real estate:			
Western Conference of Teamsters (WCOT)	2006	500,000,000	174,016,000
PRISA II	2007	240,800,000	78,020,000
UBS Brinson	2007	100,000,000	74,038,000

NOTE 12. NET ASSETS AVAILABLE FOR BENEFITS

The Plan allocates net assets available for benefits between Retired and Survivor Guaranteed Annuities, certain Non-Guaranteed Benefits for Retiree and Survivors and Non-Guaranteed Benefits for Future Retirees and Survivors. Effective January 1, 1998, the Plan entered into two insurance company group annuity contracts with Prudential which superseded the group annuity contract in effect since 1955. Under one contract, Prudential guarantees retirement benefits to a closed group of annuitants and their beneficiaries (Retired and Survivor Guaranteed Annuities). The initial contribution to this contract was \$7.46 billion, representing an amount equal to 105% of the Contract Liability Amount as of the effective date of the contract. This contract will remain in full force and effect until the date that there are no further annuity or other guaranteed payments payable under the contract. The contract will terminate at that time and the remaining assets held under the contract, if any, less any expenses or other fees, would be transferred back to the general Plan assets. Non-Guaranteed Benefits are covered by the remaining Plan assets, including a second contract that consists of separate investment accounts that are managed by Prudential. The net assets available for benefits allocated between the Retired and Survivor Guaranteed Annuities, Non-Guaranteed Benefits for Retirees and Survivors, and Future Retirees and Survivors are summarized as follows:

	<u>December 31,</u>	
	<u>2009</u>	<u>2008</u>
Retired and Survivor		
Guaranteed Annuities	\$ 3,430,206,713	\$ 4,123,193,035
Non-Guaranteed Benefits		
for Retirees and Survivors	16,013,094,000	15,297,593,000
Non-Guaranteed Benefits for		
Future Retirees and Survivors	<u>7,229,275,116</u>	<u>5,535,564,008</u>
Net Assets Available for Benefits	<u>\$ 26,672,575,829</u>	<u>\$ 24,956,350,043</u>

NOTE 13. RECONCILIATION OF FINANCIAL STATEMENTS TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

	<u>2009</u>	<u>December 31,</u> <u>2008</u>
Net assets available for benefits per the financial statements	\$ 26,672,575,829	\$ 24,956,350,043
Benefits payable/settlement	(5,508,000)	-
Benefit obligations currently payable	<u>(11,680,298)</u>	<u>(11,504,070)</u>
Net assets available for benefits per the Form 5500	<u>\$ 26,655,387,531</u>	<u>\$ 24,944,845,973</u>

The following is a reconciliation of benefits paid to or for participants per the financial statements to the Form 5500 for the year ended December 31, 2009:

Benefits paid to or for participants per the financial statements	\$ 2,154,334,979
Add - amounts currently payable at end of year	17,188,298
Less - amounts currently payable at beginning of year	<u>(11,504,070)</u>
Benefits paid to or for participants per the Form 5500	<u>\$ 2,160,019,207</u>

NOTE 14. EMPLOYER WITHDRAWAL LIABILITY

The Plan complies with the provisions of the Multiemployer Pension Plan Amendment Act of 1980 (MEPPA) that requires imposition of withdrawal liability on a contributing employer that completely or partially withdraws from the Plan. Basically, a portion of the Plan's unfunded vested liability is allocated to a withdrawn employer based on certain comparisons of the employer's contribution history to the Plan compared to the contribution history of all active employers in the Plan.

NOTE 14. EMPLOYER WITHDRAWAL LIABILITY (CONT'D)

As of December 31, 2008, the Plan's unfunded vested benefit liability exceeded the actuarial value of its assets by approximately \$2.919 billion and, therefore, employers who withdraw from the Plan in 2009 will be assessed a withdrawal liability unless the amount of the liability is considered de minimis (\$50,000).

NOTE 15. CONTINGENCIES

In November 2008, a participant filed a putative class-action lawsuit against the Plan in the United States District Court for the District of Arizona, asserting claims under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. The lawsuit, *Wendell Becker, on behalf of himself and all others similarly situated, v. Western Conference of Teamsters Pension Trust et. al*, No. CV 08-02130-PHX-FJM, challenges the legality of the Plan's suspension of benefits provisions and procedures. In October 2009, the parties agreed to settle the case. The Court preliminarily approved the settlement in December 2009. No objections to the terms of the settlement were filed, and the Court gave final approval to the class action settlement in March 2010. Under the terms of the settlement, the Plan will pay to class members and their legal counsel approximately \$7,440,000, which includes benefits, interest and approved legal costs.

NOTE 16. SUBSEQUENT EVENTS

Subsequent events were evaluated through the date on which the financial statements were available to be issued. This date is approximately the same as the independent auditor's report date.

ADDITIONAL INFORMATION

REPORT OF INDEPENDENT AUDITORS ON ADDITIONAL INFORMATION

To the Participants and Trustees of
Western Conference of Teamsters Pension Plan

Our audits of the financial statements of Western Conference of Teamsters Pension Plan (the Plan) as of and for the years ended December 31, 2009 and 2008, were made for the purpose of forming an opinion on the basic financial statements taken as a whole. The additional information that appears on pages 48 through 50 is presented for purposes of additional analysis and is not a required part of the basic financial statements. This information is the responsibility of the Plan's management. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Lindquist LLP

September 9, 2010

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

SCHEDULES OF ADMINISTRATIVE EXPENSES

YEARS ENDED DECEMBER 31, 2009 AND 2008

	<u>2009</u>	<u>2008</u>
Administrative offices	\$ 49,035,758	\$ 43,567,210
Prudential administrative fees	12,318,578	12,309,119
Legal fees	5,693,180	2,074,248
Actuarial fees	1,312,120	1,052,188
Pension Benefit Guaranty		
Corporation premiums	4,858,549	4,816,596
State premium taxes (Prudential)	1,149,221	1,209,754
Delinquency collection fees	368,379	412,511
Consultants' fees	56,454	213,012
Insurance	821,887	756,207
Printing and postage	1,368,305	1,769,930
Trustees' travel and meetings	417,433	390,322
Interest	10,380	39,142
Accounting and auditing	167,651	221,460
Chairman/Co-Chairman	736,926	783,743
Banking	98,595	85,764
Data processing related expenses:		
IT support and operations	4,049,148	4,419,874
TRACS operations (Prudential)	3,786	3,901
Communications	272,185	381,146
Depreciation and amortization	3,020,649	2,770,410
Maintenance and supplies	1,574,645	746,701
Other	167,769	204,898
Total	<u>\$ 87,501,598</u>	<u>\$ 78,228,136</u>

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

SCHEDULE OF INVESTMENTS AND INVESTMENT RESULTS BY INVESTMENT MANAGER

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Investments</u>	<u>Investment Income</u>	<u>Unrealized Gains (Loss) - Net</u>	<u>Realized Gains (Loss) - Net</u>
Investments with Prudential				
Insurance Company of America:				
Strategic Bond Account (GA - 8216)	\$ 3,558,114,474	\$ 204,964,403	\$ (105,569,870)	\$ 41,466,087
Strategic Bond Account (GA - 8217)	1,516,585,169	80,141,204	(193,678,622)	53,369,490
82/84 Annuity Account	267,568,337	12,432,953	(2,679,521)	5,690,029
Fixed Dollar Account	166,265,969	13,659,846	-	-
Property Investment Separate Acct (PRISA)	343,934,607	28,983,616	(208,096,294)	-
Property Investment Separate Acct II (PRISA II)	302,978,210	26,706,908	(250,933,863)	-
Enhanced Bond Index Acct (GA - 8217)	2,426,291,339	104,992,837	135,078,773	10,143,323
Union Mortgage Account (UMA)	105,068,332	6,249,046	6,073,278	(608,141)
Mortgage Investment Separate Acct (MORISA)	63,110,039	3,139,140	3,965,806	-
Western Conference of Teamsters (WCOT)	641,312,899	61,986,399	(617,279,862)	(9,910,464)
Dodge and Cox Transition Account	-	9,904,821	22,684,338	12,926,272
Temporary Investment Acct (GA - 8216)	36,782,634	58,324	-	-
Temporary Investment Acct (GA - 8217)	<u>345,317,792</u>	<u>2,745,585</u>	<u>-</u>	<u>-</u>
	9,773,329,801	555,965,082	(1,210,435,837)	113,076,596
Mellon Capital Management	4,383,341,765	-	491,762,175	17,345,623
Mellon Capital Management - International	1,253,440,862	-	367,237,343	-
UBS Brinson-Aetna Real Estate Acct 260	583,661,635	41,100,789	(191,442,275)	-
Northern Trust	1,941,049,860	115	453,189,821	-
W.R. Huff Asset Management	6,149,938	3,627,068	491,214	(1,221,669)
Dodge & Cox	-	22,696,009	67,536,922	(67,471,438)
TA Realty Associates - TA/Western LLC	330,225,382	22,219,349	(83,842,158)	1,874,096
Goldman Sachs Asset Management - Bonds	1,248,652,506	53,006,784	108,998,050	(11,442,500)
Goldman Sachs Asset Management - Equity	1,360,076	15,185,614	234,117,362	(78,789,738)
Camden Asset Management	1,154,572,256	16,401,954	285,236,083	138,301,636
Barclays Global Investors	1,420,448	-	702,965,979	(327,889,173)
Invesco	740,342,177	15,104,637	222,182,158	(95,275,144)
Invesco Global Tactical Asset Allocation	750,315,617	-	184,039,680	-
Invesco Premia	307,775,378	-	57,775,378	-
INTECH	716,683,973	15,224,291	202,571,303	(71,729,695)
BlackRock	932,367,100	41,384,955	66,537,063	(1,388,018)
Western Asset Management	875,036,322	34,664,987	53,905,044	10,458,881
Mellon Transition Account	35,769	133	1,897	17,554
Landmark Equity Partners	43,852,774	(35,261)	6,353,031	87,545
Yucaipa American Alliance Funds	105,100,218	885,069	6,957,124	8,808,596
WP Global COREalpha II	14,643,168	(57,651)	(252,830)	-
BlackRock Vesey Street Fund IV	20,851,266	(191,012)	3,319,022	322,458
JP Morgan Infrastructure Fund ERISA, L.P.	509,528,819	(2,303,100)	25,815,007	-
Hamilton Lane Capital Opportunities Fund, L.P.	20,847,671	97,094	2,298,401	291,095
HarbourVest Dover Street VII Cayman Fund, L.P.	20,498,221	(58,816)	388,598	(92,834)
Pantheon USA Fund VIII, L.P.	11,940,073	(4,389)	79,143	-
UBS International Infrastructure Fund	176,563,683	2,429,940	866,657	-
Bridgewater All Weather Portfolio	263,029,393	-	13,029,393	-
Industry Funds Management	315,700,382	4,067,845	6,294,605	5,299,948
Prudential Bache Commodities Portfolio	52,325,162	34,583	685,656	1,611,251
Schroder Commodities Portfolio	158,987,950	84,152	(1,803,257)	10,707,054
Pomona Capital	25,193,940	(579,427)	2,174,930	34,439
Gresham Onshore A+	80,103,952	14,348	2,801,474	2,420,946
Partners Group	19,999,812	(1,373,955)	(4,453,068)	-
JP Morgan Private Equity	<u>486,697</u>	<u>(150,788)</u>	<u>616,144</u>	<u>77,489</u>
	26,839,414,046	\$ 839,440,399	\$ 2,077,997,232	\$ (344,565,002)
Plus: Net investment (receivables) payables	908,895,965			
Plus: Securities lending collateral	<u>2,548,635,498</u>			
Investments, at fair value	<u>\$30,296,945,509</u>			

**WESTERN CONFERENCE OF TEAMSTERS
PENSION PLAN**

SCHEDULE OF INVESTMENTS AND INVESTMENT RESULTS BY INVESTMENT MANAGER

AS OF AND FOR THE YEAR ENDED DECEMBER 31, 2008

	<u>Investments</u>	<u>Investment Income</u>	<u>Unrealized Gains (Loss) - Net</u>	<u>Realized Gains (Loss) - Net</u>
Investments with Prudential				
Insurance Company of America:				
Strategic Bond Account (GA - 8216)	\$ 3,829,156,458	\$ 220,671,456	\$ 55,974,466	\$ 15,895,750
Strategic Bond Account (GA - 8217)	1,617,705,331	79,877,955	117,911,236	19,503,249
82/84 Annuity Account	278,424,805	14,799,979	207,903	3,155,509
Fixed Dollar Account	170,702,654	14,432,995	-	-
Property Investment Separate Acct (PRISA)	523,047,285	31,377,627	(109,378,841)	-
Property Investment Separate Acct II (PRISA II)	473,747,165	27,004,522	(118,573,877)	-
Enhanced Bond Index Acct (GA - 8217)	1,402,826,609	116,218,786	(106,863,737)	(16,895,602)
Union Mortgage Account (UMA)	99,713,629	6,805,546	(12,955,206)	(357,469)
Mortgage Investment Separate Acct (MORISA)	33,966,407	3,092,024	(4,665,492)	-
Western Conference of Teamsters (WCOT)	1,104,016,826	66,700,814	(291,528,322)	1,413,340
Temporary Investment Acct (GA - 8216)	39,199,959	228,000	-	-
Temporary Investment Acct (GA - 8217)	<u>1,282,844,359</u>	<u>5,662,422</u>	<u>-</u>	<u>-</u>
	10,855,351,487	586,872,126	(469,871,870)	22,714,777
Mellon Capital Management	1,577,764,510	-	(939,942,847)	56,067,809
Mellon Capital Management - International	886,203,519	19,303	(1,014,279,838)	4,600,351
UBS Brinson Real Estate	645,203,121	38,503,830	(77,954,034)	(69,398)
Northern Trust	1,487,820,783	293,030	(926,938,552)	85,966,879
W.R. Huff Asset Management	12,925,483	745,921	2,078,442	(5,135,077)
Dodge & Cox	1,146,973,489	81,466,031	(79,217,336)	(10,204,969)
TA Realty Associates - TA/Western LLC	389,974,096	24,891,664	(67,738,493)	-
Goldman Sachs Asset Management - Bonds	1,098,122,022	97,079,802	(166,411,450)	(28,125,760)
Goldman Sachs Asset Management - Equity	778,347,724	31,872,552	(338,303,024)	(334,013,022)
Camden Asset Management	714,632,584	45,953,570	(292,218,237)	(199,507,014)
Barclays Global Investors	1,588,499,998	-	(1,014,138,293)	26,167,977
Invesco	598,240,487	18,584,487	(242,549,084)	(73,768,743)
Invesco Global Tactical Asset Allocation	566,275,938	92,487	(427,256,260)	-
INTECH	570,562,540	16,679,706	(250,098,272)	(98,033,998)
BlackRock	825,836,109	43,294,993	(67,673,246)	11,815,530
Western Asset Management	776,025,496	40,215,123	(102,148,408)	9,383,272
Mellon Transition Account	16,184	178,183	1,700	(11,178,335)
Landmark Equity Partners	36,919,522	(177,034)	(8,018,257)	1,143,680
Yucaipa American Alliance Funds	61,344,108	1,313,601	2,434,706	(945,191)
WP Global COREalpha II	9,560,641	193,376	(653,545)	-
BlackRock Vesey Street Fund IV	(2,985,705)	(400,643)	(5,343,714)	11,923
JP Morgan Infrastructure Fund ERISA, L.P.	493,041,728	229,892	(98,207,722)	-
Hamilton Lane Capital Opportunities Fund, L.P.	10,850,019	(683,542)	(2,483,628)	27,686
HarbourVest Dover Street VII Cayman Fund, L.P.	17,358,086	(361,530)	864,347	(66,144)
Pantheon USA Fund VIII, L.P.	8,287,194	(265,011)	(1,174,286)	-
UBS International Infrastructure Fund	<u>171,356,764</u>	<u>1,690,636</u>	<u>(13,375,751)</u>	<u>-</u>
	25,324,507,927	\$ 1,028,282,553	\$ (6,600,616,952)	\$ (543,147,767)
Plus: Net investment (receivables) payables	895,487,302			
Plus: Securities lending collateral	<u>2,026,856,624</u>			
Investments, at fair value	<u>\$28,246,851,853</u>			