

ANNUAL FUNDING NOTICE

For
Dairy Industry – Union Pension Plan for Philadelphia and Vicinity

Introduction

This notice includes important information about the funding status of your multiemployer pension plan (“the Plan”). It also includes general information about the benefit payments guaranteed by the Pension Benefit Guaranty Corporation (“PBGC”), a federal insurance agency. All traditional pension plans (called “defined benefit pension plans”) must provide this notice every year regardless of their funding status. This notice does not mean that the Plan is terminating. It is provided for informational purposes and you are not required to respond in any way. This notice is required by law. This notice is for the plan year beginning January 1, 2021 and ending December 31, 2021 (“Plan Year”).

How Well Funded Is Your Plan

The law requires the administrator of the Plan to tell you how well the Plan is funded, using a measure called the “funded percentage.” The Plan divides its assets by its liabilities on the Valuation Date for the plan year to get this percentage. In general, the higher the percentage, the better funded the plan. The Plan’s funded percentage for the Plan Year and each of the two preceding plan years is shown in the chart below. The chart also states the value of the Plan’s assets and liabilities for the same period.

Funded Percentage			
	2021	2020	2019
Valuation Date	January 1, 2021	January 1, 2020	January 1, 2019
Funded Percentage	77.0%	77.0%	75.0%
Value of Assets	\$134,076,054	\$130,264,873	\$127,273,173
Value of Liabilities	\$174,121,134	\$169,242,463	\$169,616,913

Year-End Fair Market Value of Assets

The asset values in the chart above are measured as of the Valuation Date. They also are “actuarial values.” Actuarial values differ from market values in that they do not fluctuate daily based on changes in the stock or other markets. Actuarial values smooth out those fluctuations and can allow for more predictable levels of future contributions. Despite the fluctuations, market values tend to show a clearer picture of a plan’s funded status at a given point in time. The asset values in the chart below are market values and are measured on the last day of the Plan Year. The chart also includes the year-end market value of the Plan’s assets for each of the two preceding plan years.

Fair Market Value of Assets	December 31, 2021	December 31, 2020	December 31, 2019
	\$146,699,472	\$137,700,198	\$130,248,649

Endangered, Critical, or Critical and Declining Status

Under federal pension law, a plan generally is in “endangered” status if its funded percentage is less than 80 percent. A plan is in “critical” status if the funded percentage is less than 65 percent (other factors may also apply). A plan is in “critical and declining” status if it is in critical status and is projected to become insolvent (run out of money to pay benefits) within 15 years (or within 20 years if a special rule applies). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status or critical and declining status, the trustees of the plan are required to adopt a rehabilitation plan. Funding improvement and rehabilitation plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time. The plan sponsor of a plan in critical and declining status may apply for approval to amend the plan to reduce current and future payment obligations to participants and beneficiaries.

The Plan was in critical and declining status in the Plan Year ending December 31, 2021, because the Plan was in critical status for the prior year and was projected to have an accumulated funding deficiency within the next nine years and to become insolvent within twenty years. The Plan is projected to be insolvent in the plan year ending December 31, 2038. Such insolvency may result in benefit reductions. In an effort to improve the Plan’s funding situation, the Plan’s trustees adopted a Rehabilitation Plan on April 28, 2017. The Rehabilitation Plan was updated by the Plan’s trustees in 2021 to implement certain changes that are designed to forestall the Plan’s insolvency until the plan year ending December 31, 2038. The Plan’s trustees have annually reviewed and, when determined to be necessary, updated the Rehabilitation Plan in consultation with the Plan’s independent actuary and legal counsel. You may get a copy of the Plan’s rehabilitation plan, any update to such plan and the actuarial and financial data that demonstrate any action taken by the Plan toward fiscal improvement. You may get this information by contacting the plan administrator.

If the Plan is in endangered, critical, or critical and declining status for the plan year ending December 31, 2022, separate notification of that status has or will be provided.

Participant Information

The total number of participants and beneficiaries covered by the Plan on the valuation date was 2,475. Of this number, 323 were current employees, 1,267 were retired and receiving benefits, and 885 were retired or no longer working for the employer and have a right to future benefits.

Funding & Investment Policies

Every pension plan must have a procedure to establish a funding policy for plan objectives. A funding policy relates to how much money is needed to pay promised benefits. The funding policy of the Plan is to assure that the annual contributions to the Plan will be made in an amount not less than the ERISA minimum funding requirement and to comply with the funding requirements of the Pension Protection Act of 2006.

Pension plans also have investment policies. These generally are written guidelines or general instructions for making investment management decisions. The investment policy of the Plan is to invest the assets of the Plan in a manner consistent with the fiduciary standards of ERISA, namely: (a)

investment decisions are made in the sole interest of Plan participants and beneficiaries to provide benefits and to defray the reasonable expenses of administration, and (b) assets are diversified with the goal of minimizing the impact of large losses in individual investments and to achieve a rate of return commensurate with economic conditions, recognizing that the actuarial rate of return for the Plan is 8.0 percent. The Plan has a detailed Investment Policy which the Board of Trustees developed with its investment consultant that implements these goals.

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

Asset Allocations		Percentage
1.	Cash (Interest bearing and non-interest bearing)	
2.	U.S. Government securities	
3.	Corporate debt instruments (other than employer securities):	
	Preferred	
	All other	
4.	Corporate stocks (other than employer securities):	
	Preferred	
	Common	
5.	Partnership/joint venture interests	8.1%
6.	Real estate (other than employer real property)	
7.	Loans (other than to participants)	
8.	Participant loans	
9.	Value of interest in common/collective trusts	11.5%
10.	Value of interest in pooled separate accounts	
11.	Value of interest in 103-12 investment entities	
12.	Value of interest in registered investment companies (e.g., mutual funds)	80.4%
13.	Value of funds held in insurance co. general account (unallocated contracts)	
14.	Employer-related investments:	
	Employer Securities	
	Employer real property	
15.	Buildings and other property used in plan operation	
16.	Other - Receivables	

For information about the plan's investment in any of the following types of investments - common/collective trusts, pooled separate accounts, or 103-12 investment entities - contact Dairy Industry - Union Pension Plan for Philadelphia and Vicinity, Administrative Service Professionals, Inc. at (856) 382-2492, or 2500 McClellan Avenue, Suite 140, Pennsauken, NJ 08109.

Events Having a Material Effect on Assets or Liabilities

By law this notice must contain a written explanation of new events that have a material effect on plan liabilities or assets. This is because such events can significantly impact the funding condition of a

plan. For the plan year beginning on January 1, 2022, and ending on December 31, 2022, the Plan expects the following events to have such an effect: The Plan's trustees amended the Plan's rehabilitation plan in 2021 to freeze employer contribution rate increases for 2022 and later plan years because the trustees determined such increases were not sustainable due to the risk that they could result in employer withdrawals. The Plan's trustees also determined in 2021 that the Plan qualified for "special financial assistance" under the American Rescue Plan Act of 2021 and the trustees intend to apply for such assistance when the Plan first becomes eligible to apply in March 2023.

Right to Request a Copy of the Annual Report

Pension plans must file annual reports with the US Department of Labor. The report is called the "Form 5500." These reports contain financial and other information. You may obtain an electronic copy of your Plan's annual report by going to www.efast.dol.gov and using the search tool. Annual reports also are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator. Annual reports do not contain personal information, such as the amount of your accrued benefit. You may contact your plan administrator if you want information about your accrued benefits. Your plan administrator is identified below under "Where To Get More Information."

Summary of Rules Governing Insolvent Plans

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

Benefit Payments Guaranteed by the PBGC

The maximum benefit that the PBGC guarantees is set by law. Only benefits that you have earned a right to receive and that can not be forfeited (called vested benefits) are guaranteed. There are separate insurance programs with different benefit guarantees and other provisions for single-employer plans and multiemployer plans. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first \$11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next \$33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is \$35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of \$600, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($\$600/10$), which equals \$60. The guaranteed amount for a \$60 monthly accrual rate is equal to the sum of \$11 plus \$24.75 ($.75 \times \$33$), or \$35.75. Thus, the participant's guaranteed monthly benefit is \$357.50 ($\35.75×10).

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

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

For additional information about the PBGC and the pension insurance program guarantees, go to the Multiemployer Page on PBGC's website at www.pbgc.gov/multiemployer. Please contact your employer or plan administrator for specific information about your pension plan or pension benefit. PBGC does not have that information. See "Where to Get More Information About Your Plan," below.

Where to Get More Information

For more information about this notice, you may contact Dairy Industry - Union Pension Plan for Philadelphia and Vicinity, Administrative Services Professionals, Inc. at (856) 382-2492 or 2500 McClellan Avenue, Suite 140, Pennsauken, NJ 08109. For identification purposes, the official plan number is 001 and the plan sponsor's name and employer identification number or "EIN" are Trustees of the Dairy Industry - Union Pension Plan for Philadelphia and Vicinity and 23-6283288.



DAIRY INDUSTRY

UNION PENSION PLAN FOR PHILADELPHIA AND VICINITY

P.O. BOX 99 • COLLINGSWOOD, NJ 08108

2022 NOTICE OF CRITICAL STATUS

FEDERAL FUNDING RULES. Beginning on January 1, 2008, the Pension Protection Act of 2006 (the “PPA”) imposed new rules aimed at improving the funding of multiemployer defined benefit plans such as the Dairy Industry-Union Pension Fund for Philadelphia & Vicinity (the “Plan”). Under prior law, a multiemployer defined benefit plan was required to address a funding problem only when the plan failed to satisfy minimum funding standards for a given plan year. Unlike prior law, the PPA requires a plan’s board of trustees to take certain actions to improve the plan’s funding when the plan’s actuary projects that the plan will have future funding issues.

Recognizing the impact of various economic forces, Congress enacted the Multiemployer Pension Reform Act of 2014 (“MPRA”) on December 16, 2014, which has already significantly impacted many multiemployer pension funds across the country. Among other provisions, MPRA allows a plan’s trustees to take proactive steps under certain circumstances in order to avoid future funding problems.

FUNDING STATUS CERTIFICATION. Under the PPA, within the first 90 days after the beginning of each plan year, a plan’s actuary must certify whether the plan is in endangered, seriously endangered, critical, or critical and declining status. A plan’s board of trustees may elect to have the plan be in critical status for a plan year if the plan’s actuary projects that the plan will be in critical status within the next five years. In general, the two most relevant factors used by the Plan’s Actuary to determine the Plan’s funding status are the ratio of the Plan’s assets to its liabilities (the funded percentage of the Plan) and whether the Plan is projected to satisfy certain minimum funding standards within prescribed periods of time.

PLAN’S 2022 FUNDING STATUS. On March 31, 2022, the Plan’s Actuary certified that Plan is in critical status for the Plan Year beginning January 1, 2022, because it has funding or liquidity problems, or both. Specifically, the Plan’s Actuary determined that the Plan was in critical and declining status last year and over the next nine years, the Plan is projected to have an accumulated funding deficiency for the 2028 Plan Year (taking into account amortization extensions).

REHABILITATION PLAN. Federal law requires pension plans in critical status to adopt a “rehabilitation plan” aimed at restoring the financial health of the plan. This is the sixth year the Plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan.

The Plan’s Actuary previously certified the Plan as being in critical status in 2011 and the Plan’s Board of Trustees (the “Board”) adopted a rehabilitation plan as required by the PPA. As part of that rehabilitation plan, the Board established schedules that increased employer contributions, revised the Plan’s benefit structure, and reduced or eliminated certain “adjustable benefits” to the extent necessary for the Plan to be projected to emerge from critical status within the required statutory period. The Board notified participants in 2011 that the Plan had reduced or eliminated

adjustable benefits under the rehabilitation plan. The Board made such reductions and eliminations of adjustable benefits permanent.

The Plan subsequently emerged from critical status, with the Plan's Actuary certifying that the Plan was neither in endangered nor critical status for 2015. The Board then elected to adopt critical status for the Plan for the plan year beginning January 1, 2017 and adopted a new rehabilitation plan (the "Rehabilitation Plan") as required by the PPA. As part of the Rehabilitation Plan, the Board adopted a default schedule that decreased future benefit accruals and increased employer contributions and an alternative schedule that only increased employer contributions, but no adjustable benefits were reduced or eliminated under either schedule. If the Board determines that further reducing adjustable benefits is necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement.

The Plan offers the following adjustable benefits which may be reduced or eliminated in the future as part of the Rehabilitation Plan:

- Disability benefits (if not yet in pay status); and
- Early retirement benefit or retirement-type subsidy.

The Board is required to review the Rehabilitation Plan and schedules on an annual basis and update them, if necessary, based on the Plan's progress in meeting the Rehabilitation Plan's funding benchmarks. In 2021, due to a number of recent employer withdrawals from the Plan, the Board determined that scheduled employer contribution rate increases under the Rehabilitation Plan were not sustainable because they increased the risk of additional employer withdrawals. The Board determined that updating the Rehabilitation Plan was necessary and adopted a supplement that froze the scheduled employer contribution rate increases. The supplement did not reduce or eliminate any adjustable benefits or otherwise affect the Plan's benefit structure.

WHAT THIS MEANS FOR CONTRIBUTING EMPLOYERS. The law requires each contributing employer to pay an automatic surcharge to a plan in critical status to help improve the plan's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the plan under its applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the plan's initial critical year beginning 30 days after an employer receives notification that the plan has been certified as being in critical status and a 10% surcharge is applicable for each succeeding plan year in which the plan remains in critical status. The surcharge remains in effect until the employer and the collective bargaining unit have agreed to adopt one of the plan's rehabilitation plan schedules.

The Fund will not impose a contribution surcharge in 2022. Every employer that contributes to the Fund currently pays \$712.82 per participant per month, which satisfies a schedule required by the current Rehabilitation Plan. The \$712.82 rate went into effect as of January 1, 2021.

POSSIBLE FUTURE BENEFIT REDUCTIONS. No additional adjustments or reductions in benefits are contemplated at this time. Depending upon the Plan's investment performance in 2022 and beyond, the financial health of the contributing employers, changes in pension law, increases and/or decreases in the Plan's projected assets and benefit obligations, and other factors, it is

possible that the Board (as noted above) will need to update the Rehabilitation Plan to require additional increases in employer contributions and/or reductions in future benefit accruals for participants. If the Board determines that reductions in future benefit accruals are necessary as a result of MPRA or otherwise, participants will receive a separate notice in advance of any reductions that will identify and explain the effect of those additional reductions, as applicable.

LOOKING AHEAD. The Board is continuously working to develop ways to secure participants' and beneficiaries' benefits well into the future and bargaining parties are being asked to work together to improve the funded status of the Plan going forward. Since 2011, as noted above, employers have significantly increased their contributions and participants and beneficiaries have had certain benefits reduced or eliminated. The Board will continue to evaluate the Fund's progress and update the Rehabilitation Plan, as necessary.

Under the American Rescue Plan Act of 2021, if a financially distressed plan meets certain requirements, the plan may apply for and receive "special financial assistance" ("SFA") from the Pension Benefit Guaranty Corporation (the "PBGC"), which the plan may then use to help pay benefits and expenses. The amount of SFA a plan may receive is the amount necessary, based on actuarial projections, for the plan to remain solvent until at least the year 2051. The PBGC has established a SFA application schedule based on certain priority criteria, with larger and more severely-distressed plans generally being eligible to apply for SFA earlier than smaller and less severely-distressed plans. In consultation with the Plan's Actuary and legal counsel, the Board has determined that the Plan qualifies for SFA and will first be eligible to apply for SFA in March 2023, at which time the Board will submit an SFA application for the Plan.

WHERE TO GET MORE INFORMATION. For more information about this Notice, you may contact the Board of Trustees, Dairy Industry-Union Pension Fund for Philadelphia & Vicinity, PO Box 99 Pennsauken, NJ 08109 or by calling (833) 925-5585. You have a right to receive a copy of the Rehabilitation Plan, including supplements thereto, upon written request to the Board.

Date: April 29, 2022

cc. United States Department of Labor; Pension Benefit Guaranty Corporation



DAIRY INDUSTRY

UNION PENSION PLAN FOR PHILADELPHIA AND VICINITY

P.O. BOX 99 • COLLINGSWOOD, NJ 08108

2021 NOTICE OF CRITICAL AND DECLINING STATUS

FEDERAL FUNDING RULES. Beginning on January 1, 2008, the Pension Protection Act of 2006 (the “PPA”) imposed new rules aimed at improving the funding of multiemployer defined benefit plans such as the Dairy Industry-Union Pension Fund for Philadelphia & Vicinity (the “Plan”). Under prior law, a multiemployer defined benefit plan was required to address a funding problem only when the plan failed to satisfy minimum funding standards for a given plan year. Unlike prior law, the PPA requires a plan’s board of trustees to take certain actions to improve the plan’s funding when the plan’s actuary projects that the plan will have future funding issues.

Recognizing the impact of various economic forces, Congress enacted the Multiemployer Pension Reform Act of 2014 (“MPRA”) on December 16, 2014, which has already significantly impacted many multiemployer pension funds across the country. Among other provisions, MPRA allows a plan’s trustees to take proactive steps under certain circumstances in order to avoid future funding problems.

FUNDING STATUS CERTIFICATION. Under the PPA, within the first 90 days after the beginning of each plan year, a plan’s actuary must certify whether the plan is in endangered, seriously endangered, critical, or critical and declining status. A plan’s board of trustees may elect to have the plan be in critical status for a plan year if the plan’s actuary projects that the plan will be in critical status within the next five years. In general, the two most relevant factors used by the Plan’s Actuary to determine the Plan’s funding status are the ratio of the Plan’s assets to its liabilities (the funded percentage of the Plan) and whether the Plan is projected to satisfy certain minimum funding standards within prescribed periods of time.

PLAN’S 2021 FUNDING STATUS. On March 31, 2021, the Plan’s Actuary certified that Plan is in critical status for the Plan Year beginning January 1, 2021, because it has funding or liquidity problems, or both. Specifically, the Plan’s Actuary determined that the Plan was in critical status for the previous plan year and over the next 9 years the Plan is projected to have an accumulated funding deficiency. Also, as required by the MPRA, the Plan’s Actuary certified that the Plan is in critical and declining status because the Plan is in critical status and the Plan’s Actuary determined that the Plan is projected to become insolvent within 20 years from January 1, 2021, based upon a specific set of assumptions.

REHABILITATION PLAN. Federal law requires pension plans in critical status to adopt a “rehabilitation plan” aimed at restoring the financial health of the plan. This is the sixth year the Plan has been in critical status. The law permits pension plans to reduce, or even eliminate, benefits called “adjustable benefits” as part of a rehabilitation plan.

The Plan’s Actuary previously certified the Plan as being in critical status in 2011 and the Plan’s Board of Trustees (the “Board”) adopted a rehabilitation plan as required by the PPA. As part of that rehabilitation plan, the Board established schedules that increased employer contributions, revised the Plan’s benefit structure, and reduced or eliminated certain “adjustable benefits” to the

extent necessary for the Plan to be projected to emerge from critical status within the required statutory period. The Board notified participants in 2011 that the Plan had reduced or eliminated adjustable benefits under the rehabilitation plan. The Board made such reductions and eliminations of adjustable benefits permanent.

The Plan subsequently emerged from critical status, with the Plan's Actuary certifying that the Plan was neither in endangered nor critical status for 2015. The Board then elected to adopt critical status for the Plan for the plan year beginning January 1, 2017 and adopted a new rehabilitation plan (the "Rehabilitation Plan") as required by the PPA. As part of the Rehabilitation Plan, the Board adopted a default schedule that decreased future benefit accruals and increased employer contributions and an alternative schedule that only increased employer contributions, but no adjustable benefits were reduced or eliminated under either schedule. If the Board determines that further reducing adjustable benefits is necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement.

The Plan offers the following adjustable benefits which may be reduced or eliminated in the future as part of the Rehabilitation Plan:

- Disability benefits (if not yet in pay status); and
- Early retirement benefit or retirement-type subsidy.

The Board is required to review the Rehabilitation Plan and schedules on an annual basis and update them, if necessary, based on the Plan's progress in meeting the Rehabilitation Plan's funding benchmarks. In 2021, due to a number of recent employer withdrawals from the Plan, the Board determined that scheduled employer contribution rate increases under the Rehabilitation Plan were not sustainable because they increased the risk of additional employer withdrawals. The Board determined that updating the Rehabilitation Plan was necessary and adopted a supplement that froze the scheduled employer contribution rate increases. The supplement did not reduce or eliminate any adjustable benefits or otherwise affect the Plan's benefit structure.

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The Fund will not impose a contribution surcharge in 2022. Every employer that contributes to the Fund currently pays \$712.82 per participant per month, which satisfies a schedule required by the current Rehabilitation Plan. The \$712.82 rate went into effect as of January 1, 2021.

POSSIBLE FUTURE BENEFIT REDUCTIONS. No additional adjustments or reductions in benefits are contemplated at this time. Depending upon the Plan's investment performance in 2021

and beyond, the financial health of the contributing employers, changes in pension law, increases and/or decreases in the Plan's projected assets and benefit obligations, and other factors, it is possible that the Board (as noted above) will need to update the Rehabilitation Plan to require additional increases in employer contributions and/or reductions in future benefit accruals for participants. If the Board determines that reductions in future benefit accruals are necessary as a result of MPRA or otherwise, participants will receive a separate notice in advance of any reductions that will identify and explain the effect of those additional reductions, as applicable.

LOOKING AHEAD. The Board is continuously working to develop ways to secure participants' and beneficiaries' benefits well into the future and bargaining parties are being asked to work together to improve the funded status of the Plan going forward. Since 2011, as noted above, employers have significantly increased their contributions and participants and beneficiaries have had certain benefits reduced or eliminated. The Board will continue to evaluate the Fund's progress and update the Rehabilitation Plan, as necessary.

Under the American Rescue Plan Act of 2021, if a financially distressed plan meets certain requirements, the plan may apply for and receive "special financial assistance" ("SFA") from the Pension Benefit Guaranty Corporation (the "PBGC"), which the plan may then use to help pay benefits and expenses. The amount of SFA a plan may receive is the amount necessary, based on actuarial projections, for the plan to remain solvent until at least the year 2051. The PBGC has established a SFA application schedule based on certain priority criteria, with larger and more severely-distressed plans generally being eligible to apply for SFA earlier than smaller and less severely-distressed plans. In consultation with the Plan's Actuary and legal counsel, the Board has determined that the Plan qualifies for SFA and will first be eligible to apply for SFA in March 2023, at which time the Board will submit an SFA application for the Plan.

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