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

This is to inform you that on January 29, 2016 the Plan Actuary certified to the U.S. Department of the Treasury and to the Plan Sponsor that the Plan is in critical status for the plan year beginning November 1, 2015. 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 Status

The Plan is still considered to be in critical status because it is projected to satisfy the following:

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 2045-46 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 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. The Plan offers the following adjustable benefits which may be reduced or eliminated (for participants not yet in pay status when critical status was first announced on February 26, 2010) as part of any rehabilitation plan the Pension Plan may adopt:

- 60-month payment guarantees;
- Disability benefits;
- Early retirement benefits or subsidies;

You received a notice in December of 2010 with further clarification in June of 2013 that explained the original benefit changes tied to each Schedule of the rehabilitation plan adopted by the Trustees. As of January 1, 2015, additional benefit changes were made for non-retired participants of withdrawn employers and for non-retired participants under bargaining agreements that switched from rehabilitation plan Schedule No. 1 to Schedule No. 3.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. If the Trustees of the Plan determine that additional benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions

Additional Restriction Due to Critical Status

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 under a single life annuity) while it is in critical status.

Future Experience and Possible Adjustments

The rehabilitation 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 2015-16 plan year or later), a drop in the hours 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.

Employer Surcharge

The law requires that all contributing employers pay to the Plan a surcharge beginning on March 28, 2010 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% surcharge is applicable in the initial critical year (through October 31, 2010) and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Plan is in critical status.

The surcharges continue until the bargaining parties formally approve a rehabilitation plan. They will even continue if the Default Schedule has been imposed. The Trustees of the Plan adopted a rehabilitation plan on May 19, 2010 and it was submitted to the bargaining parties.

Where to Get More Information

You have a right to receive a copy of the rehabilitation plan and any updates to that plan. To receive a copy of the latest version, you may contact Zenith American Solutions at (414) 476-4276 or 2001 N. Mayfair Road, Milwaukee, WI 53226.