

**NOTICE OF CRITICAL STATUS FOR THE  
BAKERY DRIVERS LOCAL 802 PENSION FUND**

This is to inform you that on March 28, 2008 the actuary for the Bakery Drivers Local 802 Pension Fund certified to the U.S. Department of the Treasury, and also to the Fund's sponsor, that the Fund is in critical status for its year beginning January 1, 2008. Federal law requires that you receive this notice.

Critical Status: The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund's actuary determined that the sum of the Fund's normal cost and interest and the unfunded benefits for the current Fund Year of 2008 exceeds the present value of all expected contributions for the year. In addition, the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and the Fund is projected to have an accumulated funding deficiency for the Fund Years beginning January 1, 2011 and January 1, 2012.

Rehabilitation Plan and Possible Reduction in Benefits: Federal law requires each pension fund in critical status to adopt a rehabilitation plan aimed at restoring its financial health. The law permits a pension fund in critical status to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the Bakery Drivers Local 802 Pension Fund determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 11, 2008 (the date of this Notice). But you should know that whether or not the Fund reduces adjustable benefits in the future, effective as of April 11, 2008, the Fund is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Adjustable Benefits: The Fund offers the following adjustable benefits which may be reduced or eliminated, if not in pay status as of April 11, 2008, as part of any rehabilitation plan the Fund may adopt: post-retirement death benefits, thirty-six month payment guarantees, disability benefits, retirement-type subsidies and subsidized early retirement benefits.

Employer Surcharge: The law requires that all contributing employers pay to the Fund a surcharge to help correct the Fund's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Fund under the applicable collective bargaining agreement. A 5% surcharge is applicable in the initial critical year, starting 30 days after this Notice, and a 10% surcharge is applicable for each succeeding year thereafter in which the Fund is in critical status.

Where to Get More Information: For more information about this Notice, you may contact:

Board of Trustees  
Bakery Drivers Local 802 Pension Fund  
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