

**Notice of Critical Status For
UFCW Heartland Pension Fund**

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The Pension Protection Act of 2006 ("PPA") added new requirements for measuring the financial health of multiemployer pension plans. The PPA requires that a pension plan's actuary determine the plan's funded status and certify the status to the U.S. Department of the Treasury and the plan's board of trustees. This notice is to inform you that on March 29, 2019 the UFCW Heartland Pension Fund's (the "Plan") actuary certified that the Plan is in critical status for the plan year beginning January 1, 2019. 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, that would cause the Plan to enter critical status in the five years following the current plan year and the Board of Trustees of the Plan previously elected to enter critical status effective January 1, 2016. More specifically, the Plan's actuary determined that the Plan was in critical status last year and the Plan is projected to have an accumulated funding deficiency for the 2024 plan year.

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 fourth 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 Board of Trustees of the Plan determined that benefit reductions are necessary and a separate notice was provided identifying and explaining the effect of those reductions. You should also know that, in addition to the reduction in adjustable benefits, effective as of April 27, 2016, 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. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reduction of adjustable benefits may only apply to participants and beneficiaries whose benefit commencement date is on or after June 1, 2016.

Adjustable Benefits

In November, 2016, the Board of Trustees adopted a rehabilitation plan reducing the following adjustable benefits:

1. Elimination of the early retirement benefit subsidy; and,
2. Elimination of the subsidized portion of the 50% Qualified Joint & Survivor Annuity.

The reductions of adjustable benefits only apply to participants and beneficiaries whose benefit commencement date is on or after June 1, 2016. Any active participant whose pension effective date is on or after November 23, 2016 will automatically have his or her benefits prospectively reduced as described in this notice upon the acceptance of the Rehabilitation Plan by the bargaining parties or as otherwise provided under the Rehabilitation Plan. Any participant whose benefit effective date is on or after June 1, 2016 and before November 23, 2016 had their adjustable benefits reduced as described in this notice on February 1, 2017.

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 is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Plan is in critical status, until the employer agrees to a collective bargaining agreement that implements the Rehabilitation Plan.

Where to Get More Information

For more information about this Notice, you may contact the Fund Administrator at 7250 Poe Avenue, Suite 300, Dayton, OH 45414 or call at (937) 665-1900. You have a right to receive a copy of the rehabilitation plan from the Plan.

cc Department of Labor
Pension Benefit Guaranty Corporation