



UPDATE

NEWS FROM ROAD CARRIERS LOCAL 707 WELFARE & PENSION FUND JULY 2000

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MILLENNIUM
AND BEYOND, P 1 & 2.

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THE NEW MILLENNIUM AND BEYOND

Since our last newsletter, we have entered a new millennium. In the last newsletter, we reported on the steps your Trustees were taking to prepare for Y2K. We are pleased to report the Y2K Compliance Plan implemented by your Board of Trustees went off without a hitch. The Fund Office experienced no Y2K related problems and services to Road Carriers participants were uninterrupted.

We now continue our quest to employ the latest technologies in order to provide the participants of the Road Carriers 707 Funds with "Services Second to None." As part of our quest, the Fund web site is now online. Enclosed with this newsletter, you will find a brochure regarding the web site. The brochure will provide you with some insight and helpful hints on how to make the best use of the site. At www.roadcarriers707.com, you will find all the information contained in your Welfare Plan Summary Plan Description and more. By using the web site, you will have the added convenience of searching for key words and viewing key topics. Access to the web site allows you to print Road Carriers forms from the site at any time of night or day.

Instead of referring to paper directories when looking for a participating health care provider, you can visit the web

sites of the various Road Carrier networks and panels through hot links at the Road Carriers site. This method gives you instant access to the most up to date provider information 24 hours a day, 7 days a week. We are sure you have found by now that paper directories become outdated very quickly. We are confident that you will find Internet access to provider and plan information to be an important improvement.

Also enclosed in this packet, you will find a Vision Care Summary Booklet. The booklet contains useful information about the Vision Care benefits provided to eligible participants of the Road Carriers 707 Welfare Fund through Davis Vision. You will note that although Laser Vision Correction Services are not covered by your vision plan, they can be obtained from David Vision at discounted out-of-pocket prices. If you need more information about Davis Vision, you can visit their web site via the Road Carriers web site, as noted above, or at www.davisvision.com.

We are now moving forward with our plan to implement Interactive Voice Response (IVR) technology in the fund office. For participants without Internet access, IVR provides a convenient means to access your Welfare and Pension Plans information 24 hours a day. This user-friendly venue will allow you to query your fund information any time you want. You can have forms

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THE NEW MILLENNIUM AND BEYOND Cont'd

mailed to you or if you have a fax machine, the system will fax the requested forms to you.

For your security, steps have been taken to secure your records through the use of a Personal Identification Number (PIN). IVR will also allow your

health care providers to inquire about your eligibility for benefits 24 hours a day, 7 days a week.

You will receive more information on this at a later date.

The Board of Trustees is pleased to introduce these improved methods of communication to

the participants of the Road Carrier Funds. We will continue to work with the fund office staff in our continued efforts to improve the services provided to you by your benefit funds.

Sincerely,

The Board of Trustees

New Fund Manager

As you should all know by now, Albert Alimena retired effective June 1, 1999 after 25 years of service. The trustees would like to thank Albert for the great job he did during his tenure with the funds and extend their best wishes for success in his future endeavors.

After an exhaustive search, the Trustees are pleased to announce that a new fund manager was hired effective December 6, 1999. His name is Dave Stewart. For those of you who did not meet Dave at the subsequent union meetings, what follows is a brief background.

Dave comes from a union background. He was initiated into United Brotherhood of Carpenters in 1973. Dave progressed through the ranks of the UBC holding numerous positions at the Local Union and District Council levels.

Dave's experience in the employee benefits field began in 1987 when he was hired as a Program Director for the Suffolk County Carpenter Fringe Benefit Funds. His performance there led to his promotion to the position of Associate Administrator and Secretary Treasurer in 1992. In this capacity Dave was responsible for the administration of 14 funds.

At this time, Dave holds a Certificate in Business Management. He has been designated as a Certified Employee Benefits Specialist by the International Foundation of Employee Benefit Plans and has earned the rank of Fellow in the International Society of Certified Employee Benefit Specialists. Dave holds a NYS Life Accident & Health Insurance license and is a member of the Association of Benefit Administrators.

Road Carriers Local 707

BOARD OF TRUSTEES

Union Trustees

Nicholas Picarello
Kevin McCaffrey
Vincent Cangelosi

Employer Trustees

Peter Hassler
Frank Santanella
John Novak

Fund Manager

David B. Stewart, C.E.B.S.

PHONE:

(516) 486-7100

1-800-366-3707

1-800-FONE-707

ADDRESS:

Road Carriers Local 707 Welfare and Pension Plans

14 Front Street

Hempstead, NY 11550

HELPFUL HINTS

REPORTING CHANGES IN ENROLLMENT INFORMATION

It is your responsibility to update your enrollment information. If there is a change in your family such as a new child, a new marriage or a divorce, **you must notify the Fund immediately.** This information will allow us to change your eligibility profile to include or exclude dependents. Failure to do so can result in inaccurate eligibility information and may result in improper claim payment in the case of a divorce.

COORDINATION OF BENEFITS

Recently, you may have received a Coordination of Benefits/Census letter to fill out and return to the Fund Office. These letters are important and are sent to you in order to comply with government census regulations and to enable us to correctly process your medical claims.

If you have not already sent back this Census form, please answer all questions, sign it and return it to the Fund Office as soon as possible so that we may update your information and process your claims promptly. If you have any questions about this form, please do not hesitate to contact the Fund Office.

PARTICIPATING VS. NO PARTICIPATING PROVIDERS

If your primary physician and specialist are MagnaCare providers, you should remind them that any referral they make for consultation or other service should be made to a participating MagnaCare provider. However, it is not always possible when you are hospitalized to refer you to a participating provider. Therefore, if you are treated by a non-participating provider, the reimbursement will be at the Fund's maximum allowable fee schedule, subject to deductible and co-insurance.

Please note: this also applies to all medical services regarding a member utilizing non-participating providers, laboratories or facilities.

You will be responsible for any out of pocket expense with regard to non-participating providers bills.

APPLYING FOR A DISABILITY PENSION

If you are disabled, have earned 15 years of pension credit and think there is a possibility that you may be totally and permanently disabled, we recommended that you contact the Pension Fund and apply for a disability pension.

As per the current plan, retroactive payments will not be made for any period prior to the application date.

Initially, your application may be denied (lack of Social Security Award Letter) because you do not meet the requirements at the time of application. However, your application under certain circumstances can, and will be, reconsidered at the time you do qualify. Retroactive payment can be made back to the initial effective date.

POST- MASTECTOMY RECONSTRUCTIVE SURGERY

You should be aware that the Road Carriers Local 707 Welfare Fund covers Post-Mastectomy Reconstructive Surgery.

The following is a brief description of this coverage update.

Subject to the usual deductibles and co-insurance, for any participant or dependent undergoing a mastectomy and who elects reconstructive surgery, the Fund covers reconstruction of the breast on which the mastectomy was performed.

As part of this, the fund also covers reconstruction of the breast on which the mastectomy was not performed in order to produce a symmetrical appearance.

In addition, the Fund covers the cost of any prostheses and treatment of physical complications at all stages of the mastectomy including lymphedemas.

To be covered, reconstructive surgery must be conducted in a manner determined in consultation with the attending physician and the patient. The coverage for reconstructive surgery will be subject to the usual deductibles and co-insurance consistent with the terms of the Fund's summary plan description.

ROAD CARRIERS LOCAL 707 WELFARE FUND

During the fiscal year ending August 31, 1999, several changes have taken place in the Welfare Plan. The following is a summary of them:

1. CHANGE IN BOARD OF TRUSTEES

Employer Trustees

Effective August 2, 1999, Mr. Richard Muller resigned as an Employer Trustee of the Welfare Fund.

2. CHANGE IN LIFE INSURANCE AND DISABILITY INSURANCE CARRIER

Effective April 1, 1999 the life insurance benefit for all participants and the short-term disability benefit for New York residents will be provided by Amalgamated Life Insurance Company. Effective July 1, 1999, the short-term disability benefit for residents of New Jersey will be provided by the State of New Jersey.

3. HIP HEALTH MAINTENANCE ORGANIZATION

Effective January 1, 1999, the Trustees agreed to replace the limited HIP plan with HIP's

Ultra 10 Plan. This Plan provides complete hospital, medical, surgical, and prescription coverage to those participants enrolled in this plan.

4. OPTICAL PROGRAM

Effective October 1, 1998, coverage is provided for a Dilated Eye Examination, a critical diagnostic procedure in the detection and management of ocular and/or systemic diseases.

5. DENTAL PROGRAM

Effective September 1, 1998, the Trustees approved increased benefit payment for many covered dental services (dentures, gold-inlays, orthodontia, periodontal surgery, etc.) The Plan now also provides for stainless steel crowns on baby teeth up to the age 12.

6. DEPENDENT COVERAGE

The Trustees agreed effective September 1, 1999 to cease covering the dependent spouse of a member after legal separation.

7. RETIREE WELFARE COVERAGE

The Trustees agreed to change the eligibility requirements for retiree health care to include a \$50.00 per person monthly co-payment effective September 1, 1999.

ROAD CARRIERS LOCAL 707 PENSION FUND

During the fiscal year ending August 31, 1999, several changes have taken place in the Pension Plan. The following is a summary of them:

1. CHANGE IN BOARD OF TRUSTEES

Employer Trustees

Effective August 2, 1999, Mr. Richard Muller resigned as an Employer Trustee of the Pension Fund.

2. IMPROVEMENTS IN THE PLAN OF BENEFITS FOR ACTIVE PARTICIPANTS

Effective April 1, 1999 the following improvements were made for participants working under the Master Freight Agreement: the 25-year monthly service pension (no age required) is equal to no less than \$2,000 plus \$100 for each year of Pension Service in excess of 25 years, the 25-year monthly service pension (at least age 55) is equal to \$2,500 plus \$100 for each year of Pension Service in Excess of 25.

3. CHANGES IN DISABILITY PENSION REQUIREMENTS

The Trustees are please to announce a change in certain provisions of the Pension Plan's disability benefit. The following describes the provisions of the revised benefit and will apply to disability pensions that are effective on or after 9/1/99.

Eligibility

To be eligible for the benefit your total and permanent disability must start (as determined by the Social Security Administration) no later than your 55th birthday, must start after you have at least 15 years of pension service to your credit, and must start while you are employed in employment covered by the plan.

You are considered totally and permanently disabled for a month only if you are entitled to a Social Security Disability payment for such month or such month is in the five month qualifying period necessary for your Social Security Disability award.

Payment

Your monthly disability benefit under the plan is calculated as if you were retiring at age 55 on an Early Pension based upon your pension service at the time of disability.

Such plan benefit will be paid for each month of your disability beginning after you submit your proper application to the Plan Office but will not be paid beyond the month in which you die or become age 55, whichever is first.

Your Spouse

During the period you are receiving your disability benefit from the plan, your spouse, if eligible, is covered for the plan's pre-retirement surviving spouse pension in the event of your death, just as if you were an active participant.

Other Plan Pensions

After your disability pension stops, any of the other plan pensions is available to you if you are eligible. Any other pension you may receive after your disability pension ceases will not be affected by the fact that you have already received a disability pension under the plan.

Please remember that the disability pension must be applied for (just as any other plan benefit) and cannot be effective before your proper application is received at the Plan Office.

If you have any questions about this, please contact the Plan Manager.

4. NEW SUPPLEMENTAL PENSION BENEFIT

The Trustees are pleased to announce an improvement in the plan of benefits. It is an *additional* monthly pension benefit to be paid to you from the time you retire on an Early or Special Pension to age 65.

Who Is Eligible?

You are eligible. If your Service Pension is effective on or after 9/1/99 and you have at least 25 years of Pension Service (you may include proper reciprocal pension service to make up the 25 years) but at least 18 years must be earned under the Local 707 Pension Plan.

How Much Is The Supplemental Pension Benefit?

It is \$100 per month. This is in *addition* to your pension that is otherwise calculated in accordance with the plan's benefit formula. This supplement is not affected by (and does not affect) the Married Couple form of pension you may receive.

How Long Is The Supplemental Pension Benefit Paid?

It is paid for each month that *you* receive your pension but not beyond the month in which you reach your 65th birthday, or die, whichever is first.

If you have any questions about this new benefit, please contact the Plan Manager.

Fraternally,

The Trustees

SUMMARY ANNUAL REPORT FOR ROAD CARRIERS LOCAL 707 WELFARE FUND

This is a summary of the annual report for the ROAD CARRIERS LOCAL 707 WELFARE FUND, EIN 11-2159859, Plan No. 501, for the period September 1, 1998 through August 31, 1999. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Insurance Information

The plan has contracts with WELLCARE / GHI HMO, Amalgamated Life Insurance Company, OXFORD HEALTH PLANS, US HEALTHCARE, INC. AND SUBSIDIARIES, PENN STATE GEISINGER HEALTH PLAN, MVP HEALTH PLAN, PRUDENTIAL, HEALTH INSURANCE PLAN OF GREATER NEW YORK, US HEALTHCARE, INC. AND SUBSIDIARIES and US Healthcare, Inc. and subsidiaries to pay claims incurred under the terms of the plan. The total premiums paid for the plan year ending August 31, 1999 were \$4,251,222.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was 31,633,086 as of August 31, 1999, compared to \$30,668,668 as of September 1, 1998. During the plan year the plan experienced an increase in its net assets of \$964,418. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$22,051,448, including employer contributions of \$19,948,901, realized gains of \$999,478 from the sale of assets, and earnings from investments of \$906,000.

Plan expenses were \$21,087,030. These expenses included \$2,777,080 in administrative expenses and \$18,309,950 in benefits paid to participants and beneficiaries.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. assets held for investment;
3. transactions in excess of 5% of plan assets; and
4. insurance information, including sales commissions paid by insurance carriers.

To obtain a copy of the full annual report, or any part thereof, write or call BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 WELFARE FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550, (516) 486-7100. The charge to cover copying costs will be \$18.50 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

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You also have the legally protected right to examine the annual report at the main office of the plan (BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 WELFARE FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N- 5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

SUMMARY ANNUAL REPORT FOR ROAD CARRIERS LOCAL 707 PENSION FUND

This is a summary of the annual report for the ROAD CARRIERS LOCAL 707 PENSION FUND, EIN 51-6106510, Plan No. 001, for the period September 1, 1998 through August 31, 1999. The annual report has been filed with the Internal Revenue Service, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Basic Financial Statement

Benefits under the plan are provided through a trust fund. Plan expenses were \$27,375,475. These expenses included \$3,204,740 in administrative expenses and \$24,170,735 in benefits paid to participants and beneficiaries. A total of 5,653 persons were participants in or beneficiaries of the plan at the end of the plan year, although not all of these persons had yet earned the right to receive benefits.

The value of plan assets, after subtracting liabilities of the plan, was \$394,239,218 as of August 31, 1999, compared to \$353,242,851 as of September 1, 1998. During the plan year the plan experienced an increase in its net assets of \$40,996,367. This increase includes unrealized appreciation and depreciation in the value of plan assets; that is, the difference between the value of the plan's assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. The plan had total income of \$68,371,842 including employer contributions of \$14,772,008, realized gains of \$22,550,166 from the sale of assets, and earnings from investments of \$30,920,536.

Minimum Funding Standards

An actuary's statement shows that enough money was contributed to the plan to keep it funded in accordance with the minimum funding standards of ERISA.

Your Rights To Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, on request. The items listed below are included in that report:

1. an accountant's report;
2. assets held for investment;
3. transactions in excess of 5% of plan assets; and
4. actuarial information regarding the funding of the plan.

To obtain a copy of the full annual report, or any part thereof, write or call BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 PENSION FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550, (516) 486-7100. The charge to cover copying costs will be \$13.50 for the full annual report, or 25 cents per page for any part thereof.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan

and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan (BOARD OF TRUSTEES ROAD CARRIERS LOCAL 707 PENSION FUND, 14 FRONT STREET, HEMPSTEAD, NY 11550) and at the U.S. Department of Labor in Washington, D.C., or to obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, N-5638, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

Letters from you

Sirs:

Thank you for your consideration & every wish for a prosperous year.

Regards,

John Schwab

Dear Teresa;

I'd like to take this opportunity to say thank you for the truly courteous and professional manner in which you conducted yourself during our phone conversation on Friday last. I got the sense, through no fault of yours, that my file was a mess, and despite that, you remained quite pleasant.

It was most reassuring too, that you were so quickly able to analyze its contents and return my call so promptly. Thanks again, and thanks too for allowing me to send the enclosed material to your attention. '98 wasn't a very good year & your help will put a part of it behind me.

Thanks again Teresa, if there are any questions, I can usually be reached any time at 973-345-1168.

Yours truly,

Bill Cleary

Thanks So Much
Trustees Local 707

I couldn't possibly be more grateful!

Thanks for the 13th check.

Howard R. Wagner

To: Board of Trustees, and all employees of Local 707

Want to send a wholehearted Thank You for the Christmas bonus check. It sure comes in handy. Wishing everyone a Healthy, Happy and Prosperous Millennium Year 2000.

God Bless you all,
Sincerely,

Charles Kitsakos

Dear Brother Nick:

On June 17th, I had the pleasure of stopping by our union headquarters. Even though I did not have an appointment, I received prompt and excellent service. The receptionist, was pleasant, friendly and concerned that I had to wait for just a few minutes.

Once inside, I failed to obtain their last names, but Jane, Jane and Daniel were friendly, courteous and informative. In other words, they were professional.

Since then I've had the pleasure of dealing with Sonia, who was excellent and professional while again being friendly and courteous.

The manner in which your staff conducts our business, is a direct reflection on you and Kevin. Both of you should be proud of them.

Their actions are proof, that our local is in good hands and that both of you and Kevin are qualified and capable to lead this union into the new century.

Best of luck to you,
Sincerely,

Richard E. Brady

Attn: Medical

Our infant son was hospitalized in December. The whole experience has been a terrible nightmare.

We wish to thank everyone for seeing that the bills get paid so he can continue his treatment and for answering all our questions. There have been so many. You have all made this nightmare a little easier by acting so quickly.

We also wish to thank Irene for her thoughts and prayers.

Once again, thank you for the great job, it is very much appreciated.

Sincerely,

*Michael & Regina Cognato
(CF Brooklyn)*

Dear Mr. McCaffrey:

I would like to take this opportunity to express my sincere gratitude for the exemplary manner in which my medical invoices are presently being handled by your personnel.

I would particularly like to call your attention to Ms. Sue Polhemus. I have called Ms. Polhemus several times with questions/problems and on each occasion she answered my questions or solved my problem in both a pleasant and professional manner. I feel Ms. Polhemus is a very valuable member of your team.

Thank you again,
Very truly yours,

Charlie (Sonny) Costantino

**Road Carriers Local 707
Welfare & Pension Funds
14 Front Street
Hempstead, NY 11550**

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