

ANNUAL FUNDING NOTICE  
For  
GRAPHIC ARTS INDUSTRY JOINT PENSION TRUST

**Introduction**

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning July 1, 2024 and ending June 30, 2025 (“Plan Year”).

**This is an informational notice. You do not need to respond or take any action.**

This notice includes:

- Information about your Plan’s funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

**What if I have questions about this notice, my Plan, or my benefits?**

Contact your plan administrator at:

- **Board of Trustees of the Graphic Arts Industry Joint Pension Trust**
- **Phone:** (571) 800-1860
- **Address:** 3040 Williams Drive, Suite 640, Fairfax, VA 22031
- **Email:** [jpt@gaijpt.org](mailto:jpt@gaijpt.org)

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of the Graphic Arts Industry Joint Pension Trust
- **Employer Identification Number:** 52-1074215

**What if I have questions about PBGC and the pension insurance program guarantees?**

Visit [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer) for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

### **How Well Funded Is Your Plan?**

The law requires the Plan’s administrator to explain how well the Plan is funded, using a measure called the “funded percentage.” The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

<b>Funded Percentage</b>			
	<b>2024</b>	<b>2023</b>	<b>2022</b>
Valuation Date	July 1, 2024	July 1, 2023	July 1, 2022
Funded Percentage	11.0%	8.1%	5.8%
Value of Assets	\$51,154,941	\$38,717,646	\$29,918,035
Value of Liabilities	\$461,204,000	\$475,143,236	\$513,055,405

In accordance with Treasury Department guidance, the funded percentage and asset values in the chart above do not reflect the special financial assistance paid to the Plan by the PBGC under the American Rescue Plan Act (“ARPA”). If the balance of the special financial assistance account were to be reflected in the above chart, the funded percentage for the 2024 Plan Year would be 121.5% and the value of assets would be \$560,385,947.

### **Year-End Fair Market Value of Assets**

To provide further insight into the Plan’s financial position, the chart below shows the fair market value of the Plan’s assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan’s assets on the Valuation Date.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan’s funding status.

	<b>June 30, 2025*</b>	<b>June 30, 2024**</b>	<b>June 30, 2023</b>
Fair Market Value of Assets	\$558,813,279	\$560,385,947	\$563,958,466

\* Based on unaudited information (the Plan’s June 30, 2025 audit will not be completed until early 2026).

\*\*The fair market value of assets for June 30, 2024 has been restated from the previously published value for such date that was based on unaudited information in order to reflect the final audited value reported in the Plan’s Form 5500 for such Plan Year.

### **Endangered, Critical, or Critical and Declining Status**

Under federal pension law, a plan’s funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent—meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was in critical status in the Plan Year ending June 30, 2025 because the Plan received special financial assistance under ARPA.

To improve the Plan's funding situation, the trustees adopted a rehabilitation plan on September 16, 2010 with the intent to forestall insolvency of the Plan. In case of any conflict between this summary and the full rehabilitation plan, the full rehabilitation plan will control.

The rehabilitation plan has two schedules, the Preferred Schedule and the Default Schedule as follows:

**Preferred Schedule:** This Schedule was available for adoption by the bargaining parties on or before November 12, 2010 and applies to employers who timely adopted the Schedule and their active employees:

- Elimination of all period certain and life annuities, except for participants for whom the normal form of payment is a 5-year or 3-year certain and life annuity.
- Elimination of optional forms of benefit other than the 50% and 75% qualified spouse joint and survivor annuities.
- Elimination of the subsidized portion of the qualified preretirement survivor annuity (QPSA).
- Annual increases in employer contributions commencing on December 1, 2010 for hours worked in November 2010. The annual contribution rate increases under the Preferred Schedule are four annual increases equal to 5% of the November 1, 2010 contribution rates. The 5% increases are effective December 1, 2010, December 1, 2011, December 1, 2012 and December 1, 2013.

**Default Schedule:** This Schedule applies to participants whose bargaining parties adopt the Default Schedule or on whom the Default Schedule is imposed due to failure to adopt the Preferred Schedule timely and to inactive participants unless their last contributing employer and local union (their bargaining group) adopted the Preferred Schedule by November 12, 2010:

- Elimination of the subsidy on early retirement benefits.

- Elimination of all period certain and life annuities, except for participants for whom the normal form of payment is a 5-year or a 3-year certain and life annuity.
- Elimination of optional forms of benefit other than the 50% and 75% qualified spouse joint and survivor annuities.
- Elimination of the subsidized portion of the qualified preretirement survivor annuity (QPSA).
- Elimination of the Disability Pension.
- Elimination of all other adjustable benefits on all accrued benefits and future benefit accruals to the maximum permitted by law.
- The contribution rate increase under the Default Schedule is a one-time increase equal to 50% of the November 1, 2010 contribution rate.

You may request a copy of the Plan's rehabilitation plan by contacting the plan administrator. You can also ask for any updates to the rehabilitation plan and the actuarial and financial data showing actions taken to improve the Plan's funding.

Because the Plan is in critical status for the plan year ending June 30, 2026, a separate notification of that status has or will be provided.

### **Participant and Beneficiary Information**

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

<b>Number of participants and beneficiaries on last day of relevant plan year</b>	<b>2024</b>	<b>2023</b>	<b>2022</b>
1. Last day of plan year	June 30, 2025	June 30, 2024,	June 30, 2023
2. Participants currently employed	428	467	537
3. Participants and beneficiaries receiving benefits	5,613	5,520	5,590
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	2,715	2,711	2,891
5. Total number of covered participants and beneficiaries ( <i>Lines 2 + 3 + 4 = 5</i> )	8,756	8,698	9,018

## **Funding & Investment Policies**

### **Funding Policy**

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is designed to comply with the funding requirements of ERISA and the Internal Revenue Code. These requirements include minimum funding levels and also include maximum limits on the contributions that may be deducted by contributing employers for federal income tax purposes. The Board of Trustees periodically monitors the Plan's funding requirements with the assistance of the Plan's enrolled actuary and the Plan's investment consultant.

### **Investment Policy**

Pension plans also have investment policies that provide guidelines for making investment management decisions. Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is:

<b>SFA Assets</b>		
<b>Investment</b>	<b>Asset Class</b>	<b>Target Allocation</b>
Investment Grade Fixed Income (IGFI)*	U.S. Treasury Securities	100%

\*Includes investment grade cash flow match securities and cash/equivalents

<b>Non-SFA Assets</b>		
<b>Investment</b>	<b>Asset Class</b>	<b>Target Allocation</b>
Equities	U.S. Large Cap Equity	100%

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

### **Alternative 1**

<b>Asset Allocations</b>	<b>Percentage</b>
1. Cash (interest and non-interest bearing)	<u>1.8%</u>
2. U.S. Government securities	<u>87.0%</u>
3. Corporate debt instruments (other than employer securities):	
Preferred	<u>          </u>
All other	<u>          </u>
4. Corporate stocks (other than employer securities):	
Preferred	<u>          </u>
Common	<u>          </u>
5. Partnership/joint venture interests	<u>11.2%</u>

6. Real estate (other than employer real property)	_____
7. Loans (other than to participants)	_____
8. Participant loans	_____
9. Value of interest in common and collective trusts	_____
10. Value of interest in pooled separate accounts	_____
11. Value of interest in master trust investment accounts	_____
12. Value of interest in 103-12 investment entities	_____
13. Value of interest in registered investment companies, like mutual funds	_____
14. Value of funds held in insurance company general account (unallocated contracts)	_____
15. Employer-related investments:	
Employer securities	_____
Employer real property	_____
16. Buildings and other property used in plan operation	_____
17. Other	_____

For information about the Plan's investment in any of the following types of investments common-/For information about the Plan's investment in any of the following types of investments—common/collective trusts, pooled separate accounts or 103-12 investment entities – contact Angela Alvey, Graphic Arts Industry Joint Pension Trust, (571) 800-1860, 3040 Williams Dr Ste 640, Fairfax, VA 22031 or [jpt@gaijpt.org](mailto:jpt@gaijpt.org).

The average return on assets for the Plan Year was 5.6%.

Additionally, under federal law, the special financial assistance the Plan received from the PBGC is required to be kept in a separate account from the rest of the Plan's assets. This separate account must be invested according to special rules and restrictions described in 26 CFR § 4262.14. Permissible investments for the account include investments in certain "return-seeking assets" and investments in certain "investment grade fixed income securities and cash." The terms "return-seeking assets" and "investment grade fixed income securities and cash" have specific definitions that are provided in 26 CFR § 4262.14. If you have any questions or would like more information about the special rules and restrictions that apply to the separate special financial assistance account, please contact the Plan Administrator.

Until the last day of the Plan Year that ends in 2051, Plan assets sufficient to pay for at least 1 year of projected benefit payments and administrative expenses must be invested in investment grade fixed income, subject to certain limitations described in 26 CFR § 4262.14(h).

### **Events Having a Material Effect on Assets or Liabilities**

By law, this notice must include an explanation of any new events that materially affect the Plan's liabilities or assets. These events could affect the Plan's financial health or its ability to meet its obligations. For the plan year beginning on July 1, 2025 and ending on June 30, 2026, no events are expected to have such an effect.

### **Right to Request a Copy of the Annual Report**

Pension plans must file an annual report, called the **Form 5500**, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit [www.efast.dol.gov](http://www.efast.dol.gov) to search for your Plan's Form 5500.
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

### **Benefit Payments Guaranteed by PBGC**

Only vested benefits—those that you've earned and cannot forfeit—are guaranteed.

#### **What PBGC Guarantees**

PBGC guarantees "basic benefits" including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

## What PBGC Does Not Guarantee

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

## Determining Guarantee Amounts

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

*Example 1:* Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:  
Take 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together:  $\$11 + \$24.75 = \$35.75$
4. Multiply by years of credited service:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

*Example 2:* Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$200/10 = \$20$  accrual rate.
2. Apply PBGC formula:  
Take 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together:  $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50