

Teamsters Joint Council No. 83 of Virginia Health & Welfare and Pension Funds



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October 11, 2010

Dear Participant:

In the March edition of the Twin Horse Crier, I provided the latest news involving the new Pension Protection Act's impact on the structure of our Pension Plan. Since then, I've been asked many times about the health of the Fund and whether legislative relief efforts have proven successful.

"I'm happy to report that we are not losing money" is my answer in such volatile times. After posting a 17% investment return in 2009, the Fund has earned .3% through the eight months ending August 31, 2010. Although short of the 7.5% annual expectation, the Fund has topped the \$400 million mark again with the results of an incredible September yet posted.

How has all this affected the proposed recovery plan otherwise known as a Rehabilitation Plan mentioned in the March newsletter? As it stands, the proposal to eliminate access to 25 and 30-and-out benefits for those with less than 20 years of benefit accrual service as of December 31, 2009 has become the Fund's certified Rehabilitation Plan required by the Pension Protection Act. Thankfully though, the Trustees are allowed to revisit the plan each year and if possible, modify. While this could lead to further reductions, it also provides an opportunity for relief and positive changes to the benefits over time.

Speaking of relief, has there been any Congressional relief from the Senator Casey/Representative Pomeroy effort? There has, although it is so complex that experts able to help us understand what the relief means for our Fund are still waiting for federal agency guidance. I hope to explain the impact of this good news to you in an upcoming edition of the newsletter.

In summary, while recent investment challenges and the Pension Protection Act have caused the Trustees to implement historical changes, the Plan has weathered many challenges over its 50+ year history. Continued participation in the Fund by all involved and use of modern investment tools, techniques and professionals will again allow this Fund to be the envy of most union and private retirement funds in existence.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael M. McCall".

Michael M. McCall, CEBS

President & CEO

West End Administrators

Administrator to the Teamsters Joint Council No. 83 of VA Health & Welfare and Pension Funds