

Teamster-UPS National 401(k) Tax Deferred Savings Plan

Helping to Deliver a Secure Future



The road to financial wellness doesn't end when you separate from Teamster-UPS.

With You for the Long Road Ahead

As a Teamster-UPS member, you are entitled to many great benefits—including the Teamster-UPS National 401(k) Tax Deferred Savings Plan (the "Plan").

When you participate in the Plan, you can save a portion of your earnings on a pre-tax, after-tax or Roth 401(k) basis, and your account can grow tax-deferred through a variety of investment options over the course of your career—and beyond.

Keep your money in the Plan and continue to keep your retirement savings on the right path.

Plan Benefits

The following benefits are available to you as a Plan participant, whether you're actively employed or have moved on or retired:

- **Low Account and Investment Fees**

Teamster-UPS Plan participants benefit from custom institutional pricing, which is lower than the Morningstar Institutional Share Class average expense in each category. Additionally, the investment fees on the Teamster-UPS Plan are likely lower than those available through a retail account.

Here's a look at how you benefit from custom institutional pricing on investments:

				The growth of \$50k balances reflect an investment into the underlying index over a twenty-year period ending 3/31/19 net of applicable fees		
	Existing Teamster-UPS Investment	Morningstar Institutional Share Class Average Expense	Difference in expense ratio	Growth of \$50k utilizing the current Plan Expense	Growth of \$50k utilizing the Morningstar Institutional Share Class Average Expense	Difference in balance
Index	BNYM Fee*	Average**				
S&P 500	0.02%	0.25%	0.23%	\$169,303	\$92,382	\$76,921
Bond Market Index	0.02%	0.13%	0.11%	\$124,665	\$68,008	\$56,657
International Index	0.03%	0.29%	0.26%	\$109,113	\$59,464	\$49,649
US REIT Index	0.05%	0.18%***	0.13%	\$362,682	\$198,148	\$164,534
Russell 2000 Index	0.02%	0.24%	0.22%	\$237,847	\$129,837	\$108,010
S&P MidCap 400 Index	0.01%	0.19%	0.18%	\$318,135	\$173,834	\$144,301

The Growth of \$50k assumes an initial lump sum deposit of \$50k with no additional contributions over a twenty-year time period (4/1/99–3/31/19). The growth of \$50k utilizes the corresponding benchmark with the appropriate fees netted out. As an example, the S&P 500 Index was utilized with an annual 0.01% fee applied to the return for the Teamsters-UPS investment and 0.25% annual fee applied to the return for the Morningstar institutional average expense investment.

* Includes Custody + Investment Management Fee.

** Reflects the Morningstar average net expense ratio at Institutional pricing for the same investment style as the current investment option in the plan.

*** Reflects all Institutional priced REIT Indices.

Source: Morningstar data as of 3/31/19. The average net expense ratio is derived from passively managed investments at Institutional pricing for the same investment style as currently utilized in the plan.

Past performance does not guarantee future results. The compounding concept is hypothetical and for illustrative purposes only and is not intended to represent performance of any specific investment, which may fluctuate. No taxes are considered in the calculations; generally withdrawals are taxable at ordinary rates. **It is possible to lose money by investing in securities.**

Indexes are unmanaged; investments cannot be made directly into an index.

- **Access to Investment Professionals**

The Plan is provided by Prudential Retirement®, whose representatives take the time to answer your questions and who can offer personalized assistance—at no extra cost. Simply call 800-537-0189 or visit www.teamsterups401kplan.com for more information. Additionally, Morningstar® Retirement ManagerSM, available through the Plan, is a retirement planning service that provides you with a personalized retirement strategy to help you reach your retirement goals. For more information on Morningstar Retirement Manager, simply log in to your account.

- **Easy Account Management**

Investing can be complicated—but it doesn't have to be. The Plan lets you manage your account any time online or by phone, and you get quick access to pros who can answer your questions.

- **Flexible Distribution Options**

Many retirement plans restrict your choices; the Plan lets you decide what to do with your savings when you leave Teamster-UPS. You can stay invested for the future, roll over to a new account or withdraw your assets—the choice is yours.

- **The Teamster-UPS National 401(k) Plan Stable Value Fund**

Stable value generally refers to a relatively low-risk investment option that focuses on capital preservation while providing liquidity and steady, positive returns. The stable value has historically outperformed the money market asset class over time.^{1,2}

When incorporated as part of a retirement plan, stable value offers a compelling solution for participants with:

- A short-term investment horizon, such as near-retirees
- A more conservative investment style
- A need to diversify their portfolios and balance more aggressive investments
- The stable value asset class is generally not available within mutual funds or Individual Retirement Accounts (IRAs).

¹Past performance is not a guarantee of future results.

²20-year period ending July 31, 2015. Stable value simulated returns (Stable Value Investment Association) averaged a gross return of 5.96%. Money market funds, the average total return was 3.10%. "Stable Value" is a simulation of book value returns in a hypothetical fund holding intermediate bonds and stable value wrap contracts, with crediting interest rates reset monthly using the industry accepted crediting rate formula. The bond returns incorporated into the simulation are monthly market value returns from the Barclays Intermediate Government/Credit Bond Index, with gains/losses reflected in future crediting rates by amortizing market-vs.-book values over intermediate bond index durations. This simulation incorporates no ongoing cash flows into or out of the fund. Returns illustrated are gross before any fees. "Money Market Funds" is a simulation of money market returns from the iMoneyNet MFR Money Funds Index. Returns illustrated are gross before any fees.

Mythbusting: Facts vs. Fiction

When it comes to retirement saving, there's plenty of information—and misinformation—out there. Here's the scoop on some common misconceptions:

Myth	Truth
I need to move my retirement savings when I leave my current job.	Your Teamster-UPS National 401(k) Tax Deferred Savings Plan account will follow you throughout your career. You can keep growing your savings—with the same account access, investment options, low fees and more—regardless of where you work.
Withdrawing my money is the easiest way to keep it in hand.	You'll get access to your savings—but you'll pay income tax on before-tax contributions (the IRS requires the Plan to withhold 20% of the untaxed portion of your withdrawal) and you could owe more unless you roll the money over to another retirement account within 60 days.
If I withdraw, I must withdraw in full.	You can withdraw in full or with flexible payments—but either way you'll owe taxes and disrupt, and even risk, your progress toward a comfortable financial future.
Saving through an IRA is more efficient than saving through a 401(k).	While IRAs may offer more investment options or other benefits, they also have investment minimums, rules and potential fees that vary by provider. Also, your Teamster-UPS National 401(k) Tax Deferred Savings Plan gives you low "institutional pricing" on investments.

Changing Jobs or Retiring? Know Your Options

What to do with your Teamster-UPS National 401(k) Tax Deferred Savings Plan account when you change jobs or retire is one of the most important decisions you'll need to make. Here's what you should know:

If your balance is below \$1,000, you'll receive a cash distribution unless you choose another option (see below) within 60 days of separation.

**If you have questions, Prudential has answers:
Call 800-537-0189.**

	Keep Saving with the Teamster-UPS Plan	Take a Cash Distribution	Take a Partial Withdrawal or Installments	Rollover to an IRA	Rollover to New Employer's Plan
Tax-deferred growth	Yes	No	Yes, for the portion that remains in your account.	Yes	Yes
Taxes	No tax implications.	Federal and, if applicable, state income tax will apply to the withdrawal amount. A 10% early withdrawal penalty may apply if under age 59½.	Federal and, if applicable, state income tax will apply to the withdrawal amount. A 10% early withdrawal penalty may apply if under age 59½.	No tax implications if completed correctly.	No tax implications if completed correctly.
Fees	Regular account and investment fees apply.	Distribution fee may apply.*	Distribution fee may apply.*	Account and investment fees vary by IRA.*	Account and investment fees vary by plan.*
Action required	None	Call Prudential: 800-537-0189	Call Prudential: 800-537-0189	Call Prudential: 800-537-0189	Call Prudential: 800-537-0189

*For distributions by check and for rollover distributions, the fee is \$10.



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Amounts withdrawn are subject to income taxes. Withdrawals before age 59½ may also be subject to a 10% federal income tax penalty and plan restrictions. See plan information regarding limitations on withdrawals from your 401(k) account.

Neither Prudential Financial nor any of its representatives are tax or legal advisors. You should consult your individual legal or tax advisor with any specific questions.

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