



CLEVELAND BAKERS AND TEAMSTERS PENSION FUND

PROVIDING PENSION BENEFITS TO PARTICIPATING MEMBERS OF
BAKERS' LOCAL UNION NO. 19 AND TEAMSTERS LOCAL UNION NO. 507

216-781-6869

Fax 216-524-7920

1-800-426-4499

April 15, 2014

U.S. Department of Labor
Employee Benefits Security Administration
200 Constitution Avenue N.W.
Public Disclosure Room, N-1512
Washington DC 20210

Re: Notice of Critical Certification for Cleveland Bakers and Teamsters Pension Plan
(EIN 34-0904419/PN 001)

Dear Mister Secretary:

As required by Internal Revenue Code Section 432(b)(3)(D)(i), this is to inform you that the above referenced plan has been certified by the Plan actuary to be in critical status as defined in Code Section 432(b)(2) for the plan year beginning January 1, 2014. The date of the certification

UNION

CARL PECORARO, Chairman
EDWARD THOMAS, Co-Chairman
RAY BROWN
JAMES FRANKLIN
PAUL LA BUDA
PHIL LUKIC
ALBERT R. MIXON

EMPLOYERS

THOMAS J. HEINEN
RAY HUBER
BRUCE LEFF
PAUL SCHWEBEL
MARK SPONSELLER
MICHAEL STANEK
ED WEINTRAUB

2014 APR 22 PM 5:00
DSSA/PUBLIC DISC

Cleveland Bakers and Teamsters Pension Fund
9665 Rockside Road, Suite D Valley View, Ohio 44125-6233
(216) 781-6869 or (800) 426-4499

Notice of Actuary's Certification of Critical Status for the Cleveland Bakers and Teamsters Pension Fund under the Pension Protection Act of 2006

April 16, 2014

Dear Participants, Participating Employers, Local Unions, Retirees and Beneficiaries:

If you were a retiree or beneficiary in pay status as of February 1, 2008, the benefit changes described in this notice do not affect you. The Cleveland Bakers and Teamsters Pension Fund (hereinafter, the "Plan") is required to send this notice to all Plan participants, even those who are not affected.

Critical Status

On March 31, 2014 the Plan's actuary certified to the Department of the Treasury that the Plan is in critical status as defined by the Pension Protection Act of 2006 ("PPA") for the Plan Year commencing January 1, 2014. This is the seventh year that the Plan has been in critical status. The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that the Plan has an accumulated funding deficiency for the current Plan Year.

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

The **Default Schedule** provides for supplemental contributions which for contracts implemented in 2008 were \$36.00 per week with such weekly amounts increasing by \$5 each year for the next two years, increasing by \$7.75 for the following year and then increasing by \$8.25 each year for the following twenty-two years. For contracts implemented in 2009, supplemental contributions are \$41.78 per week with such weekly amounts increasing by \$5 for the next year, increasing by \$7.75 for the following year and then increasing by \$8.25 each year for the following twenty-two years. For contracts implemented in 2010, supplemental contributions are \$48.62 per week with such weekly amounts increasing by \$7.75 per year for the next year, and then increasing by \$8.25 each year for the following twenty-two years. For contracts implemented in 2011, supplemental contributions are \$58.19 per week with such weekly amounts increasing by \$8.25 each year for the following twenty-two years. For contracts implemented in 2012, supplemental contributions are \$68.82 per week with such weekly amounts increasing by \$8.25 each year for the following twenty-one years. Additionally, the Default Schedule provides for the following changes in benefits:

1. The elimination of disability retirement benefits;
2. All future benefit accruals to be payable at a normal retirement age of 65 with five years of service, with benefits reduced for early payment as described below;
3. The elimination of unreduced early retirement benefits with 30 years of service or under the Golden 90 rule. Early retirement is still allowed, but not before age 55 with the completion of 10 years of service. Early retirement benefits will be payable with a reduction of 0.6% for each month that benefits commence prior to normal retirement age; and
4. The elimination of the 36-month single life annuity guarantee based on the accrued benefit at December 31, 1994.

On February 1, 2008, you were notified that the Plan reduced or eliminated adjustable benefits for Participants with deferred vested benefits under the Plan by virtue of being covered under the Default Schedule as described above. If the Trustees determine that further benefit reductions are necessary,

Statement of Rights

Participants and beneficiaries have rights under the Plan and ERISA as described in the Summary Plan Description. This includes the right to obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you will have to work to get a right to a pension. This statement must be requested from the Pension Fund office in writing and is not required to be given more than once every twelve (12) months. This Plan will provide the statement free of charge. If you have any questions about your Plan or this Notice, you should contact the Board of Trustees, Cleveland Bakers and Teamsters Pension Fund, 9665 Rockside Road, Suite D, Valley View, OH 44125-6233 (216-781-6869). Also, Participants and beneficiaries have the right to contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210.

Board of Trustees

Cleveland Bakers and Teamsters Pension Fund