Notice of Plan Status
For
Twin Cities Bakery Drivers Pension Plan

This is to inform you that on March 30, 2018, the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Twin Cities Bakery Drivers Pension Plan ("Plan") is in critical status for the plan year beginning January 1, 2018. Federal law requires that you receive this notice.

Critical Status

Based on the March 30, 2018 actuarial certification for the 2018 Plan year, the plan's actuary determined that the Plan is considered to be in critical status, because it has funding problems. More specifically, the Plan was in critical status last year and the Plan's actuary has determined that over the next 10 years, the Plan is projected to have an accumulated funding deficiency for the plan years ending December 31, 2023 and thereafter.

Rehabilitation Plan

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. On April 28, 2017, you were notified that a Rehabilitation Plan would need to be developed that would combine benefit reductions with contribution increases intended to make the Plan financially sound in accordance with federal law. The Trustees adopted a Rehabilitation Plan on November 8, 2017. It includes only a Default Schedule, under which supplemental contribution increases are required and all of the Plan's remaining "adjustable benefits" are eliminated. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement age. You may obtain a copy of the Plan's Rehabilitation Plan by contacting the Plan Administrator.

Adjustable Benefits

The law permits pension plans in critical status to eliminate or change benefits called "adjustable benefits" as part of a Rehabilitation Plan. These include:

- Sixty-month payment guarantees;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA); and
- Unreduced early retirement benefit for retirees meeting certain age and service requirements.

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge to help correct the Plan'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 Plan under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding Plan year thereafter in which the Plan is in critical status, until the employer agrees to a collective bargaining agreement that implements the Rehabilitation Plan.

Where to Get More Information

For more information about this notice, you may contact the individual below.

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You have a right to receive a copy of the Rehabilitation Plan from the Plan.

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