

DAIRY INDUSTRY - UNION PENSION PLAN
FOR PHILADELPHIA & VICINITY
(AS AMENDED AND RESTATED EFFECTIVE JANUARY 1, 2021)

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**DAIRY INDUSTRY - UNION PENSION PLAN
FOR PHILADELPHIA & VICINITY**

INTRODUCTION

The Dairy Industry Union Pension Plan for Philadelphia & Vicinity (the “Plan”) was established effective April 1, 1952, pursuant to certain collective bargaining agreements between employers in the dairy industry (the “Employers”) and local unions representing dairy industry workers in southeastern Pennsylvania and southern New Jersey (the “Unions”). The Trustees of the Dairy Industry – Union Pension Plan for Philadelphia & Vicinity (the “Trustees”) sponsor, maintain, and administer the Plan for the exclusive benefit of the Plan’s participants and beneficiaries pursuant to the terms of the Second Amended and Restated Agreement and Declaration of Trust, as amended. The Trustees intend for the Plan to constitute a multiemployer defined benefit pension plan within the meaning of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Internal Revenue Code of 1986, as amended (the “Code”), and to at all times satisfy the applicable requirements of ERISA, the Code, and the regulations promulgated thereunder.

The Trustees have amended the Plan several times since its effective date and most recently amended and restated the Plan effective as of January 1, 2014. The Trustees have determined to further amend and restate the Plan effective as of January 1, 2021, unless otherwise explicitly stated herein, to incorporate all previous amendments and to implement certain other changes. No provision of this amendment and restatement shall be construed as eliminating or reducing any protected benefits in violation of Code Section 411(d)(6) or the Treasury Regulations promulgated thereunder. Unless otherwise required by law or expressly provided herein, the benefits of any participant who ceased working prior to January 1, 2021, in employment governed by a collective bargaining agreement between an Employer and Union providing for their participation in the Plan shall be determined under the terms of the Plan that were in effect on the date that the participant ceased working in such employment.

SECTION I
DEFINITIONS

1.1. “Actuarial Equivalent” means equality in value of the amounts expected to be received based upon 7% interest (except as described in Section 9.7) and the UP-1984 Mortality Table (Unisex) with no age set back for Participants and with ages set back 5 years for beneficiaries.

1.2. “Actuary” means the person, firm or corporation, experienced in the operation and valuation of pension plans, and enrolled in accordance with Subtitle C of Title IV of ERISA, which is selected by the Trustees to provide actuarial services in connection with the administration of the Plan.

1.3. “Agreement and Declaration of Trust” means the legal document creating the Trust Fund. The Agreement and Declaration of Trust sets forth the manner in which the Trust Fund and the Plan are to be administered, the powers and duties of the Trustees, and the methods by which Trustees are selected and removed, the Plan amended or terminated and contributions by Member Companies made and enforced.

1.4. “Annuity Starting Date” means (i) the first day of the first period for which an amount is payable as an annuity, or (ii) in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitle a Participant to such benefits.

1.5. “Benefit Service” means service which is used to determine the dollar amount of a pension benefit. Benefit Service is defined in Section II.

1.6. “Code” means the Internal Revenue Code of 1986, as amended.

1.7. “Covered Employment” means the period of time including:

(1) employment of a Union Employee as to which contributions are required to be made to the Trust Fund; and

(2) a Union Employee’s probationary period described in Section 1.17.

1.8. “Disability Retirement Pension” means the pension benefit described in Section VI.

1.9. “Disability Retirement Date” means the first day of the seventh calendar month following the month in which a Union Employee’s Total and Permanent Disability commenced as finally determined by the Trustees.

1.10. “Early Retirement Date” means the earliest day as of which a Participant who is eligible could retire and commence receiving an Early Retirement Pension.

1.11. “Early Retirement Pension” means the pension benefit described in Section V.

1.12. “Eligible Spouse” means the spouse to whom the Participant has been married, as determined under federal law, for at least (1) year as of the date of the Participant’s death or to whom the Participant is married on the Annuity Starting Date. This amendment is effective June 25, 2013.

1.13. “Maternity/Paternity Absence Period” means a Participant’s period of absence from active employment with a Member Company which begins on or after January 1, 1987, and which is incurred: (1) by reason of the pregnancy of such Participant, (2) by reason of the birth of a child of such Participant, (3) by reason of the placement of a child with such Participant in connection with the adoption of a child by such Participant, or (4) for purposes of caring for a child of such Participant immediately following its birth or placement.

1.14. “Member Company” means any person, firm or corporation, and any predecessor and/or successor, which is engaged in the dairy industry and which has become a party to the Plan. The Member Companies of the Plan are listed in Appendix A.

1.15. “Normal Retirement Age” means the later of the 65th birthday of a Participant or the fifth anniversary of the date a Participant begins participation in the Plan. Notwithstanding the foregoing, as to benefits accrued before February 17, 1993 Normal Retirement Age shall not be later than the later of the 62nd birthday of a Participant or the completion of 10 years of Vesting Service.

1.16. “Normal Retirement Pension” means the pension benefit described in Section IV.

1.17. "Participant" means any Union Employee who:

(1) is participating in the Plan as of January 1, 1994, or

(2) has completed his probationary period, which for the purpose of this Plan shall be six (6) months.

All time recognized as Vesting Service under Section 3.1, herein, shall be credited toward completion of a Union Employee's probationary period. A Union Employee who becomes a Participant shall continue to be a Participant so long as he continues to earn Vesting Service or is entitled to a pension under the Plan.

1.18. "Pensioner" means a Participant who is receiving an Early, Normal, Vested or Disability Retirement Pension under the Plan.

1.19. "Plan" means the Dairy Industry-Union Pension Plan for Philadelphia and Vicinity, as described herein, or as hereafter amended.

1.20. "Plan Year" means the calendar year.

1.21. "Prior Plan" means the Dairy Industry-Union Pension Plan as amended to December 31, 1975, including where applicable either or both of the Milk Dealers-Union Pension Plan for Philadelphia and Vicinity and the Ice Cream Industry-Union Pension Plan for Philadelphia and Vicinity as they were constituted immediately prior to October 1, 1962.

1.22. "Total and Permanent Disability" means total disability arising from occupational or nonoccupational injury or disease which:

(1) prevents a Union Employee from engaging in any and every occupation or employment in the dairy industry, and

(2) on the basis of medical opinion satisfactory to the Trustees or on the basis of a Social Security disability award, is determined by the Trustees to be total disability which will be permanent and continuous for the remainder of the Union Employee's life; provided,

however, that Total and Permanent Disability for purposes of the Plan shall not include any disability which:

(A) was contracted, suffered or incurred while the Union Employee was engaged in, or resulted from his having engaged in, a felonious enterprise, or

(B) resulted from the Union Employee's habitual drunkenness or addiction to narcotics, or

(C) resulted from an intentionally self-inflicted injury; and provided, further, that no Union Employee who engages in any occupation or employment for substantial remuneration shall be deemed to have incurred Total and Permanent Disability.

1.23. "Trustees" mean those six (6) individuals, three (3) of whom are appointed by the Member Companies and three (3) of whom are appointed by the Union, who shall perform all duties as shall be required in the administration of the Plan according to the terms of the Agreement and Declaration of Trust.

1.24. "Trust Fund" means the entire trust estate of the Dairy Industry-Union Pension Plan for Philadelphia and Vicinity as it may from time to time be constituted, including, but not limited to all funds received in the form of contributions, together with all income including dividends, interest, refunds and other sums payable to the Trustees or on account of increments, earnings and profits therefrom, and any and all other property or funds received and held by the Trustees by reason of their acceptance of the Agreement and Declaration of Trust.

1.25. "Union" as of January 1, 2021, means any one or more of Union Local No. 463, affiliated with the International Brotherhood of Teamsters, and the Service Employees International Union, Local 32BJ.

1.26. "Union Employee" means any employee employed in the dairy industry by a Member Company whose rates of pay and working conditions are governed by a collective bargaining agreement with the Union. For this purpose, employee includes any person (other than an employee of the recipient Member Company) who pursuant to an agreement between the Member Company and any other person ("leasing organization") has performed services for the

Member Company (or the Member Company and related persons determined in accordance with Section 414(n)(6) of the Code) on a substantially full-time basis for a period of at least one year primarily under direction or control by the Member Company. Contributions or benefits provided to such a person by the leasing organization which are attributable to services performed for the recipient Member Company shall be treated as provided by the recipient Member Company unless (1) such employee is covered under a money purchase pension plan providing (i) a non-integrated employer contribution rate of at least 10% of compensation, as defined in Section 415(c)(3) of the Code, but including amounts contributed pursuant to a salary reduction agreement which are excludable from the employee's gross income under Section 125, Section 402(e)(3), Section 402(h)(1)(B) or Section 403(b) of the Code, (ii) immediate participation, and (iii) full and immediate vesting; and (b) leased employees do not constitute more than 20% of the recipient's non-highly compensated work force

1.27. "Vested Retirement Pension" means the pension benefit described in Section VII.

1.28. "Vesting Service" means service with a Member Company which is used to determine when a Participant becomes eligible for a Vested Pension. Vesting Service is defined in Section III.

SECTION II
BENEFIT SERVICE

2.1. Benefit Service is defined as the sum of:

(a) the period of time, measured in elapsed years and days, of a Union Employee's Covered Employment after December 31, 1975, ending on either:

(1) the date on which Covered Employment is terminated by reason of a voluntary quit, discharge, retirement, transfer or death, or

(2) twelve (12) months following the date of termination of active employment for any other reason except as provided in Section 2.2; and

(b) the Union Employee's Credited Service under the provisions of the Prior Plan with respect to employment prior to January 1, 1976.

2.2. Participants who are unable to work due to sickness or injury, but who are receiving sickness or accident benefits under a health and welfare plan sponsored by or contributed to by a Member Company, or who are receiving Worker's Compensation Benefits, shall receive Benefit Service for time spent receiving such benefits up to a maximum of one (1) year for any one absence. Benefit Service shall also be earned during all time spent in the uniformed services of the United States (provided the veteran qualifies for re-employment rights under the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), and also during the first year of any layoff or authorized leave of absence.

2.3. A Participant whose Benefit Service has ended may resume earning Benefit Service when and if he returns to Covered Employment, and will not forfeit any Benefit Service earned prior to his return, unless during his absence from Covered Employment he suffered a Permanent Break in Vesting Service, as set forth in Section 3.5, and provided further that Benefit Service earned prior to his return from a Temporary Break in Vesting Service (as described in Section 3.4) shall not be reinstated until the Union Employee has accumulated one (1) year of Vesting Service following his return. Benefit Service is not earned during the period of severance, except as provided in Section 2.2.

SECTION III
VESTING SERVICE

3.1. Vesting Service is defined as a period of time, measured in elapsed years and days, beginning with the first day of employment with a Member Company, and ending on either:

(a) the date on which employment is terminated by reason of a voluntary quit, discharge, retirement or death, or

(b) twelve (12) months following the date of termination of active employment for any other reason except as provided in Section 3.2.

Vesting Service includes both union and nonunion employment with a Member Company. Effective February 10, 2015, a special rule exists for a Participant who first becomes a Union Employee, because a Member Company has either acquired ownership of or purchased assets of the company that previously employed the Participant. Such Participant will be credited with Vesting Service for periods of employment worked for such company prior to the acquisition or the asset sale that caused the Participant to become a Union Employee. The Vesting Service accrued during such a period of employment shall be calculated in the same manner as Vesting Service accrued during a period of employment with a Member Company.

In computing any and all pension benefits to which a Participant may be entitled under this Plan, the provisions of the Prior Plan shall govern the computation of, amount of and/or forfeiture of Vesting Service earned prior to January 1, 1976.

3.2. Participants who are unable to work due to sickness or injury, but who are receiving Worker's Compensation Benefits, shall receive Vesting Service for all time spent receiving such benefits. Vesting Service shall also be earned during time spent in the uniformed services of the United States (provided the veteran qualifies for re-employment rights under the USERRA), and shall also be earned while a Participant is on leave of absence for the purpose of working as an officer or employee of the Union which represents for purposes of collective bargaining the unit of which he is a member, or of the parent union, joint council or similar organization of which the Union is a member. Should a Participant fail to return to work in the dairy industry upon

termination of his employment by the Union, he shall be deemed to have quit employment in the dairy industry.

3.3. A Participant or a Union Employee who leaves active employment with a Member Company for any reason but who returns to such employment within twelve (12) months shall suffer no break in Vesting Service, either temporary or permanent.

3.4. A Participant or a Union Employee who leaves active employment with a Member Company for any reason and who does not return to work within (12) months thereafter, shall suffer a Temporary Break in Vesting Service. No Vesting Service shall be earned during the Temporary Break in Vesting Service, which shall be retroactively measured from:

(a) in the case of a Participant or a Union Employee whose Vesting Service ended on a date described in Section 3.1(a), the first day on which he left active employment; or

(b) in the case of a Participant or a Union Employee whose Vesting Service ended on a date described in Section 3.1(b), the first anniversary of the day on which he left active employment, provided, however, that if his period of absence qualified as a Maternity/Paternity Absence Period and extended beyond the first anniversary of the first date of absence, the Temporary Break in Vesting Service shall be measured from the second anniversary of the day on which he left active employment.

A Participant or a Union Employee who returns to employment with a Member Company following a Temporary Break in Vesting Service shall, upon his return, resume earning Vesting Service. Such a Participant or a Union Employee shall not forfeit either Vesting or Benefit Service earned prior to the Temporary Break in Vesting Service, but shall not have earned any additional Vesting Service during the Temporary Break in Vesting Service.

3.5. A Temporary Break in Vesting Service shall become a Permanent Break in Vesting Service when the period of the Temporary Break in Vesting Service, measured in years and days, equals or exceeds the greater of:

(a) the amount of Vesting Service, measured in years and days, that the Participant or Union Employee had earned prior to the Temporary Break in Vesting Service, and had not forfeited by virtue of any previous Permanent Break in Vesting Service, or

(b) five years, provided, however, that this clause (b) shall apply only with respect to a Participant or Union Employee whose Temporary Break in Vesting Service did not, as of December 31, 1986, equal or exceed in length the amount of his Vesting Service (excluding any Vesting Service forfeited by virtue of any previous Permanent Break in Vesting Service).

Upon suffering a Permanent Break in Vesting Service, the Participant or Union Employee shall forfeit all Vesting and Benefit Service earned prior to the Permanent Break in Vesting Service, unless he had already earned at least ten (10) years of Vesting Service, or in the case of a Participant who earned an Hour of Service after December 31, 1996, at least five (5) years of Vesting Service, and had thereby qualified for a Vested Retirement Pension.

SECTION IV
NORMAL RETIREMENT PENSION

Each Participant who attains Normal Retirement Age shall be entitled to receive a Normal Retirement Pension commencing as of the first day of the month thereafter, but only after he applies for such pension in the prescribed manner, and subject to Section 9.8 if he is still working.

SECTION V
EARLY RETIREMENT PENSION

Each Participant may retire from the service of a Member Company and receive an Early Retirement Pension, commencing as of the first day of the month after retirement or any subsequent month selected by the Participant, once he has

(a) attained age 62 and completed ten (10) or more Years of Vesting Service, or

(b) attained age 55 and completed fifteen (15) or more Years of Vesting Service, at least five (5) of which is Benefit Service.

SECTION VI
DISABILITY RETIREMENT PENSION

6.1. Each Participant who has completed ten (10) or more years of Vesting Service, at least five (5) of which is Benefit Service, and who, prior to his Normal Retirement Age, terminates employment with a Member Company by reason of Total and Permanent Disability, shall be entitled to receive a Disability Retirement Pension under the Plan, commencing as of his Disability Retirement Date and payable monthly thereafter while Total and Permanent Disability continues, until such time as the Participant attains Normal Retirement Age, at which time the pension shall become a Normal Retirement Pension. Upon attainment of Normal Retirement Age, a Participant may elect to change the form of benefit, with spousal consent, to the extent required by law.

6.2. If the Total and Permanent Disability of the Pensioner terminates (as finally determined by the Trustees) prior to Normal Retirement Age, his Disability Retirement Pension shall cease with the payment due as of the first day of the month in which such termination occurs. If such Pensioner thereupon again becomes an employee of a Member Company, the computation of such Pensioner's retirement pension shall include both Benefit Service earned prior to his Disability Retirement Date and any Benefit Service earned following re-employment.

SECTION VII
VESTED RETIREMENT PENSION

7.1. Each Participant who has completed ten (10) or more years of Vesting Service and terminates employment with a Member Company before becoming eligible for a Normal, Early, or Disability Retirement Pension shall be entitled to receive a Vested Retirement Pension.

Notwithstanding the preceding, with respect to any Participant who is credited with at least one Hour of Service on or after January 1, 1997, each Participant who has completed 5 years or more Years of Vesting Service and terminates employment with a Member Company before becoming eligible for a Normal, Early or Disability Retirement Pension shall be entitled to receive a Vested Retirement Pension.

7.2. A Participant may elect to receive his Vested Retirement Pension at any time on or after his 55th birthday; provided, however, that a vested Participant with less than fifteen (15) years of Vesting Service, at least five (5) of which is Benefit Service, may not receive a Vested Retirement Pension until the first day of the month following his 62nd birthday.

Notwithstanding the foregoing, a vested Participant who attains age 62 on or after July 1, 2011 and who has at least five (5), but fewer than ten (10), years of Vesting Service shall not be eligible to receive a Vested Retirement Pension until the first day of the month following his 65th birthday.

7.3. A Participant may not waive any part of his Vested Retirement Pension in order to receive a Severance Benefit pursuant to Section X. No Participant who is eligible to receive a Vested Retirement Pension may receive a Severance Benefit.

7.4. The amount of the Vested Retirement Pension shall be determined in accordance with the schedule of pension benefits then in effect at the time the Participant was last credited with Vesting Service.

SECTION VIII
AMOUNT OF PENSION BENEFITS

8.1. The Normal, Early, Disability and Vested Retirement Pensions shall be determined on a monthly payment basis for the life of the participant. Subject to Sections 8.2, 8.3, and 8.5, in the case of participants who retired before January 1, 1993, the monthly benefit shall be \$9.00 for each full year of Benefit Service earned prior to January 1, 1983, up to a maximum of 40 years. For each full year of Benefit Service earned from and after January 1, 1983 the monthly benefit shall be calculated as follows:

- (a) \$10.00 for each full year of Benefit Service earned in 1983.
- (b) \$11.00 for each full year of Benefit Service earned in 1984 and 1985.
- (c) \$12.00 for each full year of Benefit Service earned in 1986.
- (d) \$15.00 for each full year of Benefit Service earned in 1987.
- (e) \$18.00 for each full year of Benefit Service earned in 1988.
- (f) \$21.00 for each full year of Benefit Service earned in 1989 through 1992.

The number of years of Benefit Service that may be earned from and after January 1, 1983 shall not be limited by the 40 year maximum referred to above.

8.2. In the case of any Participant who retired on or after January 1, 1987 but before January 1, 1990 with a Normal Retirement Pension, the amount of his monthly pension benefit shall be increased by 5% for Participants who retired in 1987, by 4% for Participants who retired in 1988, and by 2% for Participants who retired in 1989.

8.3. In the case of any Participant who retired on or after January 1, 1990 but before January 1, 1993, with a Normal Retirement Pension, the pension for Benefit Service earned prior to January 1, 1983 as described in Section 8.1 above shall be increased to \$12.00 for Participants who retired in 1990, \$14.00 for Participants who retired in 1991 and \$16.00 for Participants who retired in 1992.

8.4. In the case of any Participant who retired on or after September 1, 1984 and before January 1, 1993, the monthly pension benefit calculated under this Section shall be increased by an additional 10%.

8.5. In the case of any Participant who retires on or after January 1, 1993 with a Normal, Early or Disability Retirement Pension, the monthly benefit shall be the Participant's full years of Benefit Service multiplied by the benefit rate specified in (a) below or, if applicable, in (b) below.

(a) The benefit rate opposite the last year for which the Participant was credited with Vesting Service during such year or December of the preceding year.

<u>Year of Retirement:</u>	<u>Benefit Rate:</u>
1993	\$25.00
1994	\$25.00
1995	\$31.00
1996	\$43.00
1997	\$43.00
1998	\$53.00
1999	\$57.00
2000 and later	\$65.00

(b) The benefit rate opposite the last year for which the Participant was credited with Benefit Service with respect to which a Member Company was required to make Contributions on behalf of the Participant during such year or for the December of the preceding year.

<u>Year of Retirement:</u>	<u>Benefit Rate:</u>
2001	\$70.00
2002	\$75.00

8.6. The monthly pension amount for partial years of Benefit Service earned prior to January 1, 1976 shall be determined in accordance with Section IV of the Prior Plan, using one fourth of the applicable value of a year of Benefit Service for each quarter of Benefit Service earned under said Prior Plan. The monthly pension amount for partial years of Benefit Service earned on or after January 1, 1976, shall be the applicable amount, as set forth in Section 8.1, multiplied by a fraction, the numerator of which shall be the number of calendar days in the year

during which the Participant was earning Benefit Service and the denominator of which shall be the total number of calendar days in the year.

8.7. The monthly amount of an Early, Disability, or Vested Retirement Pension that commences before age 65 shall be the amount of the Normal Retirement Pension to which the Participant would be entitled to receive under this Section VIII, multiplied by the percentage in the appropriate table below:

For the Participant's Accrued Benefit of February 17, 1993:

<u>Participant's Age</u>	<u>Percentage</u>
65	100.0%
64	100.0%
63	100.0%
62	100.0%
61	90.0%
60	81.1%
59	73.3%
58	66.4%
57	60.2%
56	54.8%
55	49.8%

For the Participants Benefit Service accrued after February 17, 1993:

<u>Participant's Age</u>	<u>Percentage</u>
65	100%
64	100%
63	100%
62	100%
61	88%
60	76%
59	64%
58	58%
57	52%
56	46%
55	40%

Pensions commencing as of dates between birthdays will be actuarially adjusted. For those participants entitled to a Disability Retirement prior to age 55, the benefits will be reduced on an Actuarial Equivalent basis for commencement prior to age 55.

8.8. Notwithstanding any other provisions of this Plan to the contrary, the maximum pension benefit payable under this Plan to a Participant shall not exceed the maximum monthly benefit permitted under Section 415 of the Code, as it may be amended from time to time.

For Plan Years commencing before January 1, 2008, for this purpose compensation is defined as wages within the meaning of Section 3401(a) (for purposes of income tax withholding at the source) but determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Section 3401(a)(2)), and as adjusted for amounts otherwise excluded from compensation pursuant to Sections 402(g)(3), 125, or 457 of the Code. For limitation years beginning on or after January 1, 2001, any elective amounts excludible pursuant to Section 132(f)(4) of the Code shall be added to compensation.

For Plan years commencing on or after January 1, 2008, “compensation” means wages within the meaning of Code Section 3401(a) for the purposes of federal income tax withholding at the source for the calendar year (Determination Period) adjusted for amounts that are not included in an Employee’s gross income on account of Code Sections 125(a), 132(f)(4), 402(e)(3), 402(h)(1)(B), 402(k), 403(b) and 457(b). Compensation is also adjusted for items which are excluded from gross income solely on account of the nature or location of the services. Compensation shall also be adjusted, as set forth below, for the following types of Compensation paid after a Participant’s severance from employment with all Employers maintaining the Plan, or, to the extent required by Code Section 415, with any person including an entity treated as the Employer pursuant to Code Sections 414(b), (c), (m), or (o) as they may be modified by Code Section 415 and the regulations thereunder. However, the amounts set forth below shall not be treated as Compensation unless they are paid by the later of 2 ½ months after the severance from employment or the end of the Limitation year (which is the Plan Year) that includes the date of such severance from employment. The amounts that are included as Compensation under this paragraph are payments consisting of compensation for services during the Participant’s regular working hours, or for services outside the Participant’s regular working hours (such as overtime or shift differential), commissions, bonuses and similar payments as well as accrued but unused bona fide sick or vacation pay, but only if any of the forgoing types of post-severance compensation would have been paid to (or accrued leave could have been taken by) the

Participant prior to a severance from employment if the Participant had continued in employment with the Employer. Compensation in excess of the limit under Code Section 401(a)(17) as amended from time to time (as such limit may be adjusted from time to time for increases in cost of living) shall not be taken into account.

If, in any Plan Year, the benefit of a Participant under another retirement plan together with his pension benefit under this Plan would otherwise exceed the limits under Section 415, then the pension benefit that can be paid to such Participant under this Plan shall be reduced under this Plan only to the extent required by the regulations under Section 415 of the Code.

Notwithstanding anything in the Plan to the contrary, for purposes of adjusting any benefit subject to Section 417(e) of the Code, (a) with regard to Plan years beginning in 2004 and 2005 either (1) or (2), whichever produces the greater amount where (1) is the interest rate and mortality table used by the Plan set forth in Section 1.1 of the Plan for actuarial equivalence generally, and (2) is calculated using an interest rate of 5.5% and the GATT Applicable Mortality Table defined in Section 9.7 of the Plan as amended for Plan Years commencing on or after January 1, 2008. With regard to Plan Years beginning after 2005, the actuarially equivalent straight life annuity is equal to the greatest of (1) the annual amount of the straight life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the Participant's form of benefit computed using the interest rate and mortality table set forth in Section 1.1 for actuarial equivalence generally, (2) the annual amount of the straight life annuity commencing at the same Annuity Starting Date that has the same actuarial present value as the Participant's form of benefit computed using an interest rate assumption of 5.5% using the GATT Applicable Mortality Table defined in Section 9.7 of the Plan (as amended for Plan Years commencing on or after January 1, 2008) for Annuity Starting Dates commencing before January 1, 2008 and using the Applicable Interest rate and Applicable Mortality Table (as defined in Section 9.7 of the Plan as amended for Plan Years commencing on or after January 1, 2008) thereafter, in both cases, divided by 1.05.

8.9. Benefit Improvements Following Periods of No Covered Employment.

(a) In the case of any benefit improvement on or after May 1, 2000, such benefit improvement shall only apply to Participants who were in Covered Employment on the effective

date of such benefit improvement. Notwithstanding the preceding, if a Participant was not in Covered Employment on the effective date of such benefit improvement, but returns to Covered Employment within twenty-four months of the date the Participant left Covered Employment, such benefit improvement shall apply to all of the Participant's years of Benefit Service under the Plan.

(b) If a Participant did not work in Covered Employment during the twenty-four month period prior to the effective date of a benefit improvement and returns to Covered Employment after such twenty-four month period, any benefit improvements with an effective date after the Participant left Covered Employment shall not apply to service earned before the Participant left Covered Employment until the Participant has been credited with one year of Benefit Service.

8.10. Notwithstanding any other provision of this Plan to the contrary, from and after December 12, 1994 contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code. Notwithstanding any other provision of this Plan to the contrary, in the case of a death occurring on or after January 1, 2007, if a Participant dies while performing qualified military service (as defined in Section 414(u) of the Code), the survivors of the Participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had resumed Covered Employment and then terminated Covered Employment on account of death. Notwithstanding any other provision of this Plan to the contrary, effective January 1, 2009, (i) a Union Employee receiving a differential wage payment, as defined in Section 3401(h)(2) of the Code, is treated as an employee of the Member Company making the payment, (ii) the differential wage payment is treated as compensation, and (iii) the Plan shall not be treated as failing to meet the requirements of any provision described in Section 414(u)(1)(C) of the Code by reason of any contribution or benefit based on the differential wage payment.

SECTION IX
FORM AND PAYMENT OF BENEFITS

9.1. Each Participant who becomes eligible for an Early, Normal, Disability or Vested Retirement Pension under the Plan shall complete such forms and furnish such proofs as shall be required by the Trustees. In the case of a disabled Participant who becomes a Pensioner, the Trustees shall have the right to require proof of the continuance of Total and Permanent Disability at such reasonable times prior to the Pensioner's Normal Retirement Date as they may determine.

9.2. A Participant's pension benefit shall be, or shall begin to be, distributed not later than April 1 of the calendar year following the calendar year in which the Participant attains age 70 ½. A Participant's pension benefit that commences prior to retirement shall be recalculated as of the end of each calendar year during which he earns Benefit Service. To the extent permitted under applicable law, the recalculation shall not result in a reduction of a Participant's annual benefit to an amount that is less than that which he would have accrued as of the end of each calendar year if he were not required to commence distributions pursuant to this Section 9.2. All distributions pursuant to this Section 9.2 shall be made in accordance with Code Section 401(a)(9) and the regulations thereunder, as each may be amended from time to time. Payment of a Participant's Accrued Pension Benefit shall be made over the life of the Participant (or the lives of the Participant and his survivor) or over a period not extending beyond the life expectancy of the Participant (or the life expectancies of the Participant and his survivor); provided, however, that if a Participant dies before his entire benefit has been distributed to him, the remaining portion of such benefit shall be distributed at least as rapidly as under the method of distribution being used as of the date of his death. Notwithstanding anything in the Plan to the contrary, the Plan will apply the minimum distributions requirements of Section 401(a)(9) of the Code in accordance with Treasury Regulation Sections 1.401(a)(9)-1 through 1.401(a)(9)-9 that were issued on April 17, 2002 and June 15, 2004, including the incidental death benefit requirement.

9.3. Unless the Participant fails to comply with Section 9.1, the payment of benefits authorized under this Section shall commence no later than the 60th day after the close of the Plan Year in which the latest of the following occurs:

- (a) the Participant's 65th birthday;
- (b) the 10th anniversary of the year in which the Participant commenced participation; or
- (c) the date of the Participant's termination of service with a Member Company.

The failure of a Participant (and if applicable, his Spouse) to consent to a distribution shall be treated as an election to defer the distribution.

9.4. If on a Participant's Annuity Starting Date he is married, his Normal or Early Retirement Pension, Vested Retirement Pension, or Disability Retirement Pension shall be paid in the form of a 50% Joint and Survivor Pension unless an election under Section 9.5 is in effect. Under the 50% Joint and Survivor Pension, a reduced amount shall be paid to the Participant for his lifetime; and his Eligible Spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime survivorship pension in a monthly amount equal to 50% of the reduced monthly amount which had been payable to the Participant. If the Eligible Spouse predeceases the Participant, the Participant shall receive thereafter a pension for the remainder of his lifetime equal to the amount he would have received as a single life benefit determined under Section VIII. The reduced amount payable to the Participant shall be determined so that the pension payments expected to be made to the Participant and his Eligible Spouse shall be the Actuarial Equivalent of the single-life pension determined under Section VIII. The last payment of the 50% Joint and Survivor Pension shall be made as of the first day of the month in which the death of the survivor of the Participant and his Eligible Spouse has occurred. If a Participant is not married on his Annuity Starting Date, he shall receive a monthly benefit determined under Section VIII, the last payment of which shall be made as of the first day of the month in which the death of the Participant occurs.

9.5. In lieu of the 50% Joint and Survivor Pension, a Participant who qualifies for a benefit rate under Section 8.5 of \$70 or higher may elect during the election period set forth in Sections 9.5 (c) and (d) below to receive instead

(i) a 100% Joint and Survivor Pension, under which the Participant's benefit is further reduced and paid in accordance with the terms of the 50% Joint and Survivor Pension except that the survivorship pension is equal to 100% of the reduced monthly amount which had been payable to the Participant;

(ii) the monthly benefit that would be paid under Section 9.4 if the Participant were not married on his Annuity Starting Date; or

(iii) Effective January 1, 2008, a Qualified Optional Survivor Annuity ("QOSA"). Under the QOSA, a reduced amount shall be paid to the Participant for his lifetime; and his Eligible Spouse, if surviving at the Participant's death, shall be entitled to receive thereafter a lifetime survivorship pension in a monthly amount equal to 75% of the reduced monthly amount which had been payable to the Participant. The reduced amount payable to the Participant shall be determined so that the pension payments expected to be made to the Participant and his Eligible Spouse shall be the Actuarial Equivalent of the single-life pension determined under Section VIII. All of the consent and waiver rules applicable to the 50% Joint and Survivor Pension shall also apply to the QOSA.

(a) An election by a Participant under this Section 9.5 must be in writing in a form provided by the Trustees, and an election of option (ii) shall not be effective unless:

(1) the Eligible Spouse of the Participant consents to the election, and such consent (i) is in writing, (ii) acknowledges the effect of the election, and (iii) is witnessed by a representative of the Plan or by a notary public; or

(2) it is established to the satisfaction of the Trustees that either the Participant has no spouse or the consent of the Participant's spouse cannot be obtained because (i) the Participant's spouse cannot be located or (ii) one of the conditions prescribed in regulations under the Code is satisfied.

(b) A Participant may revoke an election made under this Section 9.5 at any time until the Annuity Starting Date.

(c) A Participant shall be given a written explanation of the 50%, Joint and Survivor Pension, including the circumstances in which it will be provided unless the Participant and his spouse have elected not to have his benefits payable in that form, the availability of the election to receive instead the 100% or 75% Joint and Survivor Annuity, a general explanation of the relative financial effect of each of such options on the Participant's annuity and that of his spouse, and the financial effect of deferring or failing to defer the commencement of benefits as well as any other information that may be required to be provided in accordance with Section 417 of the Code and the regulations thereunder. If the written explanation is given at least 30 days before the Annuity Starting Date, the Participant's election period shall be the 90-day (and, effective January 1, 2009, the 180-day) period ending on the Annuity Starting Date. Otherwise, the Participant's election period shall commence when the Participant receives the written explanation. A Participant may revoke his election and make a new election at any time within the election period.

(d) A Participant may waive the 30-day election period described in (c) above, in order to accelerate the initial pension payment, provided that the initial pension payment cannot be made within 7 days after the Participant makes his election.

9.6. Each Participant shall have the 50% Joint and Survivor Pension as described in this Section IX effective for the benefit of his Eligible Spouse so that if he dies before his Annuity Starting Date, his Eligible Spouse will be entitled to receive a pension benefit commencing (i) if the Participant dies after attaining his Early Retirement Date, as of the first day of the month coincident with or next following the date of the Participant's death, and (ii) if the Participant dies before attaining his Early Retirement Date, as of the date the Participant would have attained his Early Retirement Date. The pension benefit to which the Participant's Eligible Spouse shall be entitled hereunder shall be the benefit which would have been payable to the Participant's Eligible Spouse under the 50% Joint and Survivor Pension.

(1) If the Participant dies after he attains his Early Retirement Date, the benefit will be calculated as if the Participant had retired and commenced receiving benefits on the day immediately preceding his death.

(2) If the Participant dies before attaining his Early Retirement Date, the benefit will be calculated as if the Participant (A) separated from service on the date of his death, (B) survived to his Early Retirement Date, (C) retired with an immediate 50% Joint and Survivor Pension at his Early Retirement Date, and (D) died on the day after he would have attained his Early Retirement Date. In the case of a Participant who separated from service with a Member Company before the date of such Participant's death, clause (A) above shall not apply.

9.7. Effective for distributions prior to January 1, 2005, in lieu of the pension benefit described in this Section IX, before the Annuity Starting Date, the Trustees shall pay to a Participant or Eligible Spouse, without his consent, the Actuarial Equivalent present value of the benefit if such present value does not exceed \$5,000 (\$3,500 prior to 2003).

Effective for distributions on or after January 1, 2005, at such time as a Participant (or Surviving Spouse or Alternative Payee) elects to receive his benefits, if the Actuarial Equivalent present value of such benefits does not exceed \$5,000, such Participant (or Surviving Spouse or Alternative Payee) may elect to receive his benefits in the form of a lump sum. For purposes of this Section 9.7, the actuarial present value of a benefit shall be determined in accordance with the Applicable Mortality Table and Applicable Interest Rate as defined in Section 417(e) of the Internal Revenue Code of 1986, as amended.

For purposes of this Section 9.7 prior to 2002, Actuarial Equivalent present value shall be calculated by using an interest rate or rates not greater than the interest rate(s) which would be used, as of the first day of the Plan Year in which the distribution becomes payable, by the Pension Benefit Guaranty Corporation for purposes of determining the present value of a lump sum distribution on plan termination. After 2001, Actuarial Equivalent present value shall be calculated by using the interest rate equal to the 30-year U.S. Treasury Bill Rate on an Annual Basis prescribed in Section 417(e)(3) of the Internal Revenue Code for the second month prior to the first day of the Plan Year in which the distribution becomes payable, and using the 1983 G.A.M. Mortality Table blended 50% male and 50% female prescribed by the Secretary of the

Treasury pursuant to Section 417(e) (the preceding interest rate and mortality table are referred to as the “GATT Interest Rate” and “GATT Mortality Table” respectively). Notwithstanding any other provisions in the Plan to the contrary, effective for distributions with Annuity Starting Dates on or after January 1, 2008, for the purposes of determining the lump sum Actuarial Equivalence of a Participant’s Accrued Benefit, the mortality table assumption is based on the prescribed mortality table under Code Section 417(e)(3)(B) (the “Applicable Mortality Table”) and the interest rate is the adjusted first-, second- and third-segment rates prescribed under Code Section 417(e)(3)(C), applied under rules similar to the rules of Code Section 430(h)(2)(C), for the November preceding the Plan Year during which the Annuity Starting Date occurs (the “Applicable Interest Rate”); provided, however, that for Plan Years 2008, 2009, 2010 and 2011, the Applicable Interest Rate is a blended rate of the first-, second- and third-segment rates and the 30-year U.S. Treasury Bill Rate based on the applicable percentage as follows:

<u>Plan Year</u>	<u>Segment Rate</u>	<u>30-Year U.S. Treasury Bill Rate</u>
2008	20%	80%
2009	40%	60%
2010	60%	40%
2011	80%	20%

9.8. Subject to Section 9.2, if a Pensioner should return to work in the dairy industry, the payment of benefits to said Pensioner shall be suspended for the period in which the Pensioner remains so employed. Likewise, benefits will not be paid to a Participant who becomes eligible for a pension but who remains employed as described in the preceding sentence. Benefit payments will be resumed or will commence, as the case may be, no later than the first day of the third calendar month after the month in which the Pensioner or Participant ceases to be so employed, provided that the Trustees have been informed that employment has ceased. Notwithstanding the foregoing, benefits shall be suspended after Normal Retirement Age only for calendar months with respect to which the Pensioner or active Participant

(1) receives payment for hours of service (as defined in Department of Labor Regulation Section 2530.200b-2(a)(1) and (2)) performed on at least 8 days,

(2) is in employment in the same trade or craft and in the same geographic area covered by the Plan, as when such benefits commenced, and

(3) is given notice in accordance with regulations under ERISA.

9.9. (a) A retiree must notify the Fund Office in writing of any employment in the dairy industry and must, upon request by the Trustees, supply or provide information sufficient to verify his employment.

(b) Upon request of the Trustees a retiree must certify that he is unemployed or certify to such facts as are necessary to demonstrate that he is not engaged in ERISA Section 203(a)(3)(B) service.

(c) The Fund Office will send a notice at least once every twelve months to retirees advising retirees of the Plan's suspension of benefit rules.

(d) Any retiree (or any participant contemplating retirement) may request a status determination in accordance with DOL Reg. § 2530.203-3(b)(6).

9.10. (a) In General. Effective for distributions made on and after January 1, 1993, and notwithstanding any provision of the Plan that would otherwise limit a Distributee's election under this Section 9.10, a Distributee may elect at the time and in the manner prescribed by the Plan Administrator to have any portion of an Eligible Rollover Distribution from this Plan paid directly to an Eligible Retirement Plan specified by the Distributee in a Direct Rollover. The rules regarding transfers to this Plan are set forth in Section 4.5(c).

(b) Definitions.

(1) "Eligible Rollover Distribution" means any distribution of all or any portion of the balance to the credit of the Distributee, except that an Eligible Rollover Distribution does not include the following:

(i) any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or joint life expectancies) of the Distributee and the Distributee's designated Beneficiary, or for a specified period of ten

(10) years or more. If the first payment of the series is delayed on account of a reasonable administrative delay or error by no more than two (2) months and reflects the additional months' worth of benefits, the payment will be considered part of the series of substantially equal periodic payments;

(ii) any distribution to the extent such distribution is required under Code Section 401(a)(9); and

(iii) the portion of any distribution that is not includible in the Participant's gross income.

(2) "Eligible Retirement Plan" means one of the following that accepts the Distributee's Eligible Rollover Distribution: an individual retirement account described in Code Section 408(a); an individual retirement annuity described in Code Section 408(b); an annuity plan described in Code Section 403(a); or a qualified trust described in Code Section 401(a). An Eligible Retirement Plan for a Distributee who is a surviving Spouse is one of the following that accepts the surviving Spouse's Eligible Rollover Distribution: an individual retirement account described in Code Section 408(a); or an individual retirement annuity described in Code Section 408(b).

Notwithstanding anything to the contrary herein, effective for distributions made after December 31, 2001, an Eligible Retirement Plan shall also mean an annuity contract described in Code Section 403(b) and an eligible plan under Code Section 457(b) which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving Spouse, or to a Spouse or former Spouse who is an alternate payee under a qualified domestic relations order, as defined in Code Section 414(p).

Effective for distributions made on or after January 1, 2009, a Distributee may elect to have all or a portion of an eligible rollover distribution rolled over to a Roth IRA described in Code Section 408A. However, for distributions made prior to January 1, 2010, the Distributee shall not be eligible to make the rollover contribution to a Roth IRA if the Distributee's modified

adjusted gross income exceeds \$100,000 or the distributee is a married individual filing a separate federal tax return.

Effective for distributions made on or after January 1, 2009, a Distributee who is a non-Spouse Beneficiary may elect to have all or a portion of such Distributee's eligible rollover distribution paid directly in a trustee-to-trustee transfer to an individual retirement account or annuity described in Code Sections 408(a) or (b) which is treated as an inherited individual retirement account or annuity pursuant to the provisions of Code Section 402(c)(11).

(3) "Distributee" means a Participant or former Participant. In addition, the Participant's or former Participant's surviving Spouse and the Participant's or former Participant's Spouse or former Spouse who is the Alternate Payee under a Qualified Domestic Relations Order (as such terms are defined in Section 14.5(b)) are Distributees with regard to the interest of the Spouse or former Spouse. Effective for eligible rollover distributions made on or after January 1, 2009, the Participant's or former Participant's non-spouse Beneficiary is a Distributee with regard to the interest of the non-spouse Beneficiary.

(4) Direct Rollover. A Direct Rollover is a payment by the Plan of benefits earned under this Plan to the Eligible Retirement Plan specified by the Distributee.

(c) Transfers to this Plan. This Plan will not accept a Direct Rollover or an indirect rollover.

(d) Applications. Except to the extent otherwise required by law, the Plan shall not pay any benefit to a Participant or to a Beneficiary until such person applies for a benefit on the form prescribed and supplied by the Plan Administrator.

(e) Rollover Limitations. The following limitations with respect to any Direct Rollover shall apply with respect to this Plan:

(1) If the total distribution to be made by this Plan with respect to a Distributee is reasonably expected to be less than two hundred dollars (\$200.00) in a single calendar year, this Plan shall not make a Direct Rollover, nor shall it withhold any amount on any such distribution.

(2) This Plan shall not make a Direct Rollover of a distribution to more than one (1) IRA.

(3) This Plan shall not split a single distribution, i.e., distribute a portion in cash and roll over the balance in a Direct Rollover, unless the portion intended to be a Direct Rollover is at least five hundred dollars (\$500.00).

9.11. Non-spousal distributions.

(a) With respect to distributions after December 31, 2009, if any portion of a distribution from this Plan with respect to a deceased Participant is payable to a beneficiary of the Participant who is not the surviving spouse of the Participant (or treated as the surviving spouse pursuant to a qualified domestic relations order), and such distribution would be treated as an eligible rollover distribution if it were payable to a surviving spouse, then such distribution will be treated as an Eligible Rollover Distribution.

(b) For purposes of this provision, an Eligible Retirement Plan consists of an Individual Retirement Account described in Code Section 408(a) and an Individual Retirement Annuity described in Section 408(b) which is established for the purpose of receiving the plan distribution on behalf of the Non-spouse Beneficiary and which is treated as an inherited IRA within the meaning of Code Section 408(d)(3). Title of the Individual Retirement Account or Individual Retirement Annuity must identify the deceased participant and the Non-spouse Beneficiary as the beneficiary of such deceased participant.

(c) The following rules apply in the case of direct rollovers by Non-spouse Beneficiaries:

(1) If the Participant dies before his Required Beginning Date, as determined in accordance with Code Section 401(a)(9), the amount eligible for rollover by a Non-spouse Beneficiary is determined under the 5-year rule described in Code Section 401(a)(9)(B)(ii) or the life expectancy rule described in Code Section 401(a)(9)(B)(iii). If the 5 year rule applies, and the distribution is made prior to the end of the year following the year of death, the Non-spouse Beneficiary may determine the required minimum distribution amount using the life expectancy rule, provided the determination is made using the same designated beneficiary.

(2) If the Participant dies on or after his Required Beginning Date, determined in accordance with Code Section 401(a)(9), for the year of the Participant's death, the required minimum distribution not eligible for rollover by a Non-spouse Beneficiary is the same as the amount that would have applied if the Participant were still alive and elected a direct rollover. For the years after the Participant's death, the required minimum distribution is determined in accordance with Code Section 401(a)(9).

(3) The amount not eligible for Direct Rollover by a Non-spouse Beneficiary includes all undistributed required minimum distributions for the year in which the Direct Rollover occurs and any prior year, including years before the Participant's death.

SECTION X
SEVERANCE BENEFIT

10.1. Each Participant hired by a Member Company before January 1, 1977 who, as of the date of severance, has completed at least five (5) years of Benefit Service but less than ten (10) years of Vesting Service shall be entitled to receive a severance benefit on the first (1st) day of the month immediately following the completion of six (6) months from the date upon which such Participant's employment with a Member Company or a Union is severed; provided, however that:

(a) A Participant whose employment is severed by reason of layoff shall not be entitled to receive any severance benefit until the first (1st) day of the month immediately following completion of one (1) year from the date of layoff.

(b) Except as provided in Section 10.2 no Participant shall receive any severance benefit except upon execution of a waiver of all rights and interest in the Plan, including the right of re-entry into the Plan. A Participant who is eligible for a Vested Retirement Pension shall not be permitted to waive this pension right in order to obtain a severance benefit.

(c) No severance benefit shall be paid to or on account of any Participant (i) when employment is severed by reason of death or (ii) when any death benefit is payable from this Plan.

10.2. A Participant who has received a severance benefit may gain reentry into the Plan, with a return of all Benefit and Vesting Service earned prior to severance, provided:

(a) his Benefit and Vesting Service are not disregarded by reason of Section 3.5, and

(b) upon return to Covered Employment he repays to the Trust Fund the full amount of his severance benefit, plus interest, from the date of receipt of the severance payment to the date of repayment, at the rate of 120 percent of the federal mid-term rate, as in effect under Section 1274 of the Code for the first month of the Plan Year in which the restoration occurs.

10.3. Severance benefits shall be computed in accordance with the following table:

Table of Severance Benefits

Full Years of Benefit Service	Severance Benefit
5 or less	\$0
6	100
7	200
8	300
9	400

For each full quarter of Benefit Service in excess of full years between 5 and 10 add \$25.00 to the severance benefit for the appropriate number of full years.

SECTION XI
AMENDMENT AND TERMINATION

11.1. The Plan may be amended by the Trustees in any fashion permitted by the Agreement and Declaration of Trust.

11.2. The Plan shall cease and terminate: (a) in the event the Trust Fund shall, in the opinion of the Trustees, be inadequate to carry out the intent and purpose set forth in the Agreement and Declaration of Trust, or be inadequate to meet the payments due or to become due under the Plan to Pensioners and beneficiaries already drawing benefits; (b) in the event of termination by joint action of the Member Companies and the Union; or (c) in the event of termination as may be otherwise provided by law. Upon termination of the Plan each Participant's pension under the Plan shall be nonforfeitable to the extent funded.

11.3. No part of the assets of the Trust Fund, by reason of any amendment or otherwise, shall at any time be used for, or diverted to, purposes other than for the exclusive benefit of Participants, former Participants, or their beneficiaries, and for the payment of administrative expenses under the Plan, or as will cause, or permit the assets of the Trust Fund to revert to, or become the property of the Member Companies, except as otherwise provided herein or when all obligations to all persons under the Plan have been fully satisfied.

11.4. Any merger or consolidation with, or transfer of assets and liabilities to, any other plan, shall be in conformity with the applicable requirements of Sections 4231 through 4235 of ERISA.

SECTION XII
ADMINISTRATION OF THE PLAN

12.1. The Plan shall be administered solely by the Trustees and the Fund Manager of the Plan acting for the Trustees, as provided in the Agreement and Declaration of Trust which is incorporated herein by reference. The decisions of the Trustees in all matters pertaining to the administration of the Plan shall be final and binding on all interested persons. The Trustees shall make such rules and prescribe such procedures for the administration of the Plan as they shall deem necessary and reasonable. Except as otherwise herein expressly provided, the Trustees shall have the exclusive right and discretion to interpret the Plan and decide any matters arising in the administration and operation of the Plan, and any interpretations and decisions shall be applied in a uniform manner to all Union Employees and Participants similarly situated.

12.2. The Trustees may authorize one or more of themselves or any agent to act on their behalf and may contract for an investment manager, actuarial, legal, investment advisory, medical, accounting, clerical and other services to carry out the Plan. The costs of such services and expenses of the Trustees shall be paid from the Trust Fund, including payment of required premiums to the Pension Benefit Guaranty Corporation under Title IV of ERISA, bonding required by the Act, and insurance permitted by the Act.

12.3. Pensions will be paid only in accordance with the terms of this Plan and the Agreement and Declaration of Trust. Neither the Trustees, nor any Member Company nor the Union, jointly or severally, shall be under any obligation to pay any pension other than from the Trust Funds created by the contributions of the Member Companies to the Trust Fund. No Union Employee (present or former), retired Union Employee, or any person claiming by or through any such person, shall have any right, interest or title to any benefit under the Agreement and Declaration of Trust, the Plan, or the Trust Fund, except as such right, interest or title shall have been specifically granted pursuant to the terms of the Plan.

12.4. If any Pensioner is, in the judgment of the Trustees, legally, physically or mentally unable to care for his affairs, the Trustees may direct that any payment due (unless prior claim therefor shall have been made by a duly qualified guardian or any other legal representative) be paid to the spouse, parent, brother or sister or other person deemed by the Trustees to be

maintaining or have custody of the Pensioner otherwise entitled to payment. Any such payment, when made at the direction of the Trustees, shall be a payment for the account of the Pensioner and shall be a complete discharge of any liability of the Plan and of the Trustees therefor.

12.5. (a) All claims for benefits hereunder shall be directed to the Trustees or to the Fund Manager acting for the Trustees. Within 90 days following receipt of a claim for benefits, the Trustees or their delegate shall determine whether the claimant is entitled to benefits under the Plan, unless additional time is required for processing the claim. In this event, the Trustees or their delegate shall within the initial 90-day period notify the claimant that additional time is needed, explain the reason for the extension, and indicate when a decision on the claim will be made, which must be within 180 days of the date the claim is filed.

(b) A denial by the Trustees or their delegate of a claim for benefits shall be stated in writing and delivered or mailed to the claimant. Such notice shall set forth the specific reasons for the denial, written in a manner calculated to be understood by the claimant without benefit of legal or actuarial counsel. The notice shall include specific reference to the Plan provisions on which the denial is based and a description of any additional material or information necessary to perfect the claim, an explanation of why this material or information is necessary, and the steps to be taken if the claimant wishes to submit his claim for review.

(c) The Trustees shall afford a reasonable opportunity to any claimant whose request for benefits has been denied for a review of the decision denying the claim. The review must be requested by written application to the Trustees within 60 days following receipt by the claimant of written notification of denial of his claim. Pursuant to this review, the claimant or his duly authorized representative may review any documents which are pertinent to the denied claim and submit issues and comments in writing.

(d) A decision on the claimant's appeal of the denial of benefits shall ordinarily be made by the Trustees at their next meeting that is at least 30 days after the receipt of the request for review, unless additional time is required for a decision on review, in which event the decision shall be rendered not later than their third meeting after receipt of the request for review. Notice in writing of the extended time required shall be given to the claimant within 60 days of his request for review.

The decision on review shall be in writing and shall include specific reasons for the decision, written in a manner calculated to be understood by the claimant, and shall also include specific reference to the Plan provision on which the decision is based.

12.6. A domestic relations order received by the Plan shall be treated as a claim for benefits. The Trustees shall comply with the requirements of Section 414(p) of the Code with respect to a domestic relations order submitted to the Plan.

12.7. In the event that the Plan makes a payment in error to a Participant or beneficiary that results in the Participant or beneficiary receiving a benefit in excess of the amount to which they are entitled under the terms of the Plan and the Trustees seek repayment of such overpayment, the recipient shall be required to return the overpayment amount, plus lost earnings thereon, unless a court of law ultimately determines that the overpayment is not required to be returned. The mechanism of repayment (e.g., lump sum, stream of payments, reduction of future payments), shall be determined by the Trustees.

SECTION XIII
MISCELLANEOUS

13.1. The establishment of the Plan shall not confer any legal rights upon any Union Employee or Participant for continuation of his employment nor shall it interfere with the right of the Member Company with whom he is employed to discharge him and to treat him without regard to the effect that such treatment might have upon him as a Participant.

13.2. The pensions or other benefits provided under the Plan are intended for the personal protection of the Participants and Pensioners. No pension or other benefit payable under the Plan while undistributed and in the possession of the Trust Fund, and even though vested or distributable, shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, or charge and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge shall be void; nor shall any such pension or other benefit be liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled thereto except as specifically provided under the Plan.

13.3. (a) The restrictions of Section 13.2 will not be violated by either (1) the creation of a right to payments from this Plan by reason of a Qualified Domestic Relations Order or (2) the making of such payments.

(b) For purposes of this subsection (b), the term “Qualified Domestic Relations Order” means any judgment, decree, or order (including approval of a property settlement agreement), made pursuant to a state domestic relations law (including a community property law), which relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child, or other dependent of a Participant (an “Alternate Payee”) and which:

(1) creates or recognizes the right of an Alternate Payee to, or assigns to any Alternate Payee the right to, receive all or a portion of the benefits payable with respect to a Participant under this Plan;

(2) clearly specifies: (A) the name and last known mailing address (if any) of the Participant and the name and mailing address of each Alternate Payee covered by the order;

(B) the amount or percentage of the Participant's benefits to be paid by the Plan to each Alternate Payee, or the manner in which such amount or percentage is to be determined; (C) the number of payments or period to which such order applies; and (D) that the order applies to this Plan;

(3) does not require this Plan to provide any type or form of benefits, or any option, not otherwise provided under this Plan, unless, in the case of any payment before a Participant has separated from service, the order requires payment of benefits to an Alternate Payee (A) on or after the date the Participant attains (or would have attained) the earliest age on which he could elect to receive retirement benefits under the Plan, (B) as if the Participant had retired on the date such payment is to begin under such order (but taking into account only the present value of the benefits actually accrued and not taking into account the present value of any subsidy for early retirement), and (C) in any form in which such benefits may be paid under the Plan to the Participant (other than in the form of a joint and survivor annuity with respect to the Alternate Payee and his subsequent spouse);

(4) does not require this Plan to provide increased benefits (determined on the basis of actuarial equivalence); and

(5) does not require the payment of benefits to an Alternate Payee which are required to be paid to another Alternate Payee under another order previously determined to be a Qualified Domestic Relations Order.

13.4. All provisions of the Plan shall be construed according to the laws of the United States and, to the extent permitted thereby, by the laws of the Commonwealth of Pennsylvania.

13.5. Words used in the masculine include the feminine gender. Words used in the singular or plural shall be construed as if plural or singular, respectively, where the context requires.

SECTION XIV
TRUST FUND

14.1. All assets of this Plan shall be held in trust for use in accordance with the Plan in providing the benefits and paying the expenses of the Plan. No part of the corpus or income of the Trust Fund shall be used for or diverted to purposes other than for the exclusive benefit of Participants and Pensioners, and for the payment of the expenses of the Plan, prior to the satisfaction of all liabilities for benefits under the Plan. Notwithstanding the foregoing, if and to the extent that a contribution to the Fund is made by a mistake of fact or law, the same, but not the earnings thereon, shall be repaid to the Employer upon demand (but only to the extent of such mistake) within 6 months after the Trustees determine that the contribution was made by such a mistake.

14.2. Neither the Member Companies nor the Union nor the Trustees jointly or severally guarantee the payment of any benefits provided under the Plan. All rights of Participants, former Participants and Pensioners shall be enforceable only against the Trust Fund.

14.3. The funding policy and method under the Plan shall be established, consistent with the objectives of the Plan and the terms of the applicable collective bargaining agreements, and carried out by the Trustees, including, but not limited to, adoption of a policy or policies for payment of employer contributions, collection of delinquent contributions, payroll audits, and overpayment by employers. For purposes of such policy or policies, the applicable annual interest rate shall be 7.5%.

SECTION XV
RECIPROCITY AGREEMENTS

15.1. The Trustees of the Plan shall have the authority to enter into Reciprocity Agreements with other Pension Plans, for the purpose of allowing Participants in this Plan, who have also been Participants in such other plan, to receive a partial pension from each plan on the basis of their combined service with both plans.

15.2. This Plan incorporates the following reciprocity agreements.

(a) An agreement with the Teamsters' Pension Trust Fund of Philadelphia and Vicinity dated October 1, 1974, and as amended.

(b) An agreement with the Philadelphia Bakery Employers' and Food Driver Salesmen's Union No. 463 and Teamsters' Union Local 676 Pension Trust.

(c) An agreement with the Central Pennsylvania Teamsters Pension Fund.

15.3. Effective for distributions on or after January 1, 2008, notwithstanding any provision in the above-referenced Reciprocal Agreements to the contrary, the maximum period of service in either plan required for eligibility for reciprocal service and the combined period of service in both plans required to be eligible for reciprocal credit service shall not exceed the maximum permitted under applicable law.

SECTION XVI

PAYMENT OF WITHDRAWAL LIABILITY UNDER ERISA

16.1. Each Member Company, or its affiliates treated as the employer under Section 4001(b) of ERISA, shall pay to the Trust Fund all amounts due as a result of a partial or complete withdrawal from the Trust Fund, as determined by the Trustees in accordance with ERISA. Withdrawal liability amounts shall be payable in the manner and form determined by the Trustees. The Trustees shall have full authority to adopt rules and regulations setting forth procedures for the determination and collection of withdrawal liability.

16.2. The amount of the unfunded vested benefits allocated to a Member Company that either completely or partially withdraws from the Plan on or after February 10, 2015, shall be determined in accordance with the “Rolling 5” calculation, as set forth in Section 4211 of ERISA. The amount of unfunded vested benefits allocated to a Member Company that either completely or partially withdraws from the Plan during the period beginning April 29, 1980, and ending February 9, 2015, shall be determined in accordance with the “Presumptive Method” of calculation, as set forth at Section 4211(b) of ERISA.

16.3. As authorized by Section 4211(c)(5)(C) of ERISA, wherever in determining a withdrawing Member Company’s allocable share of unfunded vested benefits a numerical fraction is employed, a period of ten (10) years shall be used for withdrawals occurring in Plan Years ending on and after December 31, 1983.

16.4. In calculating the amount of a withdrawing Member Company’s annual payment, as provided in Section 4219(c)(1)(C) of ERISA, contribution data for the ten (10) previous Plan Years shall be used in the case of withdrawals occurring in Plan Years ending on and after December 31, 1983.

16.5. Each annual payment described in Section 16.4 shall be payable in twelve (12) equal installments, due monthly. If a payment is not made when due, interest on the payment shall accrue at an annual rate of 7.5% from the due date until the date on which payment is made.

SECTION XVII
RESTRICTIONS BASED ON FUNDING

17.1. Restrictions Based on Funding. Notwithstanding any provision in the Plan to the contrary, the provisions of this Section XVII shall apply effective for Plan Years beginning on or after January 1, 2009.

17.2. Compliance with Code Section 432. The Trustees shall comply with the restrictions on adoption of amendments that increase the Plan's liabilities and the restrictions on benefit payments and benefit increases that apply under Code Section 432 during the period beginning on the date the Plan's actuary certifies that the Plan is in "endangered status," "seriously endangered status," or "critical status," as applicable, and continuing through the end of the "rehabilitation period" or the "funding improvement plan period."

17.3. Critical Status Surcharge. Each Employer obligated to make Plan contributions for the initial Plan Year that the Plan is certified to be in "critical status" shall pay to the Plan for such Plan Year and for each succeeding consecutive Plan Year the Plan is in "critical status," the surcharge prescribed under Code Section 432. Such surcharge shall terminate on the effective date of a renegotiated collective bargaining agreement that is consistent with the "rehabilitation plan."

17.4. Funding Improvement Plan; Rehabilitation Plan. For the initial Plan Year in which the Plan's actuary certifies that the Plan is in "endangered status," "seriously endangered status," "critical status," or "critical and declining status," the Trustees shall adopt and implement, within the time period prescribed by law, a "funding improvement plan" or a "rehabilitation plan," as applicable. Any rehabilitation or funding improvement plan adopted by the Trustees shall be attached hereto as an addendum to the Plan and, after the initial Plan Year in which the Plan is certified to be in endangered or critical status, as applicable, shall be amended as required by applicable law. The Trustees shall have the sole discretion to amend and construe the "funding improvement plan" or "rehabilitation plan," including any related schedules.

17.5. Definitions. For purposes of this Section, "endangered status," "seriously endangered status," "critical status," "critical and declining status," "funding improvement plan,"

“rehabilitation plan,” “rehabilitation period,” and “funding improvement plan period,” shall have the meanings set forth under Code Section 432.

SECTION XVIII

USERRA

18.1. Effective December 12, 1994, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u).

18.2. Effective for deaths occurring on or after January 1, 2007, to the extent required by Code Section 401(a)(37), the beneficiaries of a Participant who dies while performing qualified military service shall be eligible for any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided under the Plan if the Participant had resumed covered service under the circumstances described in Code Section 414(u)(8) and immediately thereafter terminated employment with all Contributing Employers due to death.

SECTION XIX
SIGNATURE

IN WITNESS WHEREOF, the Trustees have caused this Plan document to be adopted on the ____ day of _____, 2021.

UNION TRUSTEES

EMPLOYER TRUSTEES

APPENDIX “A”

**DAIRY INDUSTRY-UNION PENSION PLAN
FOR PHILADELPHIA AND VICINITY**

MEMBER COMPANIES EFFECTIVE AS OF JANUARY 1, 2021

P.E. KRAMME, INC.

WAWA, INC.

MILK INDUSTRY MANAGEMENT CORPORATION, d/b/a BALFORD FARMS

CLOVER FARMS DAIRY

APPENDIX “B”

PROCEDURES FOR LOCATING MISSING PARTICIPANTS AND BENEFICIARIES DAIRY INDUSTRY – UNION PENSION PLAN FOR PHILADELPHIA & VICINITY

The Dairy Industry – Union Pension Plan for Philadelphia & Vicinity (the “Fund”) uses the following procedures (the “Procedures”) to locate missing participants and beneficiaries who have a vested benefit from the Fund. The procedures are intended to enable the Fund to timely pay benefits and provide required notices, booklets, forms, and other information to all persons entitled to such information. The Board of Trustees (the “Trustees”) of the Fund have delegated to the Fund Administrator, certain duties and authority to locate missing participants and beneficiaries set forth in these procedures. The Fund Manager shall have the authority to interpret these Procedures or make any determinations with respect to these Procedures, as necessary. The Fund Manager shall document all of its efforts to carry out the duties set forth under these Procedures and maintain a record of its efforts. The Trustees further maintain the right to amend the Procedures in whole or in part at any time.

I. New Participant Information

In order to carry out the Procedures, the Fund Manager must maintain accurate address and date of birth information for all active and deferred vested participants.

A. For each new participant, the contributing employer shall be required to provide a form/file that includes the name, social security number, address, birthdate, and hire date for such new participant.

B. The Fund Manager will send to each new participant a census enrollment form, and request the participant to confirm the information provided by his/her employer. If the participant fails to submit the census enrollment form within 90 days or submits an incomplete form, the Fund Manager will contact the participant to request submission of a completed form. When the participant dies, the Fund Manager will follow up with the participant’s family, the Union, the participant’s most recent employer, and other parties as appropriate in order process the Plan’s survivor benefit (if any).

C. The Fund Manager shall regularly communicate with new participants (via newsletters or other communications) to report updated information within 90 days of a change in their contact information. Whenever the Fund Manager is in contact with a participant, the Fund Manager will, if appropriate, inquire about whether the contact information it has on file is up to date.

II. Maintaining Participant Information

A. If the Fund Manager receives correspondence from a participant, his/her contact information should be checked against the correspondence. If there is a discrepancy between the contact information in the correspondence and the information the Fund Manager has on file for

the participant, the Fund Manager will follow up with the participant as soon as administratively feasible.

B. The Fund Manager will review the Fund's records no less frequently than annually to identify participants for whom information is missing or incomplete and attempt to locate such participants in accordance with these procedures.

III. Locating Missing Participants

A. The Fund shall send all notices to participants in envelopes marked "Address Service Requested." If the Post Office reports a new address for a Participant, the Fund Manager will update its records with the new address. If a retired participant is receiving a physical check, the address is confirmed by sending a letter to the participant before the address is updated.

B. If the Post Office returns an envelope to the Fund Manager due to an incorrect address, the Fund Manager will attempt to locate the participant. The Fund Manager will use a commercial locator service to find a correct address. The Fund Manager currently employs a commercial locator service to periodically review vital records and/or other information services to determine if a missing participant is deceased.

C. The Fund Manager will also notify participants at least one year prior to their attainment of normal retirement age that they can start their benefits.

1. The letter is sent by regular first class mail to the last known address in the Fund's records

2. The Fund Manager will then attempt to contact the participant by telephone or email using the information on file and contact the participant's last employer to request updated contact information

3. If the Fund Manager still cannot locate the participant, the Fund Manager will attempt to contact the participant's designated beneficiary, spouse, and/or next of kin that is on file with the fund.

4. The Fund Manager will then contact the local union in which the participant was a member when he/she last worked in covered employment to verify if the address the local union has on file matches the address that the Fund has on file

5. If there is no different address, or if the mail to the address is returned, the Fund Manager will use an internet search and a third party locator service to attempt to find information on the whereabouts of the participant

D. The Fund Manager also notifies participants at least one year prior to their attainment of age 70 1/2 that their required benefit commencement date is approaching.

1. The Fund Manager sends a certified letter, return receipt requested, to the last known address in the Fund records

2. If the Fund Manager still cannot locate the participant, the Fund Manager will attempt to contact the participant's designated beneficiary, spouse, and/or next of kin that is on file with the Fund

3. The Fund Manager will then contact the local union in which the participant was a member when he/she last worked in covered employment to verify if the address the local union has on file matches the address that the Fund has on file

4. If there is no different address, or if the mail to the address is returned, the Fund Manager will use an internet search and a third party locator service to attempt to find information on the whereabouts of the participant

IV. Circumstances Requiring Follow-Up

The following lists specific circumstances that require follow-up by the Fund office to locate a missing Participant:

A. An employer or reciprocating pension fund has reported hours for a participant without an address, and the Fund Manager has no address on file for such participant.

B. Direct correspondence mailed to a participant was returned as undeliverable.

C. A participant is approaching his/her normal retirement age or age 70 1/2, and his/her current address is not known, or correspondence has been returned as undeliverable.

D. A physical benefit check has been sent to a participant and remains uncashed for 90 days or is returned to the Fund, or an electronic deposit is rejected.

E. An IRS Form 1099-R has been returned as undeliverable.

F. Other mass mailed material mailed to a participant has been returned as undeliverable.

G. Notice of a Participant's death has been received, and the location of a spouse or beneficiary is unknown.

H. Any other circumstance in which the Fund Manager has reason to believe a search for a lost participant is appropriate.

V. Miscellaneous

A. In the case of deceased participants, these Procedures shall apply with respect to beneficiaries in the same manner as they would to participants.

B. The Fund Manager may forfeit a missing participant's or beneficiary's benefit if it is unable to locate the participant after utilizing all reasonable and diligent measures to locate the participant; provided, however, that such participant's benefit shall be reinstated in the event a valid claim for his/her benefit is later made.

C. The Fund Manager will provide a written report to the Trustees annually with the names of participants, surviving spouses or beneficiaries (in the case of a deceased participant) who are required to begin receiving payment and who do not have an address in the Fund's records, whose address appears incorrect or who otherwise could not be located. The report should document all reasonable efforts made to locate the missing individuals pursuant to these Procedures and should include a complete list of participants and beneficiaries whose benefits should be forfeited.

D. These Procedures are intended to comply, and shall be interpreted in a manner that complies, in all respects with the Internal Revenue Code of 1986, as amended, the Employee Retirement Income Security Act of 1974, as amended, and the regulations and guidance thereunder.

APPENDIX C

DAIRY INDUSTRY – UNION PENSION PLAN FOR PHILADELPHIA AND VICINITY REHABILITATION PLAN

(Date of Adoption April 28, 2017)

I. Introduction

Section 305 of the Employee Retirement Income Security Act, as amended ("ERISA"), and Section 432 of the Internal Revenue Code of 1986, as amended (the "Code"), as added by the Pension Protection Act of 2006, require the trustees of a multiemployer pension fund that has been certified by its actuary as being in "Critical Status" (also known as the "Red Zone") to develop a plan consisting of options, which are based on reasonably anticipated experience and reasonable actuarial assumptions, that will enable the plan to emerge from Critical Status (a "Rehabilitation Plan"). In addition, Congress enacted the Multiemployer Pension Reform Act of 2014 which law permits the plan sponsor to elect to be in Critical Status if the plan is projected to be in critical status within five years.

The Dairy Industry – Union Pension Plan for Philadelphia and Vicinity (the "Plan" or "Fund") was projected to be in Critical Status for the plan year beginning January 1, 2018 because it is projected to have a funding deficiency (without regard to amortization extensions) for the 2022 plan year. The Board of Trustees (the "Board" or "Trustees") voted to adopt Critical Status for the Plan Year beginning January 1, 2017. A Rehabilitation Plan must include actions, including reductions in benefit, increases in employer contributions, or both, that will enable the plan to achieve certain statutorily defined funding benchmarks. Such benchmarks require a plan to improve its funding over a ten-year period (the "Rehabilitation Period").

The Trustees adopt this Rehabilitation Plan, effective April 28, 2017 (the "Effective Date"), and two rehabilitation schedules (the "Default Schedule" and the "Alternative Schedule") that set forth certain reductions in benefits and increases in employer contributions that are reasonably expected to enable the Plan to emerge from Critical Status within the Plan's Rehabilitation Period, which is the ten-year period beginning January 1, 2019, and ending December 31, 2028. The employer contribution and benefit schedules considered by the Trustees are based on the Plan's financial data as of December 31, 2016 and on reasonable actuarial assumptions with respect to the Plan's assets, liabilities and future benefit obligations. Such actuarial assumptions take into account anticipated investment returns on the Plan's assets, which may be affected by changes in financial markets and economic conditions.

The Plan generally will be considered to have emerged from Critical Status when the Plan actuary certifies that the Plan is not projected to have an accumulated funding deficiency for the Plan Year or any of the next nine (9) plan years. This Rehabilitation Plan:

5. Describes the benefit reductions the Trustees have approved, if any;

6. Includes an Alternative Schedule and a Default Schedule (collectively, the "Schedules") that, if adopted by the bargaining parties, are projected to enable the Fund to achieve the required funding benchmarks and emerge from Critical Status by the end of the Rehabilitation Period. A collective bargaining agreement between the Union and a contributing employer (the "Bargaining Parties") that is agreed to in the future generally may not be accepted by the Trustees unless the agreement includes terms consistent with one of the Schedules;

7. Explains that the Default Schedule will be automatically imposed upon Bargaining Parties who fail to timely adopt the Alternative Schedule in a new collective bargaining agreement adopted after they receive the Schedules; and

8. Sets out standards to be achieved under the Rehabilitation Plan and explains that the Rehabilitation will be updated from time to time.

II. Schedules

A. The Default Schedule – This is the Schedule that the Trustees are required to adopt pursuant to Section 305 of ERISA. The Default Schedule assumes there are no increases in employer contributions except to the extent necessary for the Plan to emerge from Critical Status after future benefit accruals and adjustable benefits have been reduced to the maximum extent permitted by law. Under the Default Schedule:

1. The benefit accrual rate is reduced from \$75 to \$72.60 per year of credited service, effective January 1, 2018.

2. The employer contribution rate is increased by 4.0% per year for three years beginning January 1, 2018, and then is increased by 3.25% per year for seven years beginning January 1, 2021, as follows:

<u>Effective Date</u>	<u>Monthly Contribution Rate</u>	<u>Increase</u>
January 1, 2018	\$629.22	4.0%
January 1, 2019	\$654.39	4.0%
January 1, 2020	\$680.57	4.0%
January 1, 2021	\$702.68	3.25%
January 1, 2022	\$725.52	3.25%
January 1, 2023	\$749.10	3.25%
January 1, 2024	\$773.45	3.25%
January 1, 2025	\$798.58	3.25%

January 1, 2026	\$824.54	3.25%
January 1, 2027	\$851.33	3.25%

B. The Alternative Schedule – Under the Alternative Schedule, there are no reductions in future benefit accruals or adjustable benefits, and the employer contribution rate is increased by 4.0% per year for three years beginning January 1, 2018, and then is increased by 3.25% for eight years beginning January 1, 2021, as follows:

<u>Effective Date</u>	<u>Monthly Contribution Rate</u>	<u>Increase</u>
January 1, 2018	\$629.22	4.0%
January 1, 2019	\$654.39	4.0%
January 1, 2020	\$680.57	4.0%
January 1, 2021	\$702.68	3.25%
January 1, 2022	\$725.52	3.25%
January 1, 2023	\$749.10	3.25%
January 1, 2024	\$773.45	3.25%
January 1, 2025	\$798.58	3.25%
January 1, 2026	\$824.54	3.25%
January 1, 2027	\$851.33	3.25%
January 1, 2028	\$879.00	3.25%

C. Application of Schedules – A collective bargaining agreement that is in effect as of the effective date of the Rehabilitation Plan and Schedules shall remain in effect for the duration of such agreement’s remaining term. If a collective bargaining agreement providing for contributions under the Fund expires after the Bargaining Parties have received the Rehabilitation Plan and Schedules, including an updated Rehabilitation Plan and Schedules, and the Bargaining Parties fail to adopt a new collective bargaining agreement that is consistent with the Rehabilitation Plan and one of the Schedules, then the Default Schedule will be implemented automatically 180 days after the date on which the collective bargaining agreement expires.

III. Rehabilitation Plan Progress and Updates

A. Rehabilitation Plan Standard – Notwithstanding that ERISA and the Code generally provide that a plan must emerge from Critical Status by the end of the Rehabilitation

Period, the Plan may emerge from Critical Status prior to the end of the Rehabilitation Period if the Plan's actuary determines that the Plan meets certain funding requirements. If the Trustees determine, in consultation with the Plan's actuary, that the Plan cannot reasonably be expected to emerge from Critical Status by the end of the Rehabilitation Period, then the Trustees are required to take reasonable measures to enable the Plan to emerge from Critical Status after the end of the Rehabilitation Period, if possible, or to forestall insolvency if the Plan cannot reasonably be expected to emerge from Critical Status.

B. Annual Standards – The Plan is projected, based on reasonable actuarial assumptions, to emerge from Critical Status no later than the plan year beginning January 1, 2029. The Trustees recognize the possibility that the Plan’s actual experience could be less favorable than projected under reasonable actuarial assumptions. The Trustees, in consultation with the Plan’s actuary, have therefore established the following annual standards that reflect possible actuarial losses due to adverse experience but will enable the Fund to emerge from Critical Status by the end of the Rehabilitation Period:

Plan Year Beginning <u>January 1:</u>	Projected Credit Balance at <u>December 31 No Less Than:</u>
2019	\$20,000,000
2020	\$18,000,000
2021	\$15,000,000
2022	\$12,000,000
2023	\$9,000,000
2024	\$9,000,000
2025	\$8,000,000
2026	\$6,000,000
2027	\$2,000,000
2028	\$5,000,000

C. Annual Updates – Each year, the Plan’s actuary will review and certify the status of the Plan under the PPA funding rules and, starting with the beginning of the Rehabilitation Period, whether the Fund is making the scheduled progress in meeting the requirements of the Rehabilitation Plan. The Trustees, in consultation with the Plan’s actuary, will update the Rehabilitation Plan and Schedules on an annual basis to the extent necessary for the Plan to achieve sufficient progress in meeting applicable funding benchmarks and to emerge from

Critical Status by the end of the Rehabilitation Period. Once the Trustees provide the updated Rehabilitation Plan and Schedules to Bargaining Parties, the Trustees may not accept a new or renegotiated collective bargaining agreement from the Bargaining Parties unless it complies with the updated Rehabilitation Plan and Schedules.

IV. Miscellaneous

A. Benefit Reductions – Any reduction of benefits under the Rehabilitation Plan shall not apply to benefits that are in pay status, or are suspended due to a participant’s working in suspendable employment, as of the Effective Date. The reduction in the accrual rate under the Rehabilitation Plan shall not apply to credited service earned prior to January 1, 2018, but shall apply to all credited service earned on or after January 1, 2018, including credited service earned on or after January 1, 2018, during a period of suspendable employment regardless of the participant’s benefit commencement date. If the Trustees update the Rehabilitation Plan in the future to further reduce the accrual rate or benefits, such further reductions shall not apply to credited service earned prior to, or benefits that are in pay status or are suspended as of, the effective date of the updated Rehabilitation Plan.

B. Other Issues – The changes described in this Rehabilitation Plan and the Schedules apply to credited service earned on or after January 1, 2018, and to participants whose benefit commencement dates occur on or after the Effective Date. For purposes of the Rehabilitation Plan, the benefit commencement date for a participant who commences a disability pension shall be the effective date of the disability pension; provided, however, that if a participant’s disability pension ceases due to the termination of the participant’s total and permanent disability, the participant’s benefits shall be subject upon recommencement to any applicable benefit reductions then in effect under this or an updated Rehabilitation Plan. The benefits of a beneficiary or an Alternate Payee under a Qualified Domestic Relations Order (as defined in Code Section 414(p)) will be determined on the same basis as those of the participant under this Rehabilitation Plan.

C. Enforcement of Rehabilitation Plan – In addition to all of the rights and remedies that that are available under the applicable law, including, without limitation, Title I and Title IV of ERISA, the Trustees hereby expressly reserve the right to find and determine, in their discretion, that any contributing employer who fails or refuses, after written notice, to comply with the terms and conditions of this Rehabilitation Plan, shall be deemed to have had a complete or partial withdrawal from the Fund. Upon such a finding and determination, the Trustees hereby expressly reserve the right to pursue all of the Fund’s remedies against such withdrawing employer and as are available under ERISA and other applicable law.

D. Construction and Modifications – The Trustees reserve the right to construe, interpret and/or apply the terms and provisions of this Rehabilitation Plan in a manner that is consistent with its intent and design of improving the financial condition of the Fund over time, and any and all constructions, interpretations or applications of the Rehabilitation Plan by the Trustees shall be final and binding unless arbitrary or capricious. The Trustees further reserve the right to make any prospective or retroactive modifications to this Rehabilitation Plan that, in their discretion, may become necessary or appropriate or that may be required by applicable law.

**DAIRY INDUSTRY – UNION PENSION PLAN
FOR PHILADELPHIA AND VICINITY
REHABILITATION PLAN
ANNUAL UPDATE SUPPLEMENT A
Adopted December 18, 2019**

As provided in Section III.C. of the Dairy Industry – Union Pension Plan for Philadelphia and Vicinity Rehabilitation Plan, as adopted April 28, 2019, each year, the Plan’s actuary will review and certify the status of the Plan under the PPA funding rules and, starting with the beginning of the Rehabilitation Period, whether the Fund is making the scheduled progress in meeting the requirements of the Rehabilitation Plan. The Trustees, in consultation with the Plan’s actuary, will update the Rehabilitation Plan and Schedules on an annual basis to the extent necessary for the Plan to achieve sufficient progress in meeting applicable funding benchmarks and to emerge from Critical Status by the end of the Rehabilitation Period.

At the meeting of the Plan’s trustees on December 18, 2019, the Plan’s actuary presented the determination that the current Rehabilitation Plan was not projected to have the Fund emerge from critical status timely. The Plan’s actuary determined that the annual contribution rate increase required for the year beginning January 1, 2020 to put the Rehabilitation Plan back on track was 5.5%.

As a result of the Plan actuary’s determination, the Plan’s trustees unanimously adopted to increase the monthly contribution rate by 5.5% effective for the year beginning January 1, 2020.

Therefore, the updated Default Schedule under Section II.A.2 of the Rehabilitation Plan for years begin on or after January 1, 2020 is:

<u>Effective Date</u>	<u>Monthly Contribution Rate</u>	<u>Increase</u>
January 1, 2020	\$690.38	5.5%
January 1, 2021	\$712.82	3.25%
January 1, 2022	\$735.98	3.25%
January 1, 2023	\$759.90	3.25%
January 1, 2024	\$784.60	3.25%
January 1, 2025	\$810.10	3.25%
January 1, 2026	\$836.43	3.25%
January 1, 2027	\$863.61	3.25%

In addition, the Alternative Schedule under Section II.B of the Rehabilitation Plan for years begin on or after January 1, 2020 has been updated as follows:

<u>Effective Date</u>	<u>Monthly Contribution Rate</u>	<u>Increase</u>
January 1, 2020	\$690.38	5.5%
January 1, 2021	\$712.82	3.25%
January 1, 2022	\$735.98	3.25%
January 1, 2023	\$759.90	3.25%
January 1, 2024	\$784.60	3.25%
January 1, 2025	\$810.10	3.25%
January 1, 2026	\$836.43	3.25%
January 1, 2027	\$863.61	3.25%
January 1, 2028	\$891.68	3.25%

Further, pursuant to the Rehabilitation Plan, the Trustees may not accept a new or renegotiated collective bargaining agreement from the Bargaining Parties unless it complies with the updated Rehabilitation Plan and Schedules.