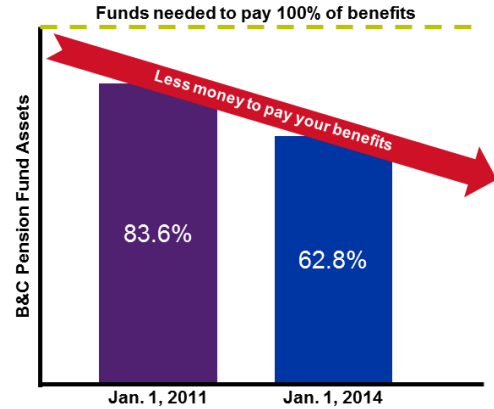


## 1: Money in the B&C Pension Fund to pay benefits has decreased significantly.

As of January 1, 2015, the Fund only had enough money to pay 63% of what it owes for future benefit payments.



## 2: The B&C Pension Fund has more retirees receiving benefits than active members.

This means that more money is being paid in benefits than there are contributions coming in. For 2015, benefit payments paid out were expected to be more than \$630 million, but contributions paid in were expected to be only about \$150 million.



**2010**

**FIVE (5)** participants receiving benefits and inactive participants with future benefits for every **TWO (2)** participants earning Company contributions



**2014**

**EIGHT (8)** participants receiving benefits and inactive participants with future benefits for every **TWO (2)** participants earning Company contributions



Active Participants earning Company contributions



Retirees and inactive participants with future benefits



**Source**

Reports of Actuarial Valuation and Review of Bakery & Confectionery Union and Industry International Pension Fund, as of January 1, 2011 through January 1, 2015, prepared by Segal Consulting, independent actuarial consultant

### **3: Your B&C Pension Fund benefits could be reduced – whether or not the Company withdraws.**

The B&C Pension Fund is in Critical and Declining status. As a result, the decision could be made to reduce benefits – even for existing retirees.

The B&C Pension Fund has already taken action to cut some benefits – including the ability to qualify for the “Golden 80” early retirement benefit.

In the past few months, three U.S.-based pension funds in Critical and Declining Status have started the process to reduce benefits. The Central States Teamsters Pension Fund, one of the largest multiemployer plans in the U.S., has reportedly proposed cuts in benefits that for some people could reach nearly 70%.

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### **4: Benefits from multiemployer plans are not fully protected.**

Benefits under multiemployer plans are currently insured by the Pension Benefit Guaranty Corporation (“PBGC”) but the guarantee is very limited.

For a participant age 65 with 30 years of service, the maximum guarantee is only \$12,870 per year and the guarantee is reduced for retirees who are younger or have fewer years of service.

In addition, according to the PBGC, money in the insurance program for multiemployer plans could be wiped out by 2025 without additional funding for the program. Odds of that are better than 50/50.

**The bottom line is: Your benefits in the B&C Pension Fund are not fully insured by PBGC and, if the insurance program runs out of money, may not be insured at all.**

