

*Notice to Participants and Employers of the
G.C.U. Local No. 96B Pension Plan*

April 29, 2010

As many of you are aware, a new federal law called the “Pension Protection Act of 2006” became effective in 2008. This law is commonly referred to as “pension reform.” The law changes many of the funding rules that apply to our pension plan. One of the most significant changes is that pension plans like ours are assigned a “funding status” based on a complex set of tests that depend on the funding level of the plan at a certain point in time.

Under pension reform, there are *three* distinct funding categories that may apply to the plan. The following list describes each of these funding categories from the worst-case situation to the best-case situation:

“Critical” status – Generally, a plan’s funding status will be “critical” if the plan is less than 65% funded as of the first day of the plan year and the plan fails certain liquidity tests or if the plan is expected to fall short of the federal minimum funding requirements within the next four years. A plan can also be in “critical” status if the plan is expected to have difficulty paying its retirees or other expenses within the foreseeable future. This funding status is sometimes referred to as being in the “red” zone.

“Endangered” status – A plan’s funding status will be “endangered” if the plan is less than 80% funded as of the first day of the plan year or if the plan is expected to fall short of the federal minimum funding requirements within the next seven years. A plan that fails both of these tests is considered to be “seriously endangered.” This funding status is sometimes referred to as being in the “yellow” zone.

“Safe” status – A plan’s funding status will be “safe” if the plan is neither “critical” nor “endangered.” This funding status is sometimes referred to as being in the “green” zone.

When a plan is in “critical” or “endangered” status, the trustees of the plan must adopt either a “rehabilitation plan” or a “funding improvement plan,” as applicable. These plans are designed to provide over a number of years either an increase in the employer contributions to the plan, a decrease in the benefits paid by the plan, or a combination of both in order to improve the plan’s funded status. In some cases, a rehabilitation plan or a funding improvement plan may require a reduction in the benefit that would otherwise be payable to a plan participant who retires in the future. These plans may also call for increased funding from the employers.

Obviously, everyone would like for our plan to remain in the “safe” status or “green” zone so that we can avoid the consequences of falling into “critical” or “endangered” status. For 2008, the plan was in the “green” zone. However, due to the recent dramatic decline in the plan’s investments, the plan has fallen into “critical” status for 2010. Federal law requires that the Trustees provide you with a notice of the plan’s critical status and an explanation of the potential effect of the plan’s being in critical status. The information set forth in the box below serves as the plan’s critical status notice for 2010.

<u>Name of the plan:</u>	G.C.U. Local No. 96B Pension Plan
<u>Employer identification number (EIN):</u>	58-6110014
<u>Plan number:</u>	001

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

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that: (i) the funded percentage of the plan is 65% or less; (ii) over the next four plan years, the plan is projected to have an accumulated funding deficiency for the 2012 plan year; (iii) the sum of the plan's normal cost and interest on the unfunded benefits for the current plan year exceeds the present value of all expected contributions for the year; and (iv) the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants.

Rehabilitation Plan and Possibility of Reduction in Benefits

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

Adjustable Benefits

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

- Post-retirement death benefits;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy; and
- Benefit payment options other than a qualified joint and survivor annuity (QJSA).

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct the 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 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 plan is in critical status.

Where to Get More Information

For more information about this notice, you may contact the Trustees of the G.C.U. Local No. 96B Pension Fund in writing at Wm. N. Jenkins & Associates, Inc., P. O. Box 607, Jonesboro, GA 30237-0607, by telephone at (770) 477-1888, or via electronic mail at OfficeJenkins@aol.com. You have a right to receive a copy of the rehabilitation plan from the trustees once it is adopted.

Discussion of the Enclosed Annual Funding Notice

In addition to the critical status notice set forth in the box above, we have enclosed another notice that is called the "Annual Funding Notice." Under federal law, the Annual Funding Notice must be provided to all participants and other interested parties once each year by April 30. The Annual Funding Notice was written by the U.S. Department of Labor and uses a specified format and specific language. At times, this language may be confusing to the reader, particularly since the Annual Funding Notice shows the plan's assets and liabilities at different points in time, refers to both a "fair market value of assets" as well as a "value of assets" which may show different asset values at the same point in time, and discusses various funded percentages. In other words, as you compare the assets, liabilities, and funded percentages of the plan at various dates, the amounts shown in the notice were not calculated on the same basis and, therefore, you cannot make an "apples" to "apples" comparison from one year to the next. Unfortunately, we have no choice but to provide the information in the Annual Funding Notice in the specified format even though the notice may appear to be confusing or misleading. Please understand that it is not our intent to confuse or mislead you and we have tried to make the Annual Funding Notice as clear as possible within the constraints of federal law.

We hope that these notices help you to understand the current funding situation of the plan. If you have any questions about the Annual Funding Notice or the critical status notice above, please contact the pension office.

Sincerely,

Board of Trustees
G.C.U. Local No. 96B Pension Fund