

**Notice of Critical Status
for
Teamsters Local 11 Pension Plan
EIN: 22-6172223 / PN: 001**

This is to inform you that on June 29, 2016, the Plan's actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees of the Plan, that the Plan is in critical status (commonly known as the "red zone") for the Plan year beginning April 1, 2016. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan was in critical status last year, and the Plan's actuary determined that the Plan has not passed the "Emergence Test", meaning that the Plan is projected to have an accumulated funding deficiency in the current Plan Year or subsequent 9 Plan Years.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. This is the seventh year this Plan has been in critical status. The law permits pension plans in critical status to reduce or eliminate benefits called "adjustable benefits" as part of a rehabilitation plan. Previously, you were notified that as of April 5, 2010, the Plan was not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it was in critical status. You also received a later notice advising of the adjustable benefits that were eliminated as part of the Plan's Rehabilitation Plan adopted by the Board of Trustees, depending on the different Schedule applicable to your employer or to vested terminated participants. If the Trustees determine that further benefit reductions are necessary as part of an updated Rehabilitation Plan, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction in adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may apply only to participants and beneficiaries whose benefit commencement date is on or after April 5, 2010.

Adjustable Benefits

Prior to the Rehabilitation Plan, this Plan offered the following adjustable benefits:

- Post-retirement death benefits
- Benefit payment options other than a qualified joint and survivor annuity ("QJSA")
- Disability Pension
- Early Retirement subsidy

As part of the Rehabilitation Plan, the lump sum benefit option for Local 1518 participants and the lump sum death benefit option for all participants have been eliminated. In addition, the traditional joint and 50% survivor payment option was eliminated, and both the statutory 50% joint and survivor and the 75% joint and survivor payment options will be reduced based on full actuarial equivalence. You will receive another notice only if the Trustees update the Rehabilitation Plan in the future to eliminate other adjustable benefits.

Employer Surcharge

As required by law, a 5% surcharge on all employer contributions was implemented for all contributions due on and after May 2, 2010. The surcharge was increased to 10% effective April 1, 2011. The 10% surcharge will continue for each succeeding plan year in which the Plan is in critical status until the Employer agrees to a collective bargaining agreement that implements one of the Schedules in the Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact:

Ms. Michele Prochov
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810 Belmont Avenue
North Haledon, NJ 07508
Phone: (973) 423-4565

You have a right to receive a copy of the Rehabilitation Plan from the Plan.