ANNUAL FUNDING NOTICE

For

PHILADELPHIA BAKERY EMPLOYERS AND FOOD DRIVER SALESMEN'S UNION LOCAL NO. 463 AND TEAMSTERS UNION LOCAL NO. 676 PENSION FUND

Introduction

This notice includes important funding information about the Philadelphia Bakery Employers and Food Driver Salesmen's Union Local No. 463 and Teamsters Union Local No. 676 Pension Fund (the "Plan"). This notice also provides a summary of federal rules governing multiemployer plans in reorganization and insolvent plans and benefit payments guaranteed by the Pension Benefit Guaranty Corporation ("PBGC"), a federal agency. This notice is for the plan year beginning August 1, 2019 and ending July 31, 2020 ("Plan Year").

Funded Percentage

Under federal law, the Plan must report how well it is funded by using a measure called the "funded percentage." The funded percentage is obtained by dividing the plan's assets by its liabilities on the valuation date for the plan year (the "Valuation Date"). In general, the higher the percentage, the better funded the plan. Your Plan's funded percentage for the Plan Year and the two preceding plan years is set forth in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

Funded Percentage			
Valuation Date	August 1, 2019	August 1, 2018	August 1, 2017
Funded Percentage	82.3%	83.4%	86.1%
Value Assets	$194,696,803	$195,713,722	$196,272,731
Value of Liabilities	$236,507,855	$234,623,650	$227,954,193

Fair Market Value Assets

The asset values in the chart above are measured as of the Valuation Date for the respective plan year and are actuarial values, not market values. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values that are designed to smooth out those fluctuations for funding purposes. While actuarial values fluctuate less than market values, they are estimates. The asset values below are market values and are measured as of the last day of the Plan Year, rather than as of the Valuation Date. Substituting the market value of assets for the actuarial value used in the above chart would show a clearer picture of a Plan's funded status as of the

Valuation Date. The fair market value of the Plan's assets as of the last day of the Plan Year and each of the two preceding plan years is shown in the following table:

Fair Market Values			
Valuation Date	July 31, 2020	July 31, 2019	July 31, 2018
Fair Market Value of Assets	185,980,463	$189,469,996	196,132,350

Participant Information

The total number of participants in the Plan as of the Valuation Date was 2,154. Of this number, 444 were active participants, 1,164 were retired or separated from the service and receiving benefits, and 546 were retired of separated from the service and entitled to future benefits.

Funding & Investment Policies

The law requires that every pension plan have a procedure for establishing a funding policy to carry out the objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Plan is to fund the Plan through a combination of contributions received from the employers and investment income generated by the Plan's investments. The funding level is designed to comply with requirements of the Employee Retirement Income Security Act of 1974, as amended and the Internal Revenue Code of 1986, as amended. These requirements include minimum funding levels and include maximum limits on the contributions that may be deducted by employers for federal income tax purposes. The Pension Committee creates and implements the funding policy and monitors the funding level with the assistance of the Plan's enrolled actuary and the Plan's investment consultant.

Once money is contributed to the Plan, the money is invested by the Pension Committee with the assistance of and investment consultant. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries responsible for Plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. Investments are made solely in the interest of the participants and the beneficiaries of the Plan and for the exclusive purpose of providing accrued benefits and defraying the reasonable expenses of administration. In order to meet its needs, the investment strategy of the Plan is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objective in the investment management for Plan assets is to emphasize long-term growth of principal while avoiding excessive risk. Short-term volatility is tolerated in as much as it is consistent with the volatility of a comparable index.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments, as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	Percentage
1. Interest-bearing cash	
2. U.S. government securities	
3. Corporate debt instruments (other than employer securities):	
Preferred	
All other	
4. Corporate stocks (other than employer securities):	
Preferred	
Common	
5. Partnership/Joint venture interests	
6. Real estate (other than employer property)	
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	14.41%
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investments entities	
13. Value of interest in registered investment companies (e.g., mutual funds)	85.59%
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
Employer Securities	
Employer real property	
16. Buildings and other property used in plan operation	
17. Other	

For information about the Plan's investment in any of the following types of investments as described in the chart above – common/collective trusts, pooled separate accounts master trust investment accounts, or 103-12 investment entities – contact the Plan administrator at the telephone number and address listed below.

Critical or Endangered Status

Under federal pension law a plan generally will be considered to be in the "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent, or in "critical" status if the percentage is less than 65 percent (other factors may also apply). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

The plan was not endangered or critical status in the Plan Year.

Right to Request a Copy of the Annual Report

A pension plan is required to file with the US Department of Labor and annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the Plan administrator at the address below.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called "plan reorganization rules," a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are eligible for the PBGC's guarantee (generally, benefits that have been in effect for less than 60 months). If the plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both). The law requires a plan to furnish this notification to each contributing employer and the labor organization.

Despite the special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available financial resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC, by law, will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notification of the insolvency to participants and beneficiaries, contributing employers, labor unions representing participants, and the PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option. This information will be provided for each year the plan is insolvent.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50. The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 x $33) or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 x 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 x $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($(17.75 x 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In addition, the PBGC guarantees qualified preretirement survivor benefits (which are preretirement death benefits payable to the surviving spouse of a participant who dies before starting to receive benefit payments). In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee benefits above the normal retirement benefit, disability benefits not in play status, or non-pension benefits such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact the Plan administrator's office at (856) 382-2422, Philadelphia Bakery Pension Fund, Fund Manager, 2500 McClellan Avenue, Suite 140, Pennsauken, NJ 08109. For identification purposes, the official Plan number is 001 and the Plan sponsor's employer identification number or "EIN" is 23-6537145. For more information about the PBGC and benefit guarantees, go to the PBGC's website, www.pbgc.gov, or call the PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

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