IMPORTANT NOTICE
To all Participants in the Bakery & Confectionery
Union & Industry International Pension Plan who are not
Covered by the Default Schedule

Regarding Amendments to Eligibility Rules for Golden 80/Golden 90 Benefits
Effective June 1, 2016

An amended Rehabilitation Plan of the Bakery & Confectionery Union & Industry International Pension Plan ("the Pension Plan") has been adopted, effective June 1, 2016, to change the eligibility rules for Plan G ("Golden 80") and Plan C ("Golden 90") Benefits. This notice explains the amendment to those rules, and describes the effect on Plan participants.

You received notice in 2012 that the law required the Trustees to adopt a Rehabilitation Plan because of losses the Pension Plan suffered in the recession of 2001-2002 and the Great Recession of 2008-2009, and because of the bankruptcy of Hostess Brands, which had been the largest contributing employer in the Pension Plan. The law requires the Trustees to review the Rehabilitation Plan at least once a year and update it as the Pension Plan's financial condition requires. Because of intervening judicial decisions, the Pension Plan's financial condition requires re-adoption of amendments to the eligibility rules for Golden 80 and Golden 90 pensions. The Trustees have therefore adopted an amended Rehabilitation Plan that will be **effective June 1, 2016**. This Notice describes that amendment and explains how it may affect you.

PLEASE NOTE: This amendment does NOT affect any participant (or the surviving spouse of any participant) who had satisfied all of the conditions for a Golden 80 or 90 pension on or before April 30, 2012, or who is receiving a Golden 80 or Golden 90 pension under which payments started before April 30, 2012.

The Original Eligibility Rules

The eligibility rules for Golden 80 and Golden 90 pensions have changed several times in the last 6 years.

Original Rules. Originally, Golden 80 and Golden 90 pensions were designed to permit eligible participants to retire before normal retirement age and receive the full pension benefit level under their collective bargaining agreement, without any reduction due to the earlier start of the benefit or because the participant has less than 25 years of credited service.

Example 1 (original rules): A participant who worked under a contract with a benefit level of $1200 retired at age 55 with 25 years of service. If that participant was covered by Golden 80, his benefit was $1200. If he was not covered by Golden 80, the $1200 benefit level would be reduced by 60%, to $480, because it was expected to be paid over a longer period than a benefit starting at age 65.

Example 2 (original rules): A participant who worked under a contract with a benefit level of $1200 retired at age 60 with 20 years of service. If that participant was covered by Golden 80, his benefit was $1200. If he was not covered by Golden 80, the $1200 benefit level was reduced to $960 because he had less than 25 years of service and then that amount would be further reduced by 30% because it was expected to be paid over a longer period than a benefit starting at age 65. The final benefit amount therefore would be $672.

Under the Plan rules in effect before July 2010, a participant who had earned service under a collective bargaining agreement that required the employer to make contributions for a Golden 80 (Plan G) or Golden 90 (Plan C) benefit could "age into" that benefit even after leaving covered employment. For example, a participant could leave covered employment at age 57 with 20 years of service and, without ever returning to covered employment, become eligible for the Golden 80 pension at age 60, when the sum of age and service reached 80.

Similarly, if a married participant who was covered by a contract requiring Golden 80 contributions died before the sum of age and service equaled 80, that participant's surviving spouse had the option of delaying the start of the surviving spouse pension until the date when the participant's age plus service would have equaled 80. Then, when the surviving spouse began to receive the pension, the amount would be based on the Golden 80 benefit rather than on the early retirement benefit. On the same facts as Example 1, the surviving spouse would receive $600 instead of $240.

The 2010 Amendment

The Trustees amended the Pension Plan effective July 1, 2010, to eliminate the possibility of aging into a Golden 80 or Golden 90 pension. That is, a participant could not qualify for one of those pensions unless he or she was working in covered employment when age and service first added up to 80 or 90 (as applicable), with certain exceptions. Participants were notified of that amendment in June 2010. Some of the participants who lost eligibility for a Golden 80 or Golden 90 pension because of that amendment filed a lawsuit, called *Alcantara v. Bakery & Confectionery Union & Industry International Pension Fund*, and eventually there was a court ruling that the 2010 amendment was not valid. As a result of the *Alcantara* ruling, everyone who was covered by a Golden 80 or Golden 90 pension and whose age and service added up to 80 or 90 before April 30, 2012, became eligible to receive that pension and upon filing an application with the Pension Fund also received retroactive payments. **The June 1, 2016 amendment does not affect benefits payable to this group of participants.**

The Rehabilitation Plan Amendment

While the *Alcantara* lawsuit was pending, the Pension Plan's actuary certified that the Plan was in "critical" status under federal law, and the Trustees were required to adopt a Rehabilitation Plan designed to restore the Plan to financial health over time. The Trustees included in the Rehabilitation Plan an amendment identical to the 2010 amendment, effective for all participants whose age and service had not reached the sum or 80 or 90 (as applicable) on or before April 30, 2012, which was the date of the initial notice to participants that the Pension Plan was in "critical" status. A detailed notice of those changes was sent to participants in November 2012. Some of the participants who were affected by the Rehabilitation Plan amendment filed another lawsuit, called *Reyes v. Bakery & Confectionery Union & Industry International Pension Fund*, and the Trustees have now received a non-final ruling from a lower court holding that the November 2012 notice of that amendment did not satisfy certain legal requirements. The Trustees intend to maintain their position in that litigation – and on appeal, if necessary – that the notice was sufficient to eliminate the possibility of aging into Golden 80 and Golden 90 benefits for everyone who had not reached the sum of 80 or 90 by April 30, 2012. But in order to limit the effect that an adverse ruling could have on the financial condition of the Pension Plan, the Trustees have decided that their legal responsibility requires them to update the Rehabilitation Plan and adopt the eligibility amendment for a third time, effective June 1, 2016. **As a result of this new amendment, Participants whose age and service first reached 80 or 90 after April 30, 2012 will not receive Golden 80 or Golden 90 benefits in any month after May 2016. Whether they receive Golden 80 or Golden 90 benefits for any earlier period of time will depend entirely on the outcome of the *Reyes* lawsuit.**

The New Amendment Effective June 1, 2016

The new amendment affects everyone who is covered by a collective bargaining agreement providing for the Golden 80 or Golden 90 pension and whose age and service had not reached the sum of 80 (or 90 for the Golden 90 pension) on or before April 30, 2012. (Anyone who is covered by the Default Schedule is still not eligible for Golden 80 or Golden 90 benefits under the Rehabilitation Plan.)

In general, you must be working in covered employment when the sum of your age (in years and months) and your credited service (also in years and months) first reaches 80 (for the Golden 80 pension) or 90 (for the Golden 90 pension). If you are not working in covered employment when the sum of your age and service first reaches 80 or 90, you will not qualify for the benefit unless one of these three exceptions applies to you:

1. If your last work in covered employment terminates because of a plant closing or permanent reduction in force, you will be eligible for the Golden 80 or 90 Pension if the sum of your age and service reaches 80 or 90 within 90 days after the plant closing or reduction in force.

2. If the sum of your age and service first reaches 80 or 90 after you had a one-year break-in service (that is, a calendar year in which you did not earn at least 375 hours of service in covered employment), you will be eligible for the Golden 80 or Golden 90 Pension if you return to covered employment and earn at least 2000 hours of service under a collective bargaining agreement that provides for the Plan G or Plan C pension, as appropriate to your case.
3. If you did not have a one-year break-in-service, but the sum of your age and service first reaches 80 or 90 after leaving covered employment, you will be eligible for the Golden 80 or Golden 90 Pension if you return to covered employment and work at least 504 hours under a collective bargaining agreement that provides for the Plan G or Plan C pension, as appropriate to your case.

Please note that you are considered to be in covered employment during periods of disability or U.S. military service for which you are entitled to receive pension credit from the Pension Fund, and during periods for which your contributing employer pays you severance pay or accrued vacation following termination of employment.

If you do not qualify for a Golden 80 or 90 pension under these rules, you have the choice of taking an early retirement pension beginning any time after age 55, with all applicable reductions, or waiting until age 65 to begin receiving your full pension benefit amount.

This amendment will not affect participants who had satisfied the eligibility requirements for Golden 80 or Golden 90 pensions as of April 30, 2012. Therefore, if you are a participant, and on April 30, 2012, your age and years of service already equaled 80 (for a Golden 80 pension) or 90 (for a Golden 90 pension) and you otherwise satisfied the requirements for that pension, the amendment does not affect you. You will still be eligible to begin your Golden 80 or Golden 90 pension whenever you choose.

If you are the surviving spouse of a participant, your benefit will be based on the Golden 80 or Golden 90 pension amount if you satisfy any of the following conditions: (1) the participant was receiving a Golden 80 or Golden 90 pension with a Pension Effective Date before April 30, 2012; (2) the participant became eligible for a Golden 80 or 90 pension on or before April 30, 2012; or (3) the participant became eligible for a Golden 80 or 90 pension after April 30, 2012 while in covered employment or by satisfying one of the three listed exceptions. Otherwise, you will have a choice between taking the early retirement benefit with all applicable reductions, or waiting until the Participant would have been entitled to a normal retirement pension (usually age 65) to begin receiving the full benefit amount.

EXAMPLES

Example 1: Participant 1 worked in covered employment until 2005 under a contract providing Golden 80 benefits at the $1200 level. He has 25 years of service and reaches age 55 in July 2016, while working for an oil company. Under the original plan rules he would have been eligible for a $1200 benefit beginning in August 2016. Under the June 1, 2016, amendment, he would be eligible only for an early retirement benefit as of August 2016, in the amount of $480. Or he could wait until August 2026, when he will be 65, and receive a normal retirement benefit of $1200.

If Participant 1 returns to covered employment and works for 2000 hours under a contract providing a Golden 80 benefit at the $1200 level or higher, he would be eligible for the Golden 80 benefit at that time.

Example 2: Participant 2 worked in covered employment until 2005 under a contract providing Golden 80 benefits at the $1200 level. He has 25 years of service and reached age 55 April 10, 2012 while working for Indiana state government. The amendment does not affect his eligibility. He can apply for the Golden 80 benefit at any time.

Example 3: Participant 3 worked in covered employment until December 2015 under a contract providing Golden 80 benefits at the $1200 level. He has 17 years of service and reaches age 63 in August 2016 while working for a non-union bakery. Under the original plan rules he would have become eligible for the $1200 benefit beginning September 2016. Under the June 1, 2016, amendment, he will be eligible only for an early retirement benefit in the amount of $718, unless he returns to covered employment before the end of 2016 (when he would first have a one-year break in service) and works 504 hours under a contract providing Golden 80 benefits. If he returns to covered employment after the end of 2016, he can become eligible for the Golden 80 benefit if he works at least 2000 hours under a contract providing Golden 80 benefits. Or he can wait until his 65th birthday and receive the normal retirement pension of $816.

Example 4: Spouse A is the surviving spouse of participant 4, who dies in September 2016 at age 57 with 20 years of service under a contract providing Golden 80 benefits at the $1200 level. The husband and wife were the same age. Under the original plan rules Spouse A could have chosen to defer the start of her 50% surviving spouse pension until 2019, when Participant 4 would have reached age 60 and would have qualified for the Golden 80 benefit of $534. Under the amendment, Spouse A can start her pension in October 2016 in the amount of $222, based on the early retirement benefit, or she can wait until 2024 when Participant 4 would have reached normal retirement age. If she waits until 2024 she will receive $341 per month.

Example 5: Participant 5 worked under a contract providing Golden 80 benefits at the $800 level. She left covered employment in January 2012 at age 59 with 19 years of credited service. When she reached age 61 on July 1, 2013, and her age and service first totaled 80, she was not eligible for a Golden 80 pension under the 2012 Rehabilitation Plan amendment. Now she can start an early retirement pension at age 64 on July 1, 2016, with applicable reductions (it would first be reduced to $608 because she has less than 25 years of service, then to $572 because she is not yet age 65). Or she can wait one more year and receive the $608 benefit when she reaches age 65. These are her choices for payments after June 1, 2016, no matter how the *Reyes* lawsuit turns out. The *Reyes* lawsuit, however, will decide whether she is entitled to Golden 80 benefits for any of the months between July 1, 2013 and June 1, 2016.

* * *

This Notice is being provided to all affected Fund Participants and Beneficiaries, and all contributing employers and local unions, on April 27, 2016, and is intended to comply with the requirements of Section 204(h) of the Employee Retirement Income Security Act of 1974, as amended, 29 U.S.C. Section 1054(h), and the requirements of Section 305(e)(8)(C) and regulations issued thereunder.

Rights and Remedies for Participants and Beneficiaries

Federal law requires that this Notice contain information as to the rights and remedies of participants and beneficiaries. For a complete statement of the rights of Participants and Beneficiaries under ERISA, including the right to receive certain Plan documents or to file suit if you believe that your rights under ERISA or under the Plan have been violated, consult the section of your Summary Plan Description entitled "Miscellaneous." In addition, the section of your Summary Plan Description entitled "Appeals" describes your right to file an appeal should you experience a denial of benefits under the Plan, the Plan's procedures governing such appeals, and your right to file suit in a federal court. A copy of the Summary Plan Description is available upon request or on the Fund's website at www.bctrustfunds.org.

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.

Este aviso contiene información importante en inglés sobre cambios a los beneficios 80 Dorados y 90 Dorados del Bakery and Confectionery Union and Industry International Pension Plan que serán efectivos el 1º de junio de 2016. Estos cambios podrían afectar su habilidad de recibir la cantidad completa de su pensión de retiro si usted se retira antes de la edad normal de retiro y no esta trabajando en un empleo cubierto cuando la suma de su edad en años y el número de sus años de servicio iguale 80 (para los 80 Dorados) o 90 (para los 90 Dorados). Si usted tiene alguna dificultad entendiendo este aviso, o si a usted le gustaría recibir esta información en español, por favor escriba a: Plan Administrator: B&C Union and Industry International Pension Fund, 10401 Connecticut Avenue, Suite 320, Kensington, MD 20895-3960. Usted también puede llamar a la oficina del Pension Fund al (301) 468-3742, de lunes a viernes, entre las horas de 8:00 am a 4:00 pm.