

**Notice of Critical Status  
For  
Retirement Benefit Plan of GCIU Detroit Newspaper Union 13N  
with Detroit Area Newspaper Publishers**

This is to inform you that on March 29, 2013, 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, 2013. 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:

1. the plan is projected to have an accumulated funding deficiency for the current plan year;
2. the plan is projected to have an accumulated funding deficiency for the 2014 through 2016 plan years;
3. the funded percentage of the plan is 65% or less, and over the next four plan years, the plan is projected to have an accumulated funding deficiency for the 2014 through 2017 plan years;
4. the plan was in critical status last year and over the next 9 years, the plan is projected to have an accumulated funding deficiency for the 2014 through 2022 plan years;
5. 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 the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and
6. the sum of the fair market value of its current assets plus the present value of expected employer contributions through the 2019 plan year is less than the present value of all benefits projected to be payable (plus administrative expenses) through the 2019 plan year.

**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 sixth year the plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On or about August 15, 2009, you were notified that the plan reduced or eliminated adjustable benefits. On April 30, 2008, you were notified that as of March 31, 2008, 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. If the trustees of the plan determine 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 normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 30, 2008.

**Adjustable Benefits**

The plan offered the following adjustable benefits which were reduced or eliminated as part of the rehabilitation plan that was adopted:

- The Pre-retirement death benefit;
- The lump sum death benefit;
- All lump sum payments greater than \$5,000.00;
- The Early Retirement full pension at age 60;

- The special early retirement social security supplemental pension;
- The Disability Retirement Benefit;
- The Joint and Survivor "Pop-Up" allowing a surviving participant to effectively change their form of benefit to a single life annuity;
- Elimination of the early retirement subsidy; and
- Elimination of the joint and survivor subsidy

### **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 Board of Administration c/o Tony Valvona, at (586) 755-8041, 11420 East Nine Mile Road, Warren, MI 48089. You have a right to receive a copy of the rehabilitation plan from the plan.

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