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**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, 2011

**DATE:** April 30, 2011

**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 last year 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. You received a formal Notice of Critical Status last year that informed you that the Retirement Fund is in "Critical" status for the plan year beginning January 1, 2010.

**The Retirement Fund's Actuarial Status for 2011**

The purpose of this Notice is to inform you that on March 31, 2011, 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, 2011. 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 2011 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.

### **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 remain in effect until the bargaining parties negotiate one of the Schedule provided under the Rehabilitation Plan as part of the Collective Bargaining Agreement.

### **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. Mary Jo Halenar, 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.