

Notice of Critical Status

International Painters & Allied Trades Industry Pension Plan

EIN: 52-6073909 / PN: 001

April 2026

Under the requirements of the Pension Protection Act (“PPA”) of 2006, this notice is to inform you that, on March 31, 2026, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the International Painters & Allied Trades Industry Pension Plan (the “Plan”) remains in critical status for the Plan Year beginning January 1, 2026. Federal law requires that you receive this notice.

Critical Status. The Plan is considered to be in critical status under PPA because it has funding problems. More specifically, the Plan is projected to have an accumulated funding deficiency for the Plan Year beginning January 1, 2028.

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. When the Plan first entered critical status in 2022, certain adjustable benefits were reduced or eliminated under the Rehabilitation Plan. You were also notified that 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 determine that further benefit reductions are necessary under the Rehabilitation Plan, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits 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 February 11, 2022.

Adjustable Benefits. The Plan offers the following adjustable benefits, some of which have been reduced or eliminated as part of the Rehabilitation Plan adopted by the Trustees in 2022:

- 60-month payment guarantees;
- Disability benefits (if not in pay status);
- Special Early and Early retirement benefit subsidy; and
- Benefit payment options other than a qualified joint and survivor annuity (QJSA).

The Trustees reserve the right to make further modifications to these adjustable benefits as part of a future update to the Rehabilitation Plan.

Employer Surcharge. The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan’s financial situation. 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. As outlined in the Rehabilitation Plan, surcharges will not apply to agreements that the Trustees deem to be in compliance with one of the Rehabilitation Plan Schedules.

Where to Get More Information. For more information about this Notice, you may contact the Fund Administrator, Daniel Williams, at 410-564-5500, pension@iupat.org or 7234 Parkway Drive, Hanover, MD 21076. You have a right to receive a copy of the Rehabilitation Plan from the Plan.