

HAWAII TRUCKERS - TEAMSTERS UNION PENSION PLAN

NOTICE OF PLAN CHANGE TO ACTIVE PARTICIPANTS

As noted last year, the Hawaii Truckers - Teamsters Union Pension Plan (the "Plan") experienced significant investment losses during the latter half of 2008. The Trustees wish to inform you that the Plan's investments have started to recover from these losses during 2009. However, this recovery is not yet complete and the Plan's investments have begun to give up some of these gains during the last few months.

Over the past year, the Trustees have had discussions with the Plan's Actuary regarding the long term funding position of the Plan. At a meeting on June 17, in light of what has been occurring in the investment markets, the Actuary recommended that the Trustees consider reducing the benefit rate under the Plan, effective April 1, 2012, to protect the Plan's long term financial soundness from future investment losses.

After an extensive discussion, the Trustees reluctantly adopted a benefit change that reduces the rate at which you will earn benefits under the Plan on and after April 1, **2012**. The benefits that you earn through March 31, 2012 will be unaffected by this change.

The following table provides you with a comparison of the Benefit Rates provided to you for the period from April 1993 through March 2012 to the Benefit Rates that will be provided to you on and after April 1, 2012:

<u>Contribution Rate</u>	<u>Applicable Benefit Rate For Credited Service Earned During the Indicated Periods:</u>	
	<u>4/93 - 3/12¹</u>	<u>4/12+²</u>
37¢	\$25.78	\$18.05
42¢	\$28.79	\$20.16
47¢	\$31.80	\$22.27
52¢	\$34.81	\$24.38
57¢	\$37.82	\$26.49
62¢	\$40.83	\$28.60
67¢	\$43.84	\$30.71
72¢	\$46.85	\$32.82
77¢	\$49.86	\$34.93
82¢	\$52.87	\$37.04
87¢	\$55.88	\$39.15

¹ Any higher Contribution Rate will increase the benefit rate by \$3.01 for each additional 5¢ increment.

² Any higher Contribution Rate will increase the benefit rate by \$2.11 for each additional 5¢ increment.

Because the April 1, 2012 change in the benefit formula will result in a significant reduction in **future** benefit accruals, the Plan is required to inform you of the reduction in accordance with Section 204(h) of the Employee Retirement Income Security Act of 1974 ("ERISA").

**HAWAII TRUCKERS - TEAMSTERS UNION PENSION PLAN
- NOTICE OF PLAN CHANGE TO ACTIVE PARTICIPANTS**

The benefit change described above has the effect of reducing the rate at which you earn benefits by 30% beginning April 1, 2012. Again, the benefits you earn prior to April 1, 2012 are not affected by this reduction.

The Plan, as of April 1, 2010, was certified by the Actuary as being in “neither endangered nor critical status.” This means that the Plan is considered to be adequately funded under recent governmental regulations. The change described above was made to keep the Plan adequately funded, even if the Plan’s investments were to experience moderate investment losses during 2010.

As your Trustees of the Plan, along with the Plan Professionals, we continue to closely monitor the financial position of the Plan and are committed to maintaining the Plan’s long term stability and financial soundness. Barring any large future investment losses, we believe that the Plan can safely continue to provide benefits to you at these revised levels in the future. And, we hope to be able to periodically improve the benefit formula as the Plan’s investments continue their slow recovery from 2008.

If you have any questions on this benefit improvement, please feel free to contact the Trust Fund Office. You may write to the Trust Fund Office at 560 N. Nimitz Highway, Suite 209, Honolulu, Hawaii 96817 or call (808) 523-0199.

BOARD OF TRUSTEES OF THE
HAWAII TRUCKERS - TEAMSTERS UNION
PENSION PLAN