

# Automotive Machinists Pension Trust

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Administered by  
Welfare & Pension Administration Service, Inc.

January 28, 2026

## ANNUAL FUNDING NOTICE FOR THE RETIREMENT PLAN OF THE AUTOMOTIVE MACHINISTS PENSION TRUST

### Introduction

This notice provides key details about your multiemployer pension plan (the “Plan”) for the plan year beginning October 1, 2024 and ending September 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:

- **Welfare & Pension Administration Service, Inc.**
- **Phone:** (206) 441-7574, Toll Free: (800) 732-1121
- **Address:** 7525 SE 24th Street, Suite 200, Mercer Island, WA 98040

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

- **Plan Number:** 001
- **Plan Sponsor Name:** Board Of Trustees-Automotive Machinists Pension Trust
- **Employer Identification Number:** 91 6123687

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

Visit [www.pbgc.gov/prac/multiemployer](http://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.

	Funded Percentage		
	2024	2023	2022
<b>Valuation Date</b>	October 1, 2024	October 1, 2023	October 1, 2022
<b>Funded Percentage</b>	79.9%	80.1%	80.5%
<b>Value of Assets</b>	\$849,701,771	\$863,569,390	\$874,911,466
<b>Value of Liabilities</b>	\$1,062,896,961	\$1,077,911,824	\$1,087,408,224

### 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 the Valuation Date.

- **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.

	September 30, 2025	September 30, 2024	September 30, 2023
Fair Market Value of Assets	\$831,000,000	\$846,869,198	\$802,304,570

*Note that the September 30, 2025 fair market value of assets is estimated at this time.*

### 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.

The Plan was in critical status in the Plan Year because the Plan was in critical status and was not projected to be insolvent within 20 years.<sup>1</sup>

To improve the Plan's funding situation, the trustees adopted a funding rehabilitation plan originally on March 23, 2009. The rehabilitation plan was most recently updated at the end of 2021.

The rehabilitation plan eliminates early retirement subsidies on benefits earned as of June 30, 2009 (note, the Plan has also been amended to eliminate early retirement subsidies on benefits earned on and after July 1, 2009) and increases employer contribution to the Plan by 25% each year over a 4 year period effective immediately upon renegotiation of a new collective bargaining agreement, with subsequent annual increases of 12.5% for the following 5-year period. Effective January 1, 2021, bargaining parties may reduce their current funding only contributions to 100%.

You may request a copy of the Plan's rehabilitation plan by contacting the plan administrator. 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 finances.

If the Plan is in endangered, critical, or critical and declining status for the plan year ending September 30, 2025, a separate notification of that status has or will be provided.

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<sup>1</sup> Although the Plan was not projected to become insolvent in the next 20 years, the American Rescue Plan Act (ARPA), signed into law in March 2021, included help for critical and declining plans. The Automotive Machinists Pension Trust was critical and declining for the 2022-23 Plan Year, so remains eligible for the Special Financial Assistance available through ARPA. This is intended to allow such plans to pay benefits, at their current levels, through 2051. The exact amount and timing of Special Financial Assistance that the Plan will receive is not known at this time; however, the Plan's application is being finalized and we intend to submit it to the PBGC soon. Even with the Special Financial Assistance, the Plan is still likely to become insolvent eventually. When that happens, the Plan would apply for additional financial assistance from the PBGC; although benefit amounts may be reduced at that time.

### Participant and 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	2023	2022
1. Last day of plan year	September 30, 2025	September 30, 2024	September 30, 2023
2. Participants currently employed	490	503	505
3. Participants and beneficiaries receiving benefits	4,812	4,848	4,841
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	1,969	2,124	2,297
5. Total number of covered participants and beneficiaries (Lines 2 + 3 + 4 = 5)	7,271	7,475	7,643

### Funding & Investment Policies

#### **Funding Policy**

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan's funding policy is to take action if the expected contributions are expected to be less than the ERISA minimum or greater than the IRS maximum level for the upcoming year. Actions of the Board are also constrained so as to avoid increasing scheduled funding deficits and withdrawal liability.

#### **Investment Policy**

Pension plans also have investment policies that provide guidelines for making investment management decisions. The Plan's investment policy is that the investment objectives of the Fund reflect the long-term nature of the Fund, but also the shorter-term liquidity needs. Operating and philosophical considerations shape the Fund's policies and priorities as outlined below:

- Accumulate sufficient assets through a diversified portfolio of investments and employer contributions to pay all benefits and expense obligations when due.
- Seek growth of assets by combining equity, fixed income and other investments with a balance of active, passive and enhanced index investment strategies, placing primary emphasis on capital appreciation and secondary emphasis on income, while avoiding excessive risk levels.
- Improve the security of the benefits participants earn under the Plan.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

Asset Allocation	Percentage
Public equity	44%
Private equity	7%
Investment grade debt instruments	11%
High-yield debt instruments	24%
Cash and cash equivalents	0%
Real Estate	9%
Other	5%

The average return on assets for the Plan Year was 5.7%.

## **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 [www.efast.dol.gov](http://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](tel:2026938673) 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 PBGC, below), the plan must apply to PBGC for financial assistance. 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 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.

Example 1: Participant with a Monthly \$600 Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:
  - a. Take 100 percent of the first \$11= \$11
  - b. 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:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

Example 2: 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:
  - a. Take 100 percent of the first \$11= \$11
  - b. 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:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50

## **Administration Office**

### **Automotive Machinists Pension Trust**