



Required Annual Enrollment Legal Notices for Retired Associates

This document includes the following important Annual Enrollment legal notices for Bimbo Bakeries USA (BBU):

- Medicare Non-Creditable Coverage
- Summary Annual Report
- HIPAA Privacy Notice Reminder
- Newborns' & Mothers' Health Protection Act
- COBRA Rights

If you have questions about these notices, please contact the **Benefits Center** at **1-888-60-myBBU** (1-888-606-9228), Monday to Friday, 9:00 a.m. to 7:00 p.m., Eastern Time.

For additional information on Medicare, please contact **HTA** at **1-610-430-6650, Option 1** to schedule a Medicare consultation or visit **www.hta-insurance.com**.

If you and/or your dependents have Medicare or will become eligible for Medicare in the next 12 months, a federal law gives you more choices about your prescription drug coverage. Please see page 2 for more details.

Important Notice about Your Prescription Drug Coverage and Medicare

If you or your family members are not currently covered by Medicare and will not become covered by Medicare in the next 12 months, this notice does not apply to you.

Notice of Non-Creditable Coverage

Please read this notice carefully and keep it where you can find it. This notice has information about your current retiree prescription drug coverage with Bimbo Bakeries USA and about your options under Medicare's prescription drug coverage. This information can help you decide whether you want to join a Medicare drug plan. If you are considering joining, you should compare your current coverage, including which drugs are covered at what cost, with the coverage and costs of the plans offering Medicare prescription drug coverage in your area. Information about where you can get help to make decisions about your retiree prescription drug coverage is at the end of this notice.

There are two important things you need to know about your current coverage and Medicare's prescription drug coverage:

1. Medicare prescription drug coverage is available to everyone with Medicare. You can get this coverage if you join a Medicare Prescription Drug Plan or join a Medicare Advantage Plan (like an HMO or PPO) that offers prescription drug coverage. All Medicare prescription drug plans provide at least a standard level of coverage set by Medicare. Some plans may also offer more coverage for a higher monthly premium.
2. Bimbo Bakeries USA has determined that the prescription drug coverage you receive from the Plan is on average for all plan participants participating in this option, NOT expected to pay out as much as the standard Medicare prescription drug coverage will pay in 2024 and is considered Non-Creditable Coverage. This is important, because for most people enrolled in the Plan, enrolling in Medicare prescription drug coverage means you will get more assistance with drug costs than if you had prescription drug coverage exclusively through the Plan. This also is important because it may mean that you may pay a higher premium (a penalty) if you do not join a Medicare drug plan when you first become eligible.

You can keep your current coverage from Bimbo Bakeries USA. However, because your coverage is non-creditable, you have decisions to make about Medicare prescription drug coverage that may affect how much you pay for that coverage, depending on if and when you join a drug plan.

You might want to consider enrolling in Medicare prescription drug coverage.

You can join a Medicare prescription drug plan when you first become eligible for Medicare and each year from October 15th through December 7th. However, if you decide to drop your current coverage with Bimbo Bakeries USA, since it is employer-sponsored group coverage, you will be eligible for a two (2) month Special Enrollment Period (SEP) to join a Medicare drug plan; however, you also may pay a higher premium (a penalty) because you did not have creditable coverage under the Plan.

If you do not enroll in Medicare prescription drug coverage and change your mind later, you may pay more.

Because the coverage under the Plan is not creditable, depending on how long you go without creditable prescription drug coverage you may pay a penalty to join a Medicare drug plan. Starting with the end of the last month that you were first eligible to join a Medicare drug plan but didn't join, if you go 63 continuous days or longer without creditable prescription drug coverage (after your applicable Medicare enrollment period ends), your premium will go up by at least 1% per month for every month that you did not have that coverage. You will have to pay this higher premium (a penalty) if you have Medicare prescription drug coverage. For example, if you go nineteen months without coverage, your premium will always be at least 19% higher than what most other people pay.

If you do not enroll in a Medicare prescription drug plan, you may also have to wait until the following October to enroll.

In addition, please note that your current coverage pays for other health expenses up to the Plan's lifetime maximum, in addition to prescription drugs. You will still be eligible to receive all your current health and prescription drug benefits if you choose to enroll in a Medicare prescription drug plan.

You need to decide. When you make your decision, you should also compare your current coverage, including which drugs are covered, with the coverage and cost of the plans offering Medicare prescription drug coverage in your area.

For More Information

For more information about this notice or your current prescription drug coverage, contact the **Benefits Center** at **1-888-60-myBBU** (1-888-606-9228), Monday to Friday, 9:00 a.m. to 7:00 p.m., Eastern Time.

NOTE: You'll get this notice each year. You will also get it before the next period you can join a Medicare drug plan, and if this coverage through BBU changes. You also may request a copy of this notice at any time.

More information about your options under Medicare prescription drug coverage is in the *Medicare & You* handbook. You'll get a copy of the handbook in the mail every year from Medicare. You may also be contacted directly by Medicare drug plans.

For more information about Medicare prescription drug coverage:

- Visit **www.medicare.gov**
- Call your state Health Insurance Assistance Program (phone numbers are located on the inside back cover of your copy of the *Medicare & You* handbook) for personalized help
- Call 1-800-MEDICARE (1-800-633-4227); TTY users should call 1-877-486-2048

If you have limited income and resources, extra help paying for Medicare prescription drug coverage is available. Go to **www.socialsecurity.gov** or call 1-800-772-1213 (TTY 1-800-325-0778) for information.

Summary Annual Report for the Bimbo Bakeries USA Retiree Welfare Plan

This is a summary of the annual report of the Bimbo Bakeries USA Retiree Welfare Plan, Employer Identification Number 75-2491201, Plan Number 533, for the plan year January 1, 2022, through December 31, 2022. The annual report has been filed with the Employee Benefits Security Administration, U.S. Department of Labor, as required under the Employee Retirement Income Security Act of 1974 (ERISA).

Uninsured Components

The Plan Sponsor, BBU Inc., has committed to pay all medical, dental and prescription drug claims incurred under the terms of the plan.

Insurance Information

The Plan had contracts with insurance carriers to pay certain claims incurred under the terms of the Plan. The type of benefit provided, name of the insurer and premiums paid for each component are set forth in the table below. The total amount of non-experience-rated premiums paid for contract years that ended during the 2022 plan year was \$514,425.

Type of Benefit	Name of Insurer	Premiums Paid
Life Insurance	Securian Life Insurance Company #70009	\$514,044
Vision	UnitedHealthcare Insurance Company #0754195	\$51
	Vision Service Plan Insurance Company #12134660	\$330

Your Rights to Additional Information

You have the right to receive a copy of the full annual report, or any part thereof, upon request. The insurance information, including sales commissions paid by insurance carriers, is included in that report.

To obtain a copy of the full annual report, or any part thereof, write or call BBU, Inc., 255 Business Center Drive, Horsham, PA 19044, 1-215-672-8010. The charge to cover copying costs will be the actual reproduction cost, but in no event, more than 25 cents per page.

You also have the legally protected right to examine the annual report at the main office of the plan (BBU, Inc., 255 Business Center Drive, Horsham, PA 19044), at the U.S. Department of Labor in Washington, D.C., or you may obtain a copy from the U.S. Department of Labor upon payment of copying costs. Requests to the Department should be addressed to: Public Disclosure Room, Room N1513, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210.

HIPAA Privacy Notice Reminder

The privacy rules under the Health Insurance Portability and Accountability Act (HIPAA) require the Bimbo Bakeries USA Health & Welfare Plan (the "Plan") to periodically send a reminder to participants about the availability of the Plan's Privacy Notice and how to obtain that notice. The Privacy Notice explains participants' rights and the Plan's legal duties with respect to protected health information (PHI) and how the Plan may use and disclose PHI.

To obtain a copy of the Privacy Notice contact Kelly McCann, Bimbo Bakeries USA Benefits Manager, at 255 Business Center Drive, Horsham, PA 19044. You may also view the Privacy Notice online at **GB-on**.

You may also contact the Plan's Privacy Official, Kelly McCann at 1-215-957-4446 for more information on the Plan's privacy policies or your rights under HIPAA.

Newborns' and Mothers' Health Protection Act

Under federal law, group health plans and health insurance issuers generally may not restrict benefits for any hospital length of stay in connection with childbirth for the mother or newborn child to less than 48 hours following a vaginal delivery, or less than 96 hours following a Cesarean section. However, federal law generally does not prohibit the mother's or newborn's attending provider, after consulting with the mother, from discharging the mother or her newborn earlier than 48 hours (or 96 hours as applicable). In any case, plans and issuers may not, under federal law, require that a provider obtain authorization from the Plan or the issuer for prescribing a length of stay not more than 48 hours (or 96 hours, as applicable).

General Notice of COBRA Continuation Coverage Rights

Introduction

You are receiving this notice because you are participating or have recently become eligible for benefits under the BBU Retiree Welfare Plan (the Plan). This notice contains important information about your family members' rights to COBRA continuation coverage, which is a temporary extension of coverage under the Plan, as well as other health coverage alternatives that may be available to you through the Health Care Exchange. The right to COBRA continuation coverage was created by a federal law, the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA). COBRA continuation coverage can become available to you when you would otherwise lose your group health coverage. It can also become available to other members of your family who are covered under the Plan when they would otherwise lose their group health coverage. This notice generally explains COBRA continuation coverage, when it may become available to your family, and what you need to do to protect the right to receive it. This notice gives only a summary of your COBRA continuation coverage rights. For more information about your family members' rights and obligations under the Plan and under federal law, you should review the Plan's Summary Plan Description or contact your Company representative.

What Is COBRA Continuation Coverage?

COBRA continuation coverage is a continuation of Plan coverage when coverage would otherwise end because of a life event known as a "qualifying event." Specific qualifying events are listed later in this notice. After a qualifying event, COBRA continuation coverage must be offered to each person who is a "qualified beneficiary." Your spouse and your dependent children could become qualified beneficiaries if coverage under the Plan is lost because of the qualifying event. Under the Plan, qualified beneficiaries who elect COBRA continuation coverage must pay for this coverage.

Who Is Covered?

If you are the retiree, you will have the right to elect COBRA if you lose your group health coverage under the Plan because the employer declares bankruptcy under Chapter 11.

If you are the spouse of a retiree, you will become a qualified beneficiary if you lose your coverage under the Plan because any of the following qualifying events happen:

1. Your spouse dies.
2. Your spouse becomes enrolled in Medicare (Part A, Part B, or both).

3. You become divorced from your spouse.
4. You lose your group health coverage under the Plan because the employer declares bankruptcy under Chapter 11.

Your dependent children will become qualified beneficiaries if they lose coverage under the Plan because any of the following qualifying events happen:

1. The parent-retiree dies.
2. The parent-retiree becomes divorced.
3. The child stops being eligible for coverage as a “dependent child” under the Plan.
4. You lose your group health coverage under the Plan because the employer declares bankruptcy under Chapter 11.

Newly Eligible Child: If you, elect COBRA coverage and then have a child (either by birth, adoption, or placement for adoption) during the period of COBRA coverage, the new child is also eligible to become a qualified beneficiary. In accordance with the terms of the Plan’s eligibility and other requirements for group health coverage and the requirements of federal law, these qualified beneficiaries can be added to COBRA coverage, with notice of the new child’s birth, adoption, or placement for adoption. This notice must be provided within 30 days of birth, adoption, or placement for adoption. The notice must be in writing and must include the name of the new qualified beneficiary, date of birth or adoption of new qualified beneficiary, and birth certificate or adoption decree.

If you fail to notify the Plan Administrator as described in this notice, you will not be offered the option to elect COBRA coverage for the newly acquired child. Newly acquired Dependent Child(ren) (other than children born to, adopted by, or placed for adoption with the associate) will not be considered qualified beneficiaries, but may be added to the associate’s continuation coverage, if enrolled in a timely fashion, subject to the Plan’s rules for adding a new dependent.

QMCSO. A child of the covered associate who is receiving benefits under the Plan pursuant to a QMCSO received by the Plan Administrator during the covered associate’s period of employment is entitled to the same rights to elect COBRA as an eligible Dependent Child of the covered associate.

Are there other coverage options besides COBRA Continuation Coverage?

There may be other coverage options for you and your family through the Health Insurance Marketplace or other group health plan coverage options (such as a spouse’s plan), through what is call a “special enrollment period.” Some of these options may cost less than COBRA continuation coverage. You can learn more about many of these options at www.healthcare.gov.

When Is COBRA Continuation Coverage Available?

The Plan will offer COBRA continuation coverage to qualified beneficiaries only after the Company has been notified that a qualifying event has occurred.

When the qualifying event is the death of the retiree, commencement of a proceeding in bankruptcy with respect to the employer, or enrollment of the retiree in Medicare (Part A, Part B, or both), the Company will automatically notify the COBRA Administrator.

You Must Give Notice of Some Qualifying Events

For other qualifying events (divorce or legal separation of the retiree and spouse or a dependent child losing eligibility for coverage as a dependent child), you must notify the Company within 60 days after the qualifying event occurs. This notice must be provided in writing to your Company contact and must include the following information:

- The name of the retiree who is covered under the plan,
- The names and address(es) of the qualified beneficiary(ies) who will receive COBRA coverage, and the qualifying event that gave rise to COBRA coverage,
- The date of the qualifying event,
- The signature, name and contact information of the individual sending the notice.

Depending upon the qualifying event, your Company contact may request supporting documentation.

How Is COBRA Continuation Coverage Provided?

Once the COBRA Administrator receives notice that a qualifying event has occurred, COBRA continuation coverage will be offered to each of the qualified beneficiaries. Each qualified beneficiary will have an independent right to elect COBRA continuation coverage. Covered retirees may elect COBRA continuation coverage on behalf of their spouses, and parents may elect COBRA continuation coverage on behalf of their children.

COBRA continuation coverage is a temporary continuation of coverage. When the qualifying event is the death of the retiree, enrollment of the retiree in Medicare (Part A, Part B, or both), your divorce or legal separation, or a dependent child losing eligibility as a dependent child, COBRA continuation coverage lasts for up to 36 months.

Cost of COBRA Continuation Coverage

Each qualified beneficiary is required to pay the entire cost of COBRA coverage. The amount a qualified beneficiary may be required to pay may not exceed 102 percent of the cost to the group health plan (including both employer and retiree contributions) for coverage of a similarly situated plan participant or beneficiary who is not receiving COBRA coverage.

The amount of your COBRA premiums may change from time to time during your period of COBRA coverage and will most likely increase over time. You will be notified of COBRA premium changes.

Your first premium is due within 45 days after you elect COBRA coverage. If you do not make your first payment for COBRA coverage within the 45 days after the date of your timely election, you will lose all COBRA rights under the Plan. Thereafter, payments are due by the first day of each month to which the payments apply. If you fail to make payment, you will lose all rights to COBRA continuation coverage under the Plan.

Can I Enroll in Medicare Instead of COBRA Continuation Coverage after my Group Health Plan Coverage Ends?

In general, if you don't enroll in Medicare Part A or B when you are first eligible because you are still employed, after the Medicare initial enrollment period, you have an 8-month special enrollment period¹ to sign up for Medicare Part A or B, beginning on the earlier of:

- The month after your employment ends; or
- The month after group health plan coverage based on current employment ends.

If you don't enroll in Medicare and elect COBRA continuation coverage instead, you may have to pay a Part B late enrollment penalty and you may have a gap in coverage if you decide you want Part B later. If you elect COBRA continuation coverage and later enroll in Medicare Part A or B before the COBRA continuation coverage ends, the Plan may terminate your continuation coverage. However, if Medicare Part A or B is effective on or before the date of the COBRA election, COBRA coverage may not be discontinued on account of Medicare entitlement, even if you enroll in the other part of Medicare after the date of the election of COBRA coverage.

¹ <https://www.medicare.gov/sign-up-change-plans/how-do-i-get-parts-a-b/part-a-part-b-sign-up-periods>.

If you are enrolled in both COBRA continuation coverage and Medicare, Medicare will generally pay first (primary payer), and COBRA continuation coverage will pay second. Certain plans may pay as if secondary to Medicare, even if you are not enrolled in Medicare.

For more information visit <https://www.medicare.gov/medicare-and-you>.

If You Have Questions

Questions concerning your Plan, or your COBRA continuation coverage rights should be addressed to the contact or contacts identified in Chart One under Plan Contact Information below.

For more information about your rights under ERISA, including COBRA, the Patient Protection Affordable Care Act, the Health Insurance Portability and Accountability Act (HIPAA) and other laws affecting group health plans, visit the U.S. Department of Labor’s Employee Benefits Security Administration (EBSA) website at www.dol.gov/ebsa or call their toll-free number at 1-888-444-3272. For more information about health insurance options available through a Health Care Exchange, visit www.healthcare.gov.

Keep Your Plan Informed of Address Changes

To protect your family’s rights, you should keep your Company contact (see Chart One under Plan Contact Information below) informed of any changes in the addresses of family members. You should also keep a copy, for your records, of any notices you send to the Plan administrator or COBRA Administrator.

Plan Contact Information

If you have any questions about the plan or COBRA continuation coverage, please contact the following:

CHART ONE – COMPANY CONTACT INFORMATION		
Contact Name	Address	Phone Number
Benefits Department	255 Business Center Dr. Horsham, PA 19044	1-888-60-myBBU (1-888-606-9228)
CHART TWO – COBRA ADMINISTRATOR		
Contact Name	Address	Phone Number
WageWorks, Inc.	P.O. Box 650407 Dallas, TX 75265-0407	1-877-630-7215