GCIU-Employer Retirement Fund
(Formerly IP&GCU-Employer Retirement Fund)

Newspaper, Commercial Printing, and Printing Specialties & Paper Products Industries

Administrative Office
Telephone • (562) 463-5010 • (800) 322-1489

April 28, 2010

Via Certified Mail

Secretary of Labor
U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Ave., NW
Washington, DC 20210

Re: Notice of Critical Status

Dear Secretary of Labor:

Enclosed please find a copy of the Notice of Critical Status for the GCIU-Employer Retirement Fund for the 2010 Plan Year.

Sincerely,

Mathew J. Wenner
Administrator

MJW:sac
Enclosure

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April 26, 2010

TO: ALL PARTICIPANTS, BENEFICIARIES, LOCAL UNIONS, CONTRIBUTING EMPLOYERS, PENSION BENEFIT GUARANTY CORPORATION AND SECRETARY OF LABOR

Second Notice of Critical Status For GCIU-Employer Retirement Plan

The Pension Protection Act of 2006 ("PPA") amended ERISA and the Internal Revenue Code to, among other things, impose additional funding rules for multiemployer plans with the goal of improving the financial condition of these plans. Beginning in 2008, the Retirement Plan's actuary was required to annually certify to the Secretary of the Treasury and the Retirement Plan's Board of Trustees whether or not the Retirement Plan is in Endangered or Critical Status. As you are already aware, for the 2009 Plan Year, the actuary certified that the Retirement Plan was in Critical Status.

Critical Status – Second Year

The purpose of this notice is to inform you that on March 30, 2010 the actuary certified to the U.S. Department of the Treasury and the Board of Trustees that the Retirement Plan is still in Critical Status for the 2010 Plan Year. Federal Law requires that you receive this additional notice. The Retirement Plan is considered to be in critical status because over the next three Plan Years following the 2010 Plan Year, the Retirement Plan is projected to have an accumulated funding deficiency for the 2013 Plan Year. This means that contributions coming into the Retirement Plan are not expected to be high enough to meet governmental requirements for funding accrued benefits. **This does not mean that the Retirement Plan does not have sufficient assets to pay current retirees.**

Rehabilitation Plan

As you are also aware, federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan, which the Trustees did effective November 1, 2009.

For this Fund, the rehabilitation plan developed in 2009 consists of a single schedule that sets forth the benefit and contribution requirements under the Retirement Plan. The schedule required reductions in adjustable benefits. These reductions included changes in early retirement benefits, disability benefits, and retirement payment options. The schedule also requires additional employer contributions.

Due to the unique convergence of circumstances, the Trustees determined that they were unable to adopt a rehabilitation plan that will enable the Retirement Plan to emerge from critical status using reasonable assumptions. Therefore, the Trustees adopted a rehabilitation plan that reflects reasonable measures to forestall insolvency. In creating such a rehabilitation plan under the current circumstances, the Trustees have employed all reasonable measures to avoid insolvency that are available to date. In forestalling insolvency, the rehabilitation plan also provides time for a potential recovery in the economy and the investment market.

Rehabilitation plans must be reviewed each year, and revised if necessary. The Trustees will be reviewing the 2009 rehabilitation plan at the May 2010 meeting.

Adjustable Benefits

The Retirement Plan offers the following adjustable benefits which may still be reduced or eliminated as part of any revised rehabilitation plan. Although these benefits were not eliminated, much of the additional value of these benefits was reduced under the rehabilitation plan adopted in 2009:

1. Disability benefits (if not yet in pay status);
2. Early retirement benefits;
3. Benefit payment options other than a qualified joint and survivor annuity (QJSA);
4. Other similar benefits, rights, or features under the plan including the pre-retirement death benefit.

You will receive a separate notice if the Trustees decide to adjust benefits again, if any, as part of a revised rehabilitation plan. In addition, any adjustment would not apply to Participants whose Application For Retirement Part I was postmarked before January 1, 2009.

Employer Surcharge and Additional Contributions

Prior to the adoption of the rehabilitation plan by the employer and union, the law requires that all contributing employers pay to the Retirement Plan a surcharge to help correct the Retirement Plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Retirement Plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the Retirement Plan is in Critical Status.

The surcharge contribution ends for an employer once the collective bargaining parties adopt the rehabilitation plan for that employer, or when the rehabilitation plan is automatically adopted as provided under the Pension Protection Act. At that time, the employer's contribution increases are defined by the rehabilitation plan schedule.

Where to Get More Information

For more information about this Notice, you may contact the Retirement Plan's Administrative Office at 13191 Crossroads Parkway North, Suite 205, City of Industry, California 91746. You have a right to receive a copy of the rehabilitation plan from the Plan.