

NEWSPAPER AND MAGAZINE EMPLOYEES UNION AND PHILADELPHIA PUBLISHERS PENSION FUND

P.O. Box 740
Davis Road & Oakwood Lane
Valley Forge, PA 19482
215.483.6000 or 610.783.0866
610.783.6835 Fax



April 29, 2010

CERTIFIED RETURN RECEIPT MAIL

U.S. Department of Labor
Employee Benefit Security Administration
Public Disclosure Room N-1513
200 Constitution Avenue, N.W.
Washington, DC 20210

RE: Notice of Critical Status

Dear Sir/Madam:

Pursuant to Federal Regulations, the Newspaper and Magazine Employees Union and Philadelphia Publishers Pension Fund is providing the U.S. Department of Labor with a copy of the Notice of Critical Status for the Plan Year beginning January 1, 2010.

Sincerely,

A handwritten signature in black ink, appearing to read "Lee Scarpone", written in a cursive style.

Lee Scarpone
Fund Manager

LS:kmm

**Notice of Critical Status For the
Newspaper & Magazine Employees Union and Philadelphia Publishers Pension
Plan**

This is to inform you that on March 30, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning January 1, 2010. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that the sum of the plan's normal cost and interest on the unfunded benefits for the current plan year exceeds the present value of all expected contributions for the year; the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and over the next four plan years, the plan is projected to have an accumulated funding deficiency.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. **Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant's basic benefit payable at normal retirement.** In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 29, 2010. But you should know that whether or not the plan reduces adjustable benefits in the future, effective as of April 29, 2010, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Recent benefit increases (i.e., occurring in past 5 years);