

**Notice of Critical Status for the 2013 Plan Year  
for  
Bindery Industry Employers GCC/IBT Pension Plan**

This is to inform you that on March 28, 2013 the plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees, the plan sponsor, that the Bindery Industry Employers GCC/IBT Pension Plan ("Plan") continues to be in critical status for the plan year beginning January 1, 2013. Federal law requires that you receive this notice.

**Critical Status**

A plan continues to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan is considered to be in critical status in the 2013 plan year because the Plan's actuary has determined that the Plan is 46.8% funded as of January 1, 2013 and has projected that an accumulated funding deficiency will occur within five years, that is, in the plan year ending December 31, 2014.

**Rehabilitation Plan**

Federal law requires pension plans in critical status to adopt a "Rehabilitation Plan" aimed at restoring the financial health of the plan. This is the fourth year the Plan has been in critical status. The Board of Trustees adopted a Rehabilitation Plan on November 26, 2010, which provided for employer contribution increases sufficient to prevent the Plan from becoming insolvent. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a Rehabilitation Plan. Certain adjustable benefits were reduced or eliminated under the Plan effective January 1, 2011, as described below. Due to the Plan's critical status, effective April 30, 2010, the Plan has not been permitted to pay lump sum distributions in excess of \$2,500 (or any other payment in excess of the monthly amount paid under a single life annuity).

The Plan's Trustees are required to review and update the Rehabilitation Plan annually, on the basis of the Plan's experience. The Rehabilitation Plan that was updated in December 2012 provides for employer contributions that may only delay the Plan from becoming insolvent. If the Board of Trustees determines that further 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 will not reduce the level of a participant's basic benefit payable at his/her normal retirement date. In addition, any reduction may only apply to participants and beneficiaries whose date of retirement (the effective date of the commencement of benefit payments) is on or after April 30, 2010, which was the notice date for the initial critical year.

**Adjustable Benefits**

The Plan has the following adjustable benefits which have either been reduced or eliminated as described below and in previous notices, or which may be reduced or eliminated, as part of its Rehabilitation Plan (including amendments or modifications to the Rehabilitation Plan and Schedules):

- Disability benefits (if not yet in pay status);\*
- Early retirement benefit or retirement-type subsidy;
- 60 guaranteed monthly payments on the normal form of benefit;\* and
- Certain pre-retirement death benefits.

\* As part of the Rehabilitation Plan adopted by the Board of Trustees on November 26, 2010, for retirement dates effective on or after January 1, 2011, the disability benefit was eliminated and the normal form of benefit was reduced from a five year certain and life annuity (with 60 monthly payments guaranteed) to a life annuity.

**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. The surcharge will cease to apply to any employer once its Collective Bargaining Agreement is amended to comply with the Rehabilitation Plan.

**Where To Get More Information**

For more information about this Notice, you may contact the plan administrator, Cindy Swartz, richard Gabriel associates, 601 Dresher Road, Suite 201, Horsham, PA 19044 at (215) 773-0900 or 1-800-610-8300. You have a right to receive a copy of the Rehabilitation Plan. You may write the Plan Administrator at the above address to request a copy.

*April 24, 2013*