MID-ATLANTIC PENSION FUND MEETING

MID-ATLANTIC UFCW AND PARTICPATING EMPLOYERS PENSION FUND

AGENDA

JUNE 20, 2014

I. CALL TO ORDER

II. MINUTES (pg. 1–6)
   - A. MINUTES OF APRIL 3, 2014
   - B. SPECIAL MEETING–APRIL 28, 2014

III. FINANCIAL REPORT
   - A. PNC BANK
   - B. INVESTMENT PERFORMANCE SERVICES

IV. ACTUARY'S REPORT

V. ATTORNEY'S REPORT

VI. ADMINISTRATIVE MANAGER'S REPORT (1Q14) (pg. 7–18)

VII. INVOICES (pg. 19)

VIII. OTHER FUND BUSINESS
   - A. MISCELLANEOUS CORRESPONDENCE

IX. NEXT MEETING DATE AND LOCATION (SEPTEMBER 18, 2014)

X. ADJOURNMENT

MINUTES

Mid-Atlantic UFCW and Participating Employers Pension Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

4301 Garden City Drive Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

**MINUTES OF THE MEETING
OF THE BOARD OF TRUSTEES OF THE
MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS
PENSION FUND
APRIL 3, 2014
LANDOVER, MARYLAND**

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
M. Federici – Chairman	W. Kraemer – Secretary
T. Hipkins	J. Champion
G. Murphy, Jr.	J. Paradis
J. Slivosky	F. Stegman

Also present were:

M. Boyle – UFCW Local 400
H. Burton – Morgan, Lewis & Bockius, LLP
J. Chorpenning – UFCW Local 27
G. Gatewood – UFCW Local 27
T. Goins – UFCW Local 27
J. Harrison – UFCW Local 27
M. Herwig - PNC Bank
W. Jensen – Associated Administrators, LLC
G. Kalwarski – Cheiron
J. Lewis – UFCW Local 400
E. Masten – UFCW Local 27
C. Murphy – Associated Administrators, LLC
J. Paradis – Ahold USA
D. Russell – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
D. White – Giant Food
C. Wiszynski – UFCW Local 400
K. Woodrich – Cheiroin

A quorum being present, the Chairman called the meeting to order.

I. RESIGNATION/APPOINTMENT OF TRUSTEE

Mr. Jensen reported that he had received correspondence from David Gillis resigning his position as a Trustee effective January 21, 2014. He further reported that he had also received correspondence from the Food Employers Labor Relations Association appointing Jason Paradis as a successor Trustee effective the same date. The Trustees welcomed Mr. Paradis to the Board.

II. MINUTES

The Trustees read the minutes of the last regular meetings held on August 27, 2013 and December 18, 2013, which had been pre-circulated. After discussion,

On Motion made and seconded the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that the minutes of the last regular meetings held on August 27, 2013 and December 18, 2013 were approved as presented.**

III. FINANCIAL REPORT

A. PNC Report

The Trustees welcomed Mr. Michael Herwig of PNC Bank to the meeting. He presented a summary of activity report for the period January 1, 2014 to February 28, 2014. Such report indicated a beginning balance of $11,961,273, earnings of $227,933, receipts of $2,935,301, and disbursements of $67,846, resulting in an ending market value of $15,056,661 as of February 28, 2014.

The Trustees thanked Mr. Herwig for his report and he was excused from the meeting.

B. Investment Performance Services

The Trustees welcomed Mr. David Russell of Investment Performance Services to the meeting. Mr. Russell presented the Preliminary Performance Report for the period ended February 28, 2014. Such reported indicated an ending market value of $15,056,660. He next reviewed the Master Consulting Report for the period ended December 31, 2013. Such report indicated an ending market value of $11,961,276. The performance was 1.3% for the fourth quarter 2013.

Mr. Russell recommended that the Trustees review the asset allocation and consider other asset classes for additional diversification and potential higher returns. He further recommended that the PIMCO All Asset Fund be terminated due to personnel changes at PIMCO.

The Trustees thanked Mr. Russell for his report and he was excused from the meeting.

IV. ACTUARY'S REPORT

A. 2014 Retainer Fee

The Trustees welcomed Mr. Gene Kalwarski and Mr. Kevin Woodrich of Cheiron to the meeting. Mr. Kalwarski reviewed Cheiron's 2014 engagement letter. He noted that Cheiron was proposing a retainer fee of $49,740 and non-retainer fees ranging between $144 and $465 per hour. He noted that this fee represents a 1.5% increase or $740.00 from their 2013 fee. After discussion,

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve Cheiron's 2014 fee for retainer and non-retainer services.

V. ATTORNEY'S REPORT

A. Windsor Case

Mr. Slevin discussed the status of the Windsor case and the joint and survivor options. After discussion,

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

RESOLVED to approve the recognition of same sex marriages for all purposes under the Plan.

B. Plan Document

Mr. Slevin discussed submitting the Plan Document to the Internal Revenue Service for a determination of tax qualification.

C. Cheiron Agreement

Mr. Slevin discussed the agreement with Cheiron.

D. Investment Performance Service ("IPS") Agreement

Mr. Slevin discussed the proposed IPS contract for consulting services.

E. Giant Information Request

Mr. Slevin discussed Giant's request for information.

F. Associated Agreement

Mr. Slevin discussed the agreement with Associated.

VI. ADMINISTRATIVE MANAGER'S REPORT

A. Fourth Quarter 2013

Mr. Jensen presented the administrative manager's report for the fourth quarter 2013, which had been pre-circulated. Such report indicated contribution income of $3,334,658 and miscellaneous income of $1, resulting in a total income of $3,334,659. Total expenses were $239,534, producing a net operating surplus of $3,095,125 for the fourth quarter 2013. Contributions were remitted on behalf of 18,101 plan participants.

VII. INVOICES

The Trustees reviewed the list of invoices dated April 3, 2014. It was noted there were no additions, deletions or changes to the list.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED that the invoices on the list dated April 3, 2014 were approved for payment.**

VIII. NEXT MEETING DATE AND LOCATION

After discussion, the Trustees selected June 20, 2014, September 18, 2014, and December 11, 2014 as their next meeting dates to be held in Landover, Maryland.

IX. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,
Ward Kraemer, Secretary

Mid-Atlantic UFCW and Participating Employers Pension Fund

911 Ridgebrook Road
Sparks, Maryland 21152-9451
Telephone: (410) 683-6500
(800) 638-2972
www.associated-admin.com

4301 Garden City Drive Suite 201
Landover, Maryland 20785-6102
Telephone: (301) 459-3020
(800) 638-2972
www.associated-admin.com

MINUTES OF THE MEETING OF THE POLICY COMMITTEE OF THE BOARD OF TRUSTEES OF THE MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND APRIL 28, 2014 IN LANDOVER, MARYLAND

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
M. Federici – Chairman	W. Kraemer – Secretary
G. Murphy, Jr.	J. Paradis
	F. Stegman

Also present were:

H. Burton – Morgan, Lewis & Bockius, LLP
J. Champion – Safeway, Inc.
W. Jensen – Associated Administrators, LLC
C. Murphy – Associated Administrators, LLC
D. Russell – Investment Performance Services
R. Sichel – Investment Performance Services
B. Slevin – Slevin & Hart, P.C.
K. Woodrich - Cheiron

A quorum being present, the Chairman called the meeting to order.

I. FINANCIAL REPORT

The Trustees welcomed Mr. Rich Sichel and Mr. David Russell of Investment Performance Services to the meeting. Mr. Sichel provided a preliminary performance update as of March 31, 2014. Such report indicated an ending market value of $59,465,266. The total fund had performance for the First Quarter 2014 at an estimated 2.2%.

Mr. Sichel reviewed the asset allocation recommendations for the Fund. He said that the recommendation allocation should be 25% in U.S. equities, 10% in short duration high yield bonds, 10% in real estate and 55% in global tactical asset allocation portfolios. He said that the asset allocation targets are typically derived with a margin of -5% in each of the target allocation percentages.

On Motion made and seconded, the Trustees voted unanimous approval of the following resolution:

> **RESOLVED to adopt the asset allocation recommendation as presented by IPS.**

Mr. Sichel recommended the Trustees interview two real estate managers at a meeting to be held in the near future. The Trustees selected May 7, 2014 for a conference call to interview two real estate managers recommended by IPS.

II. ACTUARY'S REPORT

Mr. Woodrich reviewed the recommended contribution increases necessary for the FELRA and UFCW Pension Fund, as well as the companion Mid-Atlantic UFCW and Participating Employers Pension Fund. The Trustees noted that the bargaining parties would need to make a determination on the contributions to be made to each Fund.

III. ADJOURNMENT

There being no further business to come before the Trustees, the meeting was adjourned.

Respectfully submitted,

Ward Kraemer, Secretary

Orig: 05/21/14)(Rev:: 06/16/14bs)

ADMINISTRATIVE MANAGER'S REPORT

MID-ATLANTIC UFCW

AND PARTICIPATING EMPLOYERS

PENSION FUND

FIRST QUARTER 2014

ADMINISTRATIVE MANAGER'S REPORT

FULL TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
GIANT	$365.89	865	$949,118
GIANT TIER 2	0.30	2,967	398,180
GIANT SERVICE CLERKS L. 27	0.20	18	1,639
SAFEWAY	365.89	407	446,387
SAFEWAY DELAWARE[1]	0.30	101	15,522
SAFEWAY TIER 2[1]	0.30	2,070	314,293
SAFEWAY SERVICE CLERKS L. 27[1]	0.20	31	3,083
TOTAL		6,459	$2,128,222

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

FULL TIME
FIRST QUARTER 2014
EXPENSES

BENEFIT EXPENSES

CATEGORY	AMOUNT
PENSION BENEFITS	$0
SUBTOTAL	$0

OPERATING EXPENSES

CATEGORY	AMOUNT
ADMINISTRATION	$24,321
ACTUARIAL & CONSULTING	6,520
LEGAL	6,297
PBGC	302
SUBTOTAL	$37,440
TOTAL EXPENSES	$37,440

AVG. FULL TIME RETIREES ______ AVG. MONTHLY PAYOUT ______

FULL TIME
FIRST QUARTER 2014
QUARTERLY RECAP

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
CONTRIBUTIONS	$2,128,222	$0	$0	$0	$2,128,222
MISCELLANEOUS	0	0	0	0	0
TOTAL INCOME	$2,128,222	$0	$0	$0	$2,128,222
BENEFIT EXPENSES					
PENSION BENEFITS	$0	$0	$0	$0	$0
SUBTOTAL	$0	$0	$0	$0	$0
OPERATING EXPENSES					
ADMINISTRATION	$24,321	$0	$0	$0	$24,321
OTHER	13,119	0	0	0	13,119
SUBTOTAL	$37,440	$0	$0	$0	$37,440
TOTAL EXPENSES	$37,440	$0	$0	$0	$37,440
TOTAL INCOME	$2,128,222	$0	$0	$0	$2,128,222
TOTAL EXPENSES	$37,440	$0	$0	$0	$37,440
SURPLUS (DEFICIT)	$2,090,782	$0	$0	$0	$2,090,782
AVERAGE INCOME	$109.83	$0.00	$0.00	$0.00	109.83
AVERAGE EXPENSES	$1.93	$0.00	$0.00	$0.00	1.93
SURPLUS (DEFICIT)	$107.90	$0.00	$0.00	$0.00	$107.90
TOTAL PARTICIPANTS	6,459				6,459

FULL TIME
2013
QUARTERLY RECAP

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
CONTRIBUTIONS	$2,270,988	$2,237,489	$2,169,827	$2,171,688	$8,849,992
MISCELLANEOUS	0	0	0	0	0
TOTAL INCOME	$2,270,988	$2,237,489	$2,169,827	$2,171,688	$8,849,992

BENEFIT EXPENSES					
PENSION BENEFITS	$0	$0	$0	$0	$0
SUBTOTAL	$0	$0	$0	$0	$0

OPERATING EXPENSES					
ADMINISTRATION	$25,408	$24,873	$24,654	$24,666	$99,601
OTHER	0	47	57,010	61,448	118,505
SUBTOTAL	$25,408	$24,920	$81,664	$86,114	$218,106

TOTAL EXPENSES	$25,408	$24,920	$81,664	$86,114	$218,106

TOTAL INCOME	$2,270,988	$2,237,489	$2,169,827	$2,171,688	$8,849,992
TOTAL EXPENSES	$25,408	$24,920	$81,664	$86,114	$218,106
SURPLUS (DEFICIT)	$2,245,580	$2,212,569	$2,088,163	$2,085,574	$8,631,886

AVERAGE INCOME	$113.99	$112.82	$110.66	$111.32	$112.20
AVERAGE EXPENSES	$1.28	$1.26	$4.16	$4.41	$2.78
SURPLUS (DEFICIT)	$112.71	$111.56	$106.50	$106.91	$109.42

TOTAL PARTICIPANTS	6,641	6,611	6,536	6,503	6,573

PART TIME
FIRST QUARTER 2014

CONTRIBUTIONS

COMPANY	RATE	PARTICIPANTS	CONTRIBUTIONS
GIANT	$135.47	180	$72,748
GIANT TIER 2	0.30	7,310	644,687
GIANT SERVICE CLERKS L. 27	0.20	202	10,235
SAFEWAY	135.47	32	13,005
SAFEWAY DELAWARE[1]	0.30	157	14,454
SAFEWAY TIER 2[1]	0.30	3,447	353,389
SAFEWAY SERVICE CLERKS L. 27[1]	0.20	201	13,089
TOTAL		11,529	$1,121,607

[1]INCLUDES ADJUSTMENTS FOR PRIOR MONTHS WITH PRIOR RATES

PART TIME
FIRST QUARTER 2014
EXPENSES

BENEFIT EXPENSES

CATEGORY	AMOUNT
PENSION BENEFITS	$0
SUBTOTAL	$0

OPERATING EXPENSES

CATEGORY	AMOUNT
ADMINISTRATION	$43,969
ACTUARIAL & CONSULTING	11,592
LEGAL	11,196
PNC	537
POSTAGE	1
SUBTOTAL	$67,295
TOTAL EXPENSES	$67,295

AVG. PART TIME RETIREES AVG. MONTHLY PAYOUT

PART TIME
FIRST QUARTER 2014
QUARTERLY RECAP

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
CONTRIBUTIONS	$1,121,607	$0	$0	$0	$1,121,607
MISCELLANEOUS	0	0	0	0	0
TOTAL INCOME	$1,121,607	$0	$0	$0	$1,121,607
BENEFIT EXPENSES					
PENSION BENEFITS	$0	$0	$0	$0	$0
SUBTOTAL	$0	$0	$0	$0	$0
OPERATING EXPENSES					
ADMINISTRATION	$43,969	$0	$0	$0	$43,969
OTHER	23,326	0	0	0	23,326
SUBTOTAL	$67,295	$0	$0	$0	$67,295
TOTAL EXPENSES	$67,295	$0	$0	$0	$67,295
TOTAL INCOME	$1,121,607	$0	$0	$0	$1,121,607
TOTAL EXPENSES	$67,295	$0	$0	$0	$67,295
SURPLUS (DEFICIT)	$1,054,312	$0	$0	$0	$1,054,312
AVERAGE INCOME	$32.43	$0.00	$0.00	$0.00	32.43
AVERAGE EXPENSES	$1.95	$0.00	$0.00	$0.00	1.95
SURPLUS (DEFICIT)	$30.48	$0.00	$0.00	$0.00	$30.48
TOTAL PARTICIPANTS	11,529				11,529

PART TIME
2013
QUARTERLY RECAP

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
CONTRIBUTIONS	$1,162,061	$1,173,056	$1,154,465	$1,162,970	$4,652,552
MISCELLANEOUS	0	0	0	0	0
TOTAL INCOME	$1,162,061	$1,173,056	$1,154,465	$1,162,970	$4,652,552
BENEFIT EXPENSES					
PENSION BENEFITS	$0	$0	$0	$0	$0
SUBTOTAL	$0	$0	$0	$0	$0
OPERATING EXPENSES					
ADMINISTRATION	$45,168	$45,078	$44,862	$44,181	$179,289
OTHER	0	84	101,352	109,239	210,675
SUBTOTAL	$45,168	$45,162	$146,214	$153,420	$389,964
TOTAL EXPENSES	$45,168	$45,162	$146,214	$153,420	$389,964
TOTAL INCOME	$1,162,061	$1,173,056	$1,154,465	$1,162,970	$4,652,552
TOTAL EXPENSES	$45,168	$45,162	$146,214	$153,420	$389,964
SURPLUS (DEFICIT)	$1,116,893	$1,127,894	$1,008,251	$1,009,550	$4,262,588
AVERAGE INCOME	$32.17	$32.96	$32.62	$33.42	$32.79
AVERAGE EXPENSES	$1.25	$1.27	$4.13	$4.41	$2.77
SURPLUS (DEFICIT)	$30.92	$31.69	$28.49	$29.01	$30.02
TOTAL PARTICIPANTS	12,039	11,864	11,798	11,598	11,825

COMBINED
2014
QUARTERLY RECAPS

	FIRST 2014	SECOND 2014	THIRD 2014	FOURTH 2014	TOTAL
ONTRIBUTIONS	$3,249,829	$0	$0	$0	$3,249,829
ITEREST & DIVIDENDS	370,965	0	0	0	370,965
ISCELLANEOUS	0	0	0	0	0
OTAL INCOME	$3,620,794	$0	$0	$0	$3,620,794
ENEFIT EXPENSES					
ENSION BENEFITS	$0	$0	$0	$0	$0
UBTOTAL	$0	$0	$0	$0	$0
PERATING EXPENSES					
DMINISTRATION	$68,290	$0	$0	$0	$68,290
THER	36,445	0	0	0	36,445
UBTOTAL	$104,735	$0	$0	$0	$104,735
OTAL EXPENSES	$104,735	$0	$0	$0	$104,735
OTAL INCOME	$3,620,794	$0	$0	$0	$3,620,794
OTAL EXPENSES	$104,735	$0	$0	$0	$104,735
URPLUS (DEFICIT)	$3,516,059	$0	$0	$0	$3,516,059
OTAL PARTICIPANTS	17,988	0	0	0	17,988

COMBINED
2013
QUARTERLY RECAPS

	FIRST 2013	SECOND 2013	THIRD 2013	FOURTH 2013	TOTAL
ONTRIBUTIONS[1]	$3,972,121	$4,470,370	$3,324,292	$3,334,658	$15,101,441
ITEREST & DIVIDENDS	11,608	38,357	68,649	1	118,615
ISCELLANEOUS	0	0	0	0	0
OTAL INCOME	$3,983,729	$4,508,727	$3,392,941	$3,334,659	$15,220,056
ENEFIT EXPENSES					
ENSION BENEFITS	$0	$0	$0	$0	$0
JBTOTAL	$0	$0	$0	$0	$0
PERATING EXPENSES					
DMINISTRATION	$70,576	$69,951	$69,516	$68,847	$278,890
THER	0	131	158,362	170,687	329,180
UBTOTAL	$70,576	$70,082	$227,878	$239,534	$608,070
OTAL EXPENSES	$70,576	$70,082	$227,878	$239,534	$608,070
OTAL INCOME	$3,983,729	$4,508,727	$3,392,941	$3,334,659	$15,220,056
OTAL EXPENSES	$70,576	$70,082	$227,878	$239,534	$608,070
URPLUS (DEFICIT)	$3,913,153	$4,438,645	$3,165,063	$3,095,125	$14,611,986
OTAL PARTICIPANTS	18,680	18,475	18,334	18,101	18,398

st Qtr - Includes Safeway start up contributions - $539,072.19
nd Qtr - Includes Giant start up contributions - $1,059,825.25

NONE

INVOICES

MID-ATLANTIC UFCW & PARTICIPATING EMPLOYES PENSION FUND

INVOICES

June 20, 2014

1. **Associated Administrators, LLC**

04/03/14	Meeting Expenses - Regular meeting	$	76.35
04/28/14	Meeting Expenses - Special Meeting		80.16

2. **Cheiron**

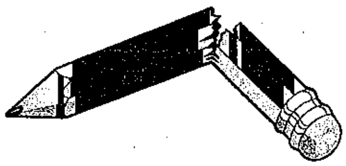
03/17/14	Retainer Services rendered – 02/14	$	4,083.33
04/16/14	Retainer Services rendered – 03/14		4,268.34
04/16/14	Non-Retainer Services rendered – 03/14		4,043.75
05/15/14	Retainer Services rendered – 04/14		4,145.00
05/15/14	Non-Retainer Services rendered – 04/14		3,441.00

3. **Morgan, Lewis & Bockius, L.L.P.**

03/24/14	Professional Services rendered – 02/14	`	1,914.00

4. **Slevin & Hart P.C.**

04/21/14	Professional Services rendered – 03/14	$	1,643.00



MEETING NOTES