

**The Associated Press
401(k) Retirement Savings Plan**

(Effective November 2007)

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Introduction

Effective January 15, 2005, the Associated Press 401(k) Retirement Savings Plan (the “Plan”) is divided into two parts. The first part consists of the 401(k) portion of the Plan which allows you to save for retirement by making pre-tax contributions. Part 2 of the Plan consists of a retirement contribution component. The Associated Press (“AP”) will contribute 3% of eligible pay as a retirement contribution to the Plan on behalf of eligible participants.

This Summary Plan Description (“SPD”) explains the important provisions of the Plan as in effect on November 30, 2007. In addition, it provides technical information about how the Plan is administered.

The Plan sponsor is AP. AP Images, Inc. also is a participating employer in the Plan. This SPD describes the Plan as it applies to employees of AP and AP Images. They are collectively referred to in this SPD as the “Employer”.

The SPD is divided into the three parts described below.

1. The first part describes the 401(k) portion of the Plan.
2. The second part describes the retirement contribution portion.
3. The third part of the SPD provides general information that applies to both portions of the Plan. Some Plan participants will be covered under Parts 1 and 2 of the SPD while others will only be covered by the 401(k) portion. If you are eligible for Part 2, then you are eligible for Part 1 of the Plan. However, you may be eligible for Part 1, but not be eligible for Part 2 of the Plan. The eligibility sections of Parts 1 and 2 of the SPD describe who is covered by each part.

The Plan, The Associated Press 401(k) Retirement Savings Plan Trust Agreement (the “Trust”), and all amendments to each, along with other relevant documents and records, may be examined by participants, their beneficiaries, and their legal representative during regular business hours or by appointment at a mutually convenient time in the office of the Plan Administrator.

While the Employer expects to continue the Plan, it may be amended from time to time to comply with legal requirements or changes in the benefit program. If the Plan is amended, you will be advised of any important changes.

If any conflict arises between this SPD and the provisions of the Plan, the terms of the Plan will govern in all cases. Copies of the SPD are available from the Employee Benefits Department at 1-800-622-2363. A copy of the SPD is also available online at inside.ap.org.

Part 1: The 401(k) Portion Of The Plan

Most people agree that saving for retirement is important. But meeting every-day financial demands can make that difficult. Yet, to enjoy a comfortable retirement, you'll need to add your personal savings to your Social Security and other retirement benefits.

The 401(k) portion of the Plan gives you a convenient way to “save for your future.”

The 401(k) portion of the Plan permits you to:

- Save up to 25% of your pay on a pre-tax basis (certain highly compensated employees are limited to pre-tax contributions of 15% of pay). Please note that deductions will automatically stop once you reach the IRS limit (\$15,500 for 2007).
- Benefit from a matching Employer contribution.
- Choose how your contributions are invested. As of November 30, 2007, there are 13 investment funds available.
- Let investment earnings accumulate tax deferred until you take them out of the Plan.
- Access your account during employment through loans and hardship withdrawals.
- Receive your full vested account when your employment ends. Your beneficiary will receive your account if you die.

Eligibility Requirements

Am I In An Employment Category That Is Eligible To Participate In The 401(k) Portion of the Plan?

You are eligible to participate in the 401(k) portion of the Plan if you are paid on the Employer's US payroll and

- You are a US citizen working in the United States; or
- You are a US citizen working abroad as a Bureau Chief; or
- You are a US citizen working abroad as a non-Bureau Chief who would not be covered by a collective bargaining agreement if repatriated to the US; or
- You are not a US citizen, but you are working abroad as a Bureau Chief and would not be covered by a collective bargaining agreement if repatriated to the US; or
- You are working abroad as a non-Bureau Chief, were previously employed in the US and if repatriated, would be covered by a collective bargaining agreement that provides for your participation in the Plan; or
- You are currently classified as an expatriate (other than expatriates classified as Exp7); or
- You are a citizen of the United Kingdom and currently classified as an Inpatriate 1; or
- You are covered by the collective bargaining agreement between the Employer and the Communications Workers of America – Local 1314; or
- You are covered by the collective bargaining agreement between the Employer and The News Media Guild, Local 31222, The Newspaper Guild – CWA.

You Are Not Eligible For The 401(k) Portion of the Plan If:

- You are covered by a collective bargaining agreement that does not provide for eligibility and participation; or
- You are not a US citizen and work in a foreign location as a non-Bureau Chief on the US payroll, but you never worked for the Employer in the US; or
- You are not a US citizen and work in a foreign location as a non-Bureau Chief on the US payroll and if you were repatriated, you would be working in a position covered by a collective bargaining agreement; or
- You are classified as a payroll bucket LH20 Employee or a Local Hire A under the Employer's employment categories; or
- You are not paid on the US payroll (New York); or
- You are a non-resident alien with no US source income; or
- You provide services to the Employer as a "leased" employee; that is, you are paid by an entity other than the Employer; or
- You are an independent contractor or provide services in a capacity other than as an "employee" from whom the Employer withholds applicable payroll taxes.

When Am I Eligible For Pre-Tax And Matching Contributions?

- Eligible employees may generally start to make pre-tax contributions to the 401(k) portion of the Plan as of the first day of the month after meeting the applicable age and service requirements. These requirements depend on your employment classification (see below).

Eligibility To Participate – Pre-Tax Contributions

Employment Classification	Age Requirement	Service Requirements for Pre-Tax Contributions	Service Requirements for Matching Contributions
▪ CWA Employees	21	Completion of a One-Year Period of Service	Completion of a One-Year Period of Service
▪ Editorial Employees	No age requirement	Completion of a One-Year Period of Service	Completion of a One-Year Period of Service
▪ Per Diem Employees*	21 (unless a per diem Guild employee)	Completion of One-Year of Eligibility Service	Completion of One-Year of Eligibility Service
▪ All Other Employees	21	No service requirement	Completion of a One-Year Period of Service

**An employee of the Employer employed on a sporadic, as-needed basis, who is expected to work less than 15 hours per week*

What Is A One-Year Period Of Service?

You earn a one-year period of service for each 12 month period starting on the date your employment begins and each year thereafter that you are employed by AP or any affiliated company of AP. Partial years are added together to determine the number of one-year periods of service.

- If you leave the Employer due to separation of employment or retirement and you are reemployed within 12 months, the months of your absence will count in determining your period of service for eligibility.
- If you are on maternity or paternity leave, the months of your leave (up to 12) will count in determining your period of service for eligibility.
- If you are on an approved leave of absence for up to 12 months, the months of your leave will count towards your eligibility service. In addition, if you are on an approved leave of absence for more than 12 months (but not more than 24 months) and you return to the Employer for at least one year after the end of the leave, all months of your leave over 12 (but not more than 24) will count in determining your period of service for eligibility. All leaves of absence must be approved by the Plan Administrator.
- If you are out on military leave, the months of your leave will count towards your period of service for eligibility.
- Any service that you may have earned as an employee of Worldwide Television News counts in determining your period of service for eligibility back to your original date of hire.
- If you are a former employee of NICC, any service that you may have earned prior to October 16, 2001 counts in determining your period of service for eligibility back to your original date of hire with NICC.
- If you are a former employee of Capitol Wire, Inc, any service that you may have earned prior to August 20, 2002, counts in determining your period of service for eligibility back to your original date of hire with Capitol Wire, Inc.

What Is A Year Of Eligibility Service?

If you are a per diem employee, you will complete one year of eligibility service if you are credited with 780 hours of service as of the first anniversary of your employment. If you are not credited with 780 hours of service during your first year of employment, then your hours will be counted on a calendar year basis. If you are credited with 780 hours of service in any calendar year, you will have earned a year of eligibility service.

What Are Hours Of Service?

An hour of service is the basic unit for measuring service for eligibility to participate under the Plan if you are a per diem employee. Included are hours for which you are paid, directly or indirectly, for:

- performing your duties;
- certain periods when no duties are performed, such as holidays, vacations, sickness, disability, layoff, jury duty or leaves of absence. The maximum number of hours credited for these absences will be 501 hours;
- periods of military duty; and
- each hour for which back pay has been awarded.

How Can I Enroll?

Once you have met the 401(k) portion of the Plan's eligibility requirements, you can enroll by calling Vanguard at 1-800-523-1188 and using the Interactive Access system to indicate how much you want to save and how your savings will be invested. Or, you can log onto Vanguard at www.Vanguard.com. You will be asked to enter your Social Security number. A confidential Personal Identification Number (PIN) will be created for you. You will need to enter your PIN number each time you want to access information on your account or to make any changes in your savings or investment elections. You will receive an Enrollment Confirmation Statement from Vanguard in the mail after you enroll. Your pre-tax contributions will begin to be deducted from your pay as soon as possible.

Eligible employees hired on or after March 1, 2007 (except for employees classified as CWA employees or Editorial employees) are automatically enrolled in the 401(k) portion of the Plan. If you are automatically enrolled in the 401(k) portion of the Plan, you will be deemed to have elected to contribute 1% of compensation. This amount will be automatically deducted from each pay check and invested in the Plan in a specified default fund. As of March 1, 2007, the Vanguard Target Retirement funds have been designated as the default funds (the specific Target Retirement fund that is selected for any individual is based on that individual's age). The various Vanguard Target Retirement funds are also known as "Life-cycle" funds and are intended to provide for varying degrees of long-term preservation and capital appreciation through a mix of equity and fixed income investments based on the participant's age and/or target retirement date.

The automatic enrollment into the 401(k) portion of the Plan will take effect with the first payroll period beginning on or after the 60th day that the new hire meets the Plan's eligibility requirements. However, the deemed pre-tax election will not take effect if, prior to the end of the 60 day period, the new hire elects to contribute a different amount to the Plan (including an election to make no pre-tax contributions). Additionally, you retain the option to make future changes in the amount and investment of your pre-tax contributions (See "May I Change or Stop My Deductions?" on page 9 and "Can I Change My Investment Choices?" on page 38 for more information).

What If My Employment Ends And I Am Rehired?

If you are rehired in an eligible classification and have met the age and service requirements to make pre-tax contributions before your employment terminated, you will be eligible to make pre-tax contributions and share in matching contributions immediately upon your rehire. Otherwise, you must meet the age and service requirements before you are eligible to make contributions to the 401(k) portion of the Plan.

Your Contributions

How Much Can I Save Through The 401(k) Portion of the Plan?

Participation in the 401(k) portion of the Plan is voluntary. If you decide to enroll in the 401(k) portion of the Plan, you may contribute any whole percentage from 1% to 25% of your pay (highly compensated employees as defined under Internal Revenue Code regulations are limited under the Plan to pre-tax contributions of 15% of pay) subject to the following limitations:

- Although the 401(k) portion of the Plan allows you to save up to 25% of your pay, federal tax law limits your pre-tax contributions to no more than \$15,500 in calendar year 2007. This contribution limit will be adjusted annually by the Internal Revenue Service for cost of living increases.
- If you are a highly compensated employee, as defined under Internal Revenue Code regulations, the Plan Administrator may limit your contributions or refund a portion of your contributions as necessary to meet any Internal Revenue Code requirement which applies to you or the Plan. You will be notified by the Employer if you are affected by any of these annual limits.
- For the 401(k) portion of the Plan, your pay means the base salary, overtime pay, cash bonuses, differentials, broadcast fees and sales commissions payable to you by the Employer, up to \$225,000 per year. (This is the 2007 limit and may be increased for cost of living adjustments in future years.) Pay includes amounts withheld from your pay under this Plan or withheld from your pay on a pre-tax basis from the flexible benefits plan and flexible spending accounts which meet applicable Internal Revenue Code provisions and pay withheld for certain pre-tax transportation benefits offered by the Employer. Severance pay that is paid after your termination of employment is not included.

What Are Catch-Up Contributions?

Starting in 2002, if you are at least 50 years old on or before December 31 for the applicable year, you may elect to make an additional pre-tax contribution called a “catch-up” contribution, provided you contributed the maximum amount permissible as a regular pre-tax contribution for the year under the terms of the 401(k) portion of the Plan. Each November, you will receive information from the Employer about catch-up contributions for the following plan year. In order to make a catch-up contribution, you will need to make a separate election on a form provided for this purpose and designate the dollar amount of your pay that you want to contribute. **Catch-up contributions are not matched by the Employer.**

Catch-up contributions will be deducted ratably from your pay throughout the year. If you are eligible for and wish to make a catch-up contribution, you may call Angela Arroyo in the Benefits Department at (212) 621-7385. Or, you can e-mail her at ADArroyo@ap.org.

May I Make A Catch-Up Contribution Election Even If I Have Not Yet Contributed My Maximum Amount Of Regular Pre-Tax Contributions?

Yes. You have already determined how much you would like to contribute in total as regular pre-tax contributions for the year. If that total is **expected** to reach either \$15,500 in 2007 or 25% of your eligible pay (15% of your pay if you are a highly compensated employee as defined under Internal Revenue Code regulations), whichever is less, then you should consider a catch-up contribution election if you want to save more for the year and if you will reach age 50 by December 31, 2007.

Example: Your eligible pay is \$50,000 and you have already elected to contribute 25% of your eligible pay for the year. Since 25% of your pay equals \$12,500, your maximum for pre-tax contributions is \$12,500. However, if you wish to save more in that year, you may make a catch-up contribution election even though at the time you make the election, your regular pre-tax contributions for the year have not yet accumulated to \$12,500.

What Are The Limits Regarding My 401(k) Contributions For 2007 And Beyond?

The catch-up contribution limit is currently \$5,000 (This is the 2007 limit which may be increased for cost of living adjustments in future years.). Combining regular pre-tax contributions, subject to the standard IRS limit, with the catch-up contribution, may significantly enhance your ability to reach your retirement goals as shown in the chart below.

Year	Maximum Pre-Tax IRS Contribution Limit	Catch-Up Contribution (Age 50 and Older)	Maximum Total With Catch-Up Contribution
2007	\$15,500	\$5,000	\$20,500

Your catch-up contributions will be allocated to a separate account on your behalf and will be available for distribution from the 401(k) portion of the Plan under the same rules that apply to your regular pre-tax contributions. Catch-up contributions will be reflected as a separate line item on your Vanguard statement.

What Does Pre-Tax Saving Mean?

When you join the 401(k) portion of the Plan, you direct the Employer to contribute a certain percentage of your pay to the Plan before it's paid to you as taxable income. Your savings are also referred to as pre-tax contributions.

Pre-tax saving means you do not pay income tax now on the amount you save. Pre-tax contributions go into the 401(k) portion of the Plan before income taxes are withheld (however, please note that these amounts may be subject to state income tax in some states and subject to some local income/wage taxes). When taxes are withheld, they are calculated on a lower pay amount. Therefore, the full amount you elect to save, rather than the amount remaining after taxes, is set aside for you.

Examples of Pre-Tax Savings vs. After-Tax Savings

Married Employee	After-Tax Savings Method	Before-Tax Savings Method
Total Earnings	\$ 30,000	\$ 30,000
6% Pre-Tax Savings	- <u>0</u>	- <u>1,800</u>
Taxable Income	\$ 30,000	\$ 28,200
Federal Income Taxes ¹	- 980	- 800
6% After-Tax Savings	- <u>1,800</u>	- <u>0</u>
Spendable Income	\$ 27,220	\$ 27,400
Tax Savings		\$ 180

¹Based on 2006 federal income taxes for a married employee filing jointly, claiming three exemptions and the standard deduction, excludes Social Security taxes, and state or local taxes. Numbers have been rounded.

Single Employee	After-Tax Savings Method	Before-Tax Savings Method
Total Earnings	\$ 30,000	\$ 30,000
6% Pre-Tax Savings	- <u>0</u>	- <u>1,800</u>
Taxable Income	\$ 30,000	\$ 28,200
Federal Income Taxes ¹	- 2,855	- 2,585
6% After-Tax Savings	- <u>1,800</u>	- <u>0</u>
Spendable Income	\$ 25,345	\$ 25,615
Tax Savings		\$ 270

¹Based on 2006 federal income taxes for a single employee claiming one personal exemption and the standard deduction, excludes Social Security taxes, and state or local taxes. Numbers have been rounded.

Federal income taxes on your contributions, the Employer's matching contributions and all investment earnings and interest are deferred until you receive a distribution from the 401(k) portion of the Plan. However, you will owe taxes when you receive your account. Be sure to read "Taxes on Plan Benefits" on page 33 for additional information.

Participants who contribute to the 401(k) portion of the Plan may be eligible for a non-refundable tax credit based on the amount they contribute to the Plan. This credit is equal to a specified percentage (maximum of 50%) of the first \$2,000 you contribute on a pre-tax basis. For 2007, you cannot take the credit if your income exceeds \$52,000 (if filing a joint return), \$26,000 (if filing a single return) or \$39,000 (if filing as head of household). These amounts may be increased for cost of living adjustments in future years.

If you contribute less than \$2,000 on a pre-tax basis, the credit will be based on the percentage of the amount you actually contribute.

The amount of the credit is offset by any distribution you receive from employer-sponsored retirement plans or IRAs that you do not roll over into another retirement vehicle.

What You Need To Do

If you are eligible, you will be able to claim this credit when you file your tax return for the year. You are responsible for consulting with your tax advisor to ensure that you have accounted for this credit when you file your return.

NOTE: You can obtain more information about this opportunity by reading IRS Announcement 2001-106, or by calling the IRS Employee's Plans' taxpayer assistance telephone service at 1-877-829-5500 (a toll free number).

May I Change Or Stop My Deductions?

Yes. You may elect to increase, decrease or discontinue your contributions effective as of any subsequent payroll period at any time by calling Vanguard at 1-800-523-1188 and using the Interactive Access system. Or, you can log onto Vanguard at www.Vanguard.com. The change will generally take effect within one or two pay periods after you make your election.

May I Contribute A "Rollover" Distribution To The 401(k) Portion Of The Plan?

If you receive an eligible rollover distribution of benefits from another tax-qualified, employer-sponsored retirement plan, a 403(a) annuity, a 403(b) program, a governmental 457 plan or IRA, you may contribute it to this Plan directly or indirectly through an IRA rollover account created solely to contain the distribution. Such a contribution is called a "rollover". Please note, however, that the Plan will **not** accept a rollover of any after-tax contributions that you made to another plan or IRA.

You do not have to wait until you satisfy any age and service requirements for Plan participation to make a rollover; however, you must otherwise be eligible to participate in the Plan in the future (see "Eligibility Requirements" on page 2).

Your rollover will become part of your account balance. You will always be 100% vested in your rollover account. However, the balance may change subject to investment gains or losses of the funds in which you choose to invest.

To initiate a rollover, you must contact Vanguard at 1-800-523-1188 and use the Interactive Access system. Or, you can log onto Vanguard at www.Vanguard.com.

May I Make After-Tax Contributions To The Plan?

Participants may not currently make after-tax contributions to the Plan.

Are There Any Special Rules Regarding Military Leave?

Participants who return to work after a period of military leave may be able to make up contributions which could have been made during the period of military leave. Any applicable Employer contributions will be made as well. If you are returning from military service and need more information on making up any missed contributions, please ask the Plan Administrator.

Employer Matching Contributions To The 401(k) Portion of the Plan

Does The Employer Contribute To The 401(k) Portion Of The Plan?

The Employer intends to make a matching contribution on your behalf if you have met the eligibility conditions for matching contributions described on page 3. However, the Employer reserves the right to change the amount of matching contributions it makes for any plan year. The Employer will contribute the match on a payroll-by-payroll basis. See the chart below for the applicable percentages.

Eligible Employment Category	Matching Percentage
<ul style="list-style-type: none"> ▪ CWA Employees (Effective March 1, 2006) 	50% of the participant's pre-tax contributions up to 6% of pay
<ul style="list-style-type: none"> ▪ Guild Employees (Effective January 1, 2004) 	50% of the participant's pre-tax contributions up to 6% of pay
<ul style="list-style-type: none"> ▪ All Other Employees (except for Per-Diem Employees) (Effective June 1, 2000)^{1,2} 	100% of the Participant's pre-tax contributions up to 3% of pay; plus 50% of the Participant's next pre-tax contributions up to 3% of pay
<ul style="list-style-type: none"> ▪ Per Diem Employees 	After completion of one year of eligibility service, per diem employees become regular employees entitled to the same monthly percentage on their pre-tax contributions as indicated above depending on their employment category

NOTE: If your employment status changes mid-way during a plan year and you become eligible for a different percentage of matching contributions based on the chart above, this change will be effective as of the first day of the pay period in which the change has been made on the Employer's payroll system (regardless of the effective date of the change).

For example, assume you earn \$50,000 a year as an Editorial employee and elect to contribute 5% of your pay in pre-tax contributions during the year. Your pre-tax contributions will equal \$2,500. Your matching contributions will be equal to \$1,250. This match is based on 50% of the amount you contributed during the months you were contributing to the 401(k) portion of the Plan.

Since your pre-tax contributions are matched on a payroll by payroll basis, it is important to make your contribution election carefully. If your contributions to the 401(k) portion of the Plan cease during the year because you have reached the IRS maximum of \$15,500 (for 2007) or if you change your contribution election percentage during the year, you may not receive the maximum match. To receive the maximum match, you should make your contributions ratably over the year.

¹ Effective January 1, 2002 for certain employees working abroad as non-Bureau Chiefs, paid on the US payroll and who previously worked for the Employer in the US and if repatriated, would be covered by a collective bargaining agreement.

² Effective December 1, 2005 for certain employees who are paid on the US payroll and are either A) citizens of the United Kingdom classified by the Employer as an Inpatriate 1 or B) are classified by the Employer as an expatriate (other than expatriates classified as Exp7).

When Do I Become Vested?

You are always 100% vested in all amounts allocated to the 401(k) portion of the Plan including matching contributions and earnings.

How Are Contributions Invested?

See Part 3.

Retirement Benefits

See Part 3.

Death Benefits

See Part 3.

Termination Of Employment

See Part 3.

Payment Options

In What Form Are Distributions Made From The Plan?

There are two forms of distribution available from the 401(k) portion of the Plan. You may choose to receive your account in a single lump sum distribution or in substantially equal installments over a period of time not to exceed ten years or your life expectancy (if less than 10 years). Payments will be made monthly, quarterly or annually at your election. You will need to complete the Termination Request Form provided by Vanguard and any other forms included.

However, if the value of your accounts does not exceed \$1,000 (under both Part 1 and Part 2 of the Plan) at the time of distribution, it will be paid to you (or to your alternate payee under a qualified domestic relations order) automatically in a single lump sum payment, unless you elect to roll it over to an eligible retirement plan of your own choosing.

In What Form Are Distributions Made To Your Beneficiary From The 401(k) Portion Of The Plan?

If you die before any amount is distributed to you from the 401(k) portion of the Plan, your beneficiary will receive your account balance in a single lump sum payment as soon as possible after your death.

If you die after starting to receive your benefits in installment payments, the remaining value of your account will be distributed in a single lump sum payment to your beneficiary as soon as possible after your death.

To request a distribution of your account upon your death, your beneficiary should contact the Employee Benefits Department at AP. Your beneficiary will need to provide the Employer with a copy of your death certificate. AP will supply your beneficiary with the distribution forms.

Withdrawals During Employment

May I Make A Withdrawal From The 401(k) Portion of the Plan While I Am Working For The Employer?

The 401(k) portion of the Plan and the tax advantages it offers are designed to help you save for retirement. For that reason, withdrawals of your pre-tax contributions and matching contributions are available only if you qualify for a hardship withdrawal or you are at least age 59½ or you become disabled. By law, income after December 31, 1988 attributable to your pre-tax contributions, is not available for hardship withdrawal. All withdrawals will be withdrawn on a prorata basis from the investment funds in which your account is invested.

If you have made rollover contributions to the Plan, you may withdraw them and any earnings associated with those contributions, for any reason regardless of age.

The minimum amount you may withdraw from your rollover account for any type of withdrawal is \$1,000. You may not make a rollover withdrawal more than once in a plan year.

You can initiate all withdrawals, other than hardship withdrawals, by calling Vanguard at 1-800-523-1188 and using the Interactive Access system. Or, you can log onto Vanguard at www.Vanguard.com.

What Situations Qualify For A Hardship Withdrawal?

To make a hardship withdrawal, you must initiate your request by calling Vanguard at 1-800-523-1188 and using the Interactive Access system. Or, you can log onto Vanguard at www.Vanguard.com. The Plan Administrator must approve all hardship withdrawal requests before Vanguard can process the withdrawal. The Plan Administrator must strictly interpret the rules for a hardship withdrawal.

A hardship withdrawal will be processed first from your rollover contributions and earnings, then from your matching contributions and earnings and then from your pre-tax contributions (and pre-1989 earnings).

Under current IRS regulations, financial hardship means an immediate or serious need that results from:

- unreimbursed medical expenses for you or one of your dependents;
- tuition and related educational fees for the **next** 12 months of post-high school education for you, your spouse or one of your dependents;
- the purchase of your principal residence (excluding mortgage payments);
- your threatened eviction from or mortgage foreclosure on your principal residence;
- burial or funeral expenses for your parent, spouse, child or dependent; or
- expenses for the repair or damage to your principal place of residence due to fire, storm, shipwreck, or other casualty.

Under current IRS regulations, before you are eligible for a hardship withdrawal, you must borrow the full amount permitted from the 401(k) portion of the Plan (see “Loans” on page 17) and take a withdrawal from your rollover contributions and matching contributions to the Plan, if these amounts are otherwise available to you at the time of your hardship request.

You will need to provide documentation of the hardship withdrawal, such as a copy of the tuition bill, home purchase settlement agreement, foreclosure notice or medical bills.

The minimum hardship withdrawal amount is \$500.00.

The amount which may be distributed to you may not exceed your immediate need resulting from the “hardship”. Your account balance will be reduced by the amount you withdraw. As a condition of the distribution, you will be prohibited from making pre-tax contributions and from sharing in Employer matching contributions for 6 full months after the distribution.

When your suspension period ends, you are not automatically reenrolled in the 401(k) portion of the Plan. You must reactivate your pre-tax contributions by calling Vanguard at 1-800-523-1188 and using the Interactive Access system to indicate how much you want to save. Or, you can log onto Vanguard at www.Vanguard.com.

You may not make a hardship withdrawal more than twice in any plan year.

What Restrictions Apply To Withdrawals After Age 59½ Or Upon Disability?

When you reach age 59½ or become disabled, you may withdraw up to the balance of your contributions and all earnings on those contributions from the 401(k) portion of the Plan. The minimum withdrawal amount is \$1,000 and you may not make a withdrawal more frequently than once a plan year.

A withdrawal at age 59½ or due to disability will be processed first from your rollover contributions and earnings, then from your matching contributions and earnings and then from your pre-tax contributions (and pre-1989 earnings).

You are considered to be disabled if you are unable to perform your job or any other job for which you may become qualified. You must be under a physician's care. The Plan Administrator will approve all findings of disability.

How Will I Be Taxed On The Withdrawal?

See Part 3.

Loans

Are Loans Available?

Loans are available to all participants from the 401(k) portion of the Plan for any reason. You may borrow as much as 50% of your vested account balance up to a \$50,000 maximum (the \$50,000 maximum may be reduced if you had another loan within one year of the date you take out a new loan). The minimum loan amount is \$1,000. An initiation fee and monthly maintenance fee apply to each loan. These fees are deducted directly from your account. All loans are initiated by calling Vanguard at 1-800-523-1188. Or, you can log onto Vanguard at www.Vanguard.com.

The term of the loan may not exceed five years. However, in the case of a loan that you use to acquire your principal residence, the term of the loan may be extended for up to 10 years. The Plan Administrator must approve all loans for the purchase of your principal residence before the loan can be processed by Vanguard.

Effective for loans granted on or after October 1, 2005, each loan shall generally bear interest at one point over the prime rate in effect as of the date the loan application is approved. The prime rate will be reported to Vanguard from Reuters and is updated on the first day of the quarter that follows the date that the prime rate changed. If you take a loan, you must repay the loan through payroll deductions. Loans may not be taken by terminated participants or by participants who are on a leave of absence at the time of loan application. You must pledge your account balance as security for any loan. You may prepay your loan in full at any time. Partial prepayment is not permitted.

You may receive only one loan each year. You must repay any outstanding loan in full before you request another loan.

Your account balance will be reduced by any amount loaned to you. The money will be subtracted first from your rollover account and earnings, your matching contribution account and earnings, then your pre-tax account and earnings on a prorata basis from the funds in which your account is invested. When you repay the loan, the repayment and the interest will be credited to your account in reverse order. It will be reinvested in the same funds as your current contributions.

Normally, loan payments are made by payroll deductions. However, if you go on a leave of absence without pay or at a pay level not sufficient to make the bi-weekly payments, your loan must be paid in full at the time of your leave. (Except for military leaves as discussed below.) You will have 90 days in which to repay the loan.

If your leave of absence is for military service, your repayments may be suspended for the entire length of the military leave.

Are Loans Available? *(continued)*

If your loan does not become due during your military service, then when you return from the leave, your outstanding loan balance will be re-amortized over a new payment period. The loan will need to be repaid by the end of the period equal to the original term of the loan plus the period of military service. The frequency and the amount of your loan repayments cannot be less than the frequency and amount of installments that were originally required under the terms of the loan. Alternatively, you may repay the entire loan in full immediately upon your reemployment. If you do not repay the loan, the loan will be defaulted.

If your loan becomes due during your military service, you do not need to repay it at that time. When you return from your leave, your loan (including interest accrued during the period of military service) will need to be repaid by the end of the period equal to the original term of the loan plus the period of military service. The same rules described above will apply to your loan repayment.

The unpaid balance of a loan will be treated as a taxable distribution subject to ordinary income taxes and usually a 10% federal penalty if you are under age 59½. Vanguard will send you a 1099R attributable to the defaulted amounts.

What Happens To My Loan Upon Retirement Or Separation From Employment?

Upon retirement or separation of employment, your loan becomes immediately due and you must repay the loan in full to avoid being taxed on a defaulted loan.

To pay the loan in full, mail a certified check or money order made payable to Vanguard Fiduciary Trust Company and send it to Vanguard. You should contact Vanguard Participant Services for the appropriate address and instructions for your loan repayment.

If you do not repay your loan in full, it will go into default after 90 days. The amount of the defaulted loan will be subtracted from the final distribution. However, both the final distribution and the defaulted loan amount are both subject to applicable federal tax rules and regulations, which may include a 10% early distribution penalty.

Part 2: The Retirement Contribution Portion Of The Plan

Eligibility Requirements

For Administrative employees, this part of the Plan was first offered 2005. For CWA and Guild employees, this part of the Plan was first offered in 2006. Eligibility for this portion of the Plan is described below.

If you are an Administrative employee, you are eligible to participate in this portion of the Plan if you meet any of the following requirements:

- You are paid on the Employer's US payroll and were hired on or after January 15, 2005 and either are a US citizen or you currently render or previously rendered services to the Employer in the US; or
- You are paid on the Employer's US payroll and you had a fully executed acceptance letter from AP by January 15, 2005 but your employment date was on or after March 1, 2005 and you either are a US citizen or you currently render or previously rendered services to the Employer in the US; or
- You are paid on the Employer's US payroll and you were hired before January 15, 2005; you were – or would become – eligible to participate in the Administrative Pension Plan after 2004; and you elect to be covered by this portion of the Plan effective July 1, 2005. Your election to participate in this Plan on July 1, 2005 means that the retirement benefits that you earn after June 30, 2005 will be determined by Part 2 of this Plan, rather than by the final average pay formula in the Administrative Pension Plan. This one-time election is irrevocable. If you decide to participate in this portion of the Plan beginning July 1, 2005, you stop earning benefits in the Administrative Pension Plan and your benefit under the Administrative Pension Plan will be frozen as of June 30, 2005. If you did not notify the Employer of your election to participate in this part of the Plan by 5:00 p.m. on June 15, 2005, you will automatically continue to participate in the Administrative Pension Plan with respect to your post-June 30, 2005 pension credits; or
- Effective for payroll periods beginning on or after December 1, 2005, you are an Employee who is not a US citizen but who is paid from New York and is a Chief of Bureau (regardless of whether you currently render or previously rendered services in the US as an Employee); or
- Effective for payroll periods beginning on or after December 1, 2005, you are an Employee who is paid on the US payroll and are classified by the Employer as an expatriate (other than expatriates with the classification of Exp6 or Exp7); or

If you are a CWA or Guild employee, you are eligible to participate in this portion of the Plan if you meet any of the following requirements:

- You were hired on or after March 1, 2006; or
- You were hired before March 1, 2006; you were – or would become – eligible to participate in the CWA or Guild Pension Plans in 2006 or 2007; and you elected to be covered by this portion of the Plan effective July 1, 2006. Your election to participate in this Plan on July 1, 2006 means that the retirement benefits that you earn after June 30, 2006 will be determined by Part 2 of the Plan, rather than by the benefit formulas under the CWA or Guild Pension Plans. This one-time election is irrevocable. If you decide to participate in this portion of the Plan beginning July 1, 2006, you stop earning benefits in the respective CWA or Guild Pension Plans and your benefit in that respective plan will be frozen as of June 30, 2006. If you did not notify the Employer of your election to participate in this Plan by 8:30 pm on June 9, 2006, you automatically continued to participate in the respective CWA or Guild pension plans with respect to your post- June 30, 2006 pension credits.

You Are Not Eligible For The Plan If:

- You are covered by a collective bargaining agreement that does not provide for eligibility and participation; or
- You are not a US citizen; or
- You are not paid on the US payroll; or
- You are an employee categorized as an UPAGRA employee in Puerto Rico; or
- You were hired before January 15, 2005 (if eligible or would be eligible under the Administrative Pension Plan) or March 1, 2006 (if eligible or would be eligible under the CWA or Guild Pension Plans) and did not elect to be covered by this portion of the Plan; or
- You are an Employee who is paid on the US payroll who is classified by the Employer as an Inpatriate 1 but who is covered by a retirement program as a citizen of the United Kingdom; or
- You are an Employee who is covered by the Nonqualified Plan for Select Foreign Employees of the Associated Press; or
- You are a non-resident alien with no US source income; or
- You provide services to the Employer as a “leased” employee; that is, you are paid by an entity other than the Employer; or
- You are an independent contractor or provide services in a capacity other than as an “employee” from whom the Employer withholds applicable payroll taxes.

When Am I Eligible to Participate?

You are eligible to participate in the Retirement Contribution portion of the Plan as of the date you attain age 21 (unless you are a Guild employee in which case this age requirement is not applicable), provided you satisfy one of the following conditions:

- You are credited with a One-Year Period of Service; or
- You are credited with One Year of Eligibility Service (if you are a Per Diem Employee). A Per Diem Employee is defined as an employee of the Employer who is employed on a sporadic, as-needed basis and who is expected to work less than 15 hours per week.

What Is A One-Year Period Of Service?

You earn a one-year period of service for each 12 month period starting on the date your employment begins and each year thereafter that you are employed by AP or any affiliated company of AP. Partial years are added together to determine the number of one-year periods of service.

- If you leave the Employer due to separation of employment or retirement and you are reemployed within 12 months, the months of your absence will count in determining your period of service.
- If you are on maternity or paternity leave, the months of your leave (up to 12) will count in determining your period of service.
- If you are on an approved leave of absence for up to 12 months, the months of your leave will count towards your eligibility service. In addition, if you are on an approved leave of absence for more than 12 months (but not more than 24 months) and you return to the Employer for at least one year after the end of the leave, all months of your leave over 12 (but not more than 24) will count in determining your period of service. All leaves of absence must be approved by the Plan Administrator.
- If you are out on military leave, the months of your leave will count towards your period of service.
- Any service that you may have earned as an employee of Worldwide Television News counts in determining your period of service back to your original date of hire.

What Is A Year Of Eligibility Service?

If you are a per diem employee, you will complete one year of eligibility service if you are credited with 780 hours of service as of the first anniversary of your employment. If you are not credited with 780 hours of service during your first year of employment, then your hours will be counted on a calendar year basis. If you are credited with 780 hours of service in any calendar year, you will have earned a year of eligibility service.

What Are Hours Of Service?

An hour of service is the basic unit for measuring service for eligibility to participate under the Plan if you are a per diem employee. Included are hours for which you are paid, directly or indirectly, for:

- performing your duties;
- certain periods when no duties are performed, such as holidays, vacations, sickness, disability, layoff, jury duty or leaves of absence. The maximum number of hours credited for these absences will be 501 hours;
- periods of military duty; and
- each hour for which back pay has been awarded.

How Can I Enroll?

Once you have met the Plan's eligibility requirements, you will automatically be enrolled in the Plan. No action is required on your part. You will receive an Enrollment Confirmation Statement from Vanguard in the mail after you are enrolled. The record-keeper for this portion of the Plan is Vanguard. You can access information about the Plan by calling Vanguard at 1-800-523-1188 and using the Interactive Access system to indicate how your savings will be invested. Or, you can log onto Vanguard at www.Vanguard.com. You will be asked to enter your Social Security number. A confidential Personal Identification Number (PIN) will be created for you. You will need to enter your PIN number each time you want to access information on your account or to make any changes in your investment elections.

What If My Employment Ends And I Am Rehired?

If you are rehired in an eligible classification and had met the age and service requirements before your employment terminated, you will be eligible to participate immediately upon your rehire. Otherwise, you must meet the age and service requirements before you are eligible. If you were already a participant in this portion of the Plan when you terminated employment, you will automatically be re-enrolled in this portion of the Plan when you are rehired. If, at termination, you were a participant in the Administrative Pension Plan or the CWA or Guild Pension Plans or you were scheduled to become a participant in the Administrative Pension Plan during 2005 or the CWA or Guild Pension Plans in 2006 or 2007, and you are rehired by AP, you will automatically be enrolled in the Retirement Contribution portion of this Plan when you are rehired. This means that you will not rejoin the Administrative, CWA or Guild Pension Plans (as an active participant) upon rehire.

Change in Employment Status

If you were an Eligible Employee who was previously covered under the Retirement Contributions portion of the Plan (either automatically or by your election) and you transferred to a different employment status, you shall continue to be covered by the Retirement Contributions portion of the Plan.

If you were an Eligible Employee who chose to remain covered under the pension plan applicable for your employment status (Administrative, CWA or Guild Pension Plans) and subsequently transferred to a different employment status, you shall be able to choose to continue to participate in the applicable pension plan or to begin participation in the Retirement Contributions portion of the Plan..

If you transfer from local hire status on or after January 15, 2005 (in the case of an Administrative employee) or March 1, 2006 (in the case of a CWA or Guild employee), and you were never previously covered by a defined benefit plan sponsored by the Employer, you shall only be eligible to participate in the Retirement Contributions portion of the plan once you satisfy the applicable eligibility requirements.

May I Contribute A “Rollover” Distribution To The Plan?

No. Rollovers may only be contributed to the 401(k) portion of the Plan.

Are There Any Special Rules Regarding Military Leave?

Participants who return to work after a period of military leave, within the time period required by law, will be entitled to receive an allocation of Employer contributions (without an adjustment for earnings) with respect to their period of military service. The Employer contributions made on your behalf will be based on your rate of pay in effect prior to your military leave. If you are returning from military service and need more information, please ask the Plan Administrator.

Benefits Under The Plan

How Much Does The Employer Contribute To The Plan?

For any plan year in which the Employer contributes to the Plan, the Employer intends to make a contribution on your behalf (if you have met the eligibility conditions described below) in an amount equal to three percent (3%) of your eligible pay for the calendar quarter. For the quarter in which you first become eligible to participate, only your pay after meeting those requirements counts as eligible pay. The Employer's contribution will be allocated to a separate retirement account maintained on your behalf under the Plan.

In order to receive an allocation of the Employer's retirement contribution for a calendar quarter, you must be an active employee of the Employer on the last day of the calendar quarter or on a leave of absence under the Family and Medical Leave Act or a leave of absence for military leave if you return to employment following the leave within the time period required by law. If you are not employed on the last day of the calendar quarter due to death, disability (as defined below for the description) or retirement, you are still eligible for an allocation of the contribution for that quarter. For purposes of this provision, "retirement" means retirement from the Employer using the following criteria:

- **Administrative employees:** Retirement on or after 65 or on or after age 50 if you have been credited with five One-Year Periods of Service (see page 21 for a description of a One-Year Period of Service).
- **CWA and NMG employees:** Retirement on or after 65 or on or after age 50 if you have been credited with ten One-Year Periods of Service (see page 21 for a description of a One-Year Period of Service).

If you become permanently and totally disabled while employed by the Employer and otherwise eligible to receive Retirement Contributions, you will continue to share in the allocation of the Employer's Retirement Contribution for the duration of your disability. Your contribution will be equal to 3% of the eligible pay that you earned immediately before becoming disabled. Disability for purposes of this contribution means that you are unable to engage in any substantial gainful activity and that your disability is expected to result in death or to last for a continuous period of at least 12 months.

If you became disabled before July 1, 2005 and were covered by the Administrative Pension Plan (or July 1, 2006 if you were covered under the CWA or Guild Pension Plans) when you became disabled, you will be given a one-time irrevocable choice to become a participant in this portion of the Plan or to remain in the Administrative, CWA or Guild Pension Plans if you recover from your disability and resume work with the Employer.

What Is Eligible Pay?

If you are covered under the collective bargaining agreement between the Employer and CWA, effective with the pay period beginning on July 3, 2006, your eligible pay includes base pay plus economic differential, nighttime differential, seniority differential, supervisory differential and cable desk differential paid by the Employer for personal services. Your eligible pay is determined prior to reduction for pre-tax contributions or contributions to the 401(k) portion of the Plan, pre-tax contributions to the 125 plan or for transportation benefits. Eligible pay does not include overtime pay, special bonuses, mileage reimbursement, auto fees, any one-time special payments, holiday pay and severance pay paid after your termination of employment.

If you are covered under the collective bargaining agreement between the Employer and the Guild, effective with the pay period beginning on July 3, 2006, your eligible pay includes base pay plus nightly differential, supervisory differential, overnight differential, Sunday differential, talent differential, economic differential, regular weekly broadcast fees for broadcast staffers and commissions for AP Images salesmen (including commissions paid within six months following employment termination) paid by the Employer for personal services. Your eligible pay is determined prior to reduction for pre-tax contributions or contributions to the 401(k) portion of the Plan, pre-tax contributions to the 125 plan or for transportation benefits. Eligible pay does not include overtime pay, premium pay, holiday pay, mileage reimbursement, special remuneration, bonuses or other one-time special payments. Eligible pay also does not include any severance pay that is paid after your termination of employment.

If you are not described above, your eligible pay includes base pay, regular bonuses, broadcast fees, and commissions paid by the Employer for personal services. Your eligible pay is determined prior to reduction for pre-tax contributions or contributions to the 401(k) portion of the Plan, pre-tax contributions to the 125 plan or for transportation benefits. Eligible pay does not include overtime pay, premium pay, differentials, one-time bonuses, long term incentive bonuses, holiday pay, special remuneration (such as mileage or auto fees), and other any special payments. Eligible pay also does not include any severance pay that is paid after your termination of employment.

Eligible pay is limited to the IRS maximum limitation which is \$225,000 in 2007 (this amount may periodically increase due to cost of living adjustments).

Example

Lisa earns \$20,000 in eligible pay in each of the four calendar quarters of 2006. She is employed by the Employer on the last day of each quarter. Her total Retirement Contribution for 2006, which is contributed in four quarterly payments over the year, equals $\$20,000 \times .03 \times 4$ or \$2,400.

When Do I Become Vested?

You become vested in your Retirement Contribution account after three One-Year Periods of Service. (See page 19 for a description of One-Year Period of Service). You also become fully vested if you die or reach age 65 while employed by the Employer or become permanently or totally disabled, as defined above, while employed by the Employer.

If you terminate employment before being credited with three One-Year Periods of Service, you will forfeit your Retirement Contribution Account. If you are rehired by the Employer, any One-Year Periods of Service with which you were credited when you terminated employment will be added to any One-Year Periods of Service that you earn after rehire for purposes of vesting in **future** Retirement Contributions made by the Employer on your behalf **after your reemployment**.

If you are reemployed by the Employer before you have a break in service equal to five consecutive years, then the amount that you forfeited from your Retirement Contribution Account when you terminated employment, will be restored to you. After your reemployment, you may become vested in this amount, that is the amount that you had earned **prior to your termination of employment**, if the sum of your pre-termination and post-rehire One-Year Periods of Service equals at least three years.

A break in service is the period of time beginning on the date your employment terminates and ends on the date of your reemployment with the Employer. If you are on maternity leave, you will not incur a break in service while on leave. If you are on a maternity or paternity leave or a leave of absence under the Family and Medical Leave Act, you won't start a break in service until the second anniversary of the date your absence begins.

If you return to work for at least one year after an approved leave of absence for up to 24 months, the months of your leave count towards vesting. If you terminate employment and are reemployed by the Employer within 12 months, the months of your absence count towards vesting.

How Are Contributions Invested

See Part 3.

Retirement Benefits

See Part 3.

Death Benefits

See Part 3.

Termination Of Employment

See Part 3.

Payment Options

In What Form Are Distributions Made From The Retirement Contribution Portion Of The Plan?

The only form of payment from the Retirement Contribution portion of the Plan is a single lump sum payment. This lump sum is eligible for rollover to an IRA. It may also be eligible for a rollover to another qualified plan.

In What Form Are Distributions Made To Your Beneficiary From The Retirement Contribution Portion Of The Plan?

If you die before any amount is distributed to you from the Plan, your beneficiary will receive your account balance in a single lump sum payment as soon as possible after your death.

To request a distribution of your account upon your death, your beneficiary should contact the Employee Benefits Department at AP. Your beneficiary will need to provide the Employer with a copy of your death certificate. AP will supply your beneficiary with the distribution forms.

May I Make A Withdrawal From My Retirement Contribution Account?

No. Unlike the 401(k) portion of the Plan, participants may not make a withdrawal from their Retirement Contribution Account for any reason while employed.

May I Take A Loan From My Retirement Contribution Account?

No. Unlike the 401(k) portion of the Plan, participants may not borrow from their Retirement Contribution Account for any reason.

Part 3: General Provisions Applicable To Parts 1 And 2

Retirement Benefits

When May I Retire Under The Plan?

Your normal retirement date is your 65th birthday.

However, if your employment continues after age 65, you may continue to contribute to the Plan and be eligible for the Employer's matching contributions under Part 1 and the Employer's Retirement Contribution, if you are covered under Part 2.

When Will My Account Be Paid?

When you retire from the Employer, you are entitled to receive a distribution of your accounts. To request a distribution, call Vanguard at 1-800-523-1188 or you can log onto Vanguard at www.Vanguard.com.

If you retire before age 70½ and the total value of your accounts (under both Part 1 and Part 2 of the Plan) exceeds \$1,000 when you retire, you have the option of deferring payment of your accounts until the April 1 that follows the calendar year in which you reach age 70½. If you retire from the Employer after age 70½, distribution of your accounts will occur as soon as possible after your retirement.

If your accounts' value (under both Part 1 and Part 2 of the Plan) does not exceed \$1,000 when you retire, it will be distributed to you (or to your alternate payee under a qualified domestic relations order) in a single lump sum payment as soon as practical, unless you elect to roll it over to an eligible retirement plan of your own choosing.

How Will My Account Balance Be Paid?

Your account balance will be paid to you in one of the forms described in Parts 1 and 2, as applicable.

How Will I Be Taxed On The Distribution?

Please refer to page 32.

Death Benefits

What Happens If I Die Before I Receive My Benefits?

If you die before your accounts under the Plan are distributed to you, your vested accounts will be distributed as a death benefit to your beneficiary.

Who Will Receive My Accounts?

When you receive your Enrollment Confirmation Statement, you will be asked to name your beneficiary — the person (or persons) who will receive your accounts if you die before they are paid to you. You can change your beneficiary any time by completing a new Beneficiary Designation Form available from Vanguard. Be sure to read the next section “Spouse’s Benefit” for important information about naming a beneficiary.

If you do not designate a beneficiary, if your beneficiary dies before you or if your designation is invalid for any reason, your death benefit will be distributed to:

- your spouse, if living;
- your surviving children, if any, in equal shares;
- your estate, or the estate of your beneficiary, depending on who is the last to die.

Please note that if you designate your spouse as beneficiary and then become divorced, your beneficiary designation will be invalid unless a qualified domestic relations order (see page 41) provides otherwise. You should review and perhaps complete a new beneficiary designation if you become divorced.

What Is The Spouse’s Benefit?

Under federal law, if you are married at the time of your death, your spouse must be the primary beneficiary of 100% of your accounts unless your spouse has consented to your designation of a different beneficiary. In this case, your spouse’s written consent on the beneficiary form must be witnessed by a notary public or a representative of the Plan Administrator.

If you are married and you have designated a primary beneficiary other than your spouse, your beneficiary designation will not be effective unless your spouse consents on the appropriate form. If you are now single but later marry, you must complete a new beneficiary designation form and obtain your spouse’s consent if you name someone other than your spouse as your beneficiary.

If you name someone other than your spouse as your primary beneficiary and your spouse has not consented, your spouse will receive 100% of your accounts.

Once consent is given, your spouse may not revoke his or her consent to your beneficiary designation. However, if you wish to name a new beneficiary, you must complete a new Beneficiary Designation Form and obtain a new consent from your spouse.

When Will My Accounts Be Paid?

Your beneficiary will receive a distribution as soon as administratively possible after your death as explained on page 26.

How Will My Accounts Be Paid?

Your account balance will be paid as described in Parts 1 and 2, as applicable.

How Will I Be Taxed On The Distribution?

Please refer to page 33.

Termination Of Employment

What Happens If My Employment Ends Before Age 65 Or Before My Death?

You will have a right to your vested accounts including any earnings. See Parts 1 and 2 for a description of when you become vested.

When Will My Account Be Paid?

When your employment ends, you are entitled to receive a distribution of your vested accounts. To request a distribution, call Vanguard at 1-800-523-1188 or you can log onto www.Vanguard.com. If the value of your accounts (under both Part 1 and Part 2 of the Plan) exceeds \$1,000 when you terminate employment, you have the option of deferring payment of your accounts until the April 1 that follows the calendar year in which you reach age 70½.

If your accounts' value does not exceed 1,000 (under both Part 1 and Part 2 of the Plan) when you terminate employment, it will be distributed to you (or to your alternate payee under a qualified domestic relations order) in a single lump sum as soon as practical, (or you may elect to roll it over to an eligible retirement plan of your own choosing).

How Will My Account Balance Be Paid?

Your account balance will be paid to you in one of the forms described in Parts 1 and 2, as applicable.

How Will I Be Taxed On The Distribution?

Please refer to page 33.

Taxes On Plan Benefits

How Am I Taxed On My Share Of Contributions And Plan Earnings?

The Plan is intended to be a qualified defined contribution plan which satisfies the applicable requirements of Section 401(a) of the Internal Revenue Code of 1986 (the Code), as amended and which includes a qualified cash or deferred arrangement as described in Section 401(k) of the Code. As long as the Plan remains qualified under current law, you would not be subject to federal income tax on your contributions or the Employer's contributions or earnings allocated to your accounts until you receive a distribution from the Plan.

How Will I Be Taxed On Distributions?

As you probably realize, tax laws are very complicated. In addition, they are subject to change, so any interpretation must be based on the laws currently in effect.

You are not required to pay current federal income taxes on your pre-tax contributions, rollover contributions, Employer contributions, or any investment earnings, as long as this money remains in the Plan. When you receive a distribution of these contributions from the Plan, you will owe current federal income tax because this money has never been taxed before, unless you roll this money over into another qualified plan, 403(a) annuity, 403(b) program, governmental 457 plan or to an IRA. You can avoid current federal income tax on a distribution from the Plan only if you elect a direct transfer to an IRA, another qualified employer plan, 403(a) annuity, 403(b) program or governmental 457 plan.

You may also owe an additional tax equal to 10% of the taxable amount distributed to you if your account is paid to you because you terminate employment prior to the year in which you reach age 55 or you withdraw funds before reaching age 59½ while you are working. This additional tax does not apply if:

- your account is paid to you because you become disabled as defined by the IRS;
- your account is paid to your beneficiary in the event of your death;
- distribution is made to you in a year in which you have deductible medical expenses in excess of 7.5% of your adjusted gross income; only the portion of the distribution in excess of 7.5% of your adjusted gross income is not subject to the 10% additional tax;
- payment is directed by a qualified domestic relations order; (as explained on page 41); or
- your distribution qualifies for rollover treatment under IRS rules and you roll over your account into an IRA, another employer-sponsored plan that is tax-qualified, a 403(a) annuity, 403(b) program or governmental 457 plan.

The 10% additional tax does not apply to any amount you receive from your account once you reach age 59½.

How you are taxed depends on the type of distribution you receive and your financial status when payment is made. Since federal, state and local tax laws change from time to time, you should consult your tax advisor about the consequences of any distribution or withdrawal.

Are There Any Special Withholding And Rollover Rules?

In general, for all lump sum distributions, installment payments for less than 10 years or withdrawals under the Plan (except for hardship distributions, minimum amounts required to be paid at age 70½, loans treated as deemed distributions and corrective distributions), you have the option of authorizing the Trustee for the Plan to make a direct transfer of your distribution to an IRA, another qualified plan, a 403(a) annuity, a 403(b) program or a governmental 457 plan that will accept the transferred amount. (Installment payments for 10 years are not eligible to be rolled over.) You will receive additional information on the direct transfer option when you terminate employment and are ready to receive a distribution.

If you did not elect a direct transfer and instead had the lump sum distribution or installment payments (for less than 10 years – if you elected this option) paid to yourself, you are still permitted to make a rollover of the distribution you receive if you do so within 60 days of the date you receive the distribution. However, if you elect the rollover option and handle the transfer yourself, 20% withholding will still apply. **The only way to avoid federal income tax withholding at distribution is to elect the direct transfer option through the Trustee of the Plan.**

Please note that you may not make a rollover or direct transfer to a Roth IRA, SIMPLE IRA or Coverdell IRA (formerly called an Education IRA).

Also, you may not make a rollover of any withdrawal amounts that you receive in a hardship withdrawal.

If your surviving spouse is entitled to receive a lump sum distribution due to your death, your spouse also has the option of authorizing a direct rollover. Your spouse may transfer your Plan balance to an IRA, qualified plan, 403(a) annuity, 403(b) program or governmental 457 plan, that will accept the transferred amount. Again, this is the only way to avoid the 20% federal income tax withholding.

If you (or your surviving spouse) want to make a direct rollover, you will need to complete the Direct Rollover Form provided by Vanguard.

Regardless of the amount of federal income tax withheld at distribution, if any, you will be responsible for payment of any taxes associated with the lump sum distribution paid to you and not directly rolled over. The 20% withholding may or may not be sufficient to cover your tax liability. For some individuals, withholding at 20% will be sufficient to pay the tax on a distribution. For others, the 20% rate will be excessive and they may be entitled to a refund on their tax return filed for the year of the distribution.

Please note that the foregoing rules are complicated and may affect each individual differently. The description provided here is for use as a general summary only and is not intended to provide you with specific tax advice. You should consult your own tax advisor before you receive a distribution from the Plan. You should also read carefully the “Special Tax Notice Regarding Plan Payments” that will be provided to you if you receive a distribution.

How Contributions Are Invested

What Happens To My Pre-Tax Contributions, Matching Contributions And Retirement Contribution Amounts (If I Am Covered By Part 2)?

Under Part 1, the Employer transmits contributions to the Trustee as soon as possible following the close of each payroll period. Under Part 2, the Employer transmits contributions to the Trustee as soon as practicable after the close of each quarter. The Trustee holds legal title to the Plan assets in the Trust Fund.

When you enroll in the Plan, you must choose how your savings are invested. This includes your pre-tax contributions, the Employer's matching contributions, the Employer's Retirement Contribution amounts (if you are covered by Part 2) and any rollover contributions you may have made to the Plan.

If you do not choose how your savings are to be invested, your contributions will be invested in a default investment fund until you make an investment election. As of March 1, 2007, the Vanguard Target Retirement funds have been designated as the default funds (the specific Target Retirement fund that is selected for any individual is based on that individual's age). The various Vanguard Target Retirement funds are also known as "Life-cycle" funds and are intended to provide for varying degrees of long-term preservation and capital appreciation through a mix of equity and fixed income investments based on your age and/or target retirement date.

The Plan Administrator has selected many investment funds to provide varying levels of investment risk and return. As of April 1, 2007, the Plan offers 16 funds. The number and type of your funds may vary from time to time.

Some of the funds impose fees or penalties if you sell your shares before the end of the minimum holding period set by the fund. Consult your prospectuses for more information.

NOTE: The investments offered for your account are neither insured nor guaranteed. In addition, the investment return and principal value of these funds will fluctuate so that an investor's share or units, when redeemed, may be worth more or less than their original cost. There is no guarantee that any of the investment options will achieve their stated investment objectives.

For a more detailed and thorough description of each of these funds, you should consult the fund prospectuses and your own financial advisor. Fund prospectuses can be obtained by calling Vanguard at 1-800-523-1188.

The Plan allows you to exercise control over amounts in your individual account by giving you the opportunity to select among a number of separate diversified investment funds and to change your investment selection on a daily basis.

Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended, relieves fiduciaries of a plan which gives participants certain rights over the investment of their retirement plan accounts from liability for losses which are the direct and necessary result of following a participant's investment instructions. Since the Plan gives you substantial control over the investment of your account, the Plan is intended to be a plan described in Section 404(c). Accordingly, you are responsible for the investment decisions you make. The Plan's fiduciaries are not responsible for investment losses you may suffer as a result of following your investment instructions.

The Plan Administrator may limit your right to (a) increase or decrease contributions to a particular investment category; (b) transfer amounts to or from a particular investment category; or (c) transfer amounts between particular investment categories, if such limitation is required under the rules establishing or maintaining an investment category.

Is There Anything Else To Keep In Mind?

- Participants may buy shares of the investment options offered through the Plan without paying a sales charge.
- You can spread your investments among several options to take advantage of what each has to offer and help balance different types of risk. This is known as diversification.
- Except for money market and managed income funds, an investment option's share/unit price will vary and you may have a gain or loss when you sell shares/units. An investment option's yield and return will vary.
- There may be restrictions on direct exchanges from one fund to another competing fund. These restrictions are typically imposed by issuers, such as insurance companies, banks, or other approved financial institutions as a condition for issuing investment contracts to retirement plans. You should consult your prospectus and fund information.
- Generally, international investments, especially those in emerging markets, involve greater investment risk than their US counterparts, and their performance can be closely tied to economic, political and environmental conditions, including changes in currency values.
- For more complete information, including historical fund performance, visit Vanguard at www.Vanguard.com and read the mutual fund prospectuses. Additional help is available by calling Vanguard at 1-800-523-1188.

You may request the additional information listed below about any of the investment funds by contacting Vanguard.

- A description of the annual operating expenses for each investment fund which reduce its rate of return and the aggregate amount of such expenses expressed as a percentage of the fund's average net assets.
- A copy of the prospectuses, financial statements and reports and other materials which the Trustee provides to the Plan Administrator.
- The value of your account invested in a particular fund.
- Past and current investment performance of an investment fund, determined net of expenses, which the Plan offers or in which your account is invested.

Can I Change My Investment Choices?

You can change how your future contributions are invested or transfer existing savings among the funds. You can make changes on any business day; however, if the rules for a particular investment fund require a limitation, the Plan Administrator may limit your right to:

- increase or decrease contributions to a particular investment fund;
- transfer amounts to or from a particular fund; or
- transfer amounts between particular funds.

To make a change you must call Vanguard at 1-800-523-1188 or you can log onto Vanguard at www.Vanguard.com.

What Happens To Earnings Or Losses?

Investment gains, losses, income and expenses are allocated to the account of each participant on a daily basis. The allocation is made in proportion to account balances in each investment category so that each participant's account bears its share of gains, losses, income and expenses. Each quarter, you will receive a statement showing contributions and investment gains and losses for that quarter.

Also of Interest

Applying For Your Benefits

You or your beneficiary must file a benefit election form to receive payments from the Plan. You'll receive information about payment options when you contact Vanguard. Return your form to the Plan Administrator at least 30 days before you plan to retire. You can change your payment choice at any time within the 90 day period ending on the date payments begin.

If A Claim Is Denied

If you believe that your benefit amount is not correct, you will need to file a claim for benefits. If all or part of your claim is denied, you'll receive a letter within 90 days. For claims involving disability determinations made by the Plan, you will be notified within 45 days after receipt of your claim. The notice will include:

- the reasons for the denial;
- references to the Plan provisions on which the denial is based;
- a description of any additional information that would complete or support your claim, and an explanation of why it's needed;
- an explanation of how you can get your claim reviewed; and
- a statement regarding your right to file a law suit in Federal court if your claim is again denied on appeal.

In addition to the above, a notice of denial for adverse disability determinations will also advise you of the right to request and receive (free of charge):

- the identity of any medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the adverse benefit determination (without regard to whether such expert advice was relied upon by the Plan Administrator);
- an explanation of the scientific or clinical judgment used for the determination (if the adverse decision was based on a medical necessity or experimental treatment or similar exclusion or limit);
- any policy, statement or guidance concerning your medical condition;
- any rule, document, guideline, protocol, or other similar criterion if it was submitted to the Plan, considered by the Plan, or generated in the course of making the benefit determination; and
- a description of any voluntary appeal procedures offered by the Plan.

In some instances, it may take as much as 90 extra days to review your claim, or in the case of a claim involving a disability determination by the Plan as much as 30 extra days. In unusual situations it may take another 30 days to review the disability claim. If so, you'll be notified of the reasons; however, in no case, will the extension exceed 180 days from the date your claim was received or 105 days in the case of a disability claim. The notice of extension for a disability claim will explain:

- standards and criteria on which disability status is based;
- the unresolved issues that prevent a decision from being made on the claim;
- the additional information needed to resolve the issues; and
- the time period in which you must submit required information to resolve such issues, if applicable (not less than 45 days).

If you must provide additional information on the disability claim in order for a decision to be made on your claim, the review period above (including maximum extensions) will be suspended until the information is provided.

Appeals

You have 60 days to submit a written request for a review of your claim on appeal. In the case of an appeal for an adverse determination regarding disability, you have 180 days to submit a written request for a review of your claim. As part of the appeal process, you may:

- submit additional documents, records, and information relating to the claim;
- request access to and receive copies (free of charge) of all Plan documents, records and other information affecting the claim; and
- have someone act as your representative in the appeal procedure.

The review of a claim on appeal will take into account all written comments, documents, records and other information submitted by you with respect to the claim, without regard to whether such information was submitted or considered in the initial claim determination. A decision regarding the review of your claim on appeal will be provided within 60 days of your appeal request or 45 days of your appeal request in the case of an appeal pertaining to a denied disability benefit.

In some instances, it may take as much as 60 extra days to review your appeal, or in the case of a disability appeal as much as 45 extra days. If so, you'll be notified of the reasons; however, in no case, will the extension exceed 120 days from the date your claim was received or 90 days in the case of a disability appeal.

In the case of an appeal for disability benefits, an appropriate named fiduciary of the Plan who did not deny the initial claim and who is not a subordinate of the individual(s) who denied the claim, will make an independent review on the appeal. The independent fiduciary will consult with appropriate health care professionals who were not consulted for the initial denial and will disclose the identity of any such professionals consulted.

If the Plan Administrator denies the claim on appeal (in whole or in part), it will provide a notice that advises you of the type of information included in the initial notice of claim denial and the right to receive (upon request and free of charge) copies of all documents, records, or other information that were submitted to the Plan, considered by the Plan, or generated in the course of making the benefit determination. In addition, in the case of an appeal for disability benefits that is denied, you will receive a statement that informs you that you may have other voluntary alternative dispute resolution options such as mediation and that this information is available at the local U.S. Department of Labor Office and your State Insurance regulatory agency.

If you do not follow these administrative claim and appeal procedures, you will have no further right to appeal and will lose the right to file a lawsuit.

Plan Financing

Your Plan benefits are currently funded through contributions by you and from the Employer. The Plan is classified as a defined contribution plan with a 401(k) feature. Benefits under this Plan are not insured by the Pension Benefit Guaranty Corporation.

Plan assets are held in the Trust Fund. Financial records are kept on a calendar year basis.

Plan Year

The plan year runs from January 1 through December 31.

Trustee

Plan assets are held in a fund with Vanguard Fiduciary Trust Company which serves as the Trustee for the Plan.

Vanguard Trust Company
82 Devonshire Street
Boston, MA 02109-4038

Recordkeeper

The recordkeeper for the Plan is The Vanguard Group, Inc.

Plan Administrator

The Plan is administered by The Associated Press Investment and Management Committee which can be reached at the following address:

The Associated Press
450 W. 33rd St.
New York, NY 10001
(800) 622-2363

AP's Employer Identification Number, assigned by the IRS, is 13-0452880. The Plan also has the identification number (004). You should use both numbers any time you write to someone about the Plan.

Limits On Benefits

The IRS requires that the Plan be tested periodically to ensure that it does not discriminate in favor of key employees. Key employees include certain key executive officers and share-holder employees of the Employer.

A plan is considered to favor key employees if those employees are earning more than 60% of the total benefits provided by the Plan. A plan is considered to be “top-heavy” in this situation. It is extremely unlikely that this situation could occur in the Plan. If it were to happen, the Plan could become subject to minimum required employer contributions.

Loss Of Benefits

There are a few cases in which you or your beneficiary can lose all or part of your Plan benefits. The following situations explain some of the ways that this can happen:

- Your benefit is subject to a qualified domestic relations order, as used in divorce or child support proceedings (see below).
- Your account suffers investment losses.
- Your account is subject to a Federal tax lien.

If you have questions concerning any of these provisions, please contact the Plan Administrator.

Non-assignment Of Benefits

Benefits under the Plan are designed to provide income for your retirement years. Your benefit may not be assigned to another individual or a creditor, unless a court issues a “qualified domestic relations order”, (a specific legal order directing payment of all or a portion of your benefit to someone else, such as a former spouse, child or other dependent or in the case of a tax lien). In addition, you can’t sell your benefits or use them to borrow money outside the Plan.

If it is determined that your benefit will be affected by a qualified domestic relations order, you will be told how the order will be implemented and how it will affect your benefit under the Plan. If you are involved in a court proceeding (e.g., divorce or child support) that may affect your Plan benefits, you should contact the Plan Administrator as soon as possible to learn the Plan rules for such cases. If the Plan Administrator receives a domestic relations order pertaining to your benefits, you will be notified. You or your beneficiary may obtain a copy of the Plan’s QDRO procedures without charge from the Plan Administrator. All QDROs must be approved by the Plan Administrator.

In addition, if you commit a crime against the Plan or you breach a fiduciary duty to the Plan, a court may order (or a legal settlement may provide) that all or a portion of your benefit will be assigned to the Plan.

Future Of The Plan

While the Employer expects to continue this Plan, it may become necessary to change it or end it. The Associated Press has the right to amend or terminate the Plan for any reason whatsoever at any time by action of its Board of Directors or the Board’s delegate. You will be informed of any changes that are made. The benefits under this Plan with respect to employees covered by a collective bargaining agreement are subject to the collective bargaining agreements between Associated Press and the applicable union.

For example, the Plan may be changed because of federal regulations, or it may be terminated for business reasons. However, the Plan cannot be amended to permit any part of the Trust Fund to be used for reasons other than providing benefits to participants and beneficiaries.

If the Plan terminates, you will become fully vested in your accounts held under the Plan if you are employed on the date of termination. In most cases, you will be eligible to receive a distribution from the terminated plan as soon as possible after termination. However, federal law may restrict distribution upon plan termination in certain situations. In that event, distribution would be made in accordance with current Plan provisions.

Your Rights To Benefits

The following information contains details of your rights.

Your Benefits And ERISA

As a participant in The Associated Press 401(k) Retirement Savings Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites, all documents governing the plan, including insurance contracts, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the US Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the US Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Pension and Welfare Benefits Administration, US Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, US Department of Labor, 200 Constitution Avenue, N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Pension and Welfare Benefits Administration.

This SPD explains the significant provisions of The Associated Press 401(k) Retirement Savings Plan. If any conflict arises between this description and the provisions of the Plan, the terms of the actual Plan document, insurance contract, or other applicable documents will govern in all cases. You are entitled to review these documents and to obtain copies of them for a nominal charge.

In addition, no provision of the Plan is to be considered a contract of employment between you and the Employer. The Employer's rights regarding disciplinary action and termination of any employee, if necessary, are in no manner changed by any provision of the Plan.

Comparison Of Provisions In The 401(k) Portion And Retirement Contribution Portion Of The Plan

Provisions	401(k) Portion of the Plan	Retirement Contribution Portion of the Plan
Age and Service	<p>For pre-tax: Later of date of hire or age 21.</p> <p>For match: One-Year Period of Service and age 21.</p> <p>For per diem employees: One year of eligibility</p> <p>Hours rule for per diem: (780 hrs. = one year of service)</p>	<p>One-Year Period of Service and age 21. No age requirement applies for Guild employees.</p> <p>For per diem employees: One year of eligibility</p> <p>Hours rule for per diem: (780 hrs. = one year of service)</p>
Entry Date	<p>For pre tax: Later of date on which participant satisfies eligibility provisions, or elects to make pre-tax contributions.</p> <p>For match:</p> <ul style="list-style-type: none"> - <u>Administrative employees:</u> date that eligibility requirements are satisfied. - <u>For CWA / Guild employees:</u> First day of each month following satisfaction of age and service requirements 	<p>Date on which participant has met the age and service requirements</p>
Vesting	<p>Full vesting all the time</p>	<p>Three year period of service</p>
Compensation	<p>Base pay, overtime, cash bonuses, differentials, broadcast fees and commissions under the 401(k) plan, and salary reduction contributions for medical/dental and transportation benefits</p> <p>Compensation limited by IRS. 2007 limit = \$225,000</p>	<p>Base pay plus different pay elements depending on employment status (CWA, NMG, or Administrative). Salary reduction contributions for medical/dental and transportation benefits are included.</p> <p>Compensation limited by IRS. 2007 limit = \$225,000</p>
Normal Retirement	<p>Age 65</p>	<p>Age 65</p>

Provisions	401(k) Portion of the Plan	Retirement Contribution Portion of the Plan
Date		
Working past Normal Retirement Age	Continue to be eligible to make and receive contributions	Continue to be eligible for contributions
Timing of Contribution Amounts	Pre-tax and match contributed on a payroll by payroll basis	Employer contribution contributed on a quarterly basis
Conditions for Receipt of Employer Contributions	If participant makes a pre-tax contribution, he receives a match on pre-tax contributions	Participant must be employed on last day of quarter or on military or unpaid FMLA (and returns to employment within time period required by law) or have died, become disabled or retired prior to end of quarter
Forfeitures	NA	Used to reduce employer contributions
Rollovers into the Plan	Permitted except for after-tax contributions	Not permitted
Investment Funds/Direction/Changes	Daily	Daily. Same funds as 401(k)
Loans	Available from pre-tax, match and rollover accounts	Not available
Withdrawals	Age 59 ½ - all accounts disability – all accounts; hardship (pre-tax, match and rollover available); rollover account may be withdrawn for any reason at any time	Not available for any reasons
Beneficiary Designation	Any beneficiary for pre-retirement (not limited to spouses) and post retirement options – one beneficiary form applies to both (k) and retirement contribution, but can have multiple beneficiaries	Any beneficiary for pre-retirement (not limited to spouses) and post retirement options – one beneficiary form applies to both (k) and retirement contribution, but can have multiple beneficiaries
Distribution at Retirement	Commence immediately or defer until April 1 following calendar year in which participant attains age 70 ½	Commence immediately or defer until April 1 following calendar year in which participant attains age 70 ½
Distribution at	Commence immediately or defer	Commence immediately or defer

Provisions	401(k) Portion of the Plan	Retirement Contribution Portion of the Plan
Termination of Employment	until April 1 following calendar year in which participant attains age 70 ½	until April 1 following calendar year in which participant attains age 70 ½
Distribution at Death prior to Benefit Commencement	Beneficiary is paid out no later than December 31 of plan year that includes fifth anniversary of participant's death	Beneficiary is paid out no later than December 31 of plan year that includes fifth anniversary of participant's death
Disability	Participants may make withdrawals while disabled. Disability means a condition for which a Participant is unable to perform the substantial and material duties of his regular occupation and is unable to engage in any other work for wage or profit for which he is or becomes qualified by education, training or experience. A Participant must be under the care of a physician to be considered disabled.	Contributions are made on behalf of disabled participants. Participants may not make withdrawals while disabled. Once terminated, contributions for disabled participants cease. Disability means a condition that renders the participant unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than 12 months. Proof of the disability is required.
Cash-outs	Automatic up to \$1,000	Automatic up to \$1,000
Distribution Options – Participants and Alternate Payees	Lump sum and installments over a period not to exceed 10 years	Lump sum only
Distribution Options - Death	Lump sum only	Lump sum only

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