

Road Carriers - Local 707 Pension Fund's

Coordinated Application for
Approval of Suspension of Benefits
under the
Multiemployer Pension Reform Act of 2014

Dated: March 15, 2016

SECTION 1. BACKGROUND AND PURPOSE

Pursuant to Internal Revenue Service Revenue Procedure 2015-34 and the Department of the Treasury's Proposed and Temporary regulations issued under Section 432(e)(9) of the Internal Revenue Code of 1986 (the "Code") and published in the Federal Register on June 19, 2015 (collectively, the "Regulations"), the Board of Trustees of the Road Carriers - Local 707 Pension Fund (the "Plan") submits this application and the accompanying Exhibits to the Secretary of the Treasury for approval of suspension of benefits.

Section 432(e)(9)(G) of the Code provides that the Secretary of the Treasury shall approve an application for the approval of suspension of benefits upon finding that the plan is eligible and has satisfied the criteria set forth in subparagraphs (C), (D), (E), and (F) of Section 432(e)(9) of the Code. As explained below, the Plan is eligible to suspend benefits and has satisfied each of the enumerated criteria under the Regulations. Therefore, the Plan respectfully requests that the Secretary approve this application to suspend benefits.

Additionally, this application for approval of suspension of benefits is to be coordinated with the Trustees' application submitted to the Pension Benefit Guaranty Corporation ("PBGC") on February 19, 2016, for a partition approval order pursuant to the regulations issued under Section 4233 of the Employee Retirement Income Security Act, as amended 1974 ("ERISA"). The Trustees have proposed to partition the benefit liabilities associated with the Plan's terminated vested and retired participants into the Successor Plan while leaving the benefit liabilities associated with the Plan's current actives in the Original Plan. On March 3, 2016, the PBGC informed the Trustees that the Plan's application for partition was complete and officially under review.

SECTION 2. APPLICATION PROCEDURES

2.01 Plan Sponsor Submission. The Trustees of the Plan submit this application for approval of a proposed benefit suspension under Section 432(e)(9). This application is signed and dated by a Trustee of the Plan, who is authorized to sign and is a current member of the Board of Trustees.

2.02 Terms of Plan's proposed benefit suspension.

- 1) Effective Date. The Trustees of the Plan propose July 1, 2016 as the effective date for the benefit suspensions (the "Effective Date"). The Trustees also proposed that date to the PBGC for the effective date of the Plan's coordinated partition. The Trustees recognize that the Regulations require the proposed effective date of the suspension to be at least nine months after the date on which the application is submitted. The Trustees also recognize that the proposed benefit suspensions cannot occur before the effective date of the partition. However, the Regulations also permit a shorter timeframe when necessary. In

light of the fact that the Plan is projected to be insolvent by February 2017, the Trustees are requesting to be allowed to implement proposed benefit suspensions effective July 1, 2016. This earlier date and more aggressive strategy are essential to avoid Plan insolvency and greater allocation of PBGC resources. If Treasury requires the Plan to wait for nine months (until approximately January of 2017) to implement benefit suspensions, the suspensions will not prevent the Fund's insolvency as intended and required under the Regulations. The Trustees have discussed this aggressive timeframe with the PBGC in relation to the Plan's partition application. Accordingly, for the purposes of the actuarial calculations, demonstrations and illustrations set forth in this application, the effective date for the Plan's proposed benefit suspensions has been set at July 1, 2016.

- 2) Expiration Date. The proposed benefit suspension will remain in effect indefinitely and will not expire by its own terms.
- 3) The Proposed Suspension. The Plan's proposed benefit suspension is to reduce all of the Plan participants' pension benefits to 110 percent of the PBGC guarantee, which are the maximum suspensions allowable under Section 432(e)(9)(D)(i) and the required suspensions for a coordinated partition. The proposed benefit suspension will treat all participants under the Plan equally and will take into account the limitations on benefit suspensions under the rules of Sections 432(e)(9)(D)(i), (ii) and (iii). The proposed suspension will not treat categories or groups of participants and beneficiaries under the Plan differently from one another.
- 4) Penalties of perjury statement. **See Exhibit 1.**
- 5) Public disclosure statement. **See Exhibit 1.**

SECTION 3. DEMONSTRATION THAT THE PLAN IS ELIGIBLE FOR SUSPENSION

3.01 Plan actuary's certification of critical and declining status. **See Exhibit 2** for a certification from the Plan's actuary required under Section 432(b)(3)(B)(iv) that the Plan is in critical and declining status for the Plan Year commencing February 1, 2016. Included with this certification is documentation supporting the actuarial certification of status, including a year-by-year projection of the Plan's available resources and the benefits under the Plan, demonstrating that the Plan is projected to become insolvent at the beginning of the Plan's 2017 Plan Year. The documentation includes a description of each of the assumptions used, including the total contribution base units and average contribution rates. The year-by-year projection separately identifies the market value of assets as of the beginning and end of the 2016, 2017 and 2018 Plan Years, and the following cash-flow items for those years: (1) contributions; (2) withdrawal liability payments; (3) benefit payments; (4) administrative expenses; and (5) investment returns.

3.02 Plan actuary's certification that the Plan is projected to avoid insolvency. See **Exhibit 3** for a certification from the Plan's actuary under Section 432(e)(9)(C)(i) that the Plan is projected to avoid insolvency within the meaning of Section 418E taking into account the proposed benefit suspension and assuming that the proposed suspension continues indefinitely. Notably, the certification that the Plan is projected to avoid insolvency assumes the issuance of a partition order from the PBGC with a partition effective date of July 1, 2016.

Included with this certification is documentation supporting the certification, including a year-by-year projection of the available resources of the Plan within the meaning of Section 418E(b)(3) and the benefits under the Plan demonstrating the avoidance of insolvency of the Plan through the extended period of 30 Plan Years, which would be the 2046 Plan Year. The documentation includes a description of each of the assumptions used, including the total contribution base (hours) units and average contribution rates. Also included with this certification is the Plan's year-by-year projection that separately identifies the market value of assets as of the beginning and end of each year in the extended period and the following cash-flow items for each of those years: (1) contributions; (2) withdrawal liability payments; (3) benefit payments; (4) administrative expenses; and (5) investment returns.

3.03 Plan sponsor's determination of projected insolvency. It is the Trustees' determination under Section 432(e)(9)(C)(ii) that the Plan is projected to become insolvent, unless benefits are suspended as proposed in this application (and the Plan is partitioned as proposed in its application to the PBGC), even though all reasonable measures to avoid insolvency have been taken. The Plan has included documentation and Exhibits with this application illustrating the Trustees' determination of projected insolvency.

- All measures taken to avoid insolvency over past 10 years. The Trustees' determination includes consideration of all measures taken to avoid insolvency over the past 10 plan years. These measures include the immediate adoption of a Rehabilitation Plan following passage of the Pension Protection Act of 2006. On December 16, 2008, the Plan was certified by its actuary to be in "critical status," and the Trustees adopted a Rehabilitation Plan effective January 1, 2009, which amended and was incorporated into the Plan document. The Rehabilitation Plan contained two schedules, a Default Schedule and a Non-Default Schedule, and under both Schedules, the Rehabilitation Plan increased employer contributions on an annual basis and reduced future benefit accruals.

The Rehabilitation Plan's Default Schedule eliminated all adjustable benefits effective January 1, 2009. This included the following: (1) Twenty-Five Year Service Pension; (2) Disability Pension; (3) Supplemental Lump Sum Post-Retirement Death Benefit; (4) Thirty-Year Service Lump Sum Post-Retirement Death Benefit; and (5) 5-Year Period Certain Life Annuity. Under the Non-Default Schedule of the Rehabilitation Plan, the Twenty-Five Year Service

Pension benefit was replaced with a reduced Service Pension benefit that provides an unreduced Normal Retirement Pension for participants with at least 25 Pension Credits who have attained age 57 or participants with 30 Pension Credits at any age.

The Trustees, each year in consultation with the Plan's actuary, reviewed updating the Rehabilitation Plan to reflect the worsening condition of the Plan. After consideration, the Trustees determined that the Rehabilitation Plan should not be updated and amended because any additional benefit reductions allowable under the law would only have had an adverse effect on employee and participant retention, any additional contribution level increases could not be financially sustained by the Plan's contributing employers, and none of the aforementioned changes would have materially affected the Plan's rate of insolvency given the nearly 3 to 1 retiree-to-active ratio.

As the Plan's financial condition continued to deteriorate in recent years, the Trustees have been active in efforts to find a solution to avoid insolvency. Specifically, prior to submission of this application, the Trustees were in continuous consultation with the PBGC and Treasury for assistance and guidance. The Trustees had numerous ongoing discussions with the PBGC regarding a variety of possible alternatives, including a potential facilitated merger. The Trustees also have been active in seeking a legislative solution to avoid insolvency and have been in contact with elected representatives in Congress, who have offered ongoing assistance and support. Further, the Trustees submitted its first application to Treasury to suspend benefits under MPRA in July of 2015; however, the Trustees voluntarily withdrew the application after discussions with Treasury in order to address identified substantive issues.

On February 1, 2016, the Plan reduced benefit levels for those in pay status to the Insolvency Benefit Level, as required under the PBGC Regulations.

Lastly, after numerous discussions with the PBGC, the Trustees on February 19, 2016, submitted a coordinated application to the PBGC requesting the issuance of a partition order. On March 3, 2016, the PBGC informed the Trustees that the Plan's application was complete and was officially under review.

- Consideration of specific Plan factors. The Trustees' determination under Section 432(e)(9)(C)(ii) also includes consideration of the following specified Plan factors over the past 10 years:
 - Contribution levels.

In developing the Rehabilitation Plan, the Trustees considered contribution levels, and the fact that additional contribution increases beyond those required likely would drive more contributing employer from the Plan, either through business

failure or withdrawal. The Plan could not withstand any additional contributing employer withdrawals as it had already suffered serious detrimental impacts from the overall decline in the “less-than-truckload” (LTL) sector of the trucking industry, which is covered under the Plan. In addition, the Plan’s largest contributing employer, YRC Worldwide Inc.’s companies (YRC Freight and New Penn), negotiated with the employee organization representing participants under the Plan a 75% reduction in pension contribution rates in an effort to keep the YRC Worldwide companies from bankruptcy. The Trustees, like those of other pension funds in which YRC Worldwide companies participate, accepted these lower contributions after determining that the Plan was better off financially with the YRC Worldwide companies in the Plan.

- Benefit accrual levels, including any prior reductions in the rate of benefit accruals.

As demonstrated in the attached Rehabilitation Plan, the Plan drastically reduced benefit accrual levels. As noted, the Trustees concluded, in consultation with the actuaries, that any further reduction in the accrual rate beyond those contained in the Rehabilitation Plan would have had a detrimental effect on the Plan by undermining contributing employer’s ability to attract and retain qualified employees.

- Prior reductions of adjustable benefits under Section 432(e)(8).

As noted above, under the Rehabilitation Plan’s Default Schedule, the Trustees eliminated all of the Plan’s adjustable benefits. The Non-Default Schedule reduced, although did not eliminate the Service Pension. The Trustees made the determination not to eliminate this benefit in an effort to retain and attract qualified employees working for contributing employers as well as to maintain these contributing employers in the Plan.

- Prior benefit suspensions under Section 432(e)(9).

The Plan has not implemented prior benefit suspensions under Section 432(e)(9).

- Measures taken to retain or attract contributing employers.

Retention of contributing employers in the Plan has been very difficult since the deregulation of the trucking industry in 1980 and the economic and financial crises since 2001, which combined

forced hundreds of unionized LTL trucking companies out of business. Over this time, the Trustees, with the assistance of the Plan's actuary, have studied and implemented what they determined to be appropriate contribution level increases and benefit reductions in an effort to retain those contributing employers already in the Plan.

Given the accrual rates and contribution requirements, as well as the significant withdrawal liability, the Plan has been unable to attract any new contributing employers in decades.

- Impact on plan solvency of the subsidies and ancillary benefits, if any, available to active participants.

As noted, the Rehabilitation Plan eliminated most subsidies and ancillary benefits available to active participants of the Plan. The Trustees did not reduce all ancillary benefits under the Rehabilitation Plan's Non-Default Schedule in order to retain contributing employers in the Plan. In consideration of the other uncontrollable economic factors affecting the Plan, a further reduction in ancillary benefits would not have had a material impact on the Plan's insolvency. The Plan's solvency has been impacted almost entirely by the legacy costs of participants receiving accrued benefits.

- Compensation levels of active participants relative to employees in the Participant's same industry.

Compensation levels for active participants of the Plan were historically greater than non-participants employed in the LTL sector of the trucking industry. Over the past 10-15 years, however, the trend dramatically shifted and employees in the trucking industry (not participating in the Plan) began to receive higher compensation than active participants in the Plan.

- Competitive and other economic factors facing contributing employers.

A confluence of competitive and economic factors over the past 35 years have affected the Plan's contributing employers and directly impacted the Plan's finances. As noted, the deregulation of the trucking industry in the early 1980s started the steady decline in the number of the Plan's contributing employers and the Plan's financial condition. Additionally, during the past 10-15 years, the LTL sector of the trucking industry, especially those smaller freight businesses in the New York region, and its unionized workforce covered under the Plan have suffered an even further

rapid decline. During this period, which included the economic disaster of 2007-2008, there has been little to no growth in the United States economic markets, which greatly impacted LTL trucking.

- Impact of benefit and contribution levels on retaining active participants and bargaining groups under the Plan.

As noted, decreases in benefit levels under the Plan would have drastically reduced employee and participant retention. The Plan's contributing employers have been unable to financially sustain any increase in contribution levels.

- Impact of past and anticipated contribution increases under the Plan on employer attrition and retention levels.

As described above, the impact of past and anticipated contribution increases under the Plan have had a detrimental impact on employer attrition and retention levels.

SECTION 4. DEMONSTRATION THAT THE PLAN'S PROPOSED SUSPENSION SATISFIES THE STATUTORY REQUIREMENTS

4.01 Demonstration that limitations on individual suspensions are satisfied. See **Exhibit 4** for a demonstration of how the proposed suspension satisfies the limitations described in Sections 432(e)(9)(D)(i), (ii) and (iii). The attached exhibit includes three separate illustrations required under this Section 4.01 of the Revenue Procedure including: (1) a sample calculation applying the 110 percent limitation under Section 432(e)(9)(D)(i) for the Plan's participants; (2) a sample calculation applying the disability limitation under Section 432(e)(9)(D)(iii); and (3) a sample calculation applying the age-based limitations of Section 432(e)(9)(D)(ii).

In determining the extent to which any participant's benefit will be reduced pursuant to the Plan's suspension of benefits, no participant's monthly guaranteed benefit, calculated under Section 4022A of ERISA, is on account of any of the following limitations or exclusions: (1) the Section 4022A(a) exclusion of certain forfeitable benefits; (2) the Section 4022A(b)(1)(A) exclusion of certain benefits and benefit increases in effect for less than 60 months; (3) the limitations contained in the Section 4022A(c)(2) definition of the accrual rate used for calculating the monthly guaranteed benefit, so that the accrual rate is based on a benefit that is no greater than the monthly benefit payable under the plan at normal retirement age in the form of a single life annuity and is calculated without regard to any reduction under section 411(a)(3)(E) of the Code, divided by years of credited service (limiting credited service to 1 year for any year of participation); (4) the Section 4022A(d) limitation that the guaranteed benefit will not exceed the benefit

calculated under the plan as reduced under Section 411(a)(3)(E) of the Code; and (5) the Section 4022A(e) exclusion, pursuant to section 4022(b)(6), of benefits that would not be guaranteed if paid under a single-employer plan.

Further, no participant's benefit under the Plan, based in whole or in part on the participant being disabled, will be reduced pursuant to the Plan's proposed suspension of benefits. Effective January 1, 2009 (and still the current benefit terms), the Plan eliminated the Disability Pension in its entirety. Therefore, no participant could become entitled to a Disability Pension on or after January 1, 2009. A participant's Disability Pension or Total and Permanent Disability Pension, as defined pursuant to the Plan's benefit terms in place prior to January 1, 2009, will not be affected by the Plan's proposed benefit suspensions. Similarly, a pension or annuity described above, which is treated as being based on disability, will not be affected by the Plan's proposed benefit suspensions.

4.02 Demonstration that the proposed suspension is reasonably estimated to enable the plan to avoid insolvency. See **Exhibit 5** for a demonstration that, in accordance with Section 432(e)(9)(D)(iv), the proposed benefit suspension considered in combination with the Plan's request for a partition order from the PBGC is reasonably estimated to enable the Plan to avoid insolvency. Please note that the Plan is not a plan described in Section 432(e)(9)(B)(v)(I), and accordingly, is not required to use stochastic projections in its illustrations demonstrating that it will avoid insolvency.

4.03 Demonstration that the proposed suspension is reasonably estimated to not materially exceed the level necessary to avoid insolvency. Since the Plan has applied for a partition order from the PBGC in coordination with this benefit suspension application, the demonstrations required under this subsection are not applicable to the Plan.

4.04 Demonstration that the proposed benefit suspension is distributed equitably. In accordance with Section 432(e)(9)(D)(vi), the proposed benefit suspension is distributed in an equitable manner across the Plan's participant and beneficiary population. As described in Section 2.02(3) of this application, the Trustees are proposing to suspend the benefits for all of the Plan's participants to 110 percent of the PBGC guarantee, the maximum allowable amount. As such, this distributes the proposed benefit suspension equally across the Plan's population, and there is no category or group that is treated differently within the Plan's participant and beneficiary population. For this reason, none of the factors listed in Section 432(e)(9)(D)(vi)(I) through (XI) were relevant or taken into account in designing the Plan's proposed suspension.

4.05 Notice.

The following describes the Trustees' method for satisfying the notice requirements of Section 432(e)(9)(F):

- Individual Notices.

See Appendix A for each type of notice that will be given to each participant and beneficiary under the Plan.

- Efforts Made to contact Participants, Beneficiaries and Alternate Payees.

The Board of Trustees will make all reasonable efforts to contact all participants, beneficiaries of deceased participants, and alternate payees of the Plan (regardless of whether their benefits are proposed to be suspended) pursuant to the Treasury's Proposed and Temporary Regulations and in satisfaction of their fiduciary duties under ERISA. The Trustees will provide notice to the last known address of the participant, beneficiary or alternate payee on file with the Plan, using the same address the Trustees used to distribute the Plan's most recent annual funding notice. If that notice is returned as undeliverable, the Trustees will contact the Union in an attempt to locate those missing individuals for whom the notice was returned as undeliverable. The Trustees will then use an internet search tool, a credit reporting agency and a commercial service to search for those remaining individuals for whom they were still not able to obtain updated information from the Union. The Trustees will mail notices to individuals within five days of locating them. Notices will not be delivered electronically.

- List of contributing employers.

The following is a list of the contributing employers that have an obligation to contribute to the Plan within the meaning of Section 4212(a) of ERISA:

- YRC Worldwide Inc. (YRC Freight Inc.)
- YRC Worldwide Inc. (New Penn Motor Express Inc.)
- ABF Freight Systems
- Grocery Haulers Inc.
- Hudson News Distributors LLC
- United Parcel Service (2 employees through a participation agreement)
- Road Carriers Local 707 Welfare and Pension Funds
- Teamsters Local Union No. 707

- Revere Smelting & Refining Corporation
- Employee organization representing participants under the Plan.

The employee organization representing participants under the Plan is the Teamsters Local Union No. 707.

SECTION 5. PLAN SPONSOR'S DETERMINATION RELATING TO REASONABLE MEASURES TAKEN TO AVOID INSOLVENCY

- 5.01 Measures taken to avoid insolvency. See Discussion in Section 3.03, above.
- 5.02 Plan factors. See Discussion in Section 3.03, above.
- 5.03 How plan factors were taken into account. See Discussion in Section 3.03, above.
- 5.04 Other factors considered. See Discussion in Section 3.03, above.

SECTION 6. OTHER REQUIRED INFORMATION

6.01 Ballot. See **Exhibit 6** for a proposed ballot intended to satisfy the requirements of Section 432(e)(9)(H)(iii) (without the statement in opposition to the proposed benefit suspension described in Section 432(e)(9)(H)(iii)(II) or the individualized estimate that was provided as part of the notice described in Section 432(e)(9)(F)).

6.02 Partition. See **Exhibit 7** for the Plan's partition application to the PBGC submitted on February 19, 2016 under Section 4233 of ERISA. As stated above, the Plan's proposed partition date is July 1, 2016. Subsequently, on March 3, 2016, the PBGC informed the Trustees that the Plan's application was complete and officially under review. The attached partition application includes the required year-by-year projection of the amount of the reduction in benefit payments (that is, the guaranteed amounts covered by financial assistance under the successor plan for each year) attributable to the partition.

6.03 Ten-year experience for certain critical assumptions. See **Exhibit 8** for a disclosure of the Plan's experience for certain critical assumptions for each of the 10 Plan Years immediately preceding the Plan Year in which the Plan's application is submitted for the proposed benefit suspension.

6.04 Demonstration of sensitivity of projections. See **Exhibit 9** for the following separate projections: (1) a reduction of 1% in the Plan's assumed rate of return on assets; (2) a reduction of 2% in the Plan's assumed rate of return on assets; (3) a change in the

assumed future contribution base units from a 0% change year over year to a 5.1% annual reduction for the next ten years; and (4) a change in the assumed future contribution base units from a 0% change year over year to a 6.1% annual reduction for the next ten years.

6.05 Projection of funded percentage. See **Exhibit 10** for the Trustees' illustration, prepared on a deterministic basis, of the projected value of Plan assets, the accrued liability of the Plan (calculated using the unit credit funding method) and the funded percentage for each year in the Plan's extended period, which ends with the Plan Year 2045.

6.06 Plan sponsor certifications relating to plan amendments. See **Exhibit 11** for the Trustees' certification that if they receive final authorization to implement the suspension of benefits as described in Section 432(e)(9)(H)(vi), and choose to implement the authorized suspension, then, in addition to the plan amendment implementing the suspension, the following plan amendments will be timely adopted and not modified at any time thereafter before the suspension of benefits expires: (1) a plan amendment providing that, in accordance with Section 432(e)(9)(C)(ii), the benefit suspension will cease as of the first day of the first Plan Year following the Plan Year in which the Trustees fail to determine that both: all reasonable measures to avoid insolvency continue to be taken during the period of the benefit suspension; and the Plan is projected to become insolvent unless benefits continue to be suspended; and (2) a plan amendment providing that any future benefit improvements must satisfy the requirements of Section 432(e)(9)(E).

6.07 Whether a plan is described in Section 432(e)(9)(D)(vii)(III). No, the Plan is not a plan described in Section 432(e)(9)(D)(vii)(III).

6.08 Optional additional information. None.

SECTION 7. IDENTIFICATION AND BACKGROUND INFORMATION ON THE PLAN.

7.01 Plan sponsor. The Plan Sponsor is the Board of Trustees of the Road Carriers - Local 707 Pension Fund. The address of the Board is 14 Front Street, Suite 301, Hempstead, NY 11550. The Trustees' telephone number is (516) 560-8500. Its email address is kmccaffrey@ibt707.com and its fax number is (516) 486-7375. The Board does not have a separate employment identification number.

7.02 Plan Identification. The name of the Plan is the Road Carriers - Local 707 Pension Fund. The Plan has been assigned the Plan Number 001. Its Employment Identification Number (EIN) is 51-6106510. The Plan is a multiemployer pension plan within the meaning of Code Section 414(f) and ERISA Section 3(37).

7.03 Retiree Representative. Although the Plan is not required to appoint a Retiree Representative under the Regulations as it is not a plan with 10,000 or more participants, it has selected a plan participant in pay status to act as the Retiree Representative. Robert King, President of the Teamsters Local 707 Retirees Club and participant, is the Retiree Representative of the Plan. He can be contacted at: 105 Radcliff Drive, East Norwich, NY 11732, T: (516) 624-7426.

7.04 Plan's enrolled actuary. The Plan's enrolled actuary is Craig Voelker (EA #14-05537) of O'Sullivan Associates Inc., located at 1236 Brace Road, Unit E, Cherry Hill, NJ 08034; T: (856) 795-7777; F: (856) 795-7779; E: CVoelker@osullivanassociates.com.

7.05 Power of Attorney. **See Appendix B**. The Plan's representatives as attorney-in fact are John Ring of Morgan, Lewis & Bockius LLP and Charles Pergue of Cary Kane LLP.

7.06 Plan documents. **See Exhibit 12** for the Fund's most recently restated Plan Document, including any amendments, the most recent summary plan description as defined under section 102 of ERISA and any subsequent summaries of material modification, and the Plan's most recent determination letter. Please note this Plan Document changes the Plan Year, so that it begins each February 1. Previously, the Plan Year began each September 1, with the final pre-change Plan Year ending August 31, 2014, and a short Plan Year running from September 1, 2014 to January 31, 2015.

7.07 Collective bargaining and side agreements. **See Exhibit 13** for excerpts from the collective bargaining agreements and side agreements pursuant to which the Plan is maintained, including language from any portions of a collective bargaining agreement or side agreement that are relevant to the Plan or proposed suspension.

7.08 Annual return. **See Exhibit 14** for the following sections of the Plan's most recently filed Form 5500: (1) pages 1 and 2 of the Form 5500, (2) the Schedule MB, including attachments, and (3) the Schedule R with attachments.

7.09 Rehabilitation Plan. **See Exhibit 15** for a copy of the Plan's most recently updated Rehabilitation Plan. The Rehabilitation Plan contains only two schedules, a Default Schedule and a Non-Default Schedule. During the 12-month period of June 2014-June 2015, the Plan's contributing employers contributing pursuant to the Rehabilitation Plan's Non-Default Schedule contributed approximately \$5.2 million or 99.55% of the Plan's total contributions for the period, while only one employer contributed pursuant to the Default Schedule. This employer contributed approximately \$23,000 or 0.45% of the Plan's total contributions for the period.

7.10 Completed checklist. **See Appendix C** for the completed checklist of information required to be included in the Plan's application.

7.11 Request for a meeting. We respectfully request an in-person meeting to discuss the issues involved, if the Secretary is not inclined to approve the Plan's application.

The Trustees very much appreciate Treasury's willingness to review this important matter and application for the Plan. Should you have any questions or require any additional information, please contact Kevin McCaffrey at T: (516) 560-8500.

Name: Redacted by the U.S. Department of the Treasury
Kevin McCaffrey

Date: 3-15-16

Title: Trustee, Road Carriers – Local 707 Pension Fund

Name: Redacted by the U.S. Department of the Treasury
Tom Ventura

Date: 3.15.16

Title: Trustee, Road Carriers – Local 707 Pension Fund