Notice of Critical and Declining Status
for
Teamsters Local 469 Pension Plan
EIN: 22-6172237 / PN: 001

This is to inform you that on February 20, 2015, the plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan is in Critical and Declining status for the Plan year beginning January 1, 2015. Federal law requires that you receive this notice.

Critical and Declining Status

The Plan is considered to be in Critical and Declining status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan has not passed the "Emergence Test", meaning that the Plan was in Critical status last year, is in critical status this year and is projected to become insolvent (that is, to lack sufficient assets to pay benefits) within the next 19 years, and the inactive to active participant ratio is in excess of 2 to 1. Currently, the Plan is expected to become insolvent and require financial assistance from the PBGC by the year 2029.

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 8th year the Plan has been in Critical status and the first year it is in Critical and Declining status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. In April 2008 and November 2010, you were notified that the Plan reduced or eliminated adjustable benefits. On April 28, 2008, you were notified that as of January 1, 2008 the plan is 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 is in a Critical status

In addition to permitting Plans to implement a rehabilitation plan as described above, the law now permits Plans certified as Critical and Declining to suspend (cut) accrued benefits (as described on the next page), including benefits currently in pay status. However, before this action is permitted, the benefit suspension must be approved by the Department of Treasury, Department of Labor, and the PBGC, and then by a vote of Plan participants. If a majority of all Plan participants reject the suspension, it may be modified by the Trustees and resubmitted, otherwise the suspensions take effect.

If the trustees of the Plan determine that further benefit suspensions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those cuts.

Suspendible Benefits

Adjustable Benefits (Plan Features):

- 20 year preferred early retirement factors for participants who earn at least 400 hours of contribution service or 500 hours of vesting service in the two years immediately preceding retirement
- 30 year preferred early retirement factors for participants hired prior to January 1, 2011

Further, because the Plan is in Critical and Declining status, accrued benefits and benefits that are in pay status may be suspended, subject to the following restrictions and to the approval of governmental agencies and Plan participants, as indicated on the prior page:

- Benefits may be not be suspended for
  - Participants age 80 or older
  - Participants who are disabled
- Suspensions are limited for participants between age 75 and 80, pro-rated for each month a participant is less than 80 years old
- Benefits may not be suspended below 110% of the PBGC maximum benefit guarantee of 100% of the first $11 plus 75% of the next $33 per year of service, or $39.325 per year of service

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the plan's financial situation until such time as their collective bargaining agreements are updated to reflect the contribution increases required by the Rehabilitation Plan. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the plan is in critical status.

Where to Get More Information

For more information about this Notice, you may contact:

Maria J. Catenacci
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3400 Highway 35 Suite 8
Hazlet, NJ 07730-1247
Phone (732) 264-9000

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

DATE SENT: ______________________