

GRAPHIC ARTS INDUSTRY JOINT PENSION TRUST
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**NOTICE TO THE PARTICIPANTS AND OTHER INTERESTED PARTIES OF THE
GRAPHICS ARTS INDUSTRY JOINT PENSION TRUST**

This notice concerns the Graphics Arts Industry Joint Pension Trust ("the Pension Plan"). It contains a technical provision setting forth amendments to the Pension Plan, explains the provisions and illustrates how the provisions affect you.

Explanation for Notice. The Pension Plan is a multiemployer defined benefit pension plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). The Board of Trustees of the Pension Plan has a fiduciary obligation under ERISA to protect the financial security of the benefits earned by participants of the Pension Plan. The Trustees must also attempt to ensure that the Pension Plan will satisfy certain minimum funding requirements established by the Internal Revenue Code.

Due to unforeseen investment market conditions, the actual earnings from the Pension Plan's investment portfolio have fallen below the anticipated earnings as determined by the Plan's actuary. The Board of Trustees has reviewed various options to address the adverse impact of the investment experience of the past few years on the Pension Plan's funding status. The studies submitted to the Trustees indicate that the implementation of the Plan amendments described herein, along with supplemental employer contributions and an improved future investment market return, should enable the Pension Plan to meet the funding requirements under applicable laws for several years. Without such benefit reductions and supplemental employer contributions, the studies show that the Pension Plan will likely fail to satisfy the applicable funding requirements in the near term as established by the IRS.

Important Note: Some of the benefit reductions set forth herein do not take effect immediately but rather are effective as late as 2008. In the event that the Plan's investment and other actuarial experience is better than currently projected, some of the benefit reductions adopted by the Trustees may not be required and will then be rescinded by the Trustees. If this should occur, all Plan participants will be notified.

Technical Provisions. The Board of Trustees has amended the Pension Plan effective for Future Service Benefit accruals for contributions due on or after July 1, 2006. Benefits earned prior to July 1, 2006 are not affected by these amendments. Therefore, the amendments **will not reduce** any benefits earned from contributions that were due prior to July 1, 2006. In addition, the longer you work in Covered Employment, the better your benefit, even with the changes. The changes are as follows:

1. For participants who terminate Covered Employment after age 55, the Early Retirement Benefit is reduced for retirement **before age 65** (previously age 62) for Future Service earned on contributions due on or after July 1, 2006.
2. The early retirement reduction factor for participants who terminate Covered Employment after age 55 is increased to 6% per year (.5% per month) from 3% per year (.25% per month) for Future Service Benefits earned on contributions due on or after July 1, 2006.
3. All Future Service benefit percentages for contributions due on or after **July 1, 2006** will be reduced. Effective for Future Service earned on contributions from July 1, 2006 through June 30, 2007, the benefit percentages are reduced by 10%. The Future Service benefit percentages are reduced by an additional 10 percent for contributions due from July 1, 2007 through June 30, 2008 and an additional 10 percent for contributions due from July 1, 2008 forward.

If you earn any Future Service for contributions due before and after July 1, 2006, the pension benefit that you receive (assuming you become eligible) will be calculated in **two parts**. The benefit attributable to the Future Service you earned on contributions due before July 1, 2006 will be calculated under the rules in effect before July 1, 2006 (and when you earned those benefits) and the benefit attributable to Future Service earned on contributions due on or after July 1, 2006 will be calculated under these amended rules (and the other Plan provisions in effect when the benefit is earned).

In addition to the foregoing Plan amendments, the Board of Trustees acted to establish Supplemental Contributions for Employers in order to help alleviate the Plan's funding difficulties. These additional Supplemental Contributions are equal to 10% of then current employer contributions for the Plan year beginning July 1, 2007, 5% of then current employer contributions for the Plan year beginning July 1, 2008, and 5% of then current contributions for the Plan year beginning July 1, 2009.

PLAN AMENDMENT: DETAILED DESCRIPTION AND EXAMPLES

1. **The Early Retirement Pension is reduced for retirement before age 65** for the Future Service Benefit earned on contributions due on or after July 1, 2006 for those who qualify for an Early Retirement Benefit and work in Covered Employment to at least age 55. If you terminate Covered Employment after attaining age 55, are eligible for a Basic Benefit, and elect to retire at any time before age 65, the Basic Benefit amount you earned which is attributable to Future Service earned on contributions due on or after July 1, 2006 is reduced for each year (or portion thereof) your retirement precedes your 65th birthday. The Basic Benefit amount you earned which is attributable to Future Service earned on contributions due before July 1, 2006 is only reduced for each year (or portion thereof) your retirement precedes your 62nd birthday. An example is shown in the box on the next page.

- 2. The early retirement reduction factor applicable to the Future Service Benefit** earned on contributions due on or after July 1, 2006 for those eligible for a Basic Benefit is increased to 6% per year (.5% per month) for each year or partial year of retirement before attainment of age 65. For the Future Service Benefit earned on contributions due before July 1, 2006, the 3% per year (.25% per month) reduction factor for retirement before age 62 remains in effect.

The following example illustrates Number 1 and Number 2 above:

Assume you were born on January 1, 1953 and you work in Covered Employment until age 55 and retire January 1, 2008. You have earned a Basic Benefit of \$400 per month.

The portion of the Basic Benefit you earned on contributions due up to July 1, 2006 was **\$375 per month** and you earned the additional **\$25 per month** after July 1, 2006.

Following is the calculation of the amount of your Early Retirement Pension:

$\$375 \times 79\%$ (3% per year for retirement below age 62) = \$296.25 per month

PLUS

$\$25 \times 40\%$ (6% per year for retirement below age 65) = 10.00 per month

TOTAL EARLY RETIREMENT BENEFIT \$306.25 per month

- 3. Reduction in the Future Service Benefit Rate:** If an employee's Future Service Benefit percentage was 3.07 percent before July 1, 2006, then a 2.76 percent Future Service Benefit percentage (i.e., 90% of 3.07%) will apply to the Future Service earned on contributions due from July 1, 2006 through June 30, 2007. The Future Service benefit percentage on contributions due from July 1, 2007 through June 30, 2008 will be 2.48 percent (90% of 2.76%), and the Future Service Benefit percentage on contributions due on and after July 1, 2008 will be 2.23 percent (90% of 2.48%). Thus, an employee who works 1,820 contributory hours at a \$1.00 hourly rate in the Plan Year ending June 30, 2006 would earn a \$55.87 monthly Basic Benefit for that year's service compared to a \$50.23 monthly Basic Benefit that would be earned based on the same service and contributions in Plan Year July 1, 2006 through June 30, 2007. The monthly Basic Benefit for the Plan Year July 1, 2007 through June 30, 2008 would be \$45.14 and the monthly Basic Benefit for Plan Years beginning on and after July 1, 2008 for the same 1820 contributory hours at a \$1.00 contribution rate would be \$40.59.

The following chart provides the Future Service Benefit Percentages since July 1, 2001:

Local	Benefit Percentage For Contributions from July 1, 2000 thru December 31, 2002	Benefit Percentage For Contributions from January 1, 2003 thru June 30, 2006 (40% Reduction)	Benefit Percentage For Contributions from July 1, 2006 thru June 30, 2007 (10% Reduction)	Benefit Percentage For Contributions from July 1, 2007 thru June 30, 2008 (10% Reduction)	Benefit Percentage For Contributions on and after July 1, 2008 (10% Reduction)
All Locals unless otherwise noted	5.12%	3.07%	2.76%	2.48%	2.23%
2/289M, 582 (44B), 612M (31C)	5.11%	3.07%	2.76%	2.48%	2.23%
144B, 235M (except Tension Envelope), 449S, 458-3M (8B)	5.07%	3.04%	2.74%	2.47%	2.22%
577M (49B)	5.03%	3.02%	2.72%	2.45%	2.21%
72C (42B), 546M (24P)	4.97%	2.98%	2.68%	2.41%	2.17%

Note: For periods prior to July 1, 2001, different Benefit Percentage Rates apply as set forth in the Summary Plan Description.

Example of the Basic Benefit calculation:

Let's assume that you worked in Covered Employment since 1994 at the contribution rates shown below and decide to retire in 2010 at age 57. Your Basic Benefit is calculated on the next page:

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Plan Year Ended June 30	Assumed Future Service Contribution Rate Per Shift	<i>Times</i> Number of Shifts Per Year (or portion of year)	<i>Equals</i> Total Contributions Received On Your Behalf	<i>Times</i> Future Service Benefit Percentage	<i>Equals</i> Monthly Future Benefit Amount	Subtotals (for each prior period)	Running Total of Monthly Basic Benefit
1995	\$3.00	250	\$750	4.22%	\$31.65		
1996	\$3.00	250	\$750	4.22%	\$31.65		
1997	\$3.50	250	\$875	4.47%	\$39.11		
1998	\$3.50	250	\$875	4.47%	\$39.11		
1999	\$3.50	250	\$875	4.47%	\$39.11		
				Subtotal		\$180.63	
					x 10% Basic Benefit Increase		\$198.69
2000	\$3.50	250	\$875	4.74%	\$41.48		
				Subtotal		\$41.48	
							\$240.17
					x 7.5% Basic Benefit Increase		\$258.18
2001	\$3.50	250	\$875	5.12%	\$44.80		
				Subtotal		\$44.80	
							\$302.98
					x 2% Basic Benefit Increase		\$309.04
2002	\$3.50	250	\$875	5.12%	\$44.80		
July 1, 2002 to Jan. 1, 2003	\$3.50	125	\$437.50	5.12%	\$22.40		
Jan. 1, 2003- June 30, 2003	\$3.50	125	\$437.50	3.07%	\$13.43		
2004	\$3.75	250	\$937.50	3.07%	\$28.78		
2005	\$3.75	250	\$937.50	3.07%	\$28.78		
2006	\$3.75	250	\$937.50	3.07%	\$28.78		
				Subtotal		\$166.97	
					Running Total (amount accrued through June 30, 2006)		\$476.01
2007	\$3.75	250	\$937.50	2.76%	\$25.88		
2008	\$3.75	250	\$937.50	2.48%	\$23.25		
2009	\$3.75	250	\$937.50	2.23%	\$20.91		
2010	\$3.75	250	\$937.50	2.23%	\$20.91		
				Subtotal Amount accrued on and after July 1, 2006		\$90.95	
					Total Basic Benefit per month		\$566.96

Since you are retiring at age 57, your total Basic Benefit is reduced for early retirement. Under the new rules, the Future Service Benefit earned on contributions due before July 1, 2006 are reduced by 3% for each year (.25% per month) that your retirement date precedes your 62nd birthday. The Future Service Benefit earned on contributions on or after July 1, 2006 is reduced by 6% for each year (.5% per month) that your retirement date precedes your 65th birthday. Your early retirement reduction is calculated as follows:

\$476.01 (Future Service Benefit earned through June 30, 2006 from table above)
x 85% (3% per year for retirement below age 62)

\$404.61 PLUS

\$90.95 (Future Service Benefit earned on and after July 1, 2006)

x 52% (6% per year for retirement below age 65)

\$47.29

\$451.90 equals your total Early Retirement Pension

QUESTIONS AND ANSWERS

Q: As an active participant, do I have anything to gain by retiring prior to July 1, 2006, the effective date of the Plan amendments?

A: No. Everything that you have earned prior to July 1, 2006 will be valued and calculated in the same manner as it is today. The effect of the Plan amendments on active participants is only prospective in nature and therefore only applies to benefits earned on and after July 1, 2006. Should you retire after the Plan amendments go into effect, your benefit will be calculated in two parts. Benefits earned prior to July 1, 2006 will be calculated based upon the current formula and Plan provisions and only those benefits earned after July 1, 2006 will be calculated at under the amended rules. Therefore, your benefits earned prior to July 1, 2006 **do not lose any value** and you will earn additional benefits by continuing to work in Covered Employment beyond June 30, 2006.

Q: I earned a Past Service Benefit under a Predecessor Plan. Is that Benefit affected by these Plan amendments?

A: No. Neither the Past Service Benefit nor the Future Service Benefit that you earned before July 1, 2006 is affected by these Plan amendments. Those benefits are "frozen" at their current levels.

Q: I am already retired and collecting my pension from the Pension Plan. Am I affected by the Plan amendments?

A: **No.** If you are already retired or if no contributions are made to the Plan for work in Covered Employment on or after July 1, 2006, then you are not affected by the Plan amendments.

Q: *It seems that from July 1, 2006 on, I am working in Covered Employment just as hard, but earning less for my employer's same contribution. Why is that and is that fair?*

A: When the Trustees were able to increase the Benefit Percentage they did so, and participants earned a higher Future Service Benefit for the same amount of work and contribution. For example, the Future Service Benefit percentage was increased by the Trustees by 6% in 1995, by 6% in 1999, by 8% in 2000, and by 8% in 2001. The Pension Plan's reduced Future Service Benefit percentage effective as of July 1, 2006 (and, if necessary, in 2007 and in 2008) is still above the average for most multiemployer pension plans which is about 2.15%. That is one reason why your benefit is better the longer you work.

Notice Requirement. This notice is issued pursuant to section 204(h) of ERISA, and is intended to comply with the requirements of that section.

The Board of Trustees
Graphics Arts Industry Joint Pension Trust
Date: March 24, 2006