

UNITED FOOD AND COMMERCIAL WORKERS UNIONS AND EMPLOYERS MIDWEST PENSION FUND

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Important Information About your Pension Benefits

As Trustees of your Pension Fund, one of our most important responsibilities is ensuring the financial stability of the Fund. We carefully monitor the Pension Fund assets and contributions to ensure adequate funding to pay benefits to current and future retirees. When Fund assets do not grow as much as expected, adjustments must be made to the Plan.

The Pension Plan is a multiemployer defined benefit pension plan subject to ERISA, to which more than one employer makes contributions based on contribution rates set forth in collective bargaining agreements. In general, your pension benefit is your monthly pension accrual rate for each year multiplied by your credited service for that year. The monthly pension accrual rate used to calculate your pension benefit for each year is based on your hourly contribution rate for that year, as determined by your collective bargaining agreement. Because agreements are negotiated at different times and Plan participants are covered by different agreements, the monthly pension accrual rates in effect for 2006 through 2008 will vary depending on your collective bargaining agreement, the hourly contribution rate and when the agreement expires. By 2008, the same monthly pension accrual rate will be in effect for all agreements.

What this Means to You

If your collective bargaining agreement which expired or expires after 2005 includes an increase in your pension contribution as specified by the Board of Trustees (generally a 5-cent per year increase or cumulative increase equating to 5-cents per year), your monthly pension accrual rate will remain unchanged after 2006. Most collective bargaining agreements that have been renewed after 2005 (including the Dominick's grocery clerk and drug division agreements) provide for this required increase and maintenance of pension benefits at current levels.

However, if your collective bargaining agreement expires between 2005 and 2009 and does *not* include the specified increase in the hourly contribution rate, upon renewal, your future benefits may decrease as shown in the table below. **Benefits you earned under the Plan before January 1, 2006, are not affected by this change.**

The following table shows the monthly pension accrual rates in effect as of January 1, 2005 (only the rates for 2006 and 2007 vary based on when a collective bargaining agreement expires) and as of January 1, 2008:

If your hourly contribution rate is	Your monthly pension accrual rate for 2005 is	If your collective bargaining agreement expires 12/31/05 - 12/31/06		If your collective bargaining agreement expires in 2007		If your collective bargaining agreement expires in 2008		Your monthly pension accrual rate for 2008 is
		Your monthly pension accrual rate for 2006 is	Your monthly pension accrual rate for 2007 is	Your monthly pension accrual rate for 2006 is	Your monthly pension accrual rate for 2007 is	Your monthly pension accrual rate for 2006 is	Your monthly pension accrual rate for 2007 is	
17¢	\$10.00	\$8.00	\$6.00	\$10.00	\$6.00	\$10.00	\$10.00	\$4.00
22¢	\$12.00	\$10.00	\$8.00	\$12.00	\$8.00	\$12.00	\$12.00	\$6.00
27¢	\$14.00	\$12.00	\$10.00	\$14.00	\$10.00	\$14.00	\$14.00	\$8.00
32¢	\$16.00	\$16.50	\$16.50	\$16.00	\$16.50	\$16.00	\$16.00	\$16.50
37¢	\$18.00	\$17.00	\$16.75	\$18.00	\$16.75	\$18.00	\$18.00	\$16.50
42¢	\$20.00	\$18.00	\$17.00	\$20.00	\$17.00	\$20.00	\$20.00	\$16.75
47¢	\$22.00	\$20.00	\$18.00	\$22.00	\$18.00	\$22.00	\$22.00	\$18.00
52¢	\$48.00	\$22.00	\$20.00	\$48.00	\$20.00	\$48.00	\$48.00	\$20.00
57¢	\$53.00	\$48.00	\$22.00	\$53.00	\$22.00	\$53.00	\$53.00	\$22.00
62¢	\$53.00	\$53.00	\$48.00	\$53.00	\$48.00	\$53.00	\$53.00	\$24.00
67¢	n/a	\$53.00	\$53.00	\$53.00	\$53.00	\$53.00	\$53.00	\$48.00
72¢	n/a	n/a	\$53.00	n/a	\$53.00	n/a	\$53.00	\$53.00

If your exact hourly contribution rate is not shown, the next lowest rate is used.

The following two examples illustrate how this change could affect you. Example #1 assumes that the hourly contribution rate remains constant. Example #2 assumes a 5¢ increase each year. Note that rates are subject change through the collective bargaining process.

Reminder on Calculating Benefits: The amount of your accrued benefit is the monthly pension accrual rate for your hourly contribution rate in effect at the end of each calendar year multiplied by the amount of credited service you earned in that year. However, for credited service earned before January 1, 2001, your total credited service earned before that date is multiplied by your hourly contribution rate in effect on December 31, 2000.

Example #1: Hourly Contribution Rate Remains Constant

Assume you retire at age 60 on January 1, 2009, with 20 years of credited service. Assume you are covered by a collective bargaining agreement that expired in 2006 with no increases in the 57¢ hourly contribution rate when it was renewed. Therefore, the hourly contribution rate was constant at 57¢ in 2004, 2005, 2006, 2007 and 2008. Your pension is calculated as follows:

Credited service earned through December 31, 2005:	17 years x \$53 =	\$901
Credited service earned through December 31, 2006:	1 year x \$48 =	\$48
Credited service earned through December 31, 2007:	1 year x \$22 =	\$22
Credited service earned by December 31, 2008:	1 year x \$22 =	\$22
Monthly Normal Pension		\$993*

**This amount may be reduced depending on the form of payment you elect to receive the benefit.*

Since the hourly contribution rate does not increase, the monthly pension accrual rate used to calculate the benefit each year is lower for 2007 and 2008.

Example #2: Hourly Contribution Rate Increases Each Year

Assume you retire at age 60 on January 1, 2009, with 20 years of credited service. Your collective bargaining agreement that expired in 2005 specified a 5¢ increase in the hourly contribution rate for each year through the end of 2008 when it was renewed. Your pension is calculated as follows:

Credited service earned by December 31, 2005 at an hourly contribution rate of 57¢:	17 years x \$53 =	\$901
Credited service earned in 2006 at an hourly contribution rate of 62¢:	1 year x \$53 =	\$53
Credited service earned in 2007 at an hourly contribution rate of 67¢:	1 year x \$53 =	\$53
Credited service earned in 2008 at an hourly contribution rate of 72¢:	1 year x \$53 =	\$53
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Monthly Normal Pension		\$1,060*

*This amount may be reduced depending on the form of payment you elect to receive the benefit.

Since the hourly contribution rate increases each year, the monthly pension accrual rate used to calculate the benefit each year remains the same for 2006 through 2008.

More Information

These changes may affect individuals differently. However, please note that no matter how this change may affect future benefits, it does not affect benefits you have already earned as of January 1, 2006. More information about your Pension Plan benefits is provided in your Summary Plan Description (SPD).

We will continue to monitor the Plan to ensure that we provide the best benefits possible given the available resources. If you have questions about this information or your benefits in general, please contact the Benefits Fund Office.

Sincerely,
Board of Trustees

This announcement serves as a Summary of Material Modification and contains only highlights of certain features of the United Food and Commercial Workers Unions and Employers Midwest Pension Plan. Full details are contained in the Plan Documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the Plan Document language will govern. The Trustees reserve the right to amend, modify, or terminate the Plan at any time.

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Notice of Pension Plan Change

United Food and Commercial Workers
Unions and Employers Midwest Pension Fund
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