

NOTICE OF CRITICAL STATUS
for the
California Winery Workers Pension Trust

This is to inform you that on March 31, 2011 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the California Winery Workers Pension Trust (the "Plan") is in critical status for the Plan Year beginning January 1, 2011. 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 the Plan has an accumulated funding deficiency for the current 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 third 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. As you were notified previously, the Board of Trustees adopted a rehabilitation plan on November 14, 2008 and subsequently eliminated the following adjustable benefits, effective April 1, 2009:

- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidies;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA)

Recall that these reductions in adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement.

Employer Surcharge

The law requires that all contributing employers pay 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. Since the Plan terminated effective December 31, 2008, there are no employers contributing to the Plan.

Where to Get More Information

For more information about this Notice, you may contact Vanessa Chrisman by phone at (800) 282-5246, ext. 150 or by mail at California Winery Workers Pension Plan Trust, 955 N Street, Fresno, California 93721-2216. You have a right to receive a copy of the rehabilitation plan from the Plan.