SOUTHERN CALIFORNIA UNITED FOOD & COMMERCIAL WORKERS UNIONS AND DRUG EMPLOYERS TRUST FUNDS
2220 HYPERION AVENUE • LOS ANGELES, CALIFORNIA 90027
TEL (323) 666-8910 • FAX (323) 663-9495

Administrative offices for:

SOUTHERN CALIFORNIA UNITED FOOD & COMMERCIAL WORKERS UNIONS AND DRUG EMPLOYERS PENSION FUND

SOUTHERN CALIFORNIA DRUG BENEFIT FUND

April 29, 2009

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

Re: Southern California United Food & Commercial Workers Unions and Drug Employers Pension Fund – Notice of Funded Status

To Whom It May Concern:

Pursuant to Section 204 (c) (2) (A) (ii) of the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) enclosed please find the Notice of Funded Status dated April 30, 2009 which was provided to participants, beneficiaries, contributing employers and local unions for the above referenced Plan.

Should you have any questions, please feel free to contact this office.

Sincerely yours,

Tracy Shannon

Tracy Shannon
Administrator
Extension #229

Enclosure

cc: Legal Counsel

MAILING ADDRESS: P.O. BOX 27920, LOS ANGELES, CALIFORNIA 90027

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2009 NOTICE OF PENSION PLAN FUNDED STATUS

TO: PARTICIPANTS, BENEFICIARIES, CONTRIBUTING EMPLOYERS AND UFCW Local Unions 135, 324, 770, 1036, 1167, 1428, and 1442

FROM: BOARD OF TRUSTEES OF THE SOUTHERN CALIFORNIA UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND DRUG EMPLOYERS PENSION FUND

DATE: APRIL 30, 2009

YOUR PLAN

This notice applies to the Southern California United Food and Commercial Workers Unions and Drug Employers Pension Plan, EIN 51-6029925, Plan ID 001.

BACKGROUND

Starting with the 2008 Plan Year, the Pension Protection Act of 2006 ("PPA") requires the Pension Plan's actuary to annually certify the funded status of the Pension Plan. If the Plan's funding is certified to be either Endangered or Critical, the PPA requires the adoption of specific measures to improve the Plan's funding over a period of ten or more years.

The Plan's actuary certified the Plan's funded status for the January 1, 2008 through December 31, 2008 Plan Year to be neither Endangered nor Critical.

2009 PLAN YEAR CERTIFICATION

For the January 1, 2009 through December 31, 2009 plan year, the Plan's actuary has certified the Plan to be in Endangered status because the Plan is projected to have a minimum funding deficiency within seven (7) years.

ELECTION TO CONTINUE TO USE THE 2008 PLAN YEAR ZONE CERTIFICATION

Recognizing that the funding of almost all pension plans has declined in the current economic crisis, Congress passed the *Worker, Retiree and Employer Recovery Act of 2008 (WRERA)*. This law provides multiemployer pension plans with the option to retain a plan's 2008 funded status for the 2009 plan year – regardless of the plan's funded status in 2009. By "freezing" its funded status, a pension plan may delay, or possibly avoid, reductions in employee benefits and/or increases in the rate of employer contributions that would be required by a funding improvement or rehabilitation plan for an Endangered or Critical plan.

Over →

In accordance with WRERA, the Trustees have elected to "freeze" the Pension Plan's 2008 Plan Year certification and have it apply to the 2009 Plan Year. Therefore, the Plan will be treated as neither in Endangered nor Critical status for the Plan Year beginning on January 1, 2009.

The freezing of the Plan's 2008 status does not extend beyond December 31, 2009. By March 31, 2010, the Plan's actuary will certify its funded status for the Plan Year beginning on January 1, 2010. If the Plan is certified to be in either Endangered or Critical status in 2010, within 30 days after the date of certification, you will be sent a notice explaining the Plan's funded status and actions that the Trustees may be required to take under the law. If the Plan is in Endangered or Critical status, required actions may include increases in employer contributions and reductions in future benefit accruals.

WHAT'S NEXT?

No participant will experience any reduction in benefits during 2009.

Your benefits under the Plan are protected by ERISA, the Employee Retirement Income Security Act of 1974, as amended by Congress. If you are receiving a monthly pension benefit from the Pension Plan, ERISA does not allow any changes that may be required if the plan is Endangered or Critical in the future to reduce your benefits. Accrued benefits payable at normal retirement age may not be reduced for any participant as a result of the Plan being in Endangered or Critical status. Finally, the law does not allow previously accrued benefits, including rights to early retirement and disability retirement, to be reduced if the Plan is Endangered in 2010 or thereafter.

QUESTIONS?

For more information about this election or the Trust, contact the Administration Office in writing at the address or fax number listed at the top of this letter.

In order to assist you with general questions, a temporary toll-free number has been reserved for your convenience 24 hours a day, 7 days a week. Should you have any questions, please feel free to call the following toll-free number (877) 484-4343.

Sincerely,

BOARD OF TRUSTEES
Southern California United Food and Commercial Workers Unions
and Drug Employers Pension Plan

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Department of Labor.