NOTICE OF REHABILITATION PLAN ADOPTION

Bakery and Confectionery Union and Industry International Pension Fund

November 14, 2012

If you are a pensioner, nothing in this notice will affect the amount of benefits that you are currently receiving.

On April 27, 2012, we notified all plan participants and beneficiaries that the Bakery and Confectionery Union and Industry International Pension Plan ("the Plan") had been certified by the plan actuary as in critical status under the Pension Protection Act of 2006 ("PPA"). In that notice, we informed you that the Trustees would have to adopt a rehabilitation plan, and that the rehabilitation plan would contain some combination of benefit reductions, contribution rate increases, and other changes designed to restore the financial health of the Plan.

The Trustees adopted the rehabilitation plan on November 7, 2012, and this notice describes the rehabilitation plan and explains how it will affect Plan participants and beneficiaries in the future. The PPA requires the Trustees to review the rehabilitation plan annually, and to update it as necessary. We will notify you if a future update makes any changes that affect participants.

This notice is being delivered to all affected participants under the Plan on November 14, 2012, and is intended to comply with Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, and applicable regulations issued

General Description

The rehabilitation plan has several elements, which are described in greater detail in question and answer format on pages 10-26. We refer to those questions and answers by number (for example, Q&A 3). The primary elements are:

- **Contribution rate increases** – All participating employers began to pay surcharges equal to 5% of their negotiated contribution rates as of June 2012, and those surcharges will increase to 10% as of January 1, 2013. In addition, as each collective bargaining agreement is renegotiated on or after November 17, 2012,

every employer will be required to pay increased contribution rates. The amount of those increases will depend on whether the particular Plan account chooses the Preferred Schedule or the Default Schedule, or whether the Default Schedule must be imposed on that account because the employer and local union are unable to reach agreement regarding plan contributions, or for other reasons. See Q&A 3 and Q&A 4, on pages 11 and 12.

- **Benefit reductions** – The benefit reductions in the Preferred Schedule primarily consist of rolling back benefit increases that the Trustees adopted in a period from 1998 to 2001 when federal law (as then in effect) classified the Pension Fund as "overfunded" and required the Trustees to adopt a combination of benefit increases and contribution reductions to avoid tax penalties. The law has now been amended, and subsequent events have made it all too clear that the Plan was never overfunded in any realistic sense. The Trustees therefore will roll back the 1998-2001 benefit increases as far as they reasonably can, consistent with law. There are different effective dates for specific benefit reductions, and those effective dates are described in the chart on pages 6-10. Some other benefit changes are "rules applying generally," and will apply to all active participants. In addition, the PPA requires additional benefit reductions for the active employees in any account that is subject to the Default Schedule. The additional benefit reductions in the Default Schedule will also apply to any account that voluntarily leaves the Pension Fund. See *Accounts that Voluntarily Leave the Pension Fund,* on page 5.
- **Costs for future negotiated increases in Pension Benefit Levels (PBLs)**. The contribution rates that employers must pay for newly negotiated increases in PBLs will be increased beginning January 1, 2013. There will also be an amendment that changes the way that a negotiated PBL increase applies to the years of service that participants earned before the employer began to pay the higher contribution rates. See Q&A 16, on pages 22-24.
- **Other Changes**. In order to be sure that the Pension Fund collects the full amounts of contributions from every employer, all employers will be required to accept the Fund's standard contribution rules. And, beginning early next year, all pensioners will receive direct deposit of their pension checks and the Pension Fund will not mail written ACH confirmations of the direct deposits.

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Definitions of Terms

In order to understand the details that follow, you will need a few definitions of terms.

Account*.* We use the term "account" to mean a employer's single work location, or multiple locations that bargain as a single unit. Most often, an account is a single work location that is covered by its own collective bargaining agreement ("CBA"). In some cases, a single CBA with just one pension benefit level covers more than one work location; in those cases, we use the term "account" to mean all of the work locations that are covered by that one CBA. When we mention a participant who is "working" in an account as of a particular date, we also include a participant who is working for the same employer in a job that is not covered by the CBA and who moved into that non-covered job to avoid the benefit reductions in the Default Schedule.

Preferred Schedule*.* The Preferred Schedule is a combination of contribution rate increases and benefit reductions that is designed to impose the least burden possible on employers and participants, but nevertheless to improve the Plan's financial condition as the PPA requires. According to the Plan actuary's projections, the contribution increases and benefit reductions in the Preferred Schedule will substantially improve the Plan's financial condition and permit the Plan, over time, to emerge from critical status. An account can adopt the Preferred Schedule at any time.

Default Schedule*.* The Default Schedule is a combination of contribution rate increases and benefit reductions that – as the PPA requires – reduces what the PPA calls "adjustable benefits" to the maximum extent allowed. It also requires employers to pay the greatest contribution rate increases. An account could adopt the Default Schedule in bargaining after November 10, 2012. Alternatively, the Pension Fund must impose the Default Schedule on an account if all of the following things occur: the CBA expires, 180 days have passed since expiration, and the employer and the union have been unable to reach agreement on the terms of either the Preferred Schedule or the Default Schedule. If the Pension Fund imposes the Default Schedule on an account, the benefit reductions in the Default Schedule will take effect on the 181st day, and will apply to anyone who works at least one hour in that account in that same month or later. If the employer and the union later agree to the Preferred Schedule, the account can move into the Preferred Schedule. See Q&A 6 on page 12.

Accounts that Voluntarily Leave the Pension Fund*.* The benefit reductions of the Default Schedule also will apply to the active participants working under any account in which

any of the following events occurs after November 17, 2012, and the employer continues the affected operations without participating in the Pension Plan:

- The employer and the local union agree that the employer will stop making contributions to the Pension Fund, or the employer unilaterally implements a final offer under which it will no longer make Pension Fund contributions, even if one of these actions takes place in a bankruptcy proceeding that the employer files after November 17, 2012; or
- The union is decertified, so that the employer can no longer make contributions to the Pension Fund.

In any of these cases, the benefit reductions in the Default Schedule will affect every participant who works at least one hour under the account in the month that includes the ratification or implementation date or the decertification date, and whose pension begins after that date.

***Retire* or *Retiring*.** When this notice uses the term "retire" or "retiring," it is referring to the participant's pension effective date – which is usually the first day of the month after the Pension Fund has received a complete pension application and necessary supporting documents.

Benefit Reduction Summary

Current Plan Rule	New General Rule or Rule in Preferred Schedule	Effective Date	Default Schedule Benefit Reductions (if different)
Husband and Wife Benefits – no cost to pensioner for 50% H&W; subsidies for 75% and 100% options	In Preferred Schedule, most subsidies are eliminated; all H&W benefits will be actuarially reduced (See Q&A 7)	Participants retiring on or after January 1, 2014	Reductions will be larger under the Default Schedule and will take effect when the account becomes subject to the Default Schedule (See Q&A 7)
Early retirement pension eligibility: minimum service 10 years	In Preferred Schedule minimum service will be 15 years (See Q&A 8)	Participants retiring on or after January 1, 2014	Will take effect earlier for any account that becomes subject to the Default Schedule
Early retirement benefit amount: Actuarial factors used in calculating benefit reductions contain small subsidies	Unchanged in the Preferred Schedule		All early retirement benefits will be reduced to the actuarial equivalent of normal retirement benefits when an account becomes subject to the Default Schedule (See Q&A 8)
Disability Pension eligibility: current minimum service is 10 years	Rule applying generally: minimum eligibility will be 15 years (See Q&A 9)	Participants retiring on or after January 1, 2014	Disability pensions are eliminated for accounts that become subject to the Default Schedule (See Q&A 9)

Disability Pension benefit amount: The disability benefit is currently equal to the normal retirement pension	Rule applying generally: the amount will be equal to the normal retirement pension, reduced by ¼ of 1% for each month that the participant is younger than 65[1] (See Q&A 9)	Participants retiring on or after January 1, 2014	Disability pensions are eliminated for any account that becomes subject to the Default Schedule (See Q&A 9)
Golden 80/90 benefit eligibility: Minimum 10 years of service for anyone who first became a participant 12/3/98 or after	In Preferred Schedule, minimum 15 years of service for all participants (See Q&A 10)	Participants retiring on or after January 1, 2014	Golden 80/90 pensions are eliminated for any account that becomes subject to the Default Schedule (See Q&A 10)
Golden 80/90 benefits after leaving covered employment: participant cannot age into Golden 80/90 after leaving covered employment, unless he returns for specified time	This rule is reconfirmed in the Preferred Schedule, and for participants for whom no contributions were required as of 4/29/12 or who leave covered employment after 4/29/12 without ever being covered by the Preferred Schedule or the Default Schedule (See Q&A 10)	Participants whose age and service first totals 80 (or 90) after April 30, 2012[2]	Golden 80/90 pensions are eliminated for any account that becomes subject to the Default Schedule (See Q&A 10)
Hours of service required for a full year of pension credit: currently 1500	Rule applying generally: hours needed for a full year of credit will be increased to 1906, using the same scale that applied before 1/1/99 (See Q&A 11)	Effective for hours of service on or after January 1, 2013	Same in Default Schedule

[1] Minimum pension amount will be 50% of normal retirement pension or, for participants age 55 and over, 110% of the early retirement pension.

[2] This rule was first effective for participants whose age and service first totaled 80 (or 90) after June 30, 2010, and notice was sent to participants explaining the amendment at that time. The amendment has been challenged in court. In case the courts finally determine that this amendment was improper at that time, the same amendment is reconfirmed as part of the Rehabilitation Plan for all participants whose age and service first added up to 80 (or 90) after April 30, 2012 – the date of the initial notification of critical status.

Credit for periods of disability: under current rules participants receive a maximum of 12 months of pension credit for each period of disability, with no lifetime limit	Rule applying generally and in the Preferred Schedule: There will be a lifetime limit of 48 months of disability credit, unless the law requires more (See Q&A 12)	Effective for participants retiring on or after January 1, 2014.	Lifetime limit will take effect earlier for any participant who becomes subject to the Default Schedule
36-month guarantee: payable to beneficiaries after death of a pensioner receiving certain forms of benefits	Lump sum payments of $5000 or more are eliminated. No other changes in the Preferred Schedule (See Q&A 13)	Effective for all participants retiring after April 30, 2012	All 36-month guarantees will be eliminated for accounts in the Default Schedule (See Q&A 13)
Social Security Option: This form of benefit was suspended as of 4/30/12 for anyone whose pension had not yet begun	Rule applying generally: This option is eliminated (See Q&A 14)	Effective for all participants retiring after April 30, 2012	Same in Default Schedule
10-year-certain Option: Lump-sum payments of $5,000 or more under this option were suspended as of 4/30/12 for anyone whose pension had not yet begun	Rule applying generally: Lump-sum payments of $5,000 or more under this option are eliminated (See Q&A 14)	Effective for all participants retiring after April 30, 2012	In the Default Schedule, 10-year-certain pension amounts also will be reduced to the actuarial equivalent of normal retirement benefits (See Q&A 14)

Past Service Credit: Generally will be cancelled only if employer contributes to Plan for less than 4 years	Rule applying generally: new employer's obligation to contribute must continue for at least 5 years to avoid cancellation of past service credit (See Q&A 15)	Effective for all employers entering the Plan on or after January 1, 2013	Not applicable in Default Schedule because no new employer accounts will be subject to the Default Schedule
PBL Increases: When higher pension benefit level is negotiated, a participant who is in that account at the time and works 504 hours under the new rate will receive the new PBL for all years of service	Rule applying generally: if employer's obligation to contribute at the higher rate does not continue for at least 5 years, only participants who retire before the employer's obligation ceased will receive the new PBL (See Q&A 16)	Effective for all PBL increases negotiated on or after January 1, 2013	No new PBL increases can be negotiated for accounts in the Default Schedule (See Q&A 16)
PBL Increases after Break in Service: When participant returns to covered employment and repairs a previous break in service, higher PBL will generally apply to all years of service after 2000 hours of work	Rule applying generally: Break in service can still be repaired, but benefits will be calculated separately for service before the break (at PBLs in effect then) and for service after the break (at new PBLs) and will be added together (See Q&A 16)	Effective for all participants returning to covered employment on or after January 1, 2013	Same in Default Schedule
Pension Benefit Level increases that were negotiated after 1/1/2007 or took effect after	Unchanged in the Preferred Schedule		All such increases are cancelled for accounts in the Default Schedule (See Q&A 17)

Future Benefit Accrual Rates	Unchanged in Preferred Schedule except for PBL increases negotiated on or after January 1, 2013 (See Q&A 16)		Future accrual rates cannot be higher than 1% of employer contributions for accounts in the Default Schedule (See Q&A 16)
Rounding benefit amounts: Currently all benefit amounts are rounded up to the next dollar	Amounts under 50¢ will be rounded down; amounts of 50¢ or more will be rounded up	Participants retiring on or after January 1, 2013	Change will take effect earlier for participants who are covered by the Default Schedule.

More Information about Benefit Reductions

Q1: How does the Rehabilitation Plan affect participants who are already receiving pensions?

A1: ***Pensioners who are not working***. If you are a pensioner receiving benefits and not working in covered employment, the rehabilitation plan will have no effect on the benefits you are already receiving. If you return to covered employment in the future, the rehabilitation plan will affect the additional amounts you earn for that work.

Working pensioners. If you are a working pensioner – a participant who is receiving pension benefits while continuing to work in covered employment – the rehabilitation plan will have no effect on the benefit amounts that you are now receiving. Any additional benefits that you earn after November 17, 2012, will be determined by the rehabilitation plan.

Q2: Which benefit reductions will apply to me?

A2: The answer depends on when you worked for an employer that was making contributions to the Plan, when you retire, and whether you work after November 17, 2012, in any account that becomes subject to the Default Schedule benefit reductions.

- **If you retired before November 17, 2012, the Rehabilitation Plan will not affect any benefits that you are now receiving.** It will affect any additional benefits that

you earn in the future if you continue in covered employment or return after your pension begins.

- **If you retire after November 17, 2012, and your Pension Effective Date is earlier than the effective date stated for a particular benefit reduction**, that reduction will not affect the benefit that you begin to receive on your pension effective date. That reduction will affect any additional benefits that you earn if you continue in covered employment or return after your pension begins.
- **If you left covered employment before April 29, 2012**, you do not work for any contributing employer in the future, and your pension effective date is January 1, 2014 or later, your benefits will be the same as the benefits in the Preferred Schedule.
- **If you left covered employment between April 29, 2012 and November 17, 2012,** and you never work under an account at a time when it is subject to the Preferred Schedule or the Default Schedule, your benefits will be the same as the benefits in the Preferred Schedule.
- **If you work in covered employment after November 17, 2012,** but you never work under an account at a time when it is subject to the Default Schedule and you are not working for an account in the month when it becomes subject to the Default Schedule or voluntarily leaves the Plan, the Preferred Schedule and rules "applying generally" will govern your benefits.
- **If you work under an account at a time when it is subject to the Default Schedule**, or you work at least one hour under an account in the month when it becomes subject to the Default Schedule or voluntarily leaves the Plan, you will be subject to the benefit reductions in the Default Schedule. If the account later negotiates the Preferred Schedule or if you go to work for a different account under the Preferred Schedule, you may qualify for benefits under the Preferred Schedule. See Q&A 6. Rules "applying generally" also will affect your benefits unless the Default Schedule requires a greater reduction than the general rules would.

Q3: How does an account become covered by the Preferred Schedule?

A3: Each participating employer and local union will receive copies of the Preferred Schedule and the Default Schedule at about the same time that you receive this Notice. If they are already in bargaining over a new CBA, or later, when their existing CBA terminates, they have an obligation to bargain for terms that are consistent with either the Preferred Schedule or the Default Schedule. If they reach agreement on the

Preferred Schedule, or if the employer unilaterally imposes those terms as part of a last, best and final offer, the account will be covered by the Preferred Schedule. The parties also can reopen an existing agreement at any time for the purpose of adopting the terms of the Preferred Schedule.

Q4: How does an account become covered by the Default Schedule?

A4: In the same way that the parties can agree on the terms of the Preferred Schedule, they could agree on the terms of the Default Schedule, or the employer might unilaterally impose those terms as part of a last, best and final offer. The other way that an account can become covered by the Default Schedule is for the parties not to reach any agreement on either the Preferred Schedule or the Default Schedule within 180 days after the CBA expired. If so, the Pension Plan must impose the Default Schedule on the account as of the 181st day.

Q5: Who will be affected by the Default Schedule benefit reductions?

A5: The benefit reductions required by the Default Schedule will apply to any participant who had at least one hour of service under the account during or after the month in which

- the parties agreed on the Default Schedule,
- the employer unilaterally imposed those terms, or
- the Plan imposed the Default Schedule on the account,

but will not affect benefits that are already being paid to a participant who has a pension effective date before those events occurred. Similarly, if an account voluntarily leaves the Plan, the benefit reductions required by the Default Schedule will apply to any participant who worked at least one hour under that account during the month in which

- the proposal to leave the Plan was ratified or imposed by the employer, or
- in which the decertification occurred,

but will not affect benefits that are already payable to a participant who has a pension effective date before those events occurred.

Q6: Is There Any Way to Get Out of the Default Schedule?

A6: Yes. The entire account can move to the Preferred Schedule, or individual participants can go to work in a different account.

Entire Accounts*.* At any time after an account becomes subject to the Default Schedule, the employer and the union can agree on the terms of the Preferred Schedule. When that happens, the participants working in that account will get the benefit of the Preferred Schedule as of the date of that agreement. If the employer and the union agree to the Preferred Schedule within 180 days after the account first became subject to the Default Schedule, the participants working in the account, as well as the pensioners who retired while the Default Schedule was in effect, will get the benefit of the Preferred Schedule retroactively.

Individuals*.* If you work in an account that is subject to the Default Schedule, you can qualify for benefits under the Preferred Schedule by going to work under an account that is covered by the Preferred Schedule and working there for at least 2000 hours. After that 2000-hour period, the Preferred Schedule benefits will apply to all of your years of service, with one exception: the period of time that you worked under the Default Schedule will not count as service toward a Golden 80 or Golden 90 benefit. If you work under the Preferred Schedule for less than 2000 hours, the Default Schedule benefits and Preferred Schedule benefits that you earned for periods after November 17, 2012 will be prorated, based on your hours of service in each.

If you move from an account under the Preferred Schedule to an account under the Default Schedule and then retire, your benefit eligibility will be determined under the Default Schedule and the amounts of your benefit for service after November 17, 2012, will be prorated based on the time that you spent under each Schedule. If you work simultaneously for an account under the Preferred Schedule and an account under the Default Schedule, your benefits will be based on the account where you worked the majority of your last 4000 hours in covered employment, except that service under the Default Schedule will not count toward eligibility for a Golden 80 or Golden 90 benefit.

Q7: How will the Rehabilitation Plan affect Husband and Wife benefits?

A7: In 2000, as part of the amendments that the Trustees adopted to avoid tax penalties for "overfunded" plans, the 50% Husband and Wife ("H&W") benefit became a fully subsidized benefit. Before 2000, the Pension Fund would reduce the pensioner's monthly benefit in order to pay for the benefits that the surviving spouse was expected to receive after the pensioner's death. The entire package of benefits for the husband and wife had approximately the same actuarial value as an annuity for the pensioner's lifetime with 36 months guaranteed. Beginning in 2000, there was no reduction in the

monthly benefit paid to a pensioner who selected the 50% H&W benefit; he was paid the same monthly amount that he would have received in the form of a pension for his lifetime with 36 months guaranteed. And the 75% and 100% H&W options and pop-up options (some of which were first offered by the Plan after 2000) have an equivalent subsidy. Although the monthly benefit that the pensioner would receive under these options during his lifetime is reduced, the reduction is smaller than a true actuarial reduction. The actuarial adjustment factors under the current rules are shown in the top part of Table A.

For pensioners with a pension effective date January 1, 2014, and later, the subsidy will be eliminated, and all H&W benefits and H&W options will be reduced actuarially, *i.e.,* the pensioner's monthly benefit will be reduced during his lifetime so that the entire package (pensioner's benefit plus the amount that the Pension Fund expects to pay the surviving spouse) will have approximately the same actuarial value as the benefit that the pensioner would be expected to receive for his lifetime with 36 months guaranteed. The amount of these reductions will depend on whether the participant is covered by the Preferred Schedule or the Default Schedule.

Under the Preferred Schedule*.* The actuarial adjustment factors that will be used under the Preferred Schedule for participants retiring in 2014 and after are shown in Table B. The factors in Table B will also apply to any participant who was not in covered employment April 29, 2012, or who terminates covered employment after that date without ever being covered by either the Preferred Schedule or the benefit reductions in the Default Schedule, if he retires in 2014 or later. You can easily compare your benefit amount under each set of rules. Find the line that represents the difference in age between yourself and your spouse, using only full years of age (no months) and multiply the percentage that you find on that line by the amount of the retirement benefit you are entitled to receive.

> ***For example****,* you are 65 and your spouse is 63 on your pension effective date, your pension amount is $1000, and you choose the 50% H&W benefit. If you retire in 2012 under current rules (Table A), the benefit for your life would be $1000 ("no reduction") and your spouse would receive 50% of that, or $500 per month, after your death. If you retire in 2014, the actuarial factor for a 2-year difference in age (Table B) is 88.2%. Your benefit would be $882 per month, and your spouse would receive $441 per month after your death.

Under the Default Schedule*.* For participants covered by the benefit reductions in the Default Schedule, the actuarial adjustment factors that will take effect when the Default Schedule applies to your account are shown in Table C. Follow the instructions in the preceding paragraph to compare your benefit amount under the current rules in Table A and the Default Schedule rules in Table C.

> ***For example****,* using the same facts in the example above, if the account where you are working becomes subject to the Default Schedule in 2013 and you retire at any time after that happens, the actuarial factor for a 2-year difference in age (under Table C) for the 50% H&W is 87.2%. Your benefit would be $872 per month and your spouse would receive $436 per month after your death.

Q8: How will the Rehabilitation Plan affect Early Retirement Benefits?

A8: The Trustees amended early retirement benefits in 1999 to avoid tax penalties for "overfunded" plans. They reduced the minimum service requirement from 15 years to 10 years at that time.

Under the Preferred Schedule*.* The early retirement eligibility rules will be rolled back to what they were before the 1999 amendment. For participants whose pension effective date is January 1, 2014 or later, the minimum service requirement for early retirement benefits will again be 15 years. But there will be no change in the amount of the early retirement pension for participants who are eligible for it. These rules will also apply to any participant who was not in covered employment April 29, 2012, or who terminates covered employment after that date without ever being covered by either the Preferred Schedule or the benefit reductions in the Default Schedule.

Under the Default Schedule*.* For participants covered by the benefit reductions in the Default Schedule, the minimum eligibility requirement for an Early Retirement Pension will also be 15 years, but the actuarial reduction factors that determine the amount of your early retirement benefit will be changed to a true actuarial reduction, so that the present value (in actuarial terms) of an early retirement benefit at any age will be the same as the present value of the normal retirement pension. Under the current rules, your early retirement pension is equal to your normal retirement benefit reduced by ½ of 1% for each month that you are younger than 65 on your pension effective date. Table D shows the revised actuarial factors that will be applied for early retirement benefits in the Default Schedule. Those factors will take effect when the Default Schedule first applies to

your account. Using those factors, it is easy to calculate what your early retirement benefit would be at any retirement age between 55 and 65. Just locate the factor that corresponds to your age in completed years (in the left-hand column) plus months (in the appropriate column headed 1 through 11), and multiply that factor by the amount of benefit you would receive at normal retirement age.

> ***For example,*** you are working in an account after it becomes subject to the Default Schedule and you retire the following month. You are age 61 and 2 months on your pension effective date, and your normal retirement benefit amount would have been $1000 per month. Under the Plan's current rules (before the Rehabilitation Plan), the benefit reduction would have been ½ of 1% for each month you are younger than 65: 46 months x ½ x 1% = 23%. That would leave a benefit of 100% - 23% = 77%, or $770 per month. Under the Default Plan, using Table D, locate age 61 in the left-hand column, read directly across to the column with "2" at the top, and find an actuarial factor of 68.93%. Your early retirement benefit would be $689.30 per month, or $689 after rounding.

Q9: How will the Rehabilitation Plan Affect Disability Pension Benefits?

A9: Another of the amendments that the Trustees made in 1998 to avoid tax penalties on "overfunded" plans was a change in the eligibility rules and the amounts of disability pensions. The minimum service requirement was reduced from 15 years to 10 years, and the amount of the benefit was increased so that it would be equal to the participant's normal retirement benefit.

A Rule of General Application (including the Preferred Schedule). The 1998 amendment will be rolled back. Any disability pension with a pension effective date before January 1, 2014, will not be affected. Participants applying for a disability pension beginning January 1, 2014, or after will be required to have at least 15 years of service to qualify for the disability pension. And the amount of the pension will be reduced from the normal retirement pension amount by ¼ of 1% for each month by which the participant is younger than 65 on the pension effective date. The amount of the disability pension, however, will not be less than 50% of the normal retirement pension, or – for participants 55 and older – less than 110% of the early retirement benefit amount.

> ***For example,*** you work in an account that agrees to the Preferred Schedule. Your pension benefit is $1000. You qualify for a disability

pension in 2013 at age 60 with 25 years of service. Because the reduction in disability pensions will not take effect until January 1, 2014, your disability pension will be paid under the current Plan rules, and your disability benefit would be $1000 per month. If you qualify for your disability pension in 2014, your eligibility for the disability pension is not affected, but the amount will be actuarially reduced. The first step in calculating the amount is to reduce the $1000 benefit by ¼ of 1% for each month that you are younger than 65, here 60 months. 60 months x ¼ x 1% = 15%. Your benefit would be reduced by 15%, leaving $850 as the monthly amount. Because you are older than 55, the second step is to compare this amount to your early retirement pension amount. Your early retirement pension would be $1000 reduced by ½ of 1% for each month you are younger than 65, here 60 x ½ x 1% = 30%. Reducing your $1000 benefit by 30% would leave only $700 as the monthly amount. 110% of that amount is $770. Because $850 is larger than $770, your benefit would be $850 per month.

***Under the Default Schedule**.* Disability pensions will be eliminated for any participant to whom the Default Schedule applies and whose pension effective date is on or after the date on which the Default Schedule takes effect.

Q10: How will the Rehabilitation Plan affect Golden 80 and Golden 90 benefits?

A10: *For everyone who leaves covered employment before age + service = 80 (or 90 for Golden 90)*. For all age and service pensions (Golden 80, Golden 90, and Plan CC), a participant who is not working in covered employment when his age and service first add up to 80 (or 90), will not receive the Golden 80 or 90 benefit unless he returns to covered employment for an employer that is making contributions to Golden 80 or Golden 90 and works for at least 504 hours under that account (at least 2000 hours if the participant had a one-year break in service before returning[3]). This rule was first adopted in June 2010, and participants were notified of it at that time. Some participants filed lawsuits contending that the amendment was improper at that time. This same amendment is reconfirmed as a term of the Rehabilitation Plan, so that if the courts finally rule that the 2010 amendment was not valid, the same amendment will be effective for anyone whose

[3] A one-year break in service occurs in any calendar year in which a participant works fewer than 375 hours in covered employment.

age and service had not reached 80 (or 90) as of April 30, 2012 – immediately after the Plan's initial notice of critical status. (In case of such a final ruling by the courts, anyone whose age and service reached a total of 80 (or 90) between July 1, 2010 and April 30, 2012 would receive benefits to the extent ordered by the court.) If the 2010 amendment is upheld, the original effective date of July 1, 2010, will stay in place. In no case, however, will anyone whose age and service had not yet reached a total of 80 (or 90) by April 30, 2012, become eligible for Golden 80 or Golden 90 benefits after leaving covered employment except by returning to covered employment as the rule specifies. This rule will apply to everyone covered by the Preferred Schedule and everyone who was not in covered employment on April 29, 2012, or who later leaves covered employment without ever being covered by the Preferred Schedule or the Default Schedule.

For participants retiring from an account covered by the Preferred Schedule. Under the Plan's current rules, participants who first began to participate in the Pension Fund on or after December 3, 1998, must have a minimum of 10 years of pension credit to qualify for Golden 80 or Golden 90 benefits. For participants who first entered the Plan before December 3, 1998, there is no minimum service requirement. The Preferred Schedule will change that rule to require a minimum of 15 years of pension credit for every participant whose pension effective date is January 1, 2014 or later.

For everyone covered by the Default Schedule. Golden 80 and Golden 90 pensions (including Plan CC) are eliminated in the Default Schedule. This means that no participant who is covered by the Default Schedule will be able to retire on a Golden 80 or Golden 90 pension after the Default Schedule takes effect for the account under which that participant is working. It also means that if an account that is subject to the Default Schedule does not adopt the Preferred Schedule within 180 days after the Default Schedule first takes effect, see Q&A 6, and a participant in that account later works under the Preferred Schedule, that participant's years of service under the Default Schedule will not be counted toward eligibility for a Golden 80 or Golden 90 benefit.

Q11: How does the Rehabilitation Plan affect the amount of pension credit I will earn in the future?

A11: Another of the benefit amendments that the Trustees adopted in 1999 to avoid tax penalties on "overfunded" plans was a more generous rule for earning a full year of pension credit. Before 1999 a participant had to work 1906 hours in a year to receive a full year of pension credit. Since January 1, 1999, the Plan has required only 1500 hours

of work for a year of pension credit. The Trustees are now rolling back that benefit improvement. Under a rule of general application in the rehabilitation plan, beginning in 2013, all participants will again need at least 1906 hours in a year to receive a full year of pension credit. The table below shows the difference between the current rule and the rule that will apply beginning January 1, 2013, including how much credit you will receive if you work fewer than 1906 hours in a year. This rule change will have no effect on pension credit you earned for work in years 2012 and earlier.

Hours that you work in covered employment	**Months of Pension Credit under current rule**	**Months of Pension Credit for work in 2013 and after**
Less than 375	0	0
375 but less than 520	3	3
520 but less than 693	4	4
693 but less than 750	5	5
750 but less than 875	6	6
875 but less than 1000	7	6
1000 but less than 1040	8	6
1040 but less than 1125	8	7
1125 but less than 1213	9	7
1213 but less than 1250	9	8
1250 but less than 1375	10	8
1375 but less than 1386	11	8
1386 but less than 1500	11	9
1500 but less than 1560	12	9
1560 but less than 1733	12	10
1733 but less than 1906	12	11
1906 or more	12	12

Q12: How does the Rehabilitation Plan affect credit for periods of disability?

A12: A participant who retires on or after January 1, 2014, will not receive more than a cumulative lifetime total of 48 months of credit for periods of disability, unless it is required by law. If you apply for disability credit and the Pension Fund grants it before January 1, 2014, you will not lose any of that credit. But if you already have 48 months of

disability credit, or more, you will not receive any additional disability credit after January 1, 2014, unless the law requires it.

Q13: How will the Rehabilitation Plan affect the 36-month guarantee?

A13: Under current Plan rules, pensioners who elect the single-life annuity form of benefit or a 50% Husband and Wife benefit (but not an optional form) have a guarantee of the first 36 months of benefits. If the pensioner dies within that 36-month period, the remaining monthly payments are paid to the pensioner's beneficiary. The same 36-payment guarantee applies to certain participants who die before their pension effective date without a surviving spouse, according to Section 8.01(b) of the Rules and Regulations. The remaining monthly payments have been paid in the form of a lump sum.

Under the PPA, a plan in critical status cannot pay any lump-sum benefits greater than $5,000. Lump sum payments greater than $5,000 were therefore suspended for participants with a pension effective date after April 30, 2012, and have now been eliminated. The 36-month guarantees will continue to be paid, but if the amount is greater than $5,000 the beneficiaries will receive monthly payments.

There is no other change to the 36-month guarantee *under the Preferred Schedule,* or for participants who were not in covered employment April 29, 2012, or who terminate covered employment after that date without ever being covered by either the Preferred Schedule or the benefit reductions in the Default Schedule.

Under the Default Schedule, the 36-month guarantee will be eliminated for any participant who has a pension effective date after the Default Schedule takes effect for the account where he is working. When such a participant dies, no benefits will be payable to a beneficiary after his death, unless he was a vested participant who died before his pension effective date and left a surviving spouse to whom he was married for at least a year, or he was a pensioner who elected husband-and-wife benefits or the 10-year certain option.

Q14: What effect will the Rehabilitation Plan have on optional forms of benefits?

A14: Under the PPA, a plan in critical status cannot pay any benefits in the form of lump sums or in any other form in which benefit payments are accelerated by comparison to an annuity, other than lump sums less than $5,000. Only two such optional forms of

benefits were available under this Plan: (1) a 10-year-certain benefit payable to certain beneficiaries (generally, either multiple beneficiaries or any person other than the participant's spouse or other person named as beneficiary by the participant) would be paid as a lump sum; and (2) the Social Security Option, under which larger pension benefits were paid until the participant became eligible for Social Security benefits. As the PPA requires, the Social Security Option has now been eliminated, and under the 10-year-certain option no amount of $5,000 or more will be payable as a lump sum. Both of these changes affect participants with pension effective dates after April 30, 2012.

Under the Default Schedule, the actuarial factors used to calculate the 10-year-certain benefit will also be changed so that the amount of the 10-year-certain benefit will be the actuarial equivalent of the normal form of retirement benefit. The current factors are at the bottom of Table A. The factors that will apply to any participant who is subject to the Default Schedule are in Table E. It is easy to see how these revised factors will affect your benefit, if you select a 10-year-certain option. Just find your age (in whole years only) in the table, and multiply your normal benefit amount by the percentage shown next to your age.

> ***For example,*** you are 71 years old when you start your pension, your normal form of pension would be $1000, and you choose the 10-year-certain option. If you retire without having worked under the Default Schedule, your 10-year-certain benefit will be 85.49% of the normal form of pension (from Table A), or $854.90 (rounded up to $855), under the current rules. If you retire after working in an account under the Default Schedule, Table E shows that your benefit will be 83.69%, or $836.90 (rounded up to $837).

Q15: How will the Rehabilitation Plan affect my past service credit?

A15: The Rehabilitation Plan will not affect any past service credit that you were entitled to receive upon becoming a participant in the Plan before 2013. It will affect past service credit for groups entering the Plan in 2013 or after. In particular, if an employer first begins to contribute to the Plan for a new account in 2013 or after, the employees who come into the Plan with that employer will lose their past service credit if their

employer's obligation to make contributions for the account ends fewer than 5 years after it began.

> ***For example,*** Royce's Rolls first becomes a participating employer January 1, 2013. If you are working for Royce's Rolls at that time and had been working in the same bargaining unit continuously from 2005 to 2013, you will receive credit for 8 years of past service in addition to each year that you work for the employer after its contributions begin. If Royce's Rolls withdraws from the Pension Fund July 1, 2017, and is no longer required to make contributions after that date, your 8 years of past service credit will be cancelled and you will have only your 4½ years of service from 2013-2017. But if Royce's Rolls is still obligated to make contributions to the Plan in 2018, you will keep your 8 years of past service credit.

Q16: How will the Rehabilitation Plan affect the pension benefit level (PBL) at which I will earn benefits in the future?

A16: There are several ways that the Rehabilitation Plan will affect the PBL at which you will earn benefits in the future.

First, ***under the Default Schedule,*** no benefit accrual rate can exceed 1% of the employer's contributions.[4] If the benefit accrual rate in the account is already less than 1% under the CBA that was in effect on January 1, 2012, it will remain the same. If the accrual rate is higher, it will be reduced to the 1% equivalent. If your account goes into the Default Schedule, you will receive a notice at that time which tells you exactly what your future benefit accrual rate will be.

In addition, no account in the Default Schedule will be permitted to increase the PBL. If an employer and union want to negotiate a PBL increase for an account in the Default Schedule, they will first have to agree to the terms of the Preferred Schedule.

Second, ***under the Preferred Schedule*** the contribution rates that are required for PBL increases negotiated after January 1, 2013 will be higher than the contribution rates in the current Plan. (This change will not affect any PBL increases that were previously negotiated in your CBA and are scheduled to take effect on January 1, 2013 or later; it

[4] The statutory surcharges and contribution increases required by the Rehabilitation Plan are not included in employer contributions when the Plan calculates this 1% accrual rate.

only affects PBL increases that are negotiated in 2013 or after.) The new rates (shown below for a 40-hour workweek) are:

Benefit Plan	Rate per $25 of PBL
Plan A	.2138
Plan C	.0098
Plan CC	.0033
Plan G	.0198
Plan D-1	.0060
Plan D-2	.0118
Plan D-3	.0175
Plan D-4	.0235

PBL increases can be negotiated only up to the maximum level currently stated in the Plan; the Trustees will not be permitted to make higher PBLs available while the Plan is in critical status.

Third, under the current Plan rules, most participants who are working in an account when a PBL increase takes effect and who continue working for at least 504 hours under the higher contribution rate will receive the higher PBL for all of their years of service.

> ***For example,*** if a participant has 25 years of service when the PBL in his account is increased from $1000 to $1100, and works for at least 504 hours under the new contribution rate, he will be entitled to the full $1100 benefit level upon retirement at age 65 or older.

In the Preferred Schedule, that higher PBL will be conditioned on the employer's obligation to make contributions for that account continuing for at least 5 years. Participants who retire during that 5-year period will receive the higher PBL, but if the employer's obligation to contribute ends during the 5 years, those who have not yet retired will receive only the former PBL for all of their years of service.

> ***For example,*** using the same facts from the previous example, the employer's obligation to contribute to the Pension Fund continues for more than 5 years. All participants in that account who were working under that account when the PBL increased and who have satisfied the 504 hour rule will be entitled to benefits at the $1100 benefit level for all of their years of service. If the employer's obligation to contribute to the

Pension Fund ends after only four years, the participants who have not yet retired will be entitled to only the $1000 benefit level for all of their years of service. But any participant who satisfied the 504 hour rule and retired while the employer was still obligated to make contributions will receive the $1100 benefit level.

Fourth, under the current Plan rules, if a participant has a break in service[5] but later returns to covered employment, he can repair the break in service by earning one year of pension credit. If he repairs the break, his pension for all of his years of service (including the years before the break) will generally be based on the PBLs that he worked under after the return. Under the Rehabilitation Plan, participants returning to covered employment on or after January 1, 2013, following a break in service, will still be able to repair the break but their ultimate benefits will be calculated in two parts and added together. The first part will based on pension credit earned before the break and the PBLs that were in effect before the break. The second part will be based on pension credit earned after the break and the PBLs that were in effect after the break. The sum of these two separate calculations will be the pension benefit.

> ***For example**,* you earned 4 years of pension credit at a PBL of $800 before leaving covered employment in the early 1990s, you had a break in service and all of your pension credit was cancelled. If you return to covered employment in 2013 and work at least 1906 hours in a plan year, your break will be repaired and your 4 years of service will be restored. If you then continue to work for another 20 years and retire after age 65 with a PBL of $1200, your pension benefit will be calculated as follows:

4/25 times $800 =	$ 128
21/25 times $1200 =	1008
Total benefit	$1136

Q17: How will the Rehabilitation Plan affect any previously negotiated pension benefit level (PBL) increases?

A17: ***Under the Preferred Schedule***, there is no effect on PBL increases that have previously been negotiated, including PBL increases that are already effective and PBL

[5] A one-year break in service occurs in any calendar year in which a participant works fewer than 375 hours in covered employment.

increases that will become effective in the future under a collective bargaining agreement that was negotiated before January 1, 2013. There is also no effect on existing PBLs for participants who were not in covered employment April 29, 2012, or who terminate covered employment after that date without ever being covered by either the Preferred Schedule or the benefit reductions in the Default Schedule.

Under the Default Schedule, the PPA requires that all PBL increases that either were negotiated after January 1, 2007, or that took effect after January 1, 2007, must be cancelled. This cancellation will affect only the participants who work at least one hour under an account during the month that the account goes into the Default Schedule or in a later month, and who do not have a pension effective date before the account goes into the Default Schedule.

> ***For example***, you are working for Tasty Bakery in April 2013, and on April 20, 2013, Tasty Bakery unilaterally implements a last, best and final offer that includes the Default Schedule. You will be covered by the Default Schedule. If Tasty Bakery had previously increased its PBL from $500 to $550 on April 1, 2011, the benefits that you will be entitled to receive at retirement will be based entirely on the $500 PBL, not the $550 PBL. The same will be true if you work for Tasty Bakery in May 2013 or later. (This reduction may be reversed if Tasty Bakery and the union later agree to the Preferred Schedule for that account. See Q&A 6).

Q18: If an account has no CBA, when is it required to adopt terms consistent with the Preferred Schedule or the Default Schedule?

A18: For any employer (such as a local union) that has no CBA, but instead participates in the Pension Plan for its employees under a written agreement described in Section 1.21(a) of the Pension Fund's Rules and Regulations, there are two rules that determine when the employer must adopt the terms of one of the Schedules:

- If the employer has no CBAs, the written agreement is treated as if it were a CBA expiring on January 1, 2013.
- If the employer has one or more CBAs in addition to the written agreement, the benefits and contributions for participants working under the written agreement

are the same as if those participants were covered by the first to expire among that employer's CBAs that were in effect on January 1, 2012.

Q19: Will the Rehabilitation Plan have any effect on spouses or ex-spouses who receive a portion of a participant's benefit under a domestic relations order?

A19: The answer will depend on what the order says and the date when the order is entered by a court. These are complex questions, and any general answers could be misleading. If you are a participant or a spouse who has an interest in a qualified domestic relations order (QDRO) that the Pension Fund has already accepted, or if you are in the process of getting a QDRO entered, please contact the Fund Office for more information.

What Happens Next?

As soon as formal plan amendments can be prepared and adopted, along with revisions to the Plan's summary plan description, we will send those to you. In the meantime, please keep this notice in a safe place so that you can refer to it if you have any questions about your benefits under the rehabilitation plan.

Also, you have rights and remedies under federal law. Those rights and remedies are summarized on pages 19-20 of the Pension Plan's Summary Plan Description ("SPD"). You should have a copy of the SPD, but if you do not, you may request a copy by calling or writing the Plan Administrator at the phone number and address listed in the following paragraph.

How Can You Get More Information?

If you have any questions, please write to the Plan Administrator, at
10401 Connecticut Avenue
Kensington, Maryland 20895-3960
or call (301) 468-3742 during office hours of 8:00 a.m. to 4:00 p.m. Eastern time, Monday through Friday.

You also may contact the nearest Area Office of the Pension and Welfare Benefits Administration, U.S. Department of Labor, listed in your telephone directory, or the

Division of Technical Assistance and Inquiries, Pension and Welfare Benefits Administration, U.S. Department of Labor, 200 Constitution Avenue, NW, Washington, DC 20210, or the Pension Benefit Guaranty Corporation, Office of Communications, 1200 K Street, NW, Washington, D.C. 20005.

Esta noticia contiene un resumen in Inglés de los cambios de beneficios y de contribuciones que se han adoptado en el Plan de Rehabilitación bajo el Bakery and Confectionery Union and Industry International Pension Fund. Si tiene dificultad entendiendo cualquier parte de esta noticia, puede escribir al administrador del Plan, 10401 Connecticut Avenue, Kensington, Maryland 20895-3960. Tambien puede llamar a la oficina a (301) 468-3742 para ayuda entre las horas de 8:00 a 4:00, lunes a viernes.

TABLE A

Pension Option
Actuarial Charts
Effective for Pensions On or After
January 1, 2009

Age of Spouse in Relation To Participant	50% H&W and 50% Disability H&W	75% H&W	75% Disability H&W	75% H&W Pop-Up	75% Disability H&W Pop-Up	100% H&W	100% Disability H&W	100% H&W Pop-Up	100% Disability H&W Pop-Up
Maximum Reduction		90.5%	85.5%	89.0%	85.0%	85.0%	77.5%	81.5%	77.0%
9 Years Younger		90.9%	85.9%	89.4%	85.3%	85.4%	77.9%	82.1%	77.3%
8 Years Younger		91.3%	86.3%	89.8%	85.6%	85.8%	78.3%	82.7%	77.6%
7 Years Younger		91.7%	86.7%	90.2%	85.9%	86.2%	78.7%	83.3%	77.9%
6 Years Younger		92.1%	87.1%	90.6%	86.2%	86.6%	79.1%	83.9%	78.2%
5 Years Younger		92.5%	87.5%	91.0%	86.5%	87.0%	79.5%	84.5%	78.5%
4 Years Younger		92.9%	87.9%	91.4%	86.8%	87.4%	79.9%	85.1%	78.8%
3 Years Younger		93.3%	88.3%	91.8%	87.1%	87.8%	80.3%	85.7%	79.1%
2 Years Younger		93.7%	88.7%	92.2%	87.4%	88.2%	80.7%	86.3%	79.4%
1 Year Younger		94.1%	89.1%	92.6%	87.7%	88.6%	81.1%	86.9%	79.7%
Same Age	NO REDUCTION	94.5%	89.5%	93.0%	88.0%	89.0%	81.5%	87.5%	80.0%
1 Year Older		94.9%	89.9%	93.4%	88.3%	89.4%	81.9%	88.1%	80.3%
2 Years Older		95.3%	90.3%	93.8%	88.6%	89.8%	82.3%	88.7%	80.6%
3 Years Older		95.7%	90.7%	94.2%	88.9%	90.2%	82.7%	89.3%	80.9%
4 Years Older		96.1%	91.1%	94.6%	89.2%	90.6%	83.1%	89.9%	81.2%
5 Years Older		96.5%	91.5%	95.0%	89.5%	91.0%	83.5%	90.5%	81.5%
6 Years Older		96.9%	91.9%	95.4%	89.8%	91.4%	83.9%	91.1%	81.8%
7 Years Older		97.3%	92.3%	95.8%	90.1%	91.8%	84.3%	91.7%	82.1%
8 Years Older		97.7%	92.7%	96.2%	90.4%	92.2%	84.7%	92.3%	82.4%
9 Years Older		98.1%	93.1%	96.6%	90.7%	92.6%	85.1%	92.9%	82.7%
10 Years Older		98.5%	93.5%	97.0%	91.1%	93.0%	85.5%	93.5%	83.0%
Each Year Older		0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.6%	0.3%
Maximum 99%									

10-Year Certain Option
Effective December 1, 1990

Pensioner's Age	48	49	50	51	52	53	54	55
Reduction Factor	98.67%	98.52%	98.35%	98.18%	97.98%	97.78%	97.54%	97.29%
Pensioner's Age	56	57	58	59	60	61	62	63
Reduction Factor	97.00%	96.68%	96.31%	95.89%	95.41%	94.88%	94.27%	93.59%
Pensioner's Age	64	65	66	67	68	69	70	71
Reduction Factor	92.83%	91.99%	91.08%	90.09%	89.04%	87.92%	86.73%	85.49%

TABLE B

Bakery and Confectionery Union and Industry International Pension Fund

Preferred Plan
Pension Option Actuarial Charts

Age of Spouse In Relation To Participant	50% Disability H&W	50% Disability H&W Pop-Up	75% Disability H&W	75% Disability H&W Pop-Up	100% Disability H&W	100% Disability H&W Pop-Up	50% H&W	50% H&W Pop-Up	75% H&W	75% H&W Pop-Up	100% H&W	100%H&W Pop-Up
Maximum Reduction	75.0%	75.0%	66.0%	66.0%	59.0%	58.0%	85.0%	84.0%	79.0%	78.0%	74.0%	72.0%
9 Years Younger	75.4%	75.3%	66.5%	66.4%	59.6%	58.5%	85.4%	84.4%	79.5%	78.5%	74.6%	72.6%
8 Years Younger	75.8%	75.6%	67.0%	66.8%	60.2%	59.0%	85.8%	84.8%	80.0%	79.0%	75.2%	73.2%
7 Years Younger	76.2%	75.9%	67.5%	67.2%	60.8%	59.5%	86.2%	85.2%	80.5%	79.5%	75.8%	73.8%
6 Years Younger	76.6%	76.2%	68.0%	67.6%	61.4%	60.0%	86.6%	85.6%	81.0%	80.0%	76.4%	74.4%
5 Years Younger	77.0%	76.5%	68.5%	68.0%	62.0%	60.5%	87.0%	86.0%	81.5%	80.5%	77.0%	75.0%
4 Years Younger	77.4%	76.8%	69.0%	68.4%	62.6%	61.0%	87.4%	86.4%	82.0%	81.0%	77.6%	75.6%
3 Years Younger	77.8%	77.1%	69.5%	68.8%	63.2%	61.5%	87.8%	86.8%	82.5%	81.5%	78.2%	76.2%
2 Years Younger	78.2%	77.4%	70.0%	69.2%	63.8%	62.0%	88.2%	87.2%	83.0%	82.0%	78.8%	76.8%
1 Year Younger	78.6%	77.7%	70.5%	69.6%	64.4%	62.5%	88.6%	87.6%	83.5%	82.5%	79.4%	77.4%
Same Age	79.0%	78.0%	71.0%	70.0%	65.0%	63.0%	89.0%	88.0%	84.0%	83.0%	80.0%	78.0%
1 Year Older	79.4%	78.3%	71.5%	70.4%	65.6%	63.5%	89.4%	88.4%	84.5%	83.5%	80.6%	78.6%
2 Years Older	79.8%	78.6%	72.0%	70.8%	66.2%	64.0%	89.8%	88.8%	85.0%	84.0%	81.2%	79.2%
3 Years Older	80.2%	78.9%	72.5%	71.2%	66.8%	64.5%	90.2%	89.2%	85.5%	84.5%	81.8%	79.8%
4 Years Older	80.6%	79.2%	73.0%	71.6%	67.4%	65.0%	90.6%	89.6%	86.0%	85.0%	82.4%	80.4%
5 Years Older	81.0%	79.5%	73.5%	72.0%	68.0%	65.5%	91.0%	90.0%	86.5%	85.5%	83.0%	81.0%
6 Years Older	81.4%	79.8%	74.0%	72.4%	68.6%	66.0%	91.4%	90.4%	87.0%	86.0%	83.6%	81.6%
7 Years Older	81.8%	80.1%	74.5%	72.8%	69.2%	66.5%	91.8%	90.8%	87.5%	86.5%	84.2%	82.2%
8 Years Older	82.2%	80.4%	75.0%	73.2%	69.8%	67.0%	92.2%	91.2%	88.0%	87.0%	84.8%	82.8%
9 Years Older	82.6%	80.7%	75.5%	73.6%	70.4%	67.5%	92.6%	91.6%	88.5%	87.5%	85.4%	83.4%
10 Years Older	83.0%	81.0%	76.0%	74.0%	71.0%	68.0%	93.0%	92.0%	89.0%	88.0%	86.0%	84.0%
Each Year Older Maximum 99%	+0.4%	+0.3%	+0.5%	+0.4%	+0.6%	+0.5%	+0.4%	+0.4%	+0.5%	+0.5%	+0.6%	+0.6%

TABLE C

Bakery and Confectionery Union and Industry International Pension Fund

Default Plan
Pension Option Actuarial Charts

Age of Spouse In Relation To Participant	50% H&W	50% H&W Pop-Up	75%H&W	75% H&W Pop-Up	100% H&W	100%H&W Pop-Up
Each Year Younger	-0.4%	-0.4%	-0.5%	-0.5%	-0.6%	-0.6%
20 Years Younger	80.0%	79.0%	73.0%	72.0%	67.0%	65.0%
19 Years Younger	80.4%	79.4%	73.5%	72.5%	67.6%	65.6%
18 Years Younger	80.8%	79.8%	74.0%	73.0%	68.2%	66.2%
17 Years Younger	81.2%	80.2%	74.5%	73.5%	68.8%	66.8%
16 Years Younger	81.6%	80.6%	75.0%	74.0%	69.4%	67.4%
15 Years Younger	82.0%	81.0%	75.5%	74.5%	70.0%	68.0%
14 Years Younger	82.4%	81.4%	76.0%	75.0%	70.6%	68.6%
13 Years Younger	82.8%	81.8%	76.5%	75.5%	71.2%	69.2%
12 Years Younger	83.2%	82.2%	77.0%	76.0%	71.8%	69.8%
11 Years Younger	83.6%	82.6%	77.5%	76.5%	72.4%	70.4%
10 Years Younger	84.0%	83.0%	78.0%	77.0%	73.0%	71.0%
9 Years Younger	84.4%	83.4%	78.5%	77.5%	73.6%	71.6%
8 Years Younger	84.8%	83.8%	79.0%	78.0%	74.2%	72.2%
7 Years Younger	85.2%	84.2%	79.5%	78.5%	74.8%	72.8%
6 Years Younger	85.6%	84.6%	80.0%	79.0%	75.4%	73.4%
5 Years Younger	86.0%	85.0%	80.5%	79.5%	76.0%	74.0%
4 Years Younger	86.4%	85.4%	81.0%	80.0%	76.6%	74.6%
3 Years Younger	86.8%	85.8%	81.5%	80.5%	77.2%	75.2%
2 Years Younger	87.2%	86.2%	82.0%	81.0%	77.8%	75.8%
1 Year Younger	87.6%	86.6%	82.5%	81.5%	78.4%	76.4%
Same Age	88.0%	87.0%	83.0%	82.0%	79.0%	77.0%
1 Year Older	88.4%	87.4%	83.5%	82.5%	79.6%	77.6%
2 Years Older	88.8%	87.8%	84.0%	83.0%	80.2%	78.2%
3 Years Older	89.2%	88.2%	84.5%	83.5%	80.8%	78.8%
4 Years Older	89.6%	88.6%	85.0%	84.0%	81.4%	79.4%
5 Years Older	90.0%	89.0%	85.5%	84.5%	82.0%	80.0%
6 Years Older	90.4%	89.4%	86.0%	85.0%	82.6%	80.6%
7 Years Older	90.8%	89.8%	86.5%	85.5%	83.2%	81.2%
8 Years Older	91.2%	90.2%	87.0%	86.0%	83.8%	81.8%
9 Years Older	91.6%	90.6%	87.5%	86.5%	84.4%	82.4%
10 Years Older	92.0%	91.0%	88.0%	87.0%	85.0%	83.0%
Each Year Older Maximum 99%	+0.4%	+0.4%	+0.5%	+0.5%	+0.6%	+0.6%

TABLE D

Bakery and Confectionery Union and Industry International Pension Fund

Early Retirement Factors For Default Plan

		Months											
	AGE	0	1	2	3	4	5	6	7	8	9	10	11
Years	55	40.00%	40.30%	40.60%	40.90%	41.19%	41.49%	41.79%	42.09%	42.39%	42.69%	42.98%	43.28%
	56	43.58%	43.90%	44.23%	44.55%	44.87%	45.19%	45.52%	45.84%	46.16%	46.48%	46.81%	47.13%
	57	47.45%	47.81%	48.17%	48.53%	48.88%	49.24%	49.60%	49.96%	50.32%	50.68%	51.03%	51.39%
	58	51.75%	52.15%	52.55%	52.95%	53.34%	53.74%	54.14%	54.54%	54.94%	55.34%	55.73%	56.13%
	59	56.53%	56.97%	57.42%	57.86%	58.31%	58.75%	59.20%	59.64%	60.08%	60.53%	60.97%	61.42%
	60	61.86%	62.36%	62.85%	63.35%	63.85%	64.34%	64.84%	65.34%	65.83%	66.33%	66.83%	67.32%
	61	67.82%	68.38%	68.93%	69.49%	70.04%	70.60%	71.16%	71.71%	72.27%	72.82%	73.38%	73.93%
	62	74.49%	75.12%	75.74%	76.37%	76.99%	77.62%	78.24%	78.87%	79.49%	80.12%	80.74%	81.37%
	63	81.99%	82.69%	83.40%	84.10%	84.81%	85.51%	86.22%	86.92%	87.62%	88.33%	89.03%	89.74%
	64	90.44%	91.24%	92.03%	92.83%	93.63%	94.42%	95.22%	96.02%	96.81%	97.61%	98.41%	99.20%

TABLE E

Bakery and Confectionery Union and Industry International Pension Fund

10-Year Certain Option

Actuarial Chart for the Default Plan

Pensioner's Age	Reduction Factor
48	98.54%
49	98.37%
50	98.18%
51	97.99%
52	97.77%
53	97.54%
54	97.28%
55	97.00%
56	96.68%
57	96.32%
58	95.91%
59	95.45%
60	94.92%
61	94.32%
62	93.66%
63	92.90%
64	92.06%
65	91.11%
66	90.08%
67	88.97%
68	87.77%
69	86.49%
70	85.12%
71	83.69%