NOTICE OF CRITICAL STATUS
For the
RETIREMENT BENEFIT PLAN OF THE NEWSPAPER AND MAGAZINE DRIVERS, CHAUFFEURS AND HANDLERS UNION LOCAL 473
For the Plan Year Beginning January 1, 2015

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DATE: **April 29, 2016**

TO: **Participants, Beneficiaries, Retirees, Participating Employers and the Teamsters Local Union No. 473.**

The Pension Protection Act of 2006 ("PPA"), a Federal law, amended ERISA and the Internal Revenue Code to, among other things, impose additional funding rules for multiemployer pension plans that are based upon the actuarial status of the plan. PPA requires multiemployer pension plans to be evaluated by actuaries in order to determine whether the pension plan has a current or projected funding deficiency. The multiemployer pension plan's actuary must certify to the Secretary of Treasury and the plan sponsor whether or not the multiemployer pension plan's funding status is "Endangered" or "Seriously Endangered", commonly referred to as in the "Yellow Zone", or "Critical", commonly referred to as in the "Red Zone" for the plan year.

For the Retirement Benefit Plan of the Newspaper and Magazine Drivers, Chauffeurs and Handlers Union Local 473 ("Retirement Fund"), these rules took effect starting January 1, 2008. The actuary certified that the Retirement Plan was not in either Endanger or Critical Status for the plan year beginning January 1, 2008. However, due to the sharp market declines in the end of 2008 through the first quarter of 2009, the actuarial status of this Retirement Plan has suffered. In December 2008, PPA was amended through a law called the Workers, Retirees and Employers Recovery Act of 2008 ("WRERA") to allow the Retirement Fund the ability to maintain its status as of 2008 for the plan year beginning January 1, 2009. This waiver under WRERA was intended to provide the assets of the Retirement Fund time to recover from the devastating effects of the economic meltdown. A Special Notice was sent out in 2009 explaining the WRERA election. Starting in 2010, you received a formal Notice of Critical Status that informed you that the Retirement Fund was in "Critical" status for the plan years beginning January 1, 2010 through last year.

The Retirement Fund's Actuarial Status for 2016

The purpose of this Notice is to inform you that on March 29, 2015, the Retirement Fund's actuary certified to the U.S. Department of Treasury and the Trustees that the Retirement Fund is in "Critical Status" for the plan year beginning January 1, 2016. PPA requires that as an interested party you receive this Notice.

The actuary has certified that the Retirement Fund is in the Red Zone for the 2016 plan year because a funding deficiency, which is the failure to satisfy the minimum funding requirements, is projected to exist within the next four plan years. Based upon this determination that the Retirement Fund is in the Red Zone, additional steps to improve the funded status of the Retirement Fund (called a Rehabilitation Plan) are required to be made by the Trustees in order to comply with the PPA as described further in the next section.

The Retirement Fund's Rehabilitation Plan and Changes in Adjustable Benefits

In March 2010 when the Retirement Fund was first certified in the Red Zone, the Trustees developed a plan to restore the financial health of the Retirement Fund referred to as a "Rehabilitation Plan." The Trustees made changes to the benefits provided under the Retirement Fund as part of this Rehabilitation Plan. These changes included the reduction and elimination of benefits called "Adjustable Benefits." PPA defines certain types of benefits that are considered "Adjustable Benefits" which can be reduced or even eliminated as part of a

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Rehabilitation Plan even if they would otherwise be protected under ERISA's anti-cutback rules. The term "Adjustable Benefit" generally includes all of the following:

1. Any right to receive a retirement benefit prior to Normal Retirement Age; and
2. Any early retirement benefit or retirement type subsidy including the Early Retirement Benefit under the Retirement Fund; and
3. All disability benefits not yet in pay status; and
4. Pre-Retirement death benefits other than the Qualified Pre-retirement Survivor Annuity; and
5. All post-retirement death benefits that are not part of an annuity form of payment; and
6. All benefits, rights and features under the plan that are not otherwise referenced above; and
7. All benefit increases adopted within the last five years.

This Rehabilitation Plan, effective November 23, 2010, includes two Schedules, one called the "Preferred Schedule" and the other called the "Default Schedule." The Trustees provided the schedules to the Teamsters Local Union No. 473 ("Local Union") and the contributing Employers (collectively referred to as "bargaining parties") on November 23, 2010. The bargaining parties adopted an alternative schedule calling for supplemental contributions (contributions not related to the level of work performed) of $1.8 million for 2012 and $2.0 million for 2013 through 2016 as part of their new Collective Bargaining Agreement (CBA).

Any changes to Adjustable Benefits which are adopted as part of the Rehabilitation Plan **will not** reduce the level of any participant's accrued benefit payable at Normal Retirement Age. Additionally, these reductions will not apply to any participant or beneficiary that started receiving his or her benefits prior to April 30, 2010, the date of this Notice.

Please note, that effective April 30, 2010, due to the fact the Retirement Fund is in the Red Zone, PPA requires that the Retirement Fund cannot pay lump sum or similar benefits including, the Special Death Benefit or Cash Withdrawal Benefit previously payable upon the death of a Participant.

Notification that Employer Surcharges may be Required in Certain Circumstances

Once a multiemployer pension plan is certified in the Red Zone, PPA requires that all contributing employers pay a surcharge to the pension fund to help improve the funding situation. Surcharges are additional contributions paid to the Retirement Fund at the same time and in the same manner as the regular contributions. Once the bargaining parties negotiate the Schedule provided under the Rehabilitation Plan, the obligation for the employer to pay the surcharges is eliminated. The amount of this surcharge is in addition to the amount an employer is otherwise required to contribute to the Retirement Fund under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge applies for the initial critical plan year and increases to 10% for succeeding plan years until it is no longer applicable. In the case of the bargaining parties for this Retirement Fund, the 5% surcharge applied to contributions for work performed on and after May 30, 2010. The surcharge increased to 10% as of January 1, 2011 and remained in effect until the bargaining parties negotiated the alternate schedule in 2012.

Where to Get More Information

PPA requires that the plan actuary determine the Retirement Fund's status each year and that a Notice of such status be issued to all interested parties annually. The Retirement Fund will also be providing a summary of the Rehabilitation Plan in the near future. You have the right to receive a copy of the Rehabilitation Plan from the Retirement Fund upon written request.

Statement of Rights

Participants and Beneficiaries have rights under the Plan and ERISA as described in the Summary Plan Description. If you have any questions about your Plan or this Notice, you should contact Ms. Vicki Hanrahan, Retirement Benefit Plan of the Newspaper and Magazine Drivers, Chauffeurs and Handlers Union Local 473, 6511 Eastland Road, Suite 140, Brook Park Ohio 44142, phone number (440) 234-0473. Also, Participants and beneficiaries have the right to contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington DC 20210.