

## **Notice of Critical Status for**

### **INDIANA AREA UFCW UNIONS AND RETAIL FOOD EMPLOYERS JOINT PENSION PLAN**

This is to inform you that on March 31, 2011, the Plan actuary certified to the U.S. Department of the Treasury, and also to the Plan sponsor, that the Plan remains in critical status for the Plan year beginning January 1, 2011. 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 particularly, the Plan's actuary determined that the Plan entered critical status in 2010 and remains in critical status in 2011 because the Plan is projected to have an accumulated funding deficiency during the next ten Plan years, specifically, in the Plan year ending December 31, 2020.

#### **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. This is the second year the Plan has been in critical status. On April 28, 2010, as required by federal law, you were notified that as of April 28, 2010, the Plan was no longer 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. Moreover, the law permits pension plans to reduce, or even eliminate, certain benefits called "adjustable benefits" as part of a rehabilitation plan. If benefit reductions occur, 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 apply only to participants and beneficiaries whose benefit commencement date is on or after April 28, 2010.

#### **Adjustable Benefits**

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

- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;



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November 2010, after extensively reviewing the funding requirements under federal law with the Plan's professional advisors and the actions needed to protect the Plan's long-term health, the Board of Trustees adopted a rehabilitation plan. The PPA requires that your Union and Employer be guided by the rehabilitation plan, as updated, in collective bargaining.

Please retain copies of these documents for your reference. If you have any questions, we encourage you to contact the Plan Office at 317-247-7381 or 800-382-1799.

Sincerely,

BOARD OF TRUSTEES  
OF THE INDIANA AREA UNITED FOOD AND  
COMMERCIAL WORKERS UNIONS AND RETAIL  
EMPLOYERS JOINT PENSION PLAN

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