FOR PLAN YEAR COMMENCING JANUARY 1, 2017

ANNUAL CERTIFICATION OF PLAN STATUS UNDER SECTION 432(b) OF THE INTERNAL REVENUE CODE, (SEC. 305(b) OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974)

FOR

UFCW Unions and Participating Employers Pension Fund

EIN: 52-6117495
PN: 002

Plan Year 1/1/2017

Fund Contact Information
Mr. William Jensen
Associated Administrators, LLC
(301) 429-8960

March 31, 2017

CHEIRON

UFCW Unions & Participating Employers Pension Fund
c/o Mr. William Jensen
Associated Administrators, LLC
8400 Corporate Drive, Suite 430
Landover, Maryland 20785

March 31, 2017
EIN: 52-6117495
PN: 002
Phone: (301) 429-8960

Re: Annual Certification of Plan Status under Internal Revenue Code §432(b) and Employee Retirement Income Security Act of 1974 §305(b) for UFCW Unions and Participating Employers Pension Fund

Dear Board of Trustees:

CERTIFICATION

As required by Section 432(b)(3) of the Internal Revenue Code ("Code") and Section 305(b)(3) of the Employee Retirement Income Security Act of 1974 ("ERISA"), we certify, for the plan year beginning January 1, 2017, that the Fund is classified as being in Critical status as this term is defined in Section 432(b) of the Code and Section 305(b) of ERISA as amended by the Multiemployer Pension Reform Act of 2014.

The Fund's Board of Trustees have determined that, based on reasonable actuarial assumptions and upon exhaustion of all reasonable measures, the Fund cannot be reasonably expected to emerge from Critical status. The bargaining parties agreed to the necessary increases to the contribution rate to forestall possible insolvency. On this basis, we certify that the Fund continues to make scheduled progress.

To the best of our knowledge, this certification is complete and has been prepared in accordance with the requirements of Section 432 of the Code, Section 305 of ERISA, and generally recognized and accepted actuarial principles and practices that are consistent with the Code of Professional Conduct and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board. Furthermore, as credentialed actuaries, we meet the Qualification Standards of the American Academy of Actuaries to render the opinion contained herein. This certification does not address any contractual or legal issues. We are not attorneys, and our firm does not provide any legal services or advice.

This certification was prepared exclusively for the Trustees of the Pension Fund and the Secretary of Treasury. It only certifies the condition of the Fund under Code Section 432 as added by the Pension Protection Act of 2006 and should be used only for that purpose. Other users of this certification are not intended users as defined in the Actuarial Standards of Practice, and Cheiron assumes no duty or liability to any other user.

In preparing this certification, we have relied on information supplied by the Fund's office staff and the Fund's investment consultant, Investment Performance Services, Inc. This information includes, but is not limited to, fund provisions, employee data, financial information, and expectations of future industry activity. We performed an informal examination of the obvious characteristics of the data for reasonableness and consistency in accordance with Actuarial Standard of Practice #23.

The attached appendices show the results for the statutory tests and describe the methodologies and assumptions used to perform the tests. Please contact the undersigned with any questions.

Sincerely,
Cheiron

Gene Kalwarski, FSA, EA (14-2845)	PRHardcastle *Peter Hardcastle, FSA, EA (14-5197)*

Attachments: Appendix I: Tests of Fund Status
Appendix II: Detail for Actuarial Certification
Appendix III: Methodology and Assumptions

cc: Secretary of the Treasury

APPENDIX I – TESTS OF FUND STATUS

	Condition Met?
Critical Status – The Fund which has a 431(d) five-year automatic extension, was certified as Critical last year and will remain Critical unless it passes the two emergence tests:	
1 The Fund is not projected to have an accumulated funding deficiency for the current plan year or the next nine plan years.	NO
2 The Fund is not projected to become insolvent within 30 years.	Not Tested

Critical and Declining Status – The Fund will be certified as Critical and Declining if it meets test 3.

3 The Fund is Critical and projected to become insolvent within the current or the next 14 (19 if the Fund's number of inactives is more than twice the number of actives or if the funding level is below 80%) plan years.	NO

The Fund is certified to be in Critical status for 2017.

APPENDIX II - DETAIL FOR ACTUARIAL CERTIFICATION

A. Funding Standard Account Credit Balance (used for Test 1)

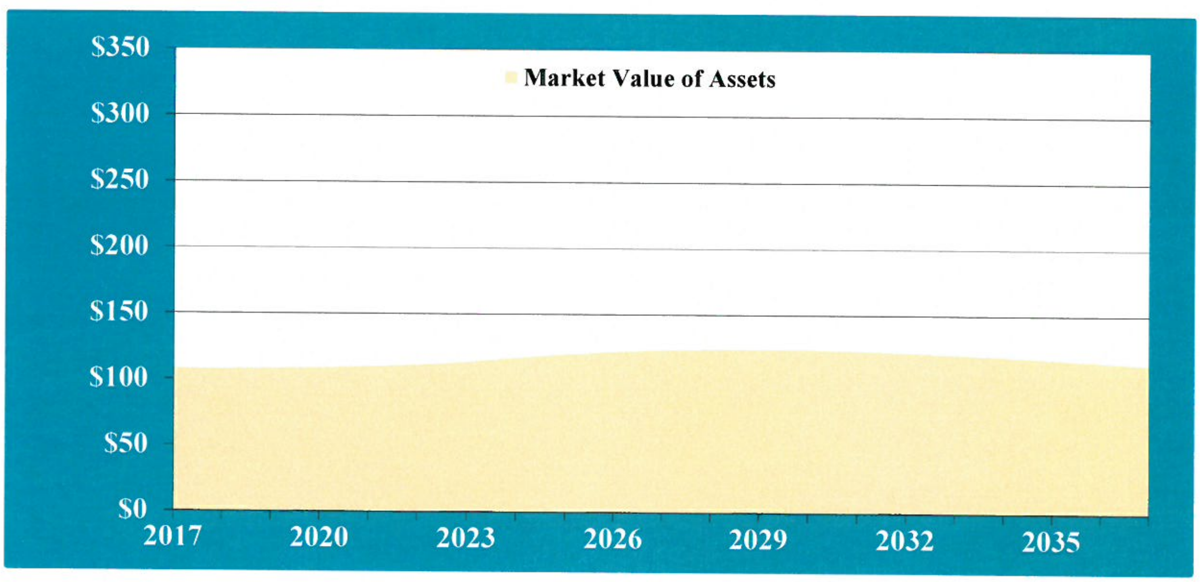
(takes into account 431(d)(1) amortization extensions and assumes contribution increases through the end of the current CBAs)

	Credit	adjusted with interest to end of year		
Date	**Balance**	**Charges**	**Credits**	**Contributions**
1/1/2017	3,801,606	17,159,675	2,542,554	6,592,148
1/1/2018	-3,928,742			

The projected funding standard account is based on the methods and assumptions set out in Appendix III. In addition the projection of future contributions is based on the Trustees' expectation that future industry activity will remain stable.

B. Solvency Projection (used for Test 3)

(assumes contribution increases continue in accordance with the Rehabilitation Plan)



APPENDIX III – METHODOLOGY AND ASSUMPTIONS

A. Actuarial Assumptions

1. Rates of Investment Return

Funding and disclosure purposes:

7.75% compounded annually net of investment expenses

2. Rates of Mortality

Funding and disclosure purposes:

Actives:	RP-2000 Healthy mortality table (2014 base year – fully generational)
Healthy Inactives:	RP-2000 Healthy mortality table (2014 base year – fully generational).
Disableds:	RP-2000 Disabled Annuitant without projection for ages prior to 65.

An experience study was conducted to establish the current mortality and a projection to the current table has been incorporated to allow for future mortality improvements.

3. Rates of Retirement

A. Former Meat and Poultry Participants

100% at the later of age 62 and five years of service.

B. All Other Participants

Number Expected to Retire Annually Per 1,000			
Age	Number	Age	Number
55	50	62	100
56	50	63	100
57	50	64	100
58	50	65	500
59	50	66	500
60	100	67+	1,000
61	100		

Employees who terminate employment with entitlement to deferred vested pensions are assumed to commence receiving benefits when first eligible for unreduced benefits.

4. Rates of Turnover

A. Former Meat and Poultry Participants

(i) During the first five years of service:

Service	Rate of Withdrawal Per 100 Employees
0	16.00
1	13.45
2	11.31
3	9.51
4	8.00

(ii) After five years of service:

Rate of Withdrawal Per 100 Employees		
Age	Male	Female
30	7.23	7.26
35	6.29	6.33
40	5.17	5.23
45	4.02	4.15
50	2.63	2.93
55	1.03	1.56
60	0.21	0.95

B. All Other Participants

Termination of employment for reasons other than death, disability, or retirement is assumed to be in accordance with annual rates as shown below.

Number Expected to Terminate Annually Per 1,000			
Service	Number	Service	Number
0	500	15	70
1	330	16	70
2	250	17	70
3	200	18	70
4	150	19	70
5	125	20	70
6	120	21	70
7	110	22	70
8	100	23	70
9	80	24	60
10	80	25	50
11	80	26	40
12	70	27	30
13	70	28	20
14	70	29	10

5. Disability

A. Former Meat and Poultry Participants

Graduated rates. See table below for sample values.

Annual Rate Per 100 Employees		
Age	Male	Female
25	0.03	0.05
30	0.04	0.06
40	0.07	0.10
50	0.18	0.26
60	0.90	1.21
64	2.22	2.89

B. All Other Participants

Disability incidence rates are assumed to be equal to 150 percent of the Group Long-Term Disability Insurance Crude Rates of Disablement (Male Experience Only) published in Transactions, Society of Actuaries, 1979 Reports. Rates were capped at 1% (10 participants per 1,000). The following table shows the Illustrative rates of disablement.

Age	Disablements Per 1,000 Participants
25	0.4
30	0.6
35	1.0
40	1.6
45	2.6
50	4.5
55	8.5

6. Pre-Retirement Spouse's Benefit

A. Former Meat and Poultry Participants

It was assumed that all active employees would be married at the time of death and, assuming service and age requirements were met, would therefore be eligible for the pre-retirement spouse's benefit. It was assumed that surviving spouses would begin to receive the benefits when first eligible.

B. All Other Participants

It was assumed that 80 percent of the male employees and 60 percent of the female employees would be married at the time of death and, assuming service and age requirements were met, would therefore be eligible for the pre-retirement spouse's benefit. It was assumed that surviving spouses would begin to receive benefits when first eligible.

7. Percent Electing Joint and Survivor Form of Pension

A. Former Meat and Poultry Participants

100% of participants are assumed to elect the QJSA form of payment.

B. All Other Participants

It was assumed that 56 percent would retire with the joint and survivor option in effect with the balance of the retiring employees receiving their benefits under the single life form.

8. Spouse's Age

A. Former Meat and Poultry Participants

100% of participants are assumed to be married. Males are assumed to be four years older than females.

B. All Other Participants

It was assumed that husbands are three years older than their spouses.

9. Administrative Expenses

$1,400,000 as of the beginning of the year added to the normal cost.

10. Changes in Assumptions Since Last Valuation

The discount rate was reduced from 8.00% to 7.75%.

For both actives and healthy inactives, the mortality table has changed from the RP-2000 Healthy Annuitant mortality table set forward one year for males and no adjustment for females without projection to the RP-2000 Healthy Annuitant mortality table with base year 2014 and fully generational. No change was made to mortality table for disabled members.

B. Actuarial Methods

1. Asset Valuation Method

The actuarial value is equal to the market value of assets less unrecognized gains (or plus unrecognized losses) in each of the last five years. An unrecognized return is equal to the difference between the actual return on the market value and the expected return on the market value and is recognized over a five-year period (20% in the year incurred, and an additional 20% in each subsequent year until fully recognized). The actuarial value is further adjusted so that in no event will it lie outside a range of 80%-120% of market value.

2. Funding Method: Unit Credit Cost Method

The cost method for valuation of liabilities used for this valuation is the Unit Credit method. This is one of a family of valuation methods known as accrued benefit methods. The chief characteristic of accrued benefit methods is that the funding pattern follows the pattern of benefit accrual. The normal cost is determined as that portion of each participant's benefit attributable to service expected to be earned in the upcoming plan year. The actuarial liability, which is determined for each participant as of each valuation date, represents the actuarial present value of the portion of each participant's benefit attributable to service earned prior to the valuation date.

3. Funding Relief

The Fund's Board of Trustees elected funding relief under § 431(b)(8) of the Code and § 304(b)(8) of ERISA, specifically:

- The "special asset valuation rule" in determining the actuarial value of Fund assets which allows the Fund to recognize the 2008 loss over 10 years, at 10% per year starting with the 2009 actuarial value of assets, and

- The "special asset valuation rule" in determining the actuarial value of Fund assets which allows the Fund to use 130% of the market value of assets as the ceiling for the 2009 and 2010 actuarial value of assets.

4. Changes in Methods Since Last Valuation

None.