

Minneapolis Retail Meat Cutters and Food Handlers Pension and Health and Welfare Funds

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Notice of Endangered Status

for
Minneapolis Retail Meat Cutters & Food Handlers Pension Plan

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ERISA/PUBLIC DISCLOSURE

This notice, which federal law requires, includes important information about the funding level of the Minneapolis Retail Meat Cutters & Food Handlers Pension Plan ("Fund"), Plan Number 001, Employer Identification Number 41-0905139 (Plan and Plan Sponsor). In 2006 the Pension Protection Act ("PPA") was enacted. Beginning with the 2008 Plan Year, that law requires the annual certification of the Plan's funding status as critical, endangered or neither, generally referred to as red, yellow or green, respectively.

For the Plan Year beginning on March 1, 2010, the Fund's actuary certified the U.S. Department of the Treasury and to the plan sponsor that the Plan was in the yellow zone for the plan year beginning March 1, 2010. The Plan was considered to be in the yellow zone because the funded percentage was below 80% at 68.7% on March 1, 2010 but there are no projected funding deficiencies. The funded percentage is the percentage of earned benefits that could be funded with existing Plan Assets. A projected funding deficiency is a sign that the anticipated liabilities of the Fund are outpacing its assets.

Funding Improvement Plan

Federal law requires pension plans in the yellow zone to adopt a funding improvement plan aimed at restoring the financial health of the plan. The funding improvement plan requires that the plan's funded percentage improve at least one-third of the way to 100% over a 13-year period (this is three years later than originally required because W.R.E.R.A provided for a three-year extension). The target for this Plan under the law is a funded percentage of 85.4% by 2023. The plan must also meet the Federal minimum funding requirements during this 13-year period. Based on the most current actuarial projections, the Plan is on track to meet or exceed these benchmarks after making the benefit reductions and contribution rate increases negotiated earlier this year.

Future Experience and Possible Adjustments

The funding improvement plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the Fund were to suffer asset returns below the expected 7.50% in the 2010-11 plan year or later, a drop in the weeks worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

Commitment to Continued Improvement

At this point, the Trustees anticipate that the Fund will emerge from endangered status ahead of schedule and continue to see improved funded percentages. The Trustees maintain their commitment to providing a retirement benefit on which you can rely to pay a lifetime benefit that will play a significant role in your overall retirement planning.

Where to Get More Information

You have a right to receive a copy of the funding improvement plan. The updated version, with the recent changes included, should be available later this year. To receive a copy, you may contact the Board of Trustees of Minneapolis Retail Meat Cutters & Food Handlers Pension Plan at 3001 Metro Drive, Suite 500, Bloomington, MN 55425-1412 or by telephone at (952) 854-0795.