Central States, Southeast and Southwest Areas Pension Plan
Item #14

Does the application include a copy of the actual notices (including redacted sample calculations) that meet the requirements under § 432(e)(9)(F).
See section 4.05(1).

Copies of each type of actual notice (including redacted sample calculations) given to each category or group are attached as document number 14.1.

Central States, Southeast and Southwest Areas Pension Plan
Description of Method for Satisfying the Notice Requirements
Copies of the Actual Notice Given to an Individual In Each Category

Rev. Proc. 2015-34 Section 4.05(1)

Notice Type	Notice Description
A	For an affected individual who has a proposed suspension, is in pay status, and elected a Joint and Survivor form of payment.
B	For an affected individual who has a proposed suspension, is in pay status, and did not elect a Joint and Survivor form of payment.
C	For an affected individual who has a proposed suspension, is not yet in pay status, and is above the participant's normal retirement age.
D	For an affected individual who has a proposed suspension, is not yet in pay status, and is below the participant's normal retirement age.
E	For an affected individual whose benefits are not proposed to be suspended.

Individuals in the terminated vested categories receive the notice type C, D, or E applicable to them. Individuals not in the terminated vested categories receive the notice type A, B, C, D, or E applicable to them. The chart below cross references copies of the actual notice of individuals for which example calculations are provided as part of Rev. Proc. 2015-34 Section 2.02 and Rev. Proc. 2015-34 Section 4.01.

Example Reference	Category Reference	Type of Notice
Examples 1 and 13	Tier 1; Active, Retired or Beneficiary; <20 Years	A
Examples 2 and 16	Tier 1; Active, Retired or Beneficiary; >=20 Years	B
Examples 3 and 19	Tier 1; Terminated Vested; <20 Years	C
Examples 4 and 22	Tier 1; Terminated Vested; >=20 Years	D
Examples 5 and 25	Tier 2; Active, Retired or Beneficiary; <20 Years	D
Examples 6 and 28	Tier 2; Active, Retired or Beneficiary; >=20 Years	B
Examples 7 and 31	Tier 2; Terminated Vested; <20 Years	D
Examples 8 and 34	Tier 2; Terminated Vested; >=20 Years	E
Examples 9 and 37	Tier 3; Active, Retired or Beneficiary; <20 Years	A
Examples 10 and 40	Tier 3; Active, Retired or Beneficiary; >=20 Years	B
Examples 11 and 43	Tier 3; Terminated Vested; <20 Years	D
Examples 12 and 46	Tier 3; Terminated Vested; >=20 Years	D
Example 14	Tier 1; Active, Retired or Beneficiary; <20 Years	B
Example 15	Tier 1; Active, Retired or Beneficiary; <20 Years	B
Example 17	Tier 1; Active, Retired or Beneficiary; >=20 Years	B
Example 18	Tier 1; Active, Retired or Beneficiary; >=20 Years	B
Example 20	Tier 1; Terminated Vested; <20 Years	D

Example Reference	Category Reference	Type of Notice
Example 21	Tier 1; Terminated Vested; <20 Years	C
Example 23	Tier 1; Terminated Vested; >=20 Years	D
Example 24	Tier 1; Terminated Vested; >=20 Years	E
Example 26	Tier 2; Active, Retired or Beneficiary; <20 Years	D
Example 27	Tier 2; Active, Retired or Beneficiary; <20 Years	B
Example 29	Tier 2; Active, Retired or Beneficiary; >=20 Years	B
Example 30	Tier 2; Active, Retired or Beneficiary; >=20 Years	A
Example 32	Tier 2; Terminated Vested; <20 Years	D
Example 33	Tier 2; Terminated Vested; <20 Years	C
Example 35	Tier 2; Terminated Vested; >=20 Years	C
Example 36	Tier 2; Terminated Vested; >=20 Years	C
Example 38	Tier 3; Active, Retired or Beneficiary; <20 Years	B
Example 39	Tier 3; Active, Retired or Beneficiary; <20 Years	B
Example 41	Tier 3; Active, Retired or Beneficiary; >=20 Years	B
Example 42	Tier 3; Active, Retired or Beneficiary; >=20 Years	A
Example 44	Tier 3; Terminated Vested; <20 Years	C
Example 45	Tier 3; Terminated Vested; <20 Years	C
Example 47	Tier 3; Terminated Vested; >=20 Years	D
Example 48	Tier 3; Terminated Vested; >=20 Years	C
Example 49	Multiple Tiers; Active, Retired or Beneficiary; <20 Years	B
Example 50	Multiple Tiers; Active, Retired or Beneficiary; >=20 Years	A
Example 51	Multiple Tiers; Terminated Vested; <20 Years	D
Example 52	Multiple Tiers; Terminated Vested; >=20 Years	C

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 1 AND 13

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $453.13.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,133.12 to $498.44. The amount of your spouse's joint and survivor benefit is proposed to be reduced from $566.56 to $498.44.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 12.675 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 73 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 2 AND 16

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

PO Box 5127, Des Plaines IL 60017-5127 ■ (800) 323-7640 ■ www.CSPensionRescue.com

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,107.21.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $3,000.00 to $1,217.93.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 30.971 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 73 years and 1 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 3 AND 19

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $517.62.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $631.15 to $569.38.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 16.08 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 72 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 4 AND 22

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

PO Box 5127, Des Plaines IL 60017-5127 ■ (800) 323-7640 ■ www.CSPensionRescue.com

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $768.73.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 11/11/2018 (your normal retirement date) in the form of a Contributory Credit Pension is proposed to be reduced from $900.00 to $845.60.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 34.075 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 62 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.38

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 5 AND 25

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $696.34.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 12/19/2017 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $2,138.31 to $1,467.52.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 19.478 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 63 years and 7 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.47

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $721.77.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $850.35 to $793.95.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 30.493 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 66 years and 9 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 7 AND 31

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $225.22.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 06/14/2023 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $475.42 to $247.74.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 6.3 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 58 years and 1 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 8 AND 34

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

PO Box 5127, Des Plaines IL 60017-5127 ■ (800) 323-7640 ■ www.CSPensionRescue.com

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $241.80.

Your monthly benefit would not change under the proposed reduction.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 23.943 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 71 years and 7 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 9 AND 37

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

PO Box 5127, Des Plaines IL 60017-5127 ■ (800) 323-7640 ■ www.CSPensionRescue.com

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $544.29.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,050.58 to $598.72. The amount of your spouse's joint and survivor benefit is proposed to be reduced from $525.29 to $479.31.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 15.225 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 70 years and 4 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 10 AND 40

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $728.41.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,215.88 to $801.25.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 20.375 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 68 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $400.40.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 09/09/2032 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,483.44 to $440.44.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 11.2 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 48 years and 10 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.101

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLES 12 AND 46

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,018.88.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 11/21/2020 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,759.14 to $1,120.77.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 28.5 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 60 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.110

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 14

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $596.13.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,865.81 to $915.00.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 16.675 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 66 years and 5 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $915.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 15

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $392.25.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,320.12 to $1,083.15.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 10.972 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 78 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $760.58.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,901.32 to $865.00.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 21.275 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 69 years and 0 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $865.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 18

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,310.52.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $3,500.00 to $3,191.24.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 36.658 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 79 years and 3 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $632.56.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 07/10/2017 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $2,361.94 to $695.82.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 17.694 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 64 years and 0 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 21

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $361.76.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $434.02 to $433.42.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 13.15 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 79 years and 11 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 23

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $748.96.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 05/13/2020 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $2,399.65 to $823.86.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 20.95 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 61 years and 2 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 24

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $449.74.

Your monthly benefit would not change under the proposed reduction.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 22.353 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 80 years and 3 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 26

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $447.05.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 07/08/2022 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,138.26 to $900.91.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 12.505 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 59 years and 0 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.191

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 27

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $644.39.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,285.01 to $1,141.01.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 18.025 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 77 years and 4 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $1,015.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 29

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $786.36.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,398.84 to $965.00.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 21.996 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 72 years and 10 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $965.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 30

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,202.99.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $2,805.00 to $2,010.25. The amount of your spouse's joint and survivor benefit is proposed to be reduced from $1,402.50 to $1,321.11.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 33.65 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 77 years and 2 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 32

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $398.22.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 06/04/2018 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,184.08 to $447.25.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 11.139 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 63 years and 1 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.227

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 33

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $219.86.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $505.73 to $386.98.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 6.15 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 77 years and 9 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 35

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $895.50.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $1,327.67 to $985.05.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 25.049 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 65 years and 2 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 36

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $557.92.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $667.78 to $662.37.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 20.725 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 79 years and 6 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 38

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $599.71.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,739.52 to $915.00.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 16.775 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 67 years and 2 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $915.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 39

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $536.25.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,917.74 to $1,830.80.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 15 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 79 years and 5 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 41

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $355.23.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $397.64 to $390.75.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 20.725 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 72 years and 3 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $265.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 42

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,024.24.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $2,239.22 to $1,591.47. The amount of your spouse's joint and survivor benefit is proposed to be reduced from $1,119.61 to $1,037.68.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 28.65 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 76 years and 3 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 44

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $372.69.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $1,100.96 to $409.96.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 10.425 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 73 years and 4 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 45

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $339.91.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $405.75 to $395.66.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 12.939 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 78 years and 5 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $810.63.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 09/29/2022 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,803.77 to $1,082.26.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 22.675 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 58 years and 10 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.317

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 48

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $429.44.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $491.84 to $477.57.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 22 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 76 years and 4 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 49

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
    - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
    - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
        - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
        - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
    - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
    - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $693.66.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $881.78 to $763.03.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 19.403 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 69 years and 7 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

COPY OF NOTICE FOR INDIVIDUAL IN EXAMPLE 50

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $964.57.

Effective July 1, 2016, your monthly benefit is proposed to be reduced from $1,769.05 to $1,122.22. The amount of your spouse's joint and survivor benefit is proposed to be reduced from $884.52 to $811.43.

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 26.981 years of credited service under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 71 years and 2 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $587.80.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, if paid beginning 10/15/2030 (your normal retirement date) in the form of a Contribution Based Pension is proposed to be reduced from $1,856.41 to $646.58.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 16.442 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 50 years and 9 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] The amount of your benefit before and after the proposed reduction will depend on when you decide to begin receiving benefits and the form of benefit you choose as well as, if applicable, whether you continue to work and earn years of service after the service calculation date. The amounts shown above are based on an assumed commencement at age 65 (the plan's normal retirement age) without any additional years of service for future work. If you choose to begin receiving benefits before your normal retirement age, or if you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for early commencement or survivor benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level. 14.1.353

September 25, 2015

NOTICE OF APPLICATION FOR APPROVAL OF A PROPOSED REDUCTION OF BENEFITS UNDER THE CENTRAL STATES, SOUTHEAST AND SOUTHWEST AREAS PENSION PLAN

This notice is to inform you that, on September 25, 2015, the joint board of trustees of the Central States, Southeast and Southwest Areas Pension Plan ("Board of Trustees") submitted an application to the U.S. Treasury Department for approval to reduce benefits under the Central States, Southeast and Southwest Areas Pension Plan ("Plan"), effective July 1, 2016. If the application is approved and other requirements are satisfied, then the Board of Trustees will be permitted to reduce, by plan amendment, benefits otherwise payable to participants or beneficiaries. This type of benefit reduction is authorized by the Multiemployer Pension Reform Act of 2014 ("MPRA"), which refers to it as a "suspension" of benefits. It is a reduction of any current or future payments from a multiemployer defined benefit pension plan to any participant or beneficiary, including retirees and beneficiaries who are receiving benefits at the time of the reduction.

Federal law requires the Board of Trustees to send this notice to contributing employers, unions representing participants, and every plan participant and beneficiary, even if his or her benefit is not being reduced. To see whether and how the proposed reduction applies to you, go to **"How the proposed reduction in benefits would affect you"** on page 9 of this notice.

PLAN'S ELIGIBILITY TO REDUCE BENEFITS

Federal law permits the Board of Trustees to apply for a proposed reduction of benefits because the Plan's actuary certified that the Plan is in "critical and declining" status for the plan year beginning January 1, 2015. This means that the Plan is experiencing funding and/or liquidity problems, such that it is in "critical" status, and it is projected to become insolvent (that is, not have enough assets to pay benefits) in the year 2026.

The Board of Trustees determined that it has taken "all reasonable measures" to avoid insolvency of the Plan, but that those measures have been insufficient to meet that goal, and that the proposed reduction of benefits is necessary to avoid insolvency. If the Plan were to become insolvent, benefits could be reduced below the proposed reduction. If this were to happen, the Pension Benefit Guaranty Corporation ("PBGC") would be required to provide a guarantee for a certain level of benefits that is set by federal law ("PBGC-guaranteed level"). [1]

DESCRIPTION OF THE PROPOSED BENEFIT REDUCTION AND FACTORS CONSIDERED BY THE BOARD OF TRUSTEES IN DESIGNING THE REDUCTION

Federal law imposes limits on how a reduction of benefits can be designed. For example, a participant's or beneficiary's monthly benefit may not be reduced below 110% of the PBGC-guaranteed level. In addition, no reduction can apply to benefits based on disability. Finally, an individual's age affects the amount of the reduction that may apply to the monthly benefit. No reduction applies to the benefits of an individual who has reached age 80 as of the effective date of the reduction. For an individual who is between ages 75 and 80 as of the effective date of the reduction, the maximum amount of the reduction that can apply to his or her benefit is reduced. The closer the individual is to age 80 as of the effective date of the reduction, the smaller the reduction to the individual's benefit can be. If the age-based limits on the amount of a reduction apply for a participant, then the same limits will continue for any beneficiary of the participant after the participant's death, regardless of the beneficiary's age.

Federal law requires that any reduction of benefits be distributed fairly among the various categories or groups of participants and beneficiaries under the Plan. In deciding whether the proposed reduction would be distributed fairly under the Plan, the Board of Trustees took into account the following factors:

- Age and life expectancy
- Length of time in pay status
- Amount of benefit
- Type of benefit: survivor, normal retirement, early retirement
- Extent to which participant or beneficiary is receiving a subsidized benefit
- History of benefit increases and reductions
- Years to retirement
- Any discrepancies between active and retiree benefits
- Extent to which active participants are reasonably likely to withdraw support for the plan, accelerating employer withdrawals from the plan and increasing the risk of additional benefit reductions for participants in and out of pay status
- Extent to which benefits are attributed to service with an employer that failed to pay its full withdrawal liability

[1] For more information about the amount of benefits guaranteed by PBGC, visit http://pbgc.gov/prac/multiemployer/multiemployer-benefit-guarantees.html.

Overview of Benefit Suspensions

The Board of Trustees proposes the following reduction of benefits, which will remain in effect indefinitely. Without these suspensions, the Plan is projected to become insolvent (run out of funds and be unable to pay benefits) in 2026. If the suspensions are adopted, the Plan is projected to remain solvent indefinitely.

Generally, the amount of a participant's suspension is based upon three main factors, subject to certain protections described below. First, the "tier" (or tiers) to which a participant's benefits are attributable. Second, the amount of contributions made to the Plan on a participant's behalf. Third, whether the participant is an active participant, a terminated participant, or a retiree as of July 1, 2016.

Additionally, as described below, participants with at least 20 years of Contributory Service Credit (and their beneficiaries in pay status) as of July 1, 2016, will receive lesser suspensions than other participants. Also, the suspensions are affected by both the age of the participant upon retirement and whether the participant elected a joint and survivor form of benefit upon retirement.

Contribution Tiers

Federal law establishes three "tiers" of benefits under the Plan, and establishes different conditions for the reductions that are applied to the benefits attributable to each tier. The tiers are defined as follows:

- **Tier 1** consists of benefits attributable to contributions made by an employer that withdrew from the Plan on or before July 1, 2016, but failed to pay (or is delinquent with respect to paying) the full amount of its withdrawal liability under law or an agreement with the Plan.

- **Tier 2** consists of all benefits attributable to contributions not assigned to Tier 1 or Tier 3.

- **Tier 3** consists of benefits attributable to contributions made by an employer that (a) has withdrawn from the Plan in a complete withdrawal in which the employer paid the full amount of the employer's withdrawal liability under law or an agreement with the Plan, and also (b) pursuant to a collective bargaining agreement, has agreed to provide benefits to participants and beneficiaries of the Plan under a separate, single-employer-sponsored plan, in an amount equal to any reduction in the amount of benefits for such participants and beneficiaries as a result of the financial status of the Plan.

  The only benefits assigned to Tier 3 as of the date of this notice are those attributable to contributions made by United Parcel Service, Inc. and its controlled group ("UPS") for participants that are part of the Transfer Group under an agreement between UPS and the Plan dated September 29, 2007 (generally those participants who were active participants with UPS or whose last employer prior to becoming terminated vested was UPS as of that date). Participants who retired prior to that date are not part of Tier 3, even if they worked for UPS because the pension benefits of those participants are not protected by UPS.

Federal law requires that benefits attributable to Tier 1 be reduced to the maximum extent permissible. In general, the amount of Tier 1 benefits after the reduction will be determined by multiplying the 110% of the PBGC guarantee amount (described below) by the participant's percentage of total contributions in Tier 1. In addition, reductions to Tier 1 benefits will be limited by the disability and age-based protections described under Federal Law Limitations on Benefit Reductions below.

Benefits that are attributable to Tier 2 or Tier 3 contributions (determined based on the participant's percentage of their total contributions that was from Tier 2 and Tier 3, respectively) generally will be reduced in accordance with the structure outlined below under General Benefit Reduction Provisions, subject to the Federal Law Limitations on Benefit Reductions below.

For benefits attributable to Tier 2 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 50% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

For benefits attributable to Tier 3 contributions, the benefit reduction to participants with at least 20 years of Contributory Service Credit as of July 1, 2016 will not be greater than 40% of the amount that would otherwise have been payable with respect to such contributions before this reduction (prior to application of the age 75-80 protection described below).

Federal Law Limitations on Benefit Reductions

110% PBGC Guarantee Protection

Under MPRA, a participant's pension cannot be reduced below 110% of the amount that the PBGC would guarantee if the Plan were to become insolvent. The calculation of the PBGC guarantee is complicated, as it considers both the years of service that have been worked and rate of benefit accrual that the Plan has credited.

The maximum monthly benefit that the PBGC will guarantee is $35.75 for each year of service that has been earned. Thus, for a participant with 30 years of service, the maximum PBGC guarantee is $1,072.50 per month. 110% of this amount is $1,179.75.

The PBGC formula generally does not guarantee all benefits that have been earned. For example, in order for a participant with 30 years of service to receive the maximum monthly PBGC benefit of $1,072.50, the benefit payable from the Plan would have to be higher than this amount. Also, it means that participants with benefits from the Plan that are below the PBGC maximum guarantee would generally receive less than their full benefits under the PBGC guarantee formula.

To calculate the PBGC guarantee amount, it is first necessary to calculate the rate of monthly benefit accrual that the Plan has provided. This is equal to the monthly benefit payable from the Plan, divided by the years of credited service that have been earned. The amount of the guarantee is then equal to 100% of the first $11 of the monthly benefit accrual rate, plus 75% of the next $33 of the monthly benefit accrual rate, times the years of credited service. There is no limit to the total years of service that are credited for calculating the guaranteed benefit.

The guaranteed monthly benefit, therefore, is limited to $35.75 per month (($11 x 100%) + ($33 x 75%) = $35.75) times a participant's years of credited service. For example, if a participant has 30 years of service, the maximum benefit guaranteed by the PBGC is $35.75 x 30 = $1,072.50.

If the application of the General Benefit Reduction Provisions outlined below for benefits attributable to Tier 2 and Tier 3 contributions would result in a benefit that is below 110% of the PBGC guarantee for a particular participant, then that participant's benefit would not be reduced below 110% of the PBGC guarantee. The years of service used in the PBGC guarantee amount (which is the number of years listed the individualized estimate section of this notice) may differ from the number of years of Contributory Service Credit and/or Service Credit due to different definitions for those terms under the Plan.

Disability Protection

Disability benefits under the Plan cannot be reduced under MPRA. Additionally, if a participant receiving a disability benefit under the terms of the Plan converts to a retirement pension under the Plan, that participant's benefits cannot be reduced below the amount of the disability benefit received prior to the conversion.

Age Protection

MPRA provides that if a participant is 80 or older as of the end of the month containing the effective date of the benefit reduction, in this case July 31, 2016, the participant will not be subject to any reduction. All benefits payable to participants who meet this condition are fully protected from benefit reductions.

Pension benefit reductions for participants who are at least 75 but less than 80 as of July 31, 2016 are determined by the number of months remaining until the participant reaches 80 divided by 60 months. For example, if a participant is exactly 78 years old as of July 31, 2016, there are still 24 months remaining until the participant reaches 80 years of age. Dividing 24 months by 60 months results in a fraction equal to 0.4.

So if, for example, the maximum amount of benefit reduction that could apply to a 78-year old participant (after taking into account the General Reduction Provisions described below, the 110% PBGC Guarantee Protection and the Disability Protection) is $500 per month, then the age-based protection would limit this maximum reduction to $200 per month (0.4 x $500). If the general reduction provisions described below would otherwise result in a greater benefit reduction, that amount would be overridden so that the actual reduction amount applied to this participant would be $200 per month.

In the case of the surviving spouse of a participant who is deceased as of July 1, 2016, the surviving spouse's age as of July 31, 2016 is used to determine whether the age-based protection applies to the benefit. However, if a participant is not deceased as of July 1, 2016, the participant's age as of July 31, 2016 will be used to determine the age-based protection for a joint and survivor. As has always been the case, regardless of the effect of the reduction, neither the participant nor spouse may change a Joint and Survivor Option ("JSO") election that has already been made.

If a benefit has been split in a divorce in accordance with a Qualified Domestic Relations Order ("QDRO"), the application of the age-based protections to the alternate payee's benefit depends on the type of QDRO. For a shared payment QDRO in which the alternate payee receives a portion

of each benefit payment, but the participant retains the right to choose the time and form of the payments, it is the participant's age as of July 31, 2016 that will determine the age-based protections. However, for a separate interest QDRO where the alternate payee has a right to receive benefits at a different time and in a different form from the participant, the alternate payee's age as of July 31, 2016 will determine the age-based protections.

General Benefit Reduction Provisions (Tier 2 and Tier 3 Contributions Only)

The following general benefit reduction provisions apply only to benefits attributable to Tier 2 or Tier 3 contributions.

- Except as provided below, under the benefit reductions that the Trustees have proposed, a plan amendment will take effect on July 1, 2016 that will reduce participants' monthly pension benefits to 1% of the Tier 2 and Tier 3 contributions that have been made on their behalf as of that date, adjusted for any early retirement and JSO benefit adjustments as described below.
  - For example, if a participant has a plan benefit of $1,000 per month on July 1, 2016, and 1% of the total contributions made on that participant's behalf is $800, then the $1,000 benefit will be reduced by $200 to $800 effective July 1, 2016.
- For terminated participants with less than 20 years of Contributory Service Credit who do not have a Benefit Commencement Date on or before October 1, 2015, benefits as of July 1, 2016 will be 0.5% of the total Tier 2 and Tier 3 contributions made on their behalf and adjusted for any early retirement and JSO as described below.
  - A participant will be in "terminated" status for purposes of the suspension plan if, as of July 1, 2016, any of the following is true:
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2014, and (b) earned no Contributory Service Credit during 2014;
    - The participant (a) has a Year of Employment under the Plan during any year ending on or before December 31, 2015, and (b) earned no Contributory Service Credit during 2015; or
    - The participant (a) has earned or earns an Hour of Service while employed with a Contributing Employer (or any predecessor or successor entity) that at any time on or after October 1, 2015 incurs a Rehabilitation Plan Withdrawal, and (b) has either (i) earned the last year of Contributory Service Credit on or before October 1, 2015 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal or (ii) earned the last year of Contributory Service Credit on or before July 1, 2016 while a member of a Bargaining Unit (or any predecessor or successor Bargaining Unit) ultimately incurring such Rehabilitation Plan Withdrawal. This provision shall not apply to Rehabilitation Plan Withdrawals occurring after July 1, 2016 unless the Bargaining Unit, on or before July 1, 2016, ratifies or otherwise agrees to a Collective Bargaining Agreement (or other agreement) which permits the withdrawal of the Bargaining Unit in whole or in part from the Plan (regardless of when the withdrawal in fact occurs).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 65. As applied here, in the event that a participant retired with less than 20 years of Service Credit at retirement, the 1% (or 0.5% as the case may be) of total contribution monthly benefit will be reduced by 0.5% for each month that the age of the participant at retirement precedes age 65. This reduction applies down to age 57, with participants who retired prior to age 57 treated as having retired at age 57 for this purpose.
  - For example, a participant who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 48% (0.5% x 96 months). If 1% of the contributions made on that participant's behalf is $1,000, the monthly benefit will be reduced to $520 (reducing $1,000 by 48%).
- As already provided under the Plan, benefits are reduced for each month that the age of retirement precedes age 62 if the participant had at least 20 years of Service Credit at retirement. As applied here, if a participant had at least 20 years of Service Credit at retirement, the 0.5% per month reduction applies to the 1% of total contribution monthly benefit for each month that the age at retirement precedes age 62 instead of age 65.
  - For example, a participant with 20 or more years of Service Credit who retired at exactly age 57 or earlier would have the 1% of contributions benefit reduced by 30% (0.5% x 60 months). If 1% of the contributions made on that participant's behalf is $1,000 per month, the monthly benefit will be reduced to $700 (reducing $1,000 by 30%).
- Under the terms of the Plan's Rehabilitation Plan, a participant subject to an adjustable benefit reduction will have the 1% (or 0.5% as the case may be) of contributions benefit reduced by the percentage listed in the Rehabilitation Plan.
- In addition to any reduction for early retirement, the 1% or 0.5% of contribution monthly benefit will also be adjusted to reflect any adjustment factors for election of a JSO in accordance with the terms of the Plan.

Restricted Reemployment Changes

The following changes are effective July 1, 2016, apply only to those participants whose benefits are, in fact, reduced under this application (not including reductions to future benefit accruals), and are contingent upon approval of the application as provided under MPRA. In all other circumstances, the existing (pre-MPRA suspension) restricted reemployment rules in the Plan continue to apply.

For a participant with a Benefit Commencement Date on or before October 1, 2015, the participant shall not be subject to **any** restricted reemployment rules effective July 1, 2016 provided that prior to October 1, 2015 the participant has surrendered and severed any and all aspects of the employment relationship, including any seniority rights, with any Contributing Employers.

For a participant whose Benefit Commencement Date is after October 1, 2015 and who is at least 62 but less than 65 on the Benefit Commencement Date, and is performing Covered Service immediately prior to the Benefit Commencement Date, the participant must avoid reemployment in a Core Teamster Industry (as defined in the Plan), and with any Contributing Employer for whom the participant worked during the one year period immediately prior to his retirement and, prior to retirement, must have surrendered and severed all aspects of the employment relationship, including any seniority rights, with any such Contributing Employer(s). Once such participant turns 65, the rules in the next paragraph apply.

For a participant whose Benefit Commencement Date is after October 1, 2015 who has reached age 65 (regardless of age at time of retirement), the participant shall not be subject to **any** restricted reemployment rules as long as the participant has previously surrendered and severed all aspects of the employment relationship, including any seniority rights, with any Contributing Employers. The only exception is that a participant whose last year of Contributory Service Credit was earned while employed by a labor organization, or other Contributing Employer with whom the participant did not have seniority rights under a collective bargaining agreement, will not be eligible for this "No Restrictions" rule unless the participant has first spent one continuous post-retirement year without any restricted reemployment under the existing (pre-MPRA suspension) restricted reemployment rules.

Notice of Plan Amendments and Reduction of Future Benefit Accruals

Pursuant to sections 204(h) and 305(e)(8) of the Employee Retirement Income Security Act of 1974 ("ERISA"), as amended by the Multiemployer Pension Plan Amendments Act of 1980, the Pension Protection Act of 2006, and the Multiemployer Pension Reform Act of 2014, the Plan is required to notify you if the Plan is amended to eliminate or reduce any early retirement benefit or retirement-type subsidy. The purpose of this notice is to advise you that, pursuant to ERISA Section 305(e)(8), the Pension Plan has been amended contingent upon approval of the application as provided under MPRA to provide for the reduction of early retirement benefits and retirement-type subsidies and to reduce the rate of future benefit accruals.

Reduction of Early Retirement Subsidies for Contribution-Based Pension

Currently, the Contribution-Based Pension (section 4.02 of the Plan) is reduced by 0.5% for each month the age of the participant on his retirement date is less than 62 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit). However, if the participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule, the Contribution-Based Pension payable at age 65 is reduced to an actuarially equivalent benefit in accordance with the terms of the Plan.

Effective July 1, 2021 (five years from the effective date of the reductions), the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 63 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2023, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 64 if the participant has at least 20 years of Service Credit (the reduction occurs from age 65 if the participant has less than 20 years of Service Credit).

Effective July 1, 2025, the Contribution-Based Pension (section 4.02 of the Plan) will be reduced by 0.5% for each month the age of the participant on his retirement date is less than 65 for all participants regardless of whether the participant has at least 20 years of Service Credit.

Thus, for example, if a participant who has at least 20 years of Service Credit retires on or after July 1, 2021 (and before July 1, 2023) at age 62, the participant's benefit would be reduced by 6% (12 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2023 (and before July 1, 2025) at age 62, the participant's benefit would be reduced by 12% (24 months x 0.5% per month) as compared to currently when there would be no reduction. If a participant retires on or after July 1, 2025 at age 62, the participant's benefit would be reduced by 18% (36 months x 0.5% per month) as compared to currently when there would be no reduction.

Regardless of these changes, if a participant is subject to the Default Schedule, Rehabilitation Plan Withdrawal, or Distressed Employer Schedule as defined in the Rehabilitation Plan, the participant's benefit will be reduced based on age using the actuarial equivalence table in the Rehabilitation Plan.

Reduction of Future Benefit Accrual Rate

At present, the Accrued Benefit (section 1.01) of a participant who is eligible for a Contribution-Based Pension includes 1% of all contributions made on the participant's behalf on and after January 1, 2004. Effective for contributions attributable to a participant's service on and after July 1, 2016, the Accrued Benefit will be 0.75% of all contributions made on the participant's behalf.

Thus, for example, if a participant had $10,000 in contributions made on his behalf prior to July 1, 2016, the monthly Accrued Benefit increased by $100 ($10,000 x 1%). If $10,000 in contributions are made on the participant's behalf on and after July 1, 2016, the monthly Accrued Benefit would increase by $75 ($10,000 x 0.75%).

Other Considerations

In determining the benefit amount after the reduction, only contributions made to this Plan are considered and any service (including Service Credit and Contributory Service Credit) with another plan used for reciprocity or other purposes is disregarded except for a transfer to the Plan pursuant to ERISA section 4235. No reciprocal pensions will be allowed for a Benefit Commencement Date on or after July 1, 2016.

The following will not be considered as contributions for purposes of applying the 1% (or 0.5% as the case may be) of contributions benefit in determining the amount of the reduction:

- Self-payments that are received by the Plan after September 25, 2015.
- Contributions for periods prior to a Break in Service.
- Contributions for periods prior to becoming a Participant.

A participant, beneficiary, or alternate payee must still satisfy the vesting rules and other rules contained in the Plan to qualify for a benefit, and no benefit may be created or increased as a result of the suspension plan.

Capitalized terms in this notice shall have the meaning stated in the Plan unless otherwise defined in the suspension plan.

This notice is only a **summary** of the benefit reductions under the suspension plan. Full details are contained in the application filed with the U.S. Treasury Department. All information in this notice, however, is subject to the terms of the actual Plan, which is the final written authority on all matters about the Plan. Only the Board of Trustees is authorized to interpret the Plan. No employer or union or any representative of any employer or union is authorized to interpret the Plan.

The suspension plan reflects increases in the maximum contribution rates of $342 or $348 per week currently required under the Rehabilitation Plan. The increases to the maximum required rate begin on August 1, 2018 with a rate increase of 2.5% per year becoming 3.0% per year in 2028 and thereafter. Also, the suspension plan reflects an increase in the contribution rate for YRC beginning on August 1, 2019 of 2.5% per year becoming 3.0% per year in 2028 and thereafter.

The information contained in this notice is based upon estimates calculated using participants' work histories as of December 31, 2014. However, if any of the following events occurred, participants' work histories were updated to July 31, 2015: (1) a participant retired and had a Benefit Commencement Date on or before July 31, 2015; (2) a participant or an alternate payee under a QDRO had a Benefit Commencement Date on or before July 31, 2015; or (3) a participant died and the spouse had a Benefit Commencement Date on or before July 31, 2015.

In the event the suspension is approved, the actual effect of the suspension on you may be different than the amounts in this notice due to additional work history, changes in status as an active, terminated, or retired participant, changes in marital status, approval of, or changes to, a QDRO, or changes to the tier status of any of the Contributory Service Credit a participant earned while working for an employer.

If you are a participant or beneficiary, the last part of this notice provides a dollar estimate of how the proposed reduction applies to you.

AVAILABILITY OF THE APPLICATION AND HOW YOU CAN COMMENT ON IT

The application for approval of the proposed reduction of benefits will be made publicly available within 30 days after the application has been received by the Treasury Department. The application includes more information about the proposed reduction, including details about: 1) the Plan actuary's certification that the Plan is in critical and declining status; 2) how the proposed reduction would satisfy the requirement that it be large enough so that the Plan is projected to avoid insolvency, while not being larger than needed to avoid insolvency; and 3) the sensitivity of the projection to the assumptions used.

The application also includes a description of the measures the Board of Trustees has already taken to try to avoid insolvency of the Plan, as well as why the Board of Trustees believes that the proposed reduction is distributed fairly. Comments will be accepted regarding the application from employees,

deferred vested participants (participants who are no longer earning benefits under the Plan but are not yet receiving benefits from the Plan), retirees, beneficiaries, contributing employers, unions representing participants, and other interested parties (such as the retiree representative).

See www.treasury.gov/mpra for a copy of the Plan's application, for instructions on how to send a comment on the application, and for how to contact the Treasury Department for further information and assistance. The Treasury website will also provide updated information on the application, such as whether the application has been modified or withdrawn. If the application is withdrawn (or rejected), and the Board of Trustees submits a new application, you may receive a notice for that new application that supersedes this notice.

You may also contact the Treasury Department for further information and assistance at the following address:

Department of the Treasury
Attn: MPRA, Room 1001
1500 Pennsylvania Ave., NW
Washington, D.C. 20220

RETIREE REPRESENTATIVE

The board of trustees of a multiemployer plan applying for approval to reduce benefits may select a retiree representative to advocate for the interests of retirees, beneficiaries, and deferred vested participants in connection with the approval process. If the plan has 10,000 or more participants, the board of trustees is required by Federal law to select a retiree representative.

On January 13, 2015, Susan Mauren was selected to act as the retiree representative. The retiree representative, who is one of the retirees currently receiving benefits under the Plan, is not a member of the Board of Trustees of the Plan. Participants and beneficiaries may contact Susan Mauren by phone (855) 465-6747, by mail P.O. Box 15670, Minneapolis, MN 55415, or by email CentralStatesRetireeRep@losgs.com.

RIGHTS AND REMEDIES OF PLAN PARTICIPANTS AND BENEFICIARIES

Vote on Proposed Benefit Reduction

If the application for the proposed reduction of benefits is approved by the Treasury Department, then participants and beneficiaries will be given the opportunity to vote to approve or reject the proposed reduction. Unless a majority of all participants and beneficiaries of the Plan vote to reject the reduction, the reduction will be permitted to go into effect following the vote.

Final Authorization to Reduce Benefits

If a majority of all plan participants and beneficiaries do not vote to reject the proposed reduction of benefits, then the Treasury Department is required to issue a final authorization to permit the reduction of benefits to take effect.

If the Plan is a systemically important plan (a plan with a present value of projected PBGC financial assistance payments that exceeds $1 billion) and a majority of participants and beneficiaries vote to reject the proposed reduction of benefits, then Federal law requires the Treasury Department, notwithstanding the participants' and beneficiaries' vote to reject, to issue a final authorization to permit either the proposed reduction of benefits, or a modified version of the proposed reduction of benefits, to take effect. Before this occurs, the PBGC's Participant and Plan Sponsor Advocate may submit recommendations to the Treasury Department regarding possible modifications to the proposed reduction.

Claims Process for Incorrect Calculations

If you think the reduction to your benefits was calculated incorrectly, then you have the right to submit a claim to the Plan to have the calculation corrected. Your Plan's summary plan description is required to include the Plan's claims procedures, including information on your right to have a court review the Plan's final decision on your claim.

Access to Plan Documents

You, your contributing employer, the union representing you, and the retiree representative (if any) also have the right to request the documents listed below from the Plan. You may want to review these documents to help you understand your rights and the proposed reduction to your benefits:

- The Plan document (including any amendments adopted to reflect an authorized reduction of benefits), trust agreement, and other documents governing the Plan (such as collective bargaining agreements),
- The most recent summary plan description (SPD or plan brochure) and any summary of material modifications,

- The Plan's Form 5500 annual reports, including audited financial statements, filed with the U.S. Department of Labor during the last six years,
- The annual funding notices furnished by the Plan during the last six years,
- Actuarial reports, including reports prepared in anticipation of the benefit reduction, furnished to the Plan within the last six years,
- The Plan's current rehabilitation plan, including contribution schedules and annual plan-sponsor determinations that all reasonable measures to avoid insolvency continue to be taken and that the Plan is not projected to avoid insolvency unless benefits are reduced, and
- Any quarterly, semi-annual or annual financial reports prepared for the Plan by an investment manager, fiduciary or other advisor and furnished to the Plan within the last six years.

The plan administrator must respond to your request for these documents within 30 days, and may charge you the cost per page to the Plan for the least expensive means of reproducing documents, but cannot charge more than 25 cents per page. The Plan's Form 5500 Annual Return/Report of Employee Benefit Plan is also available free of charge at www.dol.gov/ebsa/5500main.html. Some of the documents also may be available for examination, without charge, at the plan administrator's office, your worksite or union hall.

INDIVIDUAL ESTIMATE OF EFFECT OF PROPOSED REDUCTION IN BENEFITS

How the proposed reduction in benefits would affect you

The Plan's actuary has calculated that if the proposed reductions are not implemented, then the Plan is projected to be insolvent and unable to pay benefits when due in 2026. If the Plan becomes insolvent, your benefit would be reduced to the monthly PBGC-guaranteed level. Your estimated monthly PBGC-guaranteed level is $1,142.28.

Your future monthly benefit, based on the years of service you have (or, if you are a beneficiary or alternate payee, the participant has) already worked as of December 31, 2014, payable as of September 25, 2015, in the form of a Contribution Based Pension is proposed to be reduced from $2,526.70 to $1,463.16.[2]

INFORMATION USED IN CALCULATING THE ESTIMATED BENEFIT REDUCTION

This is an estimate of your benefit under the proposed reduction. It is not a final benefit calculation. This estimate of the proposed reduction is based on an assumed effective date for the benefit reduction of July 1, 2016 (this date may be subject to change, but in no event will the proposed reduction be effective earlier). If the proposed reduction is effective at a later date, then the amount of the reduction to your benefit might change.

This estimate is also based on the following information:

Years of Service

Plan records show that you have 31.952 years of credited service as of December 31, 2014 under the Plan.

Age as of the Effective Date of the Proposed Reduction

Plan records show that you will be 65 years and 8 month(s) of age as of the effective date of the proposed reduction.

Disability Benefits

Plan records show that the portion of your benefit that is based on disability is $0.00.

PLAN OFFICE CONTACT INFORMATION

If you believe the information used to calculate your estimate is incorrect, please contact the Plan office at Central States Pension Fund, Rescue Plan Information, P.O. Box 5127, Des Plaines, IL 60017-5127, call (800) 323-7640, or email info@CSPensionRescue.com.

[2] This is the largest amount of proposed reduction that will apply and is based on commencement of benefits in the specified form of benefit. If you choose a form of benefit that includes additional survivor benefits after your death, then any actuarial reduction for those benefits will be applied to your benefit after reflecting the effect of the separate reduction due to the proposed amendment to the Plan described above. However, the combined reductions are not allowed to result in a benefit that is less than 110 percent of the PBGC-guaranteed level.