MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

INDEPENDENT AUDITORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2013 (Initial Plan Year)

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

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FOR THE YEAR ENDED DECEMBER 31, 2013

Salter & Company, LLC
Certified Public Accountants

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The Board of Trustees
Mid Atlantic UFCW and Participating Employers
Pension Fund
c/o Associated Administrators, LLC
4301 Garden City Drive; Suite 201
Landover, MD 20785

Independent Auditors' Report

We have audited the accompanying financial statement of Mid Atlantic UFCW and Participating Employers Pension Fund (the Plan), which comprise the statement of net assets available for benefits as of December 31, 2013 (initial plan year), and the related statement of changes in net assets available for benefits for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

The Plan's management is responsible for the preparation and fair presentation of this financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The Board of Trustees
Mid Atlantic UFCW and Participating Employers
Pension Fund

Opinion

In our opinion, the financial statement referred to above presents fairly, in all material respects, information regarding the Plan's net assets available for benefits as of December 31, 2013 (initial plan year) and changes therein for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplemental schedules of Assets Held for Investment Purposes, Reportable (5%) Transactions, Employer Contributions, and Administrative Expenses are presented for the purpose of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of the Plan's management and was derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Salter & Company, LLC

Salter & Company, LLC
Bethesda, Maryland
October 2, 2014

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

STATEMENT OF NET ASSETS AVAILABLE FOR BENEFITS AS OF DECEMBER 31, 2013 (INITIAL PLAN YEAR)

	December 31, 2013
ASSETS	
Investments - At Fair Value	
Temporary	$ 24,059
Mutual funds	11,649,075
	11,673,134
Receivables and Prepaids	
Employer contributions	2,539,922
Interest and dividends	288,142
Prepaids and other receivables	38,855
	2,866,919
TOTAL ASSETS	14,540,053
LIABILITIES	
Accounts payable	22,193
TOTAL LIABILITIES	22,193
NET ASSETS AVAILABLE FOR BENEFITS	$ 14,517,860

The accompanying notes are an integral part of the financial statements.

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS
PENSION FUND

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2013 (INITIAL PLAN YEAR)

	Year ended December 31, 2013
ADDITIONS	
Investment income	
Net (depreciation) in fair value of investments	$ (443,802)
Interest	10
Dividends	406,748
	(37,044)
Less : investment expenses	(2,025)
	(39,069)
Contribution income	
Employer contributions	15,146,312
TOTAL ADDITIONS	15,107,243
DEDUCTIONS	
Benefits paid	-
Administrative expenses	589,383
TOTAL DEDUCTIONS	589,383
NET INCREASE	14,517,860
NET ASSETS AVAILABLE FOR BENEFITS	
Beginning of Year	-
End of Year	$ 14,517,860

The accompanying notes are an integral part of the financial statements.

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS
PENSION FUND

NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2013

1. Description of Plan

The following brief description of the Mid Atlantic United Food and Commercial Workers and Participating Employers Pension Plan (Plan) is provided for general information purposes only. Participants should refer to the Summary Plan Description for more complete information.

A. *General*. The terms of this Plan shall apply to employees or participants with an hour of service on or after January 1, 2013. The rights and benefits, if any, of a former employee or participant shall be determined in accordance with the terms of the Plan in effect on the latest date the employee or participant performed an hour of service in covered employment. The Plan is a multiemployer collectively bargained defined benefit pension plan subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). The Plan and the Trust were created and became effective as of January 1, 2013.

The purpose of the Plan is to provide pension and death benefits for qualified participants and their beneficiaries in the amounts and under the conditions specified in the Plan.

B. *Benefits*. The participant's age, years of service, and contribution rates determine the amount of the pension benefit. A more complete description of these benefits, together with eligibility and vesting requirements, is contained in the Summary Plan Description.

2. Summary of Significant Accounting Policies

The following are the significant accounting policies followed by the Plan:

A. *Basis of accounting.* The accompanying financial statements are prepared on the accrual basis of accounting.

B. *Estimates.* The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and changes therein, disclosure of contingent assets and liabilities, and the actuarial present value of accumulated plan benefits at the date of the financial statements, and changes therein. Accordingly, actual results may differ from those estimates.

C. *Investment valuation and income recognition.* Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Plan's Board of Trustees determines the Plan's valuation policies utilizing information provided by its investment advisers and custodians. See Note 7 for a discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation (depreciation) includes the plan's gains and losses on investments bought and sold as well as held during the year.

2. Summary of Significant Accounting Policies (continued)

D. *Employer Contributions Receivable.* This amount represents employer contributions received shortly after the close of the Plan year. It does not include any additional amounts that may be due from delinquent contributing employers.

E. *Payment of Benefits.* Benefit payments to participants are recorded upon distribution.

F. *Subsequent Events.* The plan has evaluated subsequent events through October 2, 2014, the date the financial statements were available to be issued.

3. Actuarial Information

Accumulated Plan benefits are those future periodic payments, including lump sum distributions that are attributable under the Plan's provisions to the service rendered by the Plan participants. Accumulated Plan benefits include benefits expected to be paid to (a) retired or terminated Plan participants or their beneficiaries, (b) beneficiaries of Plan participants who have died, and (c) present Plan participants or their beneficiaries. Benefits under the Plan are based on contributions received by the Plan on participants' behalf and past service. Benefits payable under all circumstances are included to the extent they are deemed attributable to participants' service rendered to the valuation date.

The actuarial present value of accumulated Plan benefits is determined by an independent actuary and is that amount that results from applying actuarial assumptions to adjust the accumulated plan benefits to reflect the time value of money (through discounts for interest) and the probability of payment between the valuations date and the expected date of payment.

Since the Plan was effective as of January 1, 2013, there is no information to report regarding the actuarial present value of accumulated Plan benefits as of January 1, 2013.

The valuation was made using the unit credit cost method. Some of the more significant actuarial assumptions used in the valuations were:

* Interest Rate: 8% compounded annually and 3.78% for determining current liability as of January 1, 2013
* Mortality Rates:
  Actives - RP-2000 combined health mortality rates for males and females.
  Healthy Inactives - RP-2000 healthy annuitant mortality table set forward one year for males and no adjustment for females
  Disabled - RP-2000 disabled annuitants for ages prior to 65. The same mortality as healthy inactives for ages 65 or older.

3. Actuarial Information (continued)

* Current Liability:
  The separate 2013 Static mortality tables for annuitants and non-annuitants.
* Disability Rates:
  Terminations of employment for disability are assumed to be equal to 50% of the Group Long Term Disability Insurance Crude Rates of Disablement for males.
* Retirement Age - Assumed to vary by age, tier level and by the amount of credited service.
* Percentage married - 80% for both males and females. Males are assumed to be 3 years older.

The foregoing assumptions are based on the presumption that the Plan will continue and all assumptions about future events are fulfilled. Were the Plan to terminate, different actuarial assumptions and other factors might be applicable in determining the present value of the postretirement benefit obligation.

4. Plan Continuation

It is the present intention of the Trustees to continue the Plan indefinitely. In the event of the termination of the Plan for any reason, the assets of the Plan shall be liquidated and allocated to the benefit of the participants as described in the Plan document, including the Trust and applicable law. Whether a particular participant's accumulated plan benefits will be paid depends on both the priority of those benefits and the level of benefits guaranteed by the Pension Benefit Guaranty Corporation (PBGC) at that time. Some benefits may be fully or partially provided for by the then existing assets and the PBGC guaranty while other benefits may not be provided for at all.

5. Investments

The following table presents investments that represent 5 percent or more of the Plan's net assets.

	December 31, 2013
Mutual Funds:	
PIMCO All Asset Institutional Fund	$ 11,649,075

5. Investments (continued)

During the year ended December 31, 2013 the Plan's investments (including investments purchased, sold, and held during the year) (depreciated) in value by $(443,802) respectively, as follows:

Investments at Fair Value		December 31, 2013
Mutual Funds	$	(443,802)

6. Tax Status

The Plan will submit an application for a determination letter to the Internal Revenue Service on or before January 31, 2015, requesting a determination from the Internal Revenue Service that the Plan is in compliance with the applicable requirements under Section 401(a) of the Internal Revenue Code and is therefore exempt from federal income taxes under Code Section 501(a).

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress.

7. Fair Value Measurements

The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the plan has the ability to access.

Level 2 - Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means.

7. Fair Value Measurements (continued)

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2013.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2013:

	Assets at Fair Value as of December 31, 2013			
	Level 1	Level 2	Level 3	Total
Short-term investments	$ 24,059	$ -	$ -	$ 24,059
Mutual Funds	11,649,075	-	-	11,649,075
Total assets at fair value	$ 11,673,134	$ -	$ -	$ 11,673,134

Transfers Between Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

We evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total net assets available for benefits. For the year ended December 31, 2013, there were no transfers between levels 2 and 3.

8. Major Contributors

The Plan has two employers which accounted for 100% of employer contributions for the year ended December 31, 2013.

9. Risks and Uncertainties

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect the amounts reported in the statement of net assets available for benefits.

Plan contributions are made and the actuarial present value of accumulated plan benefits are reported based on certain assumptions pertaining to interest rates, inflation rates and employee demographics, all of which are subject to change. Due to uncertainties inherent in the estimations and assumptions process, it is at least reasonably possible that changes in these estimates and assumptions in the near term would be material to the financial statements.

Schedule "1"

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

SCHEDULE OF ASSETS HELD FOR INVESTMENT PURPOSES DECEMBER 31, 2013

Form 5500, Schedule H, Line 4i

EIN: 46-1000515
Plan No. 001

(a)	(b) Identity of issuer, borrower, lessor or similar party	(c) Description of investment, including maturity date, rate of interest, collateral, par or maturity value: Description	Maturity Date	Rate of Interest	Par/Maturity Value or Shares	(d) Cost	(e) Current Value
	Short-Term Investments						
	PNC Advantage Government Money Market	Money Mkt	N/A	N/A	24,059	$ 24,059	$ 24,059
	Total- Temporary Investments					$ 24,059	$ 24,059
	Mutual Funds						
	PIMCO All Asset Institutional Fund	MF	N/A	N/A	964,327	$ 12,066,468	$ 11,649,075
	Total Mutual Funds					$ 12,066,468	$ 11,649,075
	Total- Assets Held for Investment Purposes					$ 12,090,527	$ 11,673,134

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

SCHEDULE OF REPORTABLE (5%) TRANSACTIONS
YEAR ENDING DECEMBER 31, 2013

Form 5500, Schedule H, Line 4j

EIN: 46-1000515
Plan No. 001

(a) Identity of Party Involved	(b) Description of asset (include interest rate and maturity in case of a loan) Description	(c) Purchase Price	(d) Selling Price	(g) Cost of Asset	(h) Current Value of Asset on Transaction Date	(i) Net Gain or (Loss)
N/A	PNC Advantage Government Money Market	2,361,481	N/A	2,361,481	2,361,481	N/A
N/A	PNC Advantage Government Money Market	N/A	2,337,422	2,337,422	2,337,422	-
N/A	PIMCO All Asset Institutional Fund	12,678,411	N/A	12,678,411	12,678,411	N/A

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

SCHEDULE OF EMPLOYER CONTRIBUTIONS
YEAR ENDED DECEMBER 31, 2013

	Year ended December 31, 2013
EMPLOYER CONTRIBUTIONS	
Giant Food, Inc.	$ 9,782,133
Safeway Stores, Inc.	5,364,179
	$ 15,146,312

Schedule "4"

MID ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

SCHEDULE OF ADMINISTRATIVE EXPENSES
YEAR ENDED OF DECEMBER 31, 2013

	Year ended December 31, 2013
ADMINISTATIVE EXPENSES	
Meetings and Conferences	$ 9
Insurance	7,771
Printing, postage and miscellaneous	703
Telephone	84
	8,567
PROFESSIONAL FEES	
Actuarial	117,458
Legal	184,466
Fund administrator	278,892
	580,816
TOTAL ADMINISTRATIVE EXPENSES	$ 589,383