GC-NPF
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PENSION
COMMUNICATOR

Graphic Communications National Pension Fund ("GC-NPF")

Graphic Communications National Pension Fund making moves forward post Special Financial Assistance (SFA) Funding

The NPF's Trustees in collaboration with their professional advisors and staff, have been actively implementing investment strategies designed to comply with the requirements of the American Rescue Act (ARPA) which are intended to extend the NPF's solvency horizon. In accordance with ARPA's investment regulations, the Fund instituted both short term and long-term investment approaches for the SFA funding:

- **Short-Term Strategy**: A three-year cash match program that invests in bond coupons to meet monthly benefit payments.
- **Long-Term Strategy**: A duration-matching fixed income program focused on high-quality corporate and U.S. Treasury bonds.

These investment strategies are fully aligned with current ARPA investment guidelines and are continually monitored and evaluated in light of evolving market conditions. For the plan year ending April 30, 2025, the Fund's portfolio achieved a favorable projected return of **8.4%**. While this result is encouraging, it is important to acknowledge that investment returns will vary from year to year due to inherent volatility of financial markets and the influence of broader economic conditions.

If positive investment performance continues, the NPF's solvency could extend well beyond the current 2051 projection. However, if future investment experiences are less favorable, the Fund may fall short of that target. Regardless of market conditions, the Board of Trustees and the Fund Office remain committed to their mission: **providing secure retirement benefits to Fund participants.**

The Trustees will continue to closely monitor investment performance and adjust strategies as needed to maximize the Fund's long-term sustainability and solvency.

ANNUAL UPDATE

This issue of the Pension Communicator includes the official distribution of the NPF's Annual Funding Notice ("AFN") for the Plan Year beginning May 1, 2024 and ending April 30, 2025 (page 2); and Critical and Declining Status Notification ("CDSN") for the Plan Year beginning May 1, 2025 (page 7). The AFN is intended to provide you with a representation of how the NPF is doing from year to year. The CDSN summarizes the most recent annual Actuarial Certification sent to the Internal Revenue Service.

It is vital that all Participants keep their mailing address up-to-date with the Fund Office so that you receive all important Fund notices in a timely manner.

Finally, and as always, the Board of Trustees remains committed to the goal of maintaining this Pension Plan so as to provide you with the pension benefits that you have earned as long into the future as possible.

The Trustees of the Graphic Communications National Pension Fund will continue to keep you informed by providing additional information and updates on the NPF's new website at www.gc-npf.org as soon as any additional information becomes available.

Respectfully,

Board of Trustees

For the latest information regarding pension plan funding under ARPA, visit the Fund's website at www.gc-npf.org

ANNUAL FUNDING NOTICE FOR THE GRAPHIC COMMUNICATIONS NATIONAL PENSION FUND

Introduction

This notice provides key details about your multiemployer pension plan (the "Plan") for the plan year beginning May 1, 2024 and ending April 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:

- Jim Thomos
- **Phone**: (630) 871-7733
- **Address**: 455 Kehoe Blvd., Suite 101, Carol Stream, IL 60188
- **Email**: info@gc-npf.org
- **Website**: www.gc-npf.org

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

- **Plan Number**: 001
- **Plan Sponsor Name**: Graphic Communications National Pension Fund,
- **Employer Identification Number**: 52-6118568

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

Visit 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.

Plan Year	*May 1, 2024 - April 30, 2025*	*May 1, 2023 - April 30, 2024*	*May 1, 2022 - April 30, 2023*
Valuation Date	05/01/2024	05/01/2023	05/01/2022
Funded Percentage	9.0%	6.6%	6.5%
Value of Assets	$127,535,733	$96,282,961	$99,757,918
Value of Liabilities	$1,404,782,037	$1,452,283,358	$1,542,569,590

Assets including Special Financial Assistance (SFA)			
Funded Percentage	106.5%	105.2%	89.7%
Value of Assets	$1,496,709,000	$1,527,862,306	$1,383,507,866
Value of Liabilities	$1,404,782,037	$1,452,283,358	$1,542,569,590

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 May 1. Additionally, the asset values in the top section of the table above do not include the amount of the SFA account. The assets reported in the bottom section of the table does reflect the remaining portion of the SFA paid to the Plan by the Pension Benefit Guaranty Corporation under the American Rescue Plan Act.

- 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.

For this plan, the actuarial value of assets is equal to the market value of assets excluding the amount of the special financial assistance account.

Year-End Market Value of Assets			
Plan Year	***May 1, 2023 - April 30, 2025***	***May 1, 2022 - April 30, 2024***	***May 1, 2021 - April 30, 2023***
Fair Market Value of Assets	$1,518,650,417 *	$1,496,709,000	$1,527,862,306

*Unaudited, subject to change

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.

Under a special rule, a plan that has received SFA is deemed to be in critical status in each year through 2051, regardless of how well funded it is.

Because of the special rule for plans that have received SFA, the Plan was certified to be in critical status for the Plan Year beginning May 1, 2024 and ending April 30, 2025.

To improve the Plan's funding situation, the Trustees adopted a Rehabilitation Plan effective on May 1, 2008, and an amended Rehabilitation Plan effective May 1, 2011 with the intent to forestall the insolvency of the Fund. The Rehabilitation Plan remains in effect, even though the Plan has received SFA and is no longer projected to become insolvent in the foreseeable future.

The plan sponsor has taken the following legally permitted actions to prevent insolvency:

Summary of Amended Rehabilitation Plan Schedules

The Amended Rehabilitation Plan includes two schedules, the *Preferred Schedule* and the *Default Schedule*,as follows:

The Preferred Schedule was available for adoption by the bargaining parties before May 1, 2011. This Schedule applies to Employers who timely adopted it and to their Active Employees (as defined in the amended Rehabilitation Plan). It includes the following provisions:

- Early retirement reduction factors were revised to impose a somewhat greater early retirement reduction for retirement before age 65.
- Employer contributions were increased by 5% of current rates. These contribution rate adjustments increased Active Participant accrual rates proportionately.

The Default Schedule applies to all Deferred Vested Participants (as defined in the Amended Rehabilitation Plan) and to Employers (and their Employees) who did not reach an agreement with their local union to adopt the Preferred Schedule in a timely manner. It includes the following provisions:

- A cap on future benefit accrual rates of 1% of currently bargained contributions per year.
- Employer contributions were increased by 20% with no corresponding increase in Active Participant accruals.

Note that the preceding Summary of the Amended Rehabilitation Plan does not include all provisions of the amended Rehabilitation Plan. The text of the original and amended Rehabilitation Plans may be found on the Plan's website at: www.gc-npf.org or you may request a copy from the Fund Office. In case of conflict with this summary, the actual amended Rehabilitation Plan controls. 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 by contacting the Fund Office.

As the Plan is in critical status for the Plan Year ending April 30, 2026, a separate notification of that status has or will be provided.

Participant & 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.

Number of participants and beneficiaries on last day of relevant plan year	*2024 Plan Year**	*2023 Plan Year*	*2022 Plan Year*
1. Last day of plan year	April 30, 2025	April 30, 2024	April 30, 2023
2. Participants currently employeed	486	612	720
3. Participants and beneficiaries receiving benefits	18,420	18,367	18,627
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	8,018	8,854	9,408
5. Total number of covered participants and beneficiaries (Lines 2+3+4=5)	26,924	27,833	28,755

*Participant counts as of April 30, 2025 are estimated.

Funding & Investment Policies

Funding Policy

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is that the Board of Trustees establishes Plan benefits based on the level of contributions made to the Plan pursuant to collective bargaining agreements between participating employers and Local Unions and special participation agreements between participating employers and the Plan, and investment earnings thereon.

Investment Policy

Pension plans also have investment policies that provide guidelines for making investment management decisions. The investment policy of the Plan is to invest and reinvest such funds as are not necessary for current expenditures or liquid reserves, as determined from time-to-time, in such investments as are legal investments under applicable State and Federal law relating to the investment of employee pension trust funds. These investments may include stocks, bonds or other property, real or personal, including improved and unimproved real estate and equity interests in real estate, where such investment appears to the Trustees in their discretion and consistent with their fiduciary obligations, to be in the best interest of the Fund and its Participants and Beneficiaries, judged by then prevailing business conditions and standards. The Trustees select appropriate professionals to invest assets and to assist in prudently measuring and evaluating investment performance on a regular basis.

Under the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets, which include SFA paid to the Plan and earnings thereon:

Asset Allocations	Percentage	Asset Allocations	Percentage
Cash (Interest bearing and non-interest bearing)	0.23%	Value of interest in common/collective trusts	0.00%
U.S. Government securities	7.70%	Value of interest in pooled separate accounts	0.00%
Corporate debt instruments (other than employer securities):		Value of interest in 103-12 investment entities	0.00%
Preferred	0.00%	Value of interest in registered investment companies (e.g., mutual funds)	24.42%
All other	65.8%	Value of funds held in insurance co. general account (unallocated contracts)	0.00%
Corporate stocks (other than employer securities):		Employer-related investments:	
Preferred	0.00%	Employer Securities	0.00%
Common	1.05%	Employer real property	0.00%
Partnership/joint venture interests	0.01%	Buildings and other property used in plan operation	0.01%
Real estate (other than employer real property)	0.35%	Other	0.43%
Loans (other than to participants)	0.00%	**TOTAL**	**100%**
Participant loans	0.00%		

The return on assets for the Plan Year ended April 30, 2025 was estimated to be 8.3%.

Additionally, under federal law, the SFA 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).

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 – Jim Thomos, Plan Administrator, Graphic Communications National Pension Fund, 455 Kehoe Blvd., Suite 101, Carol Stream, IL 60188, Phone: (630) 871-7733, E-mail: info@gc-npf.org, Website: www.gc-npf.org

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 https://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 the PBGC, below), the plan must apply to the PBGC for financial assistance. The 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 the 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.

<u>Example 1</u>: Participant with a $600 Monthly 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 x 10 years = $357.50

<u>Example 2</u>: 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 x 10 years = $177.50
   In this example, the participant's guaranteed monthly benefit is $177.50.

NOTICE OF CRITICAL STATUS FOR GRAPHIC COMMUNICATIONS NATIONAL PENSION FUND (GC-NPF)

This is to inform you that on July 29, 2025, the Actuary for the Graphic Communications Conference National Pension Fund ("Plan" or "NPF") certified to the U.S. Department of the Treasury, and also to the NPF's Plan Sponsor (the NPF's Board of Trustees), that the NPF is in "Critical Status" for the Plan Year beginning May 1, 2025. Federal law requires that you receive this notice.

This certification also notifies the Internal Revenue Service (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 - May 1, 2025 Plan Year

The Plan is considered to be in Critical Status for the Plan Year beginning May 1, 2025 as a result of receiving Special Financial Assistance (SFA) on May 24, 2022 and January 10, 2023.

For now, the NPF has sufficient assets to meet its monthly 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 2025 *Pension Communicator*.

Rehabilitation Plan

Federal law requires pension plans in Critical Status (or Critical and Declining Status) to adopt a Rehabilitation Plan aimed at restoring the Plan's financial health.

The NPF has operated under a Rehabilitation Plan for sixteen years. You have been previously advised as to the NPF's Critical Status on an annual basis starting in September 2007.

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 or by writing 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 unless 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 or, you may contact the Fund Office at the address above, or by email to 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.

Notice of Your Right to Receive an Individualized Participant Benefit Statement

This is to notify you that if you worked for a participating employer who was required to make contributions into the Fund on your behalf in the last calendar year, you may request and receive an individualized Participant Benefit Statement from the Fund. The Statement sets forth the amount of wages reported by a participating employer, the participant's accrued benefit at age 65, and whether or not the participant is vested (and if not, when vesting will occur). Please be sure to distinguish your request for a Participant Benefit Statement from a benefit estimate request. Benefit estimates set forth a hypothetical projection of a participant's accrued benefit from age 55 to 65 and can be requested once a year.

The *Pension Communicator* is published by the Graphic Communications National Pension Fund,
455 Kehoe Boulevard, Suite 101, Carol Stream, IL 60188.

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RETURN SERVICE REQUESTED

This issue of the *Pension Communicator* contains the Fund's Annual Funding Notice for the Plan Year Beginning May 1, 2024; the Critical and Declining Status Notice for May 1, 2025.

PLEASE READ

IMPORTANT NOTICE

The Pension Communicator serves as a valuable resource for understanding the Fund's current status, strategies, and ongoing efforts to safeguard you retirement security!