QUESTIONS AND ANSWERS

1) What is the PPA?

The Pension Protection Act of 2006 ("PPA"), among other things, requires multiemployer pension funds like the Graphic Arts Industry Joint Pension Trust Fund (the "JPT" or the "Plan") to be annually evaluated by certified actuaries to determine whether they have a current or projected funding deficiency. If certain funding conditions are present, the Plan is required by law to implement a plan, referred to as a "Rehabilitation Plan," to improve funding under parameters set by the PPA. Under the PPA, improved funding may be brought about by benefit cuts, contribution increases or a combination of both.

2) Why is the JPT in Critical Status?

The JPT is in Critical Status for the July 1, 2010 to June 30, 2011 Plan year because it failed two separate tests under the PPA. Under the first test, the Plan is in Critical Status for the following reasons:

- The Plan is projected to have an accumulated funding deficiency in any of the succeeding four plan years (not taking into consideration any amortization extensions), and

- the Plan's normal cost for the current Plan year, plus interest on unfunded benefit liabilities, exceeds the present value of anticipated employer contributions for the current Plan year, and

- the present value of vested benefits of inactive Participants[1] is greater than the present value of vested benefits of active Participants.

Under the second test, the Plan is in Critical Status because the Plan is projected to have an accumulated funding deficiency in any of the succeeding three plan years (not taking into consideration any amortization extensions).

3) Why is the JPT developing a Rehabilitation Plan?

A certification from the Plan's actuaries of Critical Status requires specific action from the JPT Trustees. On September 21, 2010 the Plan actuary certified to the U.S. Department of the Treasury and the Trustees that the Plan is in Critical Status for the Plan year beginning July 1, 2010. This certification of Critical Status is being communicated to all Plan Participants, participating Unions, participating Employers, the Department of Labor and the Pension Benefit Guarantee Corporation in a Notice of Critical Status prepared by the Plan's actuaries.

Under the PPA, a plan in Critical Status must develop and maintain a Rehabilitation Plan. The Rehabilitation Plan adopted by the Board of Trustees in September 2010, includes a Default Schedule of benefit reductions and contribution increases and an alternative Preferred Schedule of lesser benefit reductions and contribution increases. The Default Schedule will be imposed on the bargaining parties at the earliest time permitted by law, if they do not adopt the Preferred Schedule on or before **November 12, 2010.** A copy of the Rehabilitation Plan is being sent to all Participating Employers and Unions. The schedules and the Rehabilitation Plan must be reviewed annually by the Board of Trustees and may be revised, if necessary.

4) What is a Rehabilitation Plan?

In general, a Rehabilitation Plan is comprised of one or more schedules made up of benefit reductions and/or contribution increases intended to improve the Plan's funding over the Rehabilitation Period.

For the JPT, the Rehabilitation Plan consists of a Default Schedule and a Preferred Schedule that set forth the benefit reductions and contribution increases that will be imposed under each Schedule. These Schedules are being presented to the collective bargaining parties for adoption.

The following is a brief summary of the Schedules:

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[1] "Inactive Participant" means a Participant with an annuity starting date after the date of the Notice of Critical Status (September 27, 2010), who attained Vested Status and who experienced a one-year Break in Service without recertifying as an active Participant before his or her annuity starting date. To recertify as an active Participant, an individual must work in Covered Employment for at least 300 hours in a 12-month period.

Preferred Schedule

- Elimination of the subsidized portion of all forms of payment (not otherwise required by law) other than the early retirement subsidy and Disability Pension which will remain unchanged;

- Elimination of all period certain and life annuities (e.g., five and ten year certain pensions), except for Participants for whom the normal form of payment is a 5-year certain and life annuity (unmarried Participants in former Locals 44B, 49B, 60B, and 449S) or a 3-year certain and life annuity (unmarried Participants in former Local 31C);

- Elimination of optional forms of benefit other than the 50% and 75% spouse qualified joint and survivor annuities. These optional forms that will be eliminated include: spouse joint and 100% survivor annuity (former Locals 8B and 24P); 66-2/3% joint and survivor annuity (former Locals 60B, 144B, and 199B); 50% joint and survivor annuity (former Local 60B, 199B and 210B); 75% joint and survivor annuity (former Local 210B); 100% joint and survivor annuity (former Locals 60B, 199B and 210B); and Single Life Annuity (former Locals 44B, 49B and 60B).;

- Employer contribution increases as follows:

  - 5% increase to November 2010 contribution rates beginning for contributions due in December 2010;

  - 10% increase to November 2010 contribution rates beginning for contributions due in December 2011;

  - 15% increase to November 2010 contribution rates beginning for contributions due in December 2012;

  - 20% increase to November 2010 contribution rates beginning for contributions due in December 2013.

- There are no benefit accruals on the Employer contribution increases set forth above.

Default Schedule

- Elimination of all period certain and life annuities (e.g., five and ten year certain pensions), except for Participants for whom the normal form of payment is a 5-year certain and life annuity (unmarried Participants in former Locals 44B, 49B, 60B, and 449S) or a 3-year certain and life annuity (unmarried Participants in former Local 31C);

- Elimination of optional forms of benefit other than the 50% and 75% spouse qualified joint and survivor annuities. These optional forms that will be eliminated include: spouse joint and 100% survivor annuity (former Locals 8B and 24P); 66-2/3% joint and survivor annuity (former Locals 60B, 144B, and 199B); 50% joint and survivor annuity (former Local 60B, 199B and 210B); 75% joint and survivor annuity (former Local 210B); 100% joint and survivor annuity (former Locals 60B, 199B and 210B); and Single Life Annuity (former Locals 44B, 49B and 60B);

- Elimination of the subsidized portion of all forms of payment (not otherwise required by law);

- Elimination of early retirement subsidies (actuarial reduction applies for early retirement);

- Elimination of Disability Pension;

- Contribution increases of 50% of November 2010 contribution rates beginning for contributions due in the first month after the Default Schedule is imposed.

- There are no benefit accruals on the Employer contribution increase set forth above.

5) Are there any other changes being made to the JPT's benefits as a result of the Plan being certified in Critical Status?

Future benefit accruals for all active Participants will be reduced to 1% of contributions required under the collective bargaining agreements in effect as of July 1, 2010 for all contributions due for hours worked/wages paid beginning on or after December 1, 2010 (future benefit accruals are currently in the 2.17% to 2.23% range). This will go into effect on December 1, 2010, regardless of whether or not the bargaining parties adopt the Preferred Schedule, or the Default Schedule is imposed. However, benefits that have accrued prior to December 1, 2010 will not be affected.

All death benefits (other than surviving spouse benefits payable under the Husband and Wife Pension and the qualified preretirement survivor annuity ("QPSA")) will be eliminated as of the date of Notice to Participants of certification of the Plan in Critical Status.

6) Are benefits being changed for Participants who were receiving benefits prior to receipt of the 2010 Notice of Critical Status?

No. The PPA does not permit benefits to be reduced for Participants whose benefit effective date is prior to the date of the Notice of Critical Status.

Thus, if a Participant (or beneficiary) was receiving benefits or formally submitted an Application for Retirement to the Fund Office prior to September 27, 2010, their retirement or Disability Pension, if it is determined that they are entitled to such benefits, will not be affected by the Rehabilitation Plan.

7) What are the advantages of the Preferred Schedule as compared to the Default Schedule?

For Participants, they may continue to qualify for the early retirement subsidy and the Disability Pension under the Preferred Schedule. This means that it will be much more costly for an eligible Participant to retire prior to age 65 under the Default Schedule than it will be to retire prior to age 65 under the Preferred Schedule. (See Q & A 12 for more information on early retirement under the two Schedules.) Additionally, Participants under the Default Schedule will not be able to retire on Disability Pensions if they become totally and permanently disabled. Participants under the Preferred Schedule will be able to retire on Disability Pensions if they become totally and permanently disabled as defined by the Plan.

For Employers, the contribution rate increase is substantially lower under the Preferred Schedule than it is under the Default Schedule.

8) Are benefits being changed for individuals who are currently receiving retirement benefits or Disability Pensions?

No. The PPA does not permit benefit reductions for Participants whose benefit effective date is prior to the date of the Notice of Critical Status (September 27, 2010). Furthermore, the Disability Pension and early retirement benefits will be kept in place for all active Participants whose bargaining parties adopt the Preferred Schedule.

9) How are benefits being affected for Participants who submitted their Applications for Retirement to the Fund Office but have not yet retired?

If a Participant formally submitted an Application for Retirement to the Fund Office prior to September 27, 2010, if the participant qualifies for a benefit effective date (annuity starting date) before September 27, 2010, and if it is determined that they are eligible for their retirement or Disability Pension, their benefits will not be affected by the Rehabilitation Plan.

10) How are benefits being affected for inactive Participants?

Inactive Participants will automatically have their benefits reduced to the level stated in the Default Schedule effective December 1, 2010 unless their last contributing employer and local union (their bargaining group) adopt the Preferred Schedule by November 12, 2010, in which case the benefits of such Participants will be reduced to the level stated in the Preferred Schedule. Inactive Participants whose last employer no longer contributes to the Plan due to withdrawal, bankruptcy, closing or shutdown of business will have their benefits reduced to the level stated in the Default Schedule effective December 1, 2010. However, if an Inactive Participant's last contributing employer adopts the Preferred Schedule prior to withdrawing from the Plan, the Inactive Participant will have his or her benefits reduced to the level stated in the Preferred Schedule.

"Inactive Participant" means a Participant with an annuity starting date after the date of the Notice of Critical Status (September 27, 2010), who attained Vested Status and who experienced a one-year Break in Service without recertifying as an active Participant before his or her annuity starting date. To recertify as an active Participant, an individual must work in Covered Employment for at least 300 hours in a 12-month period.

11) When does the Rehabilitation Plan take effect?

The JPT's Rehabilitation Plan takes effect on December 1, 2010. The collective bargaining parties are responsible for adopting a Schedule. Adoption of the Preferred Schedule is required no later than **November 12, 2010.** The Preferred Schedule will not be offered to the bargaining parties after November 12, 2010. Adoption of the Preferred Schedule can be accomplished by the bargaining parties by signing the attached Special Participation Agreement.

If the Preferred Schedule is not adopted on or before November 12, 2010, the Default Schedule will be imposed on the parties on the earliest date permitted by law. The earliest date on which the Default Schedule may be imposed is 180 days after the expiration of the bargaining parties' collective bargaining agreement in effect on July 1, 2010, or on December 28, 2010 if no collective bargaining agreement was in effect on July 1, 2010.

12) What is the difference in the retirement benefit for Participants who retire early under the Preferred Schedule as compared to Participants who retire early under the Default Schedule?

Participants who retire prior to age 65 receive a lower monthly retirement benefit than if they had retired at age 65 or later. The amount that the Participant's monthly retirement benefit is reduced depends on the age at retirement and whether the Preferred Schedule or the Default Schedule applies. Additionally, under the Default Schedule, the Rule of 85 early retirement pension, which was available for certain merged groups, will be eliminated. Under the Preferred Schedule if one of your optional forms of pension is full retirement if your age plus your years of service adds up to be 85 and you are in a certain merged group, you will be able to keep this benefit. Under the Rehabilitation Plan, the current early retirement reduction rate will not be changed for active Participants whose bargaining parties adopt the Preferred Schedule.

<u>Preferred Schedule</u>

Retirement Age	Amount of the Early Retirement Reduction which applies to Benefits Payable at Age 65 — Accruals On or After July 1, 2006 (6% per year)	Amount of the Early Retirement Reduction which applies to Benefits Payable at Age 65[2] — Accruals Prior to July 1, 2006 (3% per year)
55	60.0%	21.0%
56	54.0%	18.0%
57	48.0%	15.0%
58	42.0%	12.0%
59	36.0%	9.0%
60	30.0%	6.0%
61	24.0%	3.0%
62	18.0%	0.0%
63	12.0%	0.0%
64	6.0%	0.0%
65	0.0%	0.0%

<u>Default Schedule</u>

Age	Amount of the Early Retirement Reduction which applies to Benefits Payable at Age 65 if under Default Schedule – All Accruals Actuarial Equivalent Early Retirement Reduction
55	63.6%
56	60.1%
57	56.2%
58	51.8%
59	46.9%
60	41.3%
61	35.0%
62	27.9%
63	19.8%
64	10.6%
65	0.0%

13) What is the effect of eliminating the Pre-retirement and Post-Retirement Lump Sum Death Benefit?

[2] There are no reductions from ages 62 through 65 for accruals prior to July 1, 2006 under the Preferred Schedule.

The benefits schedules of certain merged groups have included either a Pre-retirement or a Post-retirement Lump Sum Death Benefit. The JPT will no longer be offering any Lump Sum Death Benefit for Participants' surviving spouses or other beneficiaries, effective September 27, 2010, 2010. The Husband and Wife Pension will not be affected by the elimination of the Lump Sum Death Benefit. This will apply regardless of whether the Preferred Schedule is adopted or the Default Schedule is imposed.

14) What other benefits are being eliminated?

For certain merged groups, the Plan offered five-year certain and life annuity (former Locals 144B and 199B) or ten-year certain and life annuity (former Locals 24P, 60B, 144B, 199B and 210B) options. For other merged groups, the Plan offered spouse joint and 100% survivor annuity (former Locals 8B and 24P); 50% joint and survivor annuity (former Locals 60B, 199B and 210B); 66-2/3% joint and survivor annuity (former Locals 60B, 144B and 199B); 75% joint and survivor annuity (former Local 210B); 100% joint and survivor annuity (former Locals 60B, 199B and 210B) options; and Single Life Annuity (former Locals 44B, 49B and 60B). These options are eliminated under both the Preferred Schedule and the Default Schedule. The 5-year certain and life annuity (unmarried Participants in former Locals 44B, 49B, 60B and 449S) and the 3-year certain and life annuity (unmarried Participants in former Local 31C) are not being eliminated for those Participants for whom this is their normal form of payment. The 50% and 75% qualified spouse joint and survivor annuities (available by law to all married Participants) are also not being eliminated.

In addition, the subsidized portion of the QPSA will be eliminated under both the Preferred Schedule and the Default Schedule.[3] Also, all lump sum payments of over $5000 are eliminated as required by the PPA.

15) How will the contribution increase set forth in the Preferred Schedule be implemented?

There will be a 5% increase to the Employer contribution rate for hours or shifts worked in November 2010, as payable by the Employer beginning in December 2010.

There will be a 10% increase to the Employer contribution rate for hours or shifts worked in November 2010, as payable by the Employer beginning in December 2011.

There will be a 15% increase to the Employer contribution rate for hours or shifts worked in November 2010, as payable by the Employer beginning in December 2012.

There will be a 20% increase to the Employer contribution rate for hours or shifts worked in November 2010, as payable by the Employer beginning in December 2013.

The required increases in Employer contributions under the Preferred Schedule are as follows:

Month of Contribution	Percentage Increase
Month beginning 12/1/2010	5%
Month beginning 12/1/2011	10%
Month beginning 12/1/2012	15%
Month beginning 12/1/2013	20%

[3] In the event a vested, married Participant dies while actively employed, his or her spouse will collect a surviving spouse pension on the later of the first of the month after the date of death or the first of the month after the date the Participant would have attained age 55. The amount of the survivor benefit is equal to 50% of the amount the spouse would have received had the Participant lived to retirement age, retired on a Husband and Wife Pension, and died the next day. A QPSA in the form of an immediate payment regardless of the age of the participant on the date of death equal to 50% of the accrued benefit is eliminated.

These examples assume adoption of the Preferred Schedule on or before **November 12, 2010.**

Example 1: November 2010 Contribution Rate of $3.00 per employee per shift

Date	Base	Percentage Increase	New Rate
December 1, 2010	$3.00	5%	$3.15
December 1, 2011	$3.00	10%	$3.30
December 1, 2012	$3.00	15%	$3.45
December 1, 2013	$3.00	20%	$3.60

Example 2: November 2010 Contribution Rate of 3% of weekly wages

Date	Base	Percentage Increase	New Rate
December 1, 2010	3%	5%	3.15%
December 1, 2011	3%	10%	3.30%
December 1, 2012	3%	15%	3.45%
December 1, 2013	3%	20%	3.60%

Contributions for periods after December 1, 2014 will remain at 20% of the November 2010 contribution rate unless different Rehabilitation Plan contribution schedules are adopted by the Trustees for those years.

16) How will the contribution increase set forth in the Default Schedule be implemented?

On December 1, 2010, per the PPA, Employers who, in conjunction with their Local Union, did not timely adopt the Preferred Schedule will be assessed a 5% surcharge on the contributions they make to the JPT on behalf of their employees for hours/shifts worked in November 2010. If by July 1, 2011 the Default Schedule has not yet been imposed on the bargaining parties (see Q&A 11), the Employer will be assessed a 10% surcharge on the contributions made to the JPT on behalf the Employer's employees for hours/shifts worked in June 2011. The 10% surcharge will remain in effect until the Default Schedule is automatically imposed. When the Default Schedule is imposed, 180 days after the labor contract expires or on December 28, 2010 if no CBA was in effect on July 1, 2010, the Employer's required contributions to the JPT on behalf of the Employer's employees will be increased by 50%.

These examples assume the Default Schedule is imposed on January 1, 2012.

Example 1: November 2010 Contribution Rate of $3.00 per employee per shift

Date	Base	Percentage Increase	New Rate
December 1, 2010	$3.00	5% (surcharge)	$3.15
July 1, 2011	$3.00	10% (surcharge)	$3.30
January 1, 2012	$3.00	50%	$4.50
January 1, 2013	$3.00	50%	$4.50

Example 2: November 2010 Contribution Rate of 3% of weekly wages

Date	Base	Percentage Increase	New Rate
December 1, 2010	3%	5% (surcharge)	3.15%
July 1, 2011	3%	10% (surcharge)	3.30%
January 1, 2012	3%	50%	4.50%
January 1, 2013	3%	50%	4.50%

If the Default Schedule can legally be imposed earlier than January 1, 2012, the Employer's contribution increase to 50% will go into effect earlier than the hypothetical above. For instance, for bargaining parties without a collective bargaining agreement in effect on July 1, 2010, the Employer will pay a 5% surcharge for the month of December 2010 on all contributions to the Plan, and then the Employer's contribution to the Plan will be increased by 50% on December 28, 2010.

The 50% contribution increase under the Default Schedule will remain in place for those bargaining parties under the Default Schedule until different Rehabilitation Plan contribution schedules are adopted by the Trustees.

17) What is required by the bargaining parties in order to adopt the Preferred Schedule of the Rehabilitation Plan Schedule?

Attached is a Special Participation Agreement. The Preferred Schedule will be adopted by the bargaining parties when the Employer and Local Union sign the Special Participation Agreement. The bargaining parties should forward the signed Special Participant Agreement immediately to the Fund Office.

The PPA requires the bargaining parties to decide whether or not to accept the Preferred Schedule. The Preferred Schedule cannot be implemented unless the bargaining parties agree to accept it by entering into a Special Participation Agreement. If the Preferred Schedule is not accepted, the Default Schedule will be implemented when it can be imposed in accordance with the PPA.

18) When do the bargaining parties have to adopt the Preferred Schedule?

Collective bargaining parties must adopt the Preferred Schedule by no later than **November 12, 2010**. Failure to adopt the Preferred Schedule by **November 12, 2010** will result in the Default Schedule being implemented at the earliest available time as permitted by law.

19) What if I don't like either of these Schedules; can I refuse to accept either one or negotiate a different Schedule with my Employer or Local Union?

No. Under the PPA, you may not bargain or implement a Schedule different from the Default Schedule and Preferred Schedule being offered by the JPT.

20) I'm under contract and I don't like either of these Schedules. What happens if I do nothing?

The presence of a labor contract does not shield you or your employees/members from the effects of the JPT being in Critical Status under the PPA. If a Local Union and Employer fail to adopt the Preferred Schedule by **November 12, 2010**, the PPA requires that the Default Schedule be imposed on you and your employees/members 180 days after the expiration of your current collective bargaining agreement.

Additionally, under the PPA, the failure of the bargaining parties to adopt the Preferred Schedule by **November 12, 2010** will result in the Employer being assessed a surcharge on its contributions until the Default Schedule is imposed. Beginning on December 1, 2010, the surcharge on employer contributions is 5 percent. The surcharge on contributions increases to 10 percent on July 1, 2011 and remains at that level until the Default Schedule is imposed.

21) I'm currently out of contract; what will happen if the bargaining parties fail to adopt the Preferred Schedule?

If you and your bargaining partner are out of contract on July 1, 2010 and fail to adopt the Preferred Schedule by **November 12, 2010**, the PPA requires that the Default Schedule be imposed on the bargaining parties and their employees/members on December 28, 2010.

22) I prefer the Preferred Schedule to the Default Schedule. Can I wait until the end of the term of my current labor contract to negotiate adoption of the Preferred Schedule?

Not if your current contract expires after November 12, 2010. **The bargaining parties must adopt the Preferred Schedule by November 12, 2010.** The Preferred Schedule will not be offered to Employers and Local Unions after November 12, 2010, regardless of whether they are under a labor contract at that time. The failure to adopt the Preferred Schedule by November 12, 2010 will result in the Deferred Schedule being imposed upon you and your employees/members as soon as the law allows.

23) Why is there a November 12, 2010, deadline on accepting the Preferred Schedule and why is the Default Schedule so much worse than the Preferred Schedule?

The JPT cannot begin improving its financial position until the contributing Employers and Local Unions adopt a Schedule. Employers will have to pay surcharges on contributions beginning December 1, 2010 unless the bargaining parties have timely adopted the Preferred Schedule. To allow the Fund Office sufficient time to administer the changes set forth in the Rehabilitation Plan, the **November 12, 2010** deadline was selected.

Additionally, we anticipate that there will be a much higher Participant attrition rate for those groups that are operating under the Default Schedule compared to those groups operating under the Preferred Schedule. Therefore, there is an incentive for the JPT to ensure that all benefit cuts and contribution increases go into effect as soon as possible by offering a more attractive Preferred Schedule for Employers and Local Unions with a **November 12, 2010** deadline.

Furthermore, it is fundamentally fair that benefit cuts and contribution increases be uniform for all contributing Employers and participating Employees. By having a deadline to adopt the Preferred Schedule, there is a greater possibility that all contributing Employers and participating Employees will be on the same timeline for benefit cuts and contribution increases.

Finally, having a deadline to adopt the Preferred Schedule will result in more efficient and less costly administration of the Plan.

24) When can the bargaining parties adopt the Preferred Schedule?

The bargaining parties can adopt the Preferred Schedule as early as today. A Special Participation Agreement adopting the Preferred Schedule is included in this package of materials. Once you and your bargaining partner sign the Special Participation Agreement and send it into the Fund Office, you are done. The Fund Administrator will take care of the rest.

25) If the bargaining parties adopt the Preferred Schedule prior to November 12, 2010, when will it go into effect?

Even if the Special Participation Agreement adopting the Preferred Schedule is signed prior to November 12, 2010, the benefit cuts and contribution increases will not go into effect until December 1, 2010.

26) I am currently under a labor contract; do I have to open my contract in order to adopt the Preferred Schedule?

No. All the bargaining parties need to do to adopt the Preferred Schedule is sign the Special Participation Agreement and send it to the Fund Office.

27) I am currently not under contract and there is no way that the contract negotiations will be completed before November 12, 2010; is there a way that the Preferred Schedule can be adopted without having all of our negotiations completed?

Yes. You do not have to be under a labor contract or have your negotiations completed to adopt the Preferred Schedule. So long as the bargaining parties sign and send in the Special Participation Agreement prior to November 12, 2010, the Preferred Schedule will be applied to you regardless of whether or not you are under contract.

28) My bargaining parties have had contentious negotiations in the past, what if we cannot agree to adopt the Preferred Schedule by November 12, 2010?

All Employers and Local Unions that participate in the JPT are being advised about the significant advantages of adopting the Preferred Schedule as opposed to having the Default Schedule imposed on them.

If you are having problems adopting the Preferred Schedule, please contact the Fund Office for assistance.

29) Can the Preferred Schedule be imposed unilaterally?

No. The PPA requires that the bargaining parties agree to the Preferred Schedule in order for it to be adopted. If you fail to timely adopt the Preferred Schedule, the law requires the Plan to impose the Default Schedule.

If you are having problems adopting the Preferred Schedule, please contact the Fund Office for assistance.

30) Can the increases to employer contributions under the Preferred or Default Schedules be offset with reductions to the previously bargained contributions to the JPT?

No. Now that the JPT has been declared in Critical Status, the PPA prohibits Employers from reducing contributions to the Plan. The JPT cannot accept any collective bargaining agreement that reduces contributions during the Rehabilitation Plan adoption period.

31) Can the increases to employer contributions under the Preferred or Default Schedules be offset by reducing the employee classifications that participate in the JPT?

No. Now that the JPT has been declared in Critical Status, the PPA prohibits Employers from reducing the employee classifications that participate in the Plan.

32) Can increases to employer contributions under the Preferred or Default Schedules be offset by requiring employees to pay all or a portion of the increased employer contributions?

No. It is unlawful for the JPT to accept any contributions from Participants.

33) What if my collective bargaining agreement requires contribution increases after November 2010?

Under the Preferred Schedule and the Default Schedule, you only need to pay the contribution increases set forth therein on the contribution rate that was in effect in November 2010.

Neither the Preferred Schedule nor the Default Schedule changes previously negotiated contribution increases. Unless the bargaining parties agree otherwise, any previously negotiated contribution increases will be in addition to those required under the Preferred Schedule or the Default Schedule. The previously negotiated increases will be applied towards granting additional benefit accruals under the JPT's benefit formula to the extent permitted by law and subject to the Trustees modifying the JPT's provisions.

Below is an example of how contributions would be determined if the bargaining parties adopt the Preferred Schedule without agreeing that previously negotiated contribution increases be applied towards satisfying contribution increases under the Preferred Schedule. The example assumes that previously negotiated contribution increases to the 2010 rate were 3¢ in 2011, 7¢ in 2012, and 8¢ in 2013.

Year	Negotiated Contribution Rate	Preferred Schedule Increase	Contribution Required to the Fund
2010	$1.00 per shift	5¢ (5% of $1.00)	$1.05 per shift
2011	$1.03 per shift	10¢ (10% of $1.00)	$1.13 per shift • 3¢ negotiated increase • 10¢ Preferred Schedule increase
2012	$1.07 per shift	15¢ (15% of $1.00)	$1.22 • 7¢ negotiated increase • 15¢ Preferred Schedule increase
2013	$1.08 per shift	20¢ (20% of $1.00)	$1.28 • 8¢ negotiated increase • 20¢ Preferred Schedule increase

34) What if an Employer fails to make the additional contributions set forth in the Rehabilitation Plan schedules?

An employer's failure to contribute at the rates reflected in the Schedule that they adopt, the Preferred Schedule, or that is imposed upon them, the Default Schedule, will result in excise taxes (equal to 100% of unpaid contributions) being assessed, as provided under the PPA. Ultimately, this will result in a determination that the employer has withdrawn from the Plan, and the employer will be subject to withdrawal liability.

35) What about non-bargaining units that participate in the Fund?

Employers that contribute through a Participation Agreement with the JPT with respect to employees who are not covered under a collective bargaining agreement can adopt the Preferred Schedule for that unit by signing the enclosed Special Participation Agreement and returning it to the Fund Office on or before **November 12, 2010**. Failure to timely adopt the Preferred Schedule will result in the Default Schedule being imposed on December 28, 2010.

36) What about Local Unions that also participate in the Fund for their own Officers and employees under a Participation Agreement?

Local Unions that contribute through a Participation Agreement with the JPT with respect to Officers or employees who are not covered under a collective bargaining agreement can adopt the Preferred Schedule for those individuals by signing the enclosed Special Participation Agreement and returning it to the Fund Office on or before **November 12, 2010**. Failure to timely adopt the Preferred Schedule will result in the Default Schedule being imposed on those individuals on December 28, 2011.

37) Did the Trustees consider any other possible Schedules, benefit changes or contribution increases?

Yes. In developing the Rehabilitation Plan, the Trustees with their professional advisors, looked at numerous options for benefit reductions and contribution increases in conjunction with the Trustees' obligations under the PPA. In this process, the goals of the Trustees were compliance with the PPA and the future survival of the Plan. Given these goals, the Trustees took action to maintain both employer participation in the Plan and some level of ongoing benefits for active Participants. The Preferred Schedule was developed as the best option to meet these goals.

38) Does the Rehabilitation Plan help the Fund to emerge from Critical Status?

After consulting with their professional actuaries, the Trustees have determined that the Plan cannot be reasonably expected to emerge from Critical Status by the end of the 10-year rehabilitation period based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures. This determination is based on returns in the investment markets and their impact on the Plan's assets, the unstable state of the economy, and the state of the commercial printing, specialties and newspaper industries. In making this determination, the Trustees have reviewed all reasonable options (i.e., reducing the adjustable benefits and requiring employer contribution rate increases). Based on that review, the Trustees developed a Rehabilitation Plan that was the best long term option for the Plan. The Trustees believe an alternative Rehabilitation Plan with contributions sufficient to bring the Plan out of Critical Status would result in the withdrawal of most or all of its participating employers, and/or prompt an increase in employer bankruptcy filings and the number of employers going out of business, thus hastening the insolvency of the Fund. Neither outcome was judged to be acceptable to the Trustees.

Therefore, the Trustees have 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 that are available to date to forestall or delay insolvency. In forestalling insolvency, the Rehabilitation Plan also provides time for a potential recovery in the economy and the investment market.

39) Can the Rehabilitation Plan be changed in the future?

The Trustees are required under then PPA to review the Rehabilitation Plan annually, and modify it as appropriate, in order to meet the objective of the Plan's long-term survival, consistent with requirements under the PPA to forestall insolvency. The annual review will include an examination of whether the Plan's Rehabilitation Plan benchmarks are being met and a review of the Plan's funded percentage and the projection of the IRS minimum contribution requirements. The result of this review, and the requirements under the PPA and its implementing regulations, will guide the Trustees on whether the current Rehabilitation Plan needs to be modified.

The Trustees reserve the right to alter, change and revise the JPT's Rehabilitation Plan, in whole or in part, in accordance with the Pension Protection Act of 2006, any implementing regulations issued thereunder, and any subsequent changes to the law regulating multiemployer pension plans. Any omissions and oversights will be interpreted in accordance with the applicable law and regulations.

However, if the bargaining parties rely on the schedules provided by the Trustees in negotiating a collective bargaining agreement, the contribution rates under the applicable schedule will remain in effect for the duration of the collective bargaining agreement, even if the Trustees later modify the schedule.

40) Are there any benefits to staying in the Fund?

Yes. The Board of Trustees will continue to offer full retirement benefits based on accruals to any Participant who works until age 65 for an Employer participating in the Plan. This means that the Participant will receive a monthly benefit for the rest of his or her life plus optional survivor benefits for the remaining lifetime of the surviving spouse. Under the Preferred Schedule, the Fund will continue to offer an early retirement subsidy and a Disability Pension to those Participants who become permanently and totally unable to work.

The JPT Trustees have always strived to deliver the best possible benefits that can be afforded by the Plan. Benefits are funded from current contributions and from the investment earnings on the Plan assets. This Plan experienced recent, unexpected investment losses, like most other pension plans and investment funds. The resulting funding problems are not unique to the JPT, but are widespread across the pension fund industry, including multiemployer and single employer defined benefit retirement plans, and defined contribution savings plans such as 401(k)s, profit sharing and money purchase plans.

Pension plans of all types and sizes have had to respond to these funding problems in a variety of ways, including reduced benefits and additional contribution amounts. In a 401(k) savings plan for example, the individual Participant is faced with both the risk and the responsibility of making the resulting decreased savings last a lifetime. The benefit changes the JPT made were based on the advice of the Fund's actuarial advisors, in order to better secure the funding of the benefits that have already been earned.

41) What if an Employer is asking to terminate its participation in the Fund?

The Trustees understand that these are very difficult times in the economy and in the printing and paper products industries in particular. Aside from the many benefits to the Plan's Participants, an Employer contemplating withdrawal must also consider its withdrawal liability obligations to the Plan.

The Multiemployer Pension Plan Amendments Act of 1980 (MPPAA) requires Employers who withdraw from multiemployer pension plans with unfunded vested benefits (UVB) to pay withdrawal liability to protect the financial solvency of these plans. The JPT has unfunded vested benefit liability, and the Board of Trustees has adopted Withdrawal Liability Procedures to enforce the collection of these liabilities, consistent with the Employee Retirement Income Security Act (ERISA) and the applicable Pension Benefit Guaranty Corporation (PBGC) regulations. Under these procedures, withdrawal liability is imposed upon employers withdrawing from the JPT in the amount determined to be an employer's share of the Fund's total UVB.

No withdrawal liability is imposed on employers that do not withdraw.

42) Where can I get more information? Where should we mail our executed Special Participation Agreement?

If you have any questions, you may contact the Fund's Administrative Office at: 1900 L Street NW, Suite 710, Washington, DC 20036. The telephone number is: (202) 466-2507. The JPT's website is www.gaijpt.org.

Please also note that the Question and Answers above are an abbreviated version of the Rehabilitation Plan that is being distributed to all Employers and Local Unions. Therefore, you should refer to that document for more detailed information. To the extent there is any inconsistency between the Questions and Answers above and the Rehabilitation Plan, the terms of the Rehabilitation Plan control.