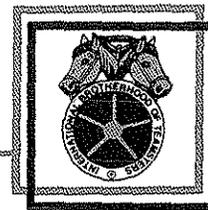


WWEC LOCAL 863 PENSION PLAN

209 SUMMIT ROAD

MOUNTAINSIDE, NJ 07092

Tel: (908) 654-3361



ALPHONSE RISPOLI, JR., Trustee
LOUIS SANCHEZ, Trustee
BRUCE VIVADELLI, Trustee

DEWEY CANNELLA, Chairman
ARON FOREM, Trustee
FRANK MIRAGLIA, Trustee



Notice of Endangered Status for 2012 Plan Year

26-3541447

WWEC Local 863 Pension Plan

To: All Participants, Beneficiaries, Contributing Employers and Local Union 863 I.B. of T.

As you may know, the Pension Protection Act of 2006 ("PPA") has added requirements for measuring the financial health of multiemployer plans such as ours.

Starting with the 2008 plan year, the PPA requires that a pension plan's actuary determine the plan's status under these new rules and annually certify that status to the IRS and the trustees (who are the plan sponsor). If the actuary determines that the plan is in "endangered" status (yellow zone) or "critical" status (red zone) for the year, the trustees must notify all plan participants, employers, and other stakeholders and take corrective action to restore the financial health of the plan.

Yellow Zone Status for 2012

On November 29, 2012, the actuary certified that the Plan is, once again, in endangered status, or the yellow zone, for the 2012 plan year, which is the same as last year. This determination was made because, based on the PPA's new funding measures, the Plan is currently less than 80% funded. However, due to the Wakefern Food Corporation participation agreement with the Fund, the Plan is expected to meet its funding goals in the future.

Funding Improvement Plan for Yellow Zone Plans

The PPA requires every multiemployer plan in endangered status to adopt a "Funding Improvement Plan" (FIP). The FIP is an action plan designed to increase the Plan's funding percentage and to assure that contributions will be enough to meet the minimum required under the law. The actuary has informed us that based on anticipated experience and reasonable assumptions, future contribution levels, including those required in the participation agreements, will be sufficient to meet the requirements of the FIP which was adopted in 2010 and the Plan is expected to emerge from endangered status within the statutory timeframe.

What's Next

The PPA mandates that the Plan's funding status be reviewed and certified annually and notices like this one will be sent to you each year. In addition, the FIP will be reviewed and updated each year. Please note, however, since the Plan is influenced by economic and financial variables beyond our control (such as market volatility and changes in employment and/or the number of contributing employers), unexpected developments can affect the Plan's status and any future corrective actions needed.

We understand that legally required notices like this one can create concern about the Plan's future. Be assured that we take our obligation to preserve the financial viability of the Plan very seriously. The Trustees have developed a plan that addresses these issues to improve the Plan's financial condition and help to secure your pensions.

For more information about this notice or the Plan, you may contact the Plan's office at the address or phone number listed at the top of this letter.

Sincerely,

The Board of Trustees
Date: December 2012

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

2013 JAN -2 PM 4: 13
EBSA/PUBLIC DISCLOSURE