

Notice of Critical Status For

Rocky Mountain UFCW Unions & Employers Pension Plan

This is to inform you that on March 31, 2010 the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan's Board of Trustees, that the Plan is in critical status for the Plan year beginning January 1, 2010. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding problems. More specifically, the Plan's actuary determined that over the next three Plan years, the Plan is projected to have an accumulated funding deficiency for the Plan year beginning January 1, 2010, and the following two Plan years. In addition, 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 Plan year beginning January 1, 2010, and the following three Plan years. Finally, 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 Plan year beginning January 1, 2010, and at least the following six Plan years.

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 second 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. If the Trustees of the Plan determine that benefit reductions are necessary, you will receive a separate notice identifying and explaining the effect of those reductions. Any reduction of adjustable benefits (other than a repeal of a recent benefit increase) will not reduce the level of a participant's basic benefit payable at normal retirement.

Adjustable Benefits

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

- Post-retirement death benefits;
- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy (*e.g.*, Rule of 80 Pension, Rule of 85 Pension, Age 60 Supplement and any other subsidized early retirement benefits);
- Benefit payment options other than a QJSA;
- Other similar benefits, rights, or features under the Plan (*i.e.*, preretirement death benefits in excess of a qualified preretirement survivor annuity).

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. 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. The surcharge terminates when a bargaining unit negotiates a collective bargaining agreement that includes terms consistent with the rehabilitation plan.

Where to Get More Information

For more information about this Notice, you may contact Zenith Administrators, at 5511 West 56th Avenue, Suite 250, Arvada, Colorado 80002, 303-430-9476. You have a right to receive a copy of the rehabilitation plan from the Plan.

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