United Food and Commercial Workers Unions and Employers Pension Plan
2001 N. Mayfair Road, Milwaukee, WI 53226
414-476-4276 800-476-4237 fax 414-476-2997

FOR PUBLIC DISCLOSURE
2019 MAR -5 PM 2:59

Notice of Critical and Declining Status
For
United Food and Commercial Workers Unions and Employers Pension Plan

This is to inform you that on January 29, 2019, the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan is in critical and declining status for the plan year beginning November 1, 2018. Federal law requires that you receive this notice. In the future you will receive an annual update of this status and the progress the Plan is making towards the goals described below.

Critical and Declining Status

The Plan is in critical and declining status because it is projected to satisfy all of the following:

Non-emergence from critical status
The plan has not emerged from critical status because it has a projected insolvency within the 30 plan years succeeding the current plan year. The Plan's actuary projects that, if no further action is taken, the Plan will become insolvent in the 2037-38 plan year. An insolvency means that the Plan's available resources will not be sufficient to pay benefits under the Plan during the Plan Year for which they are due.

The number of inactives is more than twice that of actives
The Plan's actuary determined that there are approximately 13 inactives for each active participant.

Projected insolvency within the current or next 20 plan years
As noted above the Plan's actuary projects that, if no further action is taken, the Plan will have a projected insolvency in the 2037-38 plan year.

As required by law, the Plan Actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical and declining status to adopt a rehabilitation plan aimed at restoring the financial health of the Plan. A rehabilitation plan may involve reductions to future benefit accruals, increases to contribution rates, or both. The law also permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. Adjustable benefits are benefits over and above the normal pension paid at normal retirement age and may include disability coverage (if not in pay status), early retirement and survivor subsidies, and payment of certain 60-month guarantees (which may occur if the participant dies without surviving spouse coverage either after retirement or under limited circumstances prior to retirement). Affected participants and their spouses (if married) have the right to waive pre-retirement survivor coverage and unmarried participants have the right to elect the 60-month payment guarantees. In both instances, the coverage costs are borne by the participant choosing the coverage instead of being absorbed by the Plan and thus all participants.

You received an initial notice in December of 2010 that explained the original benefit changes tied to each schedule of the rehabilitation plan. As of January 1, 2015, additional benefit changes were made for non-retired participants of withdrawn employers and for non-retired participants under bargaining agreements that switched from rehabilitation plan Schedule No. 1 to Schedule No. 3. You were mailed a notice of these reductions on December 1, 2014. Effective as of February 26, 2010, the Plan is not permitted to pay any lump sum benefits (or any other payment in excess of the monthly amount paid