

**NN Retirees Benefit Trust
2016 Summary Annual Report
for
NN Retirees Benefit Trust HRA Plan**

This is a summary of the annual report of the NN Retirees Benefit Trust HRA Plan (“Plan”) (Sponsor Tax Identification Number 46-6653802 and Plan Number 501), a medical expense reimbursement arrangement, for the plan year beginning January 1, 2016 and ending December 31, 2016. The annual report has been filed with the U.S. Department of Labor’s Employee Benefits Security Administration, as required under the Employee Retirement Income Security Act of 1974 (“ERISA”).

The Plan is intended to constitute a “health reimbursement arrangement” under IRS Notice 2002-45, 2002-2 C.B. 93, and provides for the reimbursement of eligible medical expenses under IRC § 213. The Plan is sponsored by the NN Retirees Benefit Trust (“Trust”), which was funded with the proceeds from the settlement of the retiree welfare benefit claims in the Nortel Networks, Inc. bankruptcy.

The Trust has committed itself to pay claims incurred under the terms of the Plan until such time as the funds held by the Trust have been fully distributed.

Basic Financial Statement

The value of plan assets, after subtracting liabilities of the plan, was \$34,858,937 as of the end of plan year, compared to \$41,959,798 as of the beginning of the plan year. During the plan year, the plan experienced a decrease in its net assets of \$7,100,861. This decrease includes unrealized appreciation or depreciation in the value of plan assets; that is, the difference between the value of the plan’s assets at the end of the year and the value of the assets at the beginning of the year or the cost of assets acquired during the year. During the plan year, the plan had total income of \$587,648 including realized losses of \$130,543 from the sale of assets, earnings from investments of \$825,517, unrealized holding losses of \$109,833 and other income of \$2,507.

Plan expenses were \$7,688,509. These expenses included \$239,067 in administrative expenses, \$7,345,334 in benefits paid to participants and beneficiaries, and \$104,108 in other expenses.

Your Rights To Additional Information

You have a right to receive a copy of the full annual report for the Plan or any part thereof, on request. The items listed below are included in that report:

1. an accountant’s report;
2. financial information and information on payments to service providers; and
3. assets held for investment.

To obtain a copy of the full annual report, or any part thereof, write or call: Patrick Rykwald, NN Retirees Benefit Trust, P.O. Box 292877, Nashville, TN, 37229. The charge to cover copying costs will be \$2.00 for each of the full annual reports, or \$0.25 per page for any part of the report.

You also have the right to receive from the plan administrator, on request and at no charge, a statement of the assets and liabilities of the plan and accompanying notes, or a statement of income and expenses of the plan and accompanying notes, or both. If you request a copy of the full annual report from the plan administrator, these two statements and accompanying notes will be included as part of that report. The charge to cover copying costs given above does not include a charge for the copying of these portions of the report because these portions are furnished without charge.

You also have the legally protected right to examine the annual report at the main office of the plan, NN Retirees Benefit Trust, c/o 1616 Frederica St, Owensboro, KY 42301; and at the U.S. Department of Labor, in Washington, DC; or to obtain a copy from the U. S. Department of Labor, upon payment of copying costs. Requests to the U. S. Department of Labor should be addressed to: Public Disclosure Room, N5638, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210.