

April 29, 2009

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NOTICE OF CRITICAL STATUS

FOR

UFCW LOCAL UNION 919 AND CONTRIBUTING EMPLOYERS' FOOD PENSION PLAN

EIN: 06-10650261

Plan No.: 001

Participants, Beneficiaries, Participating Unions and Contributing Employers:

The Pension Protection Act (PPA or Act), signed into law in 2006, is intended to improve the financial condition of pension plans. The Act implemented several safeguards as well as notification requirements to share more information about a plan's "financial health" with participants and others directly related to the Plan.

Critical Status

On March 30, 2009 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Trustees, that the plan is in critical status for the plan year beginning January 1, 2009. Federal law requires that you be notified of this. The Plan is considered to be in critical status because the Plan's actuary has identified a funding problem. More specifically, the Plan's actuary determined that unless remedial action is taken, the Plan is projected to have an accumulated funding deficiency within four years.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. In addition to revising a plan's formula for future benefit accruals and making similar changes, as part of a rehabilitation plan, the law permits pension plans in critical status to reduce, or even eliminate, certain benefits called "adjustable benefits." If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. No reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) will reduce the level of a participant's basic benefit payable at normal retirement age. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after April 29, 2009.

Adjustable Benefits

The Plan offers the following adjustable benefits that may be reduced or eliminated as part of the rehabilitation plan:

Disability benefits (if not yet in pay status),

Early retirement benefits, and

The subsidy in the Husband and Wife form of payment.

Employer Surcharge

The law requires that all contributing employers pay 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 is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year while the Plan is in critical status, until the employer agrees to a collective bargaining agreement that implements a rehabilitation plan. The surcharges will be disregarded in determining benefits and withdrawal liability, as required by the law.

Where to Get More Information

You will receive notices like this each year, letting you know of the Plan's progress. Since the Pension Plan is influenced by economic and financial variables beyond our control (such as investment market volatility and changes in employment), unexpected developments can affect the Plan's status and any future corrective actions needed.

For more information about this Notice, you may contact:

United Food & Commercial Workers' Union Local 919
and Contributing Employer' Food Pension Fund
6 Hyde Road, 2nd Fl.
Farmington, Connecticut 06032-2830
Phone number: 860.677.8118

We understand that legally required notices like this one can create concern about the Plan's future. We are working closely with our professional advisors to monitor the Plan's condition and develop strategies to improve the Fund's funding and provide you with sound pensions.

Sincerely,

Board of Trustees

cc: Department of Labor
Pension Benefit Guaranty Corporation