

**Notice of Critical Status For**  
**Graphic Arts Industry Joint Pension Trust**

This is to inform you that on September 26, 2014, 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 status for the Plan Year beginning July 1, 2014. 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 over the next three Plan Years, the Plan is projected to have an accumulated funding deficiency for the Plan Year beginning July 1, 2014. In addition, the sum of the Plan's normal cost and interest on the unfunded benefits for the current Plan Year exceeds the present value of all expected contributions for the year; the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and over the next four Plan Years, the Plan is projected to have an accumulated funding deficiency for the Plan Year beginning July 1, 2014. Further, the Plan was in critical status last year and over the next nine years, the Plan is projected to have an accumulated funding deficiency for the Plan Year beginning July 1, 2014. Lastly, the funded percentage of the Plan is 65% or less, and over the next four Plan Years, the Plan is projected to have an accumulated funding deficiency for the Plan Year beginning July 1, 2014, and the next three Plan Years.

**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 fifth 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. 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. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase) will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after September 27, 2010.

**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)).

### **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, or at (202) 508-6670. You have a right to receive a copy of the rehabilitation plan from the Plan.