



P E N S I O N

COMMUNICATOR

Graphic Communications Conference of the International Brotherhood of
Teamsters National Pension Fund ("GCC/IBT-NPF")

Formerly the Graphic Communications International Union Supplemental Retirement and Disability Fund

UPDATE:

FUND ACTUARY PROJECTS INSOLVENCY IN PLAN YEAR ENDING 4/30/22

Over the past decade, the GCC/IBT National Pension Fund ("Fund" or "NPF") has been communicating with its stakeholders about the declining financial condition of the Fund and its future projected insolvency.

Based on the most current demographic and financial data that was utilized in its most recent Annual Funding Notice, the NPF's Actuary projects that the NPF will become insolvent at some time during the plan year ending April 30, 2022.

Be aware that insolvency could occur earlier or later, based primarily on the Fund's investment returns in the coming years. If the investment markets were to suffer another severe downturn, as they did in 2007-2009, the insolvency of the Fund would occur sooner. Likewise, robust investment markets with high positive investment gains could forestall the Fund's insolvency beyond the projected date of insolvency. However, absent some relief from Congress, the Fund's insolvency will likely be in or near the year of projected insolvency.

So the question arises, "How does this affect me?"

Insolvency of the Fund may result in benefit reductions for you and, if applicable, your spouse. However, as has been the case since 1974, the NPF is insured by the Pension Benefit Guaranty Corporation ("PBGC"), an independent agency of the United States government that was chartered to protect the pensions of American workers even in the event of a plan insolvency. The current laws in effect call for the PBGC to provide the NPF, in the event of an insolvency, the funding necessary to provide guaranteed levels of pension benefits. Based

on the formula used to determine the PBGC guarantee level, the benefits of some participants will not be impacted at all by the NPF becoming insolvent, whereas other participants will experience reductions in their monthly benefit amounts.

Enclosed in the mailing envelope with this *Pension Communicator* is a letter from the Fund that sets forth your projected benefit estimate under the Fund's current plan of benefits and under the PBGC's guarantee levels.

Please note that your projected PBGC guaranteed benefit amount is not a guarantee that you will receive that amount upon the Fund's insolvency. Rather, your projected PBGC guaranteed benefit amount is based on the current laws and regulations governing the PBGC. Changes in the applicable laws or regulations, or changes to the solvency of the PBGC could impact your PBGC guaranteed

benefit amount upon the Fund's insolvency. When the NPF's actual insolvency is near, you will receive annual notices from the Fund stating what your monthly benefit will be during each year of the Fund's insolvency.

There also could be a plan year in which your benefit amount is in between your current monthly retirement benefit and your projected PBGC guaranteed monthly benefit. This might occur if the NPF were not yet insolvent but did not have sufficient funds to pay for all current monthly retirement benefits.

You should use your projected PBGC guaranteed monthly benefit as set forth in the letter enclosed with this *Pension Communicator* as a guide to how your future monthly benefit from the NPF may be affected upon the Fund's insolvency.

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ANNUAL FUNDING NOTICE & CRITICAL AND DECLINING STATUS NOTICE FOLLOW BELOW

This issue of the *Pension Communicator* includes the official Graphic Communications Conference of the International Brotherhood of Teamsters National Pension Fund's (hereinafter "GCC/IBT-NPF" or "Fund") Annual Funding Notice (AFN) for the plan year beginning May 1, 2015 and ending April 30, 2016 and the Critical and Declining Status Notice (CDSN) for the plan year beginning May 1, 2016 as required under the Pension Protection Act of 2006 (PPA) and the Multiemployer Pension Recovery Act of 2014 (MPRA). The AFN begins on page 2 and is intended to provide you with a representation of the Fund's status from year to year. The CDSN begins on page 6 and summarizes the most recent annual Actuarial Certification sent to the Internal Revenue Service.

On July 29, 2016, the Fund's Actuary filed its annual Actuarial Certification with the Internal Revenue Service and in the Certification, the Actuary states that as of May 1, 2016, the Fund is in Critical and Declining Status.

The Fund returned a projected -1.6% on its investments for the year ending April 30, 2016 and the Actuary advised that the Fund continues to make progress under its Rehabilitation Plan, nevertheless, the fact remains that the Fund continues to operate in a forestall insolvency mode.

ANNUAL FUNDING NOTICE FOR GRAPHIC COMMUNICATIONS CONFERENCE OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS NATIONAL PENSION FUND (GCC/IBT-NPF)

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (the "Plan"). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal insurance agency. All traditional pension plans (called "defined benefit pension plans") must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by federal law. This notice is for the plan year beginning May 1, 2015 and ending April 30, 2016 ("Plan Year").

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the "funded percentage." The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan's assets and liabilities for the same period.

Plan Year	May 1, 2015 - April 30, 2016	May 1, 2014 - April 30, 2015	May 1, 2013 - April 30, 2014
Valuation Date	05/01/2015	05/01/2014	05/01/2013
Funded Percentage	39.7%	45.3%	46.3%
Value of Assets	\$555,453,330	\$560,318,813	\$579,596,734
Value of Liabilities	\$1,401,025,025	\$1,236,675,758	\$1,251,940,546

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are "actuarial values." Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan's funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan's assets for each of the two preceding Plan Years.

	April 30, 2016	April 30, 2015	April 30, 2014
Fair Market Value of Assets	\$628,245,280 *	\$744,110,565 **	\$739,696,154 ***

*Unaudited **Audited

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in “endangered” status if its funded percentage is less than 80 percent. A plan is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in “critical and declining” status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in critical and declining status in the Plan Year ending April 30, 2016 because the Plan is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years. The Plan was in “critical status” in the Plan Year ending April 30, 2016 because there was an accumulated funding deficiency in the current Plan Year and a projected funding deficiency in each of the following 4 Plan Years, not taking into account any extension of amortization periods under Internal Revenue Code Section 431(d). Additionally, the normal cost for the 2015 Plan Year plus interest on the unfunded benefit liabilities under the Plan exceed the present value of reasonably anticipated employer contributions for the current Plan Year, and the present value of non-forfeitable inactive participants’ benefits was greater than the present value of non-forfeitable active participants’ benefits, as of May 1, 2015. The Plan is projected to be insolvent in the 2022 Plan Year. Such insolvency may result in benefit reductions.

In an effort 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.

Note that the following **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 Fund’s website at: www.gccibt-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 may also request the actuarial and financial data that demonstrate any action taken by the Trustees toward fiscal improvement by contacting the Fund Office.

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.

As the Plan is in critical and declining status for the plan year ending April 30, 2017, separate notification of that status has or will be provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the Valuation Date was 35,881. Of this number, 1,585 were current employees, 19,659 were retired and receiving benefits, and 14,637 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

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.

Once money is contributed to the Plan, the money is invested by Plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries who are responsible for plan investments with guidelines or general instructions concerning various types or categories of 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:

<u>Asset Allocation</u>	<u>Percentage</u>	<u>Asset Allocation</u>	<u>Percentage</u>
Cash (Interest bearing and non-interest bearing)	0.58%	Value of interest in common/collective trusts	33.34%
U.S. Government securities	0.00%	Value of interest in pooled separate accounts	5.57%
Corporate debt instruments		Value of interest in 103-12 investment entities	0.00%
(other than employer securities):		Value of interest in registered investment companies (e.g., mutual funds)	4.70%
Preferred	3.08%	Value of funds held in insurance co. general account (unallocated contracts)	0.00%
All other	0.00%	Employer-related investments:	
Corporate stocks		Employer Securities	0.00%
(other than employer securities):		Employer real property	0.00%
Preferred	0.00%	Buildings and other property used in plan operation	0.02%
Common	14.89%	Other	19.07%
Partnership/joint venture interests	14.94%	TOTAL	100%
Real estate (other than employer real property)	3.81%		
Loans (other than to participants)	0.00%		
Participant loans	0.00%		

For information about the Plan's investment in any of the following types of investments as described in the chart above – common/collective trusts, pooled separate accounts, master trust investment accounts, or 103-12 investment entities – contact: Georges N. Smetana, Plan Administrator, GCC/IBT National Pension Fund, 455 Kehoe Blvd., Suite 101, Carol Stream, IL 60188, Phone: (630) 871-7733, E-mail: info@gccibt-npf.org, Website: www.gccibt-npf.org

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the “Form 5500.” These reports contain financial and other information. You may obtain an electronic copy of your Plan’s annual report by going to www.efast.dol.gov and using the search tool. Annual reports are also available from the US Department of Labor, Employee Benefits Security Administration’s Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan’s annual report by making a written request to the Plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your Plan administrator if you want information about your accrued benefits. Your Plan administrator is identified below under “Where To Get More Information.”

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.

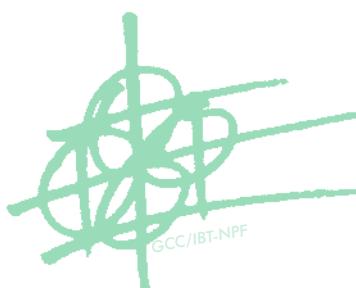
A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that cannot be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Your Plan is covered by PBGC’s multiemployer program. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan’s monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC’s maximum guarantee, therefore, is \$35.75 per month times a participant’s years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant’s years of service (\$600/10), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 (.75 x \$33), or \$35.75. Thus, the participant’s guaranteed monthly benefit is \$357.50 (\$35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of \$200, the accrual rate for purposes of determining the guarantee would be \$20 (or \$200/10). The guaranteed amount for a \$20 monthly accrual rate is equal to the sum of \$11 plus \$6.75 (.75 x \$9), or \$17.75. Thus, the participant’s guaranteed monthly benefit would be \$177.50 (\$17.75 x 10).



Benefit Payments Guaranteed by the PBGC (continued)

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under a plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

Where to Get More Information

For more information about this notice, you may contact: Georges N. Smetana, Plan Administrator, GCC/IBT National Pension Fund, 455 Kehoe Blvd., Suite 101, Carol Stream, IL 60188, Phone: (630) 871-7733, E-mail: info@gccibt-npf.org, Website: www.gccibt-npf.org

For identification purposes, the official plan number is 001 and the Plan Sponsor's Employer Identification Number or "EIN" is 52-6118568. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY /TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

NOTICE OF CRITICAL AND DECLINING STATUS FOR 2016 GRAPHIC COMMUNICATIONS CONFERENCE OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS NATIONAL PENSION FUND (GCC/IBT-NPF)

This is to inform you that on July 29, 2016, the Actuary for the Graphic Communications Conference of the International Brotherhood of Teamsters 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 and Declining Status for the 2016 Plan Year (May 1, 2016 – April 30, 2017). Federal law requires that you receive this Notice. This Notice is for your information. You are not required to respond or take any other action in response to this Notice.

Critical and Declining Status – 2016 Plan Year

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 determined that the Plan has a current funding deficiency and is likely to be insolvent during the Plan Year ending April 30, 2022.

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

For more information on the NPF's funded status, please see the Plan's Annual Funding Notice, which is also part of this August 2016 *Pension Communicator*.

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 eight years. You have been previously advised as to the NPF's Critical Status on an annual basis starting in September 2007. This is the second year that the NPF is in Critical and Declining Status.

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 Fund Administrator at info@gccibt-npf.org or by writing the Fund 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.gccibt-npf.org Or, you may contact the Fund Office at the address above, or by email to info@gccibt-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.

UPDATE:

continued from front page

You may have heard in the news that the PBGC itself may become insolvent in the next ten to twenty years unless Congress takes steps to improve the funding of the PBGC. The Board of Trustees encourages you to write or call your Congressperson and Senators and tell them that you are concerned that the PBGC might go insolvent and that Congress should come up with a solution to ensure that the retirement benefits of participants in insolvent multiemployer pension plans are protected by the PBGC.

A sample letter that you can use to send to your Congressperson and Senators is enclosed with this mailing and can also be downloaded from the Fund’s website at www.gccibt-npf.org You can find the contact information for your Congressperson and Senators at www.commoncause.org/take-action/find-elected-officials

Additionally, the Board of Trustees has concluded its evaluation of 2014’s MPRA legislation and has determined that the Fund does not meet the criteria necessary to qualify for relief under the law. Therefore, there will be no changes to the benefit structure at this time.

The Trustees will continue to keep you informed about the Fund’s projected insolvency as well as other issues that may affect you.

Should you have any questions, we encourage you to contact us through the Fund’s website at www.gccibt-npf.org You may also email us directly at info@gccibt-npf.org or leave us a message on the Fund’s toll-free 24 hour information line at 877-888-2935. When contacting us, please be sure to provide all your contact information so that we can respond to your concerns.

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.

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**GCC/IBT-NPF
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RETURN SERVICE REQUESTED

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This issue of the *Pension Communicator* contains
the Fund's Annual Funding Notice for the
Plan Year beginning May 1, 2015 and
Critical and Declining Status Notice for 2016.
NO ACTION REQUIRED



**Use the Fund's
24-Hour Toll Free
Information Line
at (877) 888-2935
to learn more about the
Fund's Pension Plan,
to submit questions
or to leave us your comments**

Whether it be learning more about the Plan, requesting an estimate, finding out how to apply for benefits or asking for a form, you can always use the Fund's 24-Hour Toll Free Information Line to obtain general information about the Fund, request information from our staff or to just leave a message. Call (877) 888-2935 anytime. We can also be found on the World Wide Web at www.gccibt-npf.org or you can send us an e-mail at info@gccibt-npf.org