Notice of Critical and Declining Status For

Graphic Arts Industry Joint Pension Trust

This is to inform you that on September 28, 2018, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Board of Trustees, that the Plan is in critical and declining status for the Plan Year beginning July 1, 2018. Federal law requires that you receive this notice.

Critical and Declining Status

The Plan is considered to be in critical and declining status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary has determined that the Plan has a current accumulated funding deficiency and is likely to become insolvent in the Plan Year beginning July 1, 2022. At present, however, the Plan has sufficient assets to meet its monthly benefit obligations.

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 fourth year the Plan has been in critical and declining status (such status was added by the Multiemployer Pension Reform Act of 2014 (MPRA)). The prior five years the Plan was in critical status. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On September 27, 2010, you were notified that the Plan reduced or eliminated adjustable benefits. You were also notified that as of September 27, 2010, 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 identifying and explaining the effect of those reductions. Prior to MPRA, any reduction of adjustable benefits could not reduce the level of a participant's basic benefit payable at normal retirement. In addition, prior to MPRA the reductions could only apply to participants and beneficiaries whose benefit commencement date is on or after September 27, 2010. The changes under MPRA are discussed below.

Adjustable Benefits

The Plan offers the following adjustable benefits which may be (or might have already been) reduced or eliminated as part of the rehabilitation plan:

- Three-year, five-year and ten-year certain and life annuities;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Lump sum death benefits;
- Other similar benefits, rights, or features under the plan (i.e., preretirement survivor annuities in excess of a qualified preretirement survivor annuity (QPSA)).

Multiemployer Pension Reform Act of 2014

Under MPRA, a pension plan in critical and declining status may apply to the Secretary of Treasury to suspend benefits to avoid becoming insolvent. Any benefit suspensions under MPRA would be in addition to any reduction in adjustable benefits as discussed above.

Under MPRA, in the event that a suspension of benefits is implemented, certain benefits due under the Plan may be reduced (referred to as a "benefit suspension") regardless of the participant's status as an active, terminated vested, or retired participant (including those benefits already in pay status), However, (1) a participant's or beneficiary's benefit may not be reduced below the 110% of the PBGC monthly benefit guarantee level (see the accompanying Annual Funding Notice for a description of the PBGC benefit guarantee), (ii) the benefits for any participant on a Disability

Pension (as defined under the Plan) may not be suspended, (iii) the benefits of any participant or beneficiary who is age 80 years or older as of the effective date of the benefit suspension may not be suspended, and (iv) a participant or beneficiary who is at least 75 years old but less than 80 years old as of the effective date of the benefit suspension is entitled to a pro rata reduction of the level of the benefit suspension.

If the Trustees of the Plan determine to submit an application to the Secretary of Treasury to suspend benefits to avoid becoming insolvent, you will receive a separate notice identifying and explaining in advance the effect of the proposed reductions. In addition, if the application is approved by the Secretary of Treasury, you will be provided with the opportunity to vote on the proposed suspension of benefits prior to the effective date of any suspension of benefits.

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan's financial situation unless the employer agrees to a collective bargaining agreement that includes terms consistent with a schedule presented by the Board of Trustees. 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 until a new collective bargaining agreement that contains terms consistent with the Plan's rehabilitation plan takes effect.

Where to Get More Information

For more information about this Notice, you may contact the Board of Trustees of the Graphic Arts Industry Joint Pension Trust at 25 Louisiana Ave NW, Washington, D.C. 20001, at (202) 508-6670 or jpt.gciu.org. You have a right to receive a copy of the rehabilitation plan from the Plan.