



National Integrated Group
Pension Plan

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Annual Funding Notice For National Integrated Group Pension Plan

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 January 1, 2023 and ending December 31, 2023 (“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.

Funded Percentage			
	2023 Plan Year	2022 Plan Year	2021 Plan Year
1. Valuation Date	1/1/2023	1/1/2022	1/1/2021
2. Funded Percentage	40.1%	50.6%	47.4%
3. Value of Assets	\$646,784,867	\$840,733,399	\$805,591,640
4. Value of Liabilities	\$1,614,709,297	\$1,662,228,587	\$1,699,233,215

Special Financial Assistance Not Reflected in Funded Percentages

On July 31, 2023, the Plan received \$887,132,246 in “special financial assistance” authorized under the American Rescue Plan Act of 2021. In accordance with Treasury Department guidance, the funded percentage and asset values in the chart above do not reflect the special financial assistance paid to the Plan by the Pension Benefit Guaranty Corporation under the American Rescue Plan Act. If the amount of special financial assistance received on July 31, 2023 were to be reflected in the beginning of year assets, the funded percentage for 2023 would be 92.1% and the value of assets would be \$1,487,518,266.

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. These asset values are the fair market value of the assets on the Valuation Date. For your additional information, the year-end fair market value of the Plan's assets for the Plan Year and for the two preceding plan years was: \$1,560,639,684 as of December 31, 2023 (estimated); \$645,749,982 as of December 31, 2022; and \$839,772,154 as of December 31, 2021. The asset value for December 31, 2023 includes the amount of the Plan's special financial assistance.

Endangered, Critical or Critical and Declining Status

Under federal pension law, the Plan is considered to be in critical status in the Plan Year ending December 31, 2023, because the Plan received special financial assistance from the Pension Benefit Guaranty Corporation under the American Rescue Plan Act. The trustees of a plan in critical status must adopt a rehabilitation plan. A rehabilitation plan establishes steps and benchmarks for pension plans to improve their funding status over a period of time. The Rehabilitation Plan adopted by the Plan Board of Trustees imposes benefit reductions on participants with respect to whom no employer is currently obligated to make contributions and includes two schedules of benefit reductions and contribution increases, a Preferred Schedule and a Default Schedule, that have been provided to the participating employers and unions for purposes of collective bargaining and adoption. The Plan has provided two Notices of Reductions in Adjustable Benefits Under the Rehabilitation Plan to all participants and beneficiaries of the Plan whose benefits may be affected by the Rehabilitation Plan, one dated April 30, 2010, and one dated December 1, 2012. These Notices describe the specific benefit reductions that are imposed under the Rehabilitation Plan. The benefit reductions described in each Notice do not apply to participants or beneficiaries in pay status as of the Notice date. The rehabilitation period began on January 1, 2012, and the Rehabilitation Plan as amended from time to time is expected to continue indefinitely. You may obtain a copy of the Plan's Rehabilitation Plan, any update to such plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You may get this information by contacting the Administrative Agency.

The Plan is in "critical" status for the plan year beginning January 1, 2024, and ending December 31, 2024. A separate notification of that status is enclosed.

Participant Information

The total number of participants in the Plan as of the Plan's 2023 Valuation Date was 45,996. Of this number, 3,731 were current employees, 21,674 were retired or separated from service and receiving benefits, and 20,591 were retired or separated from service and entitled to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of assets needed to pay promised benefits. The Plan's funding policy is to maintain a trust to hold and invest contributions made by participating employers pursuant to collective bargaining agreements and earnings on investments over time.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. In brief summary, the investment policy of the Plan is to maximize investment returns within prudent levels of risk through portfolio diversification across different classes of assets by establishing, from time to time, guidelines and target allocation ranges for the Plan's investments in the different asset classes. With the assistance of an Investment Consultant, the Trustees select qualified investment managers to manage the Plan's investments under the investment policy guidelines by making specific investments in these asset classes through commingled investment vehicles. The investment policy requires the Plan to invest special financial assistance and earnings thereon only in investment-grade fixed income securities and cash, except that up to 33% may be invested in certain return-seeking assets permitted by PBGC. It also requires Plan assets, including special financial assistance, to be invested, through 2051, in investment-grade fixed income securities sufficient to pay for at least 1 year (or until the date the Plan is projected to become insolvent, if earlier) of projected benefit payments and administrative expenses.

In accordance with 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 special financial assistance paid to the Plan and earnings thereon:

Asset Allocations	Percentage
1. Cash (Interest-bearing and non-interest bearing)	1.4%
2. U.S. Government securities	18.7%
3. Corporate debt instruments (other than employer securities):	
Preferred	0%
All other	33.7%
4. Corporate stocks (other than employer securities):	
Preferred	0%
All other	0%
5. Partnership/joint venture interests	0%
6. Real estate (other than employer real property)	0%
7. Loans (other than to participants)	0%
8. Participant loans	0%
9. Value of interest in common/collective trusts	7.8%
10. Value of interest in pooled separate accounts	33.8%
11. Value of interest in 103-12 investment entities	0%
12. Value of interest in registered investment companies (e.g., mutual funds)	1.9%
13. Value of funds held in insurance co. general account (unallocated contracts)	0%
14. Employer-related investments:	
Employer Securities	0%
Employer real property	0%
15. Buildings and other property used in plan operation	0%
16. Other	2.7%

Additional information about the Plan's investment in common/collective trusts and/or pooled separate accounts is available from the Administrative Agency at 2 Gateway Center, 603 Stanwix Street, Suite 1500, Pittsburgh, PA 15222, questions@nigpp.org, or 1-888-634-1308.

Events Having a Material Effect on Assets or Liabilities

By law this notice must contain a written explanation of new events that have a material effect on Plan liabilities or assets. This is because such events can significantly impact the funding condition of a plan. During the 2023 plan year, the Plan received special financial assistance from the PBGC in the amount of \$887,132,246 on July 31, 2023. Because the Plan received special financial assistance from PBGC under the American Rescue Plan Act, the Plan is required to be administered in accordance with conditions described in PBGC regulations. These conditions relate to benefit increases; allocation of plan assets; reductions in employer contribution rates; diversion of contributions to, and allocation of expenses to, other benefit plans; transfers or mergers; and withdrawal liability. Under certain circumstances, a plan may request approval from PBGC for an exception from the conditions relating to benefit increases, reductions in employer contribution rates, transfers or mergers, and withdrawal liability.

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 also are 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 Administrative Agency. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact the Administrative Agency if you want information about your accrued benefits. The contact information for the Administrative Agency is provided 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 as a result of the insolvency, 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 $\$24.75 (.75 \times \$33)$, or \$35.75. Thus, the participant's guaranteed monthly benefit is $\$357.50 (\$35.75 \times 10)$.

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 $\$6.75 (.75 \times \$9)$, or \$17.75. Thus, the participant's guaranteed monthly benefit would be $\$177.50 (17.75 \times 10)$.

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 Plans page on PBGC's website at www.pbgc.gov/prac/multiemployer. Please contact the Administrative Agency for specific information about your Plan or pension benefit. PBGC does not have that information. See "Where to Get More Information," below.

Where to Get More Information

For more information about this notice, you may contact the Administrative Agency at 2 Gateway Center, 603 Stanwix Street, Suite 1500, Pittsburgh, PA 15222, questions@nigpp.org, or 1-888-634-1308. For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" is The National Integrated Group Pension Plan, EIN 22-6190618.