

NOTICE OF ZONE STATUS
for
THE NEWSPAPER GUILD INTERNATIONAL PENSION PLAN

This is to inform you that on March 31, 2025 the actuary for The Newspaper Guild International Pension Plan (the “Plan” and the “Legacy Plan”) certified to the U.S. Department of the Treasury and to the Plan’s Board of Trustees that the Plan is in critical status for the Plan Year beginning January 1, 2025. Federal Law requires that you receive this notice.

Critical Status

Under federal pension law, the Plan is considered to be in critical status in the Plan Year ending December 31, 2025, because the Plan received special financial assistance from the Pension Benefit Guaranty Corporation under the American Rescue Plan Act.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan. The Plan’s Board of Trustees adopted its most recent Rehabilitation Plan in October 2023. If it was determined that any of your benefits were reduced under the Rehabilitation Plan, you received a separate notice identifying and explaining the effect of those reductions. Any reductions of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will not reduce the level of a participant’s basic benefit payable at normal retirement age. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after the date of the initial notice of the Plan’s critical status. Effective as of the date of the initial notice of the Plan’s critical status for the January 1, 2010 Plan Year, the Plan was not permitted to pay lump-sum benefits in excess of \$5,000 (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. However, effective January 1, 2025, the lump-sum benefit limit was increased from \$5,000 to \$7,000 as allowed by the SECURE 2.0 Act.

Pension Plan Changes from Rehabilitation Plan

On May 1, 2010, the Board of Trustees adopted a Rehabilitation Plan that included various changes to the Plan in order to improve the financial health of the Plan. Most of the Plan’s participating Unions and Contributing Employers agreed to adopt one of the “schedules” of changes as set forth under the Rehabilitation Plan. Generally, the changes applied to participants who terminate from service or retire with a benefit commencement date on or after June 30, 2010. The changes included the elimination of optional forms of payment, elimination of early retirement subsidies, penalties for employer withdrawals from the Plan, elimination of pre-merger “floors,” and in some instances the elimination of Disability, Early Retirement, and Domestic Partner Pensions. The Plan also eliminated the lump sum death benefit as of July 1, 2010.

In October 2015, the Board of Trustees updated the Rehabilitation Plan and notified participants in December 2015 that the Plan would cease all future accruals in that Plan effective December 31, 2015. In conjunction with this action, the Trustees established The NewsGuild-CWA Adjustable Pension Plan (“Adjustable Plan”) effective January 1, 2016, in which active participants would earn future accruals. The Plan also removed the disability benefit subsidies and changed adjustments for optional forms of payment to be actuarially equivalent. The Rehabilitation Plan was updated again in December 2020. The updates did not affect the benefits of any participants.

The Rehabilitation Plan was further updated in October 2023 to reflect the merger of the Adjustable Plan merged into the Legacy Plan effective December 31, 2022. The following changes occurred prior to, and as a result of the merger:

- Active Participants in the Adjustable Plan as of December 30, 2022 had their Adjustable Plan accrued benefits increased, retroactive to January 1, 2016, to pre-2016 Legacy Plan benefit levels. Under no circumstances would the benefit accruals earned in the Adjustable Plan be reduced as a result of the merger. On December 31, 2022, all Adjustable Plan Participants were vested in the Adjustable Plan.
- The Legacy Plan was unfrozen as a result of the merger. All Active Participants in the Adjustable Plan as of December 31, 2022 became participants in the Legacy Plan as a result of the merger. The Legacy Plan will grant future benefit accruals at pre-2016 benefit levels.
- The Adjustable Plan transferred its assets and liabilities to the Legacy Plan and ceased to exist as a separate plan as of December 31, 2022. All future benefit accruals will be earned in the Legacy Plan. As noted above, in 2023 the Legacy Plan received special financial assistance from the PBGC to shore up the funding of accrued benefits.

Employer Surcharge

The law requires that contributing employers who did not adopt a Rehabilitation Plan schedule within a certain time period pay to the Plan a surcharge to assist the Plan's funding. The amount of the surcharge was equal to a percentage of the amount an employer was otherwise required to contribute to the Plan under the applicable collective bargaining agreement in effect when the Plan was first certified as being in critical status. With some exceptions, a 5% surcharge was applicable in the initial critical year (2009) and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the Plan is in critical status, until the effective date of a collective bargaining agreement or other agreement with the employer that incorporates a schedule of the Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact the Board of Trustees of The Newspaper Guild International Pension Plan at 888-893-3650 or at 501 Third Street, NW, 6th Floor, Washington, DC 20001-2797. You have the right to receive a copy of the Rehabilitation Plan from the Plan.