UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND EMPLOYERS MIDWEST PENSION FUND

1300 Higgins Road, Suite 300 ◆ P.O. Box 1114 ◆ Park Ridge, Illinois 60068-7114
847-384-7000 ◆ 800-621-5133 ◆ FAX 847-384-0197 ◆ TDD 847-384-0199 ◆ ufcwmidwest.org

March 28, 2013

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U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Enclosed, on behalf of the United Food and Commercial Workers Unions and Employers Midwest Pension Plan, is the Notice of Actuary's Certification of Critical Status under the Pension Protection Act of 2006 for the plan year beginning December 1, 2012.

Sincerely,

Michael Wilcher
Assistant Administrator

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Notice of Actuary's Certification of Critical Status under the Pension Protection Act of 2006

for the

United Food and Commercial Workers Unions and Employers Midwest Pension Plan

This is to inform you that on February 28, 2013 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning December 1, 2012. Federal law requires that you receive this notice.

Critical Status

The plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the plan's actuary determined that

- over the next three years, the plan is projected to have an accumulated funding deficiency for the 2015 plan year (ignoring amortization extensions);
- the sum of the Plan's normal cost and interest on the unfunded benefits for the current plan year exceeds the present value of all expected contributions for the year; the present value of vested benefits of inactive participants is greater than the present value of vested benefits of active participants; and over the next four plan years, the Plan is projected to have an accumulated funding deficiency for the 2015 and 2016 plan years (ignoring amortization extensions); and
- the Plan was in critical status last year and over the next 9 years, the plan is projected to have an accumulated funding deficiency for the 2018 through 2021 plan years (including amortization extensions).

Rehabilitation Plan

This is the fourth year the plan has been in critical status. Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Board of Trustees adopted a Rehabilitation Plan and communicated the plan to the employers and unions in November, 2010. On December 16, 2010, you were notified that the plan reduced or eliminated adjustable benefits. On March 24, 2010, you were notified that as of March 26, 2010, the plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status. If the trustees of the plan determine that further benefit reductions are 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. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after March 26, 2010.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any updated rehabilitation plan the pension plan may adopt:

Post-retirement death benefits;
Disability benefits (if not yet in pay status);
Early retirement benefit or retirement-type subsidy;
Benefit payment options other than a qualified joint-and survivor annuity (QJSA).

Employer Surcharge

The law requires that all contributing employers pay to the plan a surcharge to help correct 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 the applicable collective bargaining agreement. With some exceptions, a 5% surcharge became applicable effective April 27, 2010 and a 10% surcharge became applicable effective December 1, 2010 and for each succeeding plan year thereafter in which the plan is in critical status.

Increased Contributions

Under the rehabilitation plan, employers entering into new collective bargaining agreements are required to pay increased hourly contributions or make an equivalent voluntary lump sum payment. Once these increased contributions commence, the employer is no longer charged the Employer Surcharge. The increase in contributions paid to the plan under the new collective bargaining agreement is higher than the amount of the Employer Surcharge previously paid.

Where to Get More Information

For more information about this Notice, you may contact the Pension Office or the Fund Administrator, at 847-384-7000, United Food and Commercial Workers Unions and Employers Midwest Pension Plan, 1300 Higgins Road, Suite 300, Park Ridge, IL 60068-5713. You have a right to receive a copy of the rehabilitation plan from the plan.