

## NOTICE OF CRITICAL AND DECLINING STATUS FOR 2023 GRAPHIC COMMUNICATIONS NATIONAL PENSION FUND

This is to inform you that on July 28, 2023, the Actuary for the Graphic Communications National Pension Fund (“Plan” or “NPF”)<sup>1</sup> certified to the Internal Revenue Service (“IRS”), and also to the NPF’s Plan Sponsor (the NPF’s Board of Trustees), that the NPF is in “Critical Status.” As of May 1, 2023, the Plan is in critical status.

Also, under federal law and applicable regulations, because the Plan has received Special Financial Assistance (“SFA”) from the Pension Benefit Guaranty Corporation (“PBGC”) under the American Rescue Plan Act, it will be deemed to be in critical status through April 30, 2051, regardless of its funded status.

This certification also notifies the IRS that the Plan is making the scheduled progress in meeting the requirements of its adopted Rehabilitation Plan. This certification has been filed with the IRS, pursuant to ERISA section 305(b)(3) and Internal Revenue Code (IRC) section 432(b)(3).

This Notice is for your information. You are not required to respond or take any other action in response to this Notice.

### Critical Status

The Plan is considered to be in critical status for the Plan Year beginning May 1, 2023 because the Plan’s actuary determined that the Plan has an accumulated funding deficiency for the Plan Year. The Plan, however, has no projected insolvency for the next 20 plan years. In addition, as a result of having received SFA from the PBGC, the Plan will be deemed to be in critical status through April 30, 2051, regardless of its funded status.

### **For now, the NPF has sufficient assets to meet its benefit obligations.**

The Plan recognizes that these issues are complex and extremely important to you. For more information on the NPF’s funded status, as well as further explanation of what receipt of the SFA means for your future benefits, please see the August 2023 *Pension Communicator* or visit the Fund’s website at [www.gc-npf.org](http://www.gc-npf.org)

### Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a Rehabilitation Plan aimed at restoring the Plan’s financial health. The NPF has operated under a Rehabilitation Plan for the past fifteen years. You have been previously advised as to the NPF’s Critical Status on an annual basis starting in September 2007. The Trustees last amended the Rehabilitation Plan in 2011. They are in the process of reviewing and updating the Rehabilitation Plan to reflect the fact that the Plan has received SFA.

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<sup>1</sup>Please note that effective June 16, 2023, the name of the Fund changed from the “Graphic Communications Conference of the International Brotherhood of Teamsters National Pension Fund” to the “Graphic Communications National Pension Fund.” This notice reflects the new name.

## **Adjustable Benefits**

As you were previously advised, the law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of the Rehabilitation Plan. Depending on the Collective Bargaining Agreement or other agreement under which you worked in 2007 and your status as a person for whom contributions were or were not required to be made to the Plan, you initially were notified of the NPF’s status in September 2007 and that the NPF would be reducing or eliminating certain adjustable benefits. Both the Preferred and Default Schedules of the Rehabilitation Plans required reductions in adjustable benefits including: early retirement benefits, preretirement death benefits and disability benefits. The Schedules also required additional Employer contributions. Independent of these reductions, the NPF’s Supplemental Early Retirement Benefit was also eliminated.

You may obtain copies of the previous communications that discussed changes in adjustable benefits by contacting the Plan Administrator at [info@gc-npf.org](mailto:info@gc-npf.org) or by writing to the Plan Administrator at 455 Kehoe Blvd., Suite 101, Carol Stream, IL 60188.

## **Employer Surcharge**

The law requires that all Employers pay to the Plan a surcharge to help correct the NPF’s financial situation, until the Employer’s employees are covered under a Collective Bargaining Agreement (or other similar agreement) that includes terms consistent with the Rehabilitation Plan’s Schedules. For the small number of Employers who did not adopt the Preferred Schedule of the Rehabilitation Plans, surcharges were implemented. The amount of the surcharge is equal to a percentage of the amount an Employer is otherwise required to contribute to the NPF under any applicable Collective Bargaining Agreement that is not consistent with the Rehabilitation Plan’s Schedules. With some exceptions, a 5% surcharge was applicable in the initial Critical Status Plan Year (2008), and a 10% surcharge applied for each succeeding Plan Year thereafter in which the Plan remained in Critical Status.

## **Where to Get More Information**

For more information about this Notice, go to the NPF’s website [www.gc-npf.org](http://www.gc-npf.org), or you may contact the Fund Office at the address above or by email to [info@gc-npf.org](mailto:info@gc-npf.org). You have a right to receive a copy of the Rehabilitation Plans, including the Schedules, from the NPF. If you would like a copy, go to our website, or contact the Fund Office. Also, for at least the next several months, the Fund’s old website, [www.gccibtntp.homestead.com](http://www.gccibtntp.homestead.com), will remain operational. In case of conflict with this summary, the actual amended Rehabilitation Plan controls. You may also request the actuarial and financial data that demonstrate any action taken by the Trustees toward fiscal improvement by contacting the Fund Office.