

EBSA/PUBLIC DISCLOSURE  
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**Notice of Critical Status**  
**For**  
**Grocery/Storage Pension Plan**  
**For Plan Year June 1, 2010 through May 31, 2011**

This is to inform you that on August 27, 2010, the Plan actuary for the Grocery/Storage Pension Plan (Plan) certified to the U.S. Department of the Treasury, and also to the Plan's Board of Trustees (Trustees), that the Plan is in critical status for the plan year beginning June 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 or liquidity problems, or both. More specifically, the Plan's actuary determined that 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 five plan years, the Plan is projected to have an accumulated funding deficiency.

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. 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 in the future identifying and explaining the effect of those reductions.

Any reduction of adjustable benefits (other than a repeal of a recent benefit increase, as described below) 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 September 24, 2010. But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of September 24, 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.

### Adjustable Benefits

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

- 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);
- Supplemental benefits payable prior to age 65;
- Death benefits other than 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. With some exceptions, a 5 percent surcharge is applicable in the initial critical year and a 10 percent 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. The 5% surcharge is payable on work performed on and after October 24, 2010, until the last day of the current plan year, and the 10% surcharge is payable with respect to periods after that, until a negotiated contribution rate that satisfies the rehabilitation plan goes into effect.

### Where to Get More Information

For more information about this Notice, you may contact the Administrative Manager, at Grocery/Storage Pension Plan, 9422 Ulysses Street NE, Suite 130, Blaine, Minnesota 55434 (763) 267-6132. The rehabilitation plan will be adopted by April 26, 2011. Shortly after that, the Plan will send a copy of it to contributing employers and the union, and a summary to participants and beneficiaries.