UFCW Unions and Participating Employers Pension Fund

Actuarial Valuation Report as of January 1, 2012

Produced by Cheiron

November 2012

CHEIRON Classic Values, Innovative Advice

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November 29, 2012

UFCW Unions and Participating
Employers Pension Fund
c/o Mr. William Jensen
Associated Administrators, LLC
4301 Garden City Drive, Suite 201
Landover, Maryland 29785-2210

Dear Trustees:

At your request, we have performed the January 1, 2012 Actuarial Valuation of the UFCW Unions and Participating Employers Pension Fund.

This report contains information on the Fund’s assets and liabilities and also discloses contribution levels, including the minimum required amount as mandated by Federal law.

Your attention is called to the Foreword section in which we refer to the general approach employed in the preparation of this report. We also comment on the sources and reliability of both the data and the actuarial assumptions on which our findings are based. Those comments are the basis for our certification that this report is complete and accurate to the best of our knowledge and belief. The results of this report are only applicable to the 2012 plan year and rely on future plan experience conforming to the underlying assumptions. To the extent that actual plan experience deviates from the underlying assumptions, the results would vary accordingly.

We hereby certify that, to the best of our knowledge, this report and its contents have been prepared in accordance with generally recognized and accepted actuarial principles and practices which 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 in this report. This report does not address any contractual or legal issues. We are not attorneys and our firm does not provide any legal services or advice.

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UFCW Unions and Participating
Employers Pension Fund Trustees
November 29, 2012

This Actuarial Valuation Report was prepared for the UFCW Unions and Participating Employers Pension Fund for the purposes described herein and for the use by the plan auditor in completing an audit related to the matters herein. This report is not intended to benefit any third party, and Cheiron assumes no duty or liability to any such party.

Sincerely,
Cheiron

Gene M. Kalwarski, FSA, EA
Principal Consulting Actuary

Christopher J. Mietlicki, ASA, EA
Consulting Actuary

FOREWORD

Cheiron has performed the Actuarial Valuation of the UFCW Unions and Participating Employers Pension Fund as of January 1, 2012. The purpose of this report is to:

1) **Measure and disclose**, as of the valuation date, the financial condition of the Fund; and
2) **Provide specific information** and documentation required by the Federal Government and the auditors of the Fund.

An actuarial valuation establishes and analyzes fund assets, liabilities and contributions on a consistent basis, and traces the progress from one year to the next. It includes measurement of the Fund's investment performance as well as an analysis of actuarial liability gains and losses.

Section I presents a summary of the valuation and compares this year's results to last year's results.

Section II contains exhibits relating to the valuation of assets.

Section III shows the various measures of liabilities.

Section IV shows the development of the minimum and maximum contributions.

Section V contains a demonstration that the Fund is not in reorganization.

Section VI provides information required by the Fund's auditor.

The appendices to this report contain a summary of the Fund's membership at the valuation date, a summary of the major provisions of the Fund, and the actuarial methods and assumptions used in the valuation. Since the prior valuation there have been no changes in the benefit provisions or assumptions.

In preparing our report, we relied without audit, on information (some oral and some written) supplied by Associated Administrators, LLC, PNC Bank, and Bond Beebe. This information includes, but is not limited to, the plan provisions, employee data, and financial information.

The actuarial assumptions, when analyzed individually, reflect our understanding of the likely future experience of the Fund. The results of this report are dependent upon future experience conforming to these assumptions. To the extent that future experience deviates from the actuarial assumptions, the true cost of the Fund could vary from our results.

Finally, in preparing this report, we have conformed to generally accepted actuarial principles and practices which are consistent with the Code of Professional Conduct, and applicable Actuarial Standards of Practice set out by the Actuarial Standards Board.

SECTION I
SUMMARY

The table below sets out the principal results of this year's valuation and compares them to last year's results.

Table I -1
UFCW Unions and Participating Employers Pension Fund
Summary of Principal Results

	1/1/2011	1/1/2012	Change
Participant Counts			
Actives	8,204	7,875	-4.0%
Terminated Vesteds	3,998	4,180	4.6%
In Pay Status	2,135	2,445	14.5%
Total	14,337	14,500	1.1%
Financial Information			
Market Value of Assets	$ 91,309,938	$ 86,037,616	-5.8%
Actuarial Value of Assets	109,529,514	103,245,139	-5.7%
Actuarial Liability	$ 143,256,192	$ 155,812,450	8.8%
Surplus (Unfunded Actuarial Liability)	(33,726,678)	(52,567,311)	N/A
Present Value of Accrued Benefits	$ 143,256,192	$ 155,812,450	8.8%
Accrued Benefit Surplus (Unfunded)	(33,726,678)	(52,567,311)	N/A
Accrued Benefit Funding Ratio	76.5%	66.3%	N/A
Present Value of Vested Benefits	$ 139,857,571	$ 152,512,927	9.0%
Vested Benefit Surplus (Unfunded)	(30,328,057)	(49,267,788)	N/A
Vested Benefit Funding Ratio	78.3%	67.7%	N/A
Contributions and Cash Flows			
ERISA Credit Balance (Beginning of Year)	$ 9,480,207	$ 9,781,878	N/A
Employer Contributions	4,623,399	5,700,000 *	N/A
ERISA Minimum Funding (End of Year)	5,094,551	7,339,405	44.1%
Prior Year Benefit Payouts	$ 6,659,454	$ 7,848,917	17.9%
Prior Year Administrative Expenses	1,340,618	1,113,310	-17.0%
Prior Year Total Investment Income (Net)	10,177,206	(933,494)	N/A

* Contributions are estimated.

SECTION I
SUMMARY

General Comments

Please note: this valuation was prepared using census data and financial information as of the valuation date, January 1, 2012. Therefore, events following that date are not, and should not, be reflected in this report except for the retroactive impact of the Trustees' adoption of funding relief (effective January 1, 2009) under the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (PRA). The next valuation will reflect all membership and investment experience changes through December 31, 2012.

- In June 2010, the PRA was signed into law. This legislation was aimed at helping pension plans cope with the unprecedented market downturn in 2008. The Trustees elected the "special asset valuation rule" which allows the Fund to determine the actuarial value of fund assets by recognizing the 2008 loss over 10 years, at 10% per year, in lieu of the typical five years, or 20% per year. In addition, the "special asset valuation rule" allowed the Fund to temporarily increase the upper limit on the actuarial value of fund assets for 2009 and 2010 to 130% of the market value of assets. Prior to the relief, the upper limit was 120%.

- The market value of assets returned -2.3%, compared to the assumption of 8.0%. In dollars, the total investment loss (difference between actual and expected returns on a market value basis) was $9.1 million.

- For long-term planning we do not use the market value of assets, but a smoothed value of assets. The smoothing method adopted by the Trust phases in investment gains and losses over five years, which means the $9.1 million loss described above would be phased in at a rate of $1.8 million per year over the next four years.

- The actuarial rate of return was -2.8%, resulting in a recognized investment loss of $11.5 million on an actuarial value basis.

- The Fund experienced a liability loss of $5.7 million. When combined with the investment loss, the plan experienced a total net actuarial loss of $17.2 million.

- The Fund's funding ratio (actuarial value of assets as a percentage of actuarial liability) decreased from 76.5% as of January 1, 2011 to 66.3% as of January 1, 2012. Based on the market value of assets, the funding ratio decreased from 63.7% to 55.2%.

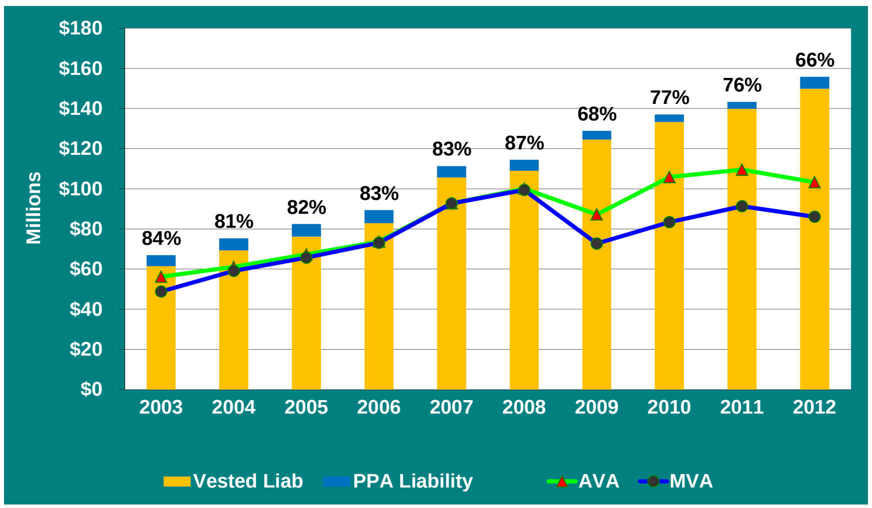
- The unfunded vested benefits used in calculating withdrawal liability (vested benefits on a funding basis and market value of assets) have increased from $48.5 million in the previous year to $66.5 million.

The Fund's actuarial certification under the Pension Protection Act was filed on March 31, 2012. The Fund was certified to be in **Critical status** based on estimated financial information provided as of December 31, 2011 and using the liabilities disclosed in the January 1, 2011 actuarial valuation projected forward to January 1, 2012. The Rehabilitation Plan for the Fund will need to be updated as required by law.

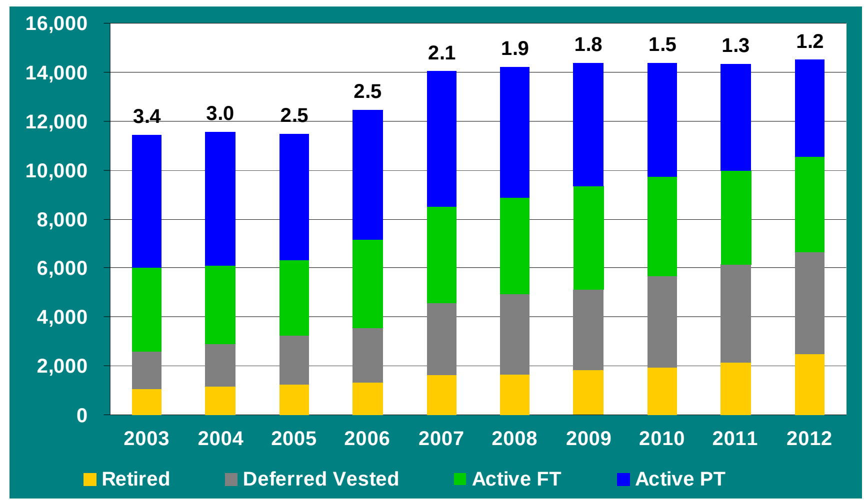
SECTION I
SUMMARY

Historical Summary

The graph below shows the assets and liabilities of the Fund over the last ten years. The gold bars represent the value of vested benefits already earned. The top of the blue bar is the liability used for testing the Fund's PPA status. The lines represent the actuarial value of assets (AVA) and market value of assets (MVA). The Fund's funding ratio (actuarial assets as a percent of actuarial liabilities shown along the top) has decreased over the period to its current level of 66%.



The chart below shows the participants of the Fund in successive valuations. The numbers above the bars on the chart indicate the ratio of active participants to inactive participants. The lower the ratio, the greater the burden that additional costs have on actives to meet the cost of benefits. The trend that this value has decreased implies that there is a decreasing population of active participants relative to the non-active participants covered by the Fund.



SECTION II
ASSETS

Assets at Market Value

Market values represent "snap-shot" or "cash-out" values which provide the principal basis for measuring financial performance from one year to the next.

Table II - 1
Statement of Assets at Market Value, December 31,

	2010	2011
Invested Assets		
Corporate Stocks	$ 24,544,760	$ 15,385,771
Corporate Obligations	4,534,299	4,222,575
U.S. Government Obligations	3,966,240	3,161,268
Temporary Cash Investments	1,469,748	1,006,709
Common/Collective Trusts	20,786,500	26,315,460
Mutual Funds	4,747,968	5,404,419
Hedge Funds	13,646,053	12,994,636
Pooled Separate Account	6,056,764	6,989,268
103-12 Investment entities	7,228,988	6,611,067
Total Investments:	$ 86,981,320	$ 82,091,173
Other Assets		
Cash or Cash Equivalents	$ 590,506	$ 708,564
Accrued Interest and Dividends Receivable	114,515	84,935
Receivable from Broker for Investments Sold	27,619	0
Contributions Receivable	3,983,568	3,346,913
Other Receivables	2,087	9,440
Accounts Payable	(197,161)	(203,409)
Due to Broker for Investment Purchase	(192,516)	0
Total Non-Invested Assets:	$ 4,328,618	$ 3,946,443
Net Assets Available for Benefits	$ 91,309,938	$ 86,037,616

Assets at Actuarial Value

The actuarial value of assets is calculated under a smoothed market value method that phases in asset gains and losses over five years. Details on the method used for determining the actuarial value of assets are provided in Appendix C.

Table II - 2
Changes in Market Values

Value of Assets - December 31, 2010	$ 91,309,938
Employer Contributions	$ 4,623,399
Investment Return (Gross)	(236,520)
Benefit Payments	(7,848,917)
Administrative Expenses	(1,113,310)
Investment Expenses	(696,974)
Value of Assets January 1, 2012	$ 86,037,616

SECTION II
ASSETS

Changes in Market Value

The components of asset change are:

- Contributions
- Benefit payments
- Expenses
- Investment income (realized and unrealized)

The specific changes during 2011 are presented below.

Table II - 3
Actuarial Value of Assets

Market Value of Assets at January 1, 2012				$	86,037,616
Plan Year	Investment Gains / (Losses)	Percent Recognized	Percent Deferred		Amount Deferred
12/31/2008 *	(33,669,746)	40%	60%		(20,201,848)
12/31/2009	6,014,943	60%	40%		2,405,977
12/31/2010	2,406,595	40%	60%		1,443,957
12/31/2011	(9,058,090)	20%	80%		(7,246,472)
Total				$	(23,598,386)
Preliminary Actuarial value of assets January 1, 2012				$	109,636,002
120% of MV, upper limit for actuarial value				$	103,245,139
80% of MV, lower limit for actuarial value				$	68,830,093
Actuarial value of assets January 1, 2012				$	103,245,139

Impact of Investment Performance

The following table calculates the investment related gain/(loss) for the plan year on both a market value and actuarial value basis. The market value gain/(loss) is an appropriate measure for comparing the actual asset performance to the long-term 8% assumption. The gain/(loss) on the actuarial value basis is one component of the Fund's experience gain/(loss) recognized in minimum funding and incorporates a significant level of smoothing.

Table II - 4

Item	Market Value	Actuarial Value
December 31, 2010 Value	$ 91,309,938	$ 109,529,514
Employer Contributions	4,623,399	4,623,399
Benefit Payments	(7,848,917)	(7,848,917)
Expected Investment Earnings (8%)	7,011,286	8,468,851
Expected Value December 31, 2011	$ 95,095,706	$ 114,772,847
Investment Gain/(Loss)	(9,058,090)	(11,527,708)
January 1, 2012 Value	$ 86,037,616	$ 103,245,139
Return	-2.28%	-2.83%

SECTION III
LIABILITIES

In this section, we present detailed information on fund liabilities including:

- **Disclosure** of fund liabilities at January 1, 2011, and January 1, 2012; and
- Statement of **changes** in these liabilities during the year.

Disclosure

Several types of liabilities are calculated and presented in this report. Each type is distinguished by the people ultimately using the figures and the purpose for which they are using them.

- **Actuarial Liabilities:** Used for ensuring minimum funding standards are met, this liability is determined using an actuarial funding method to apportion the Total Obligations between past and future. For this Fund, that method is **Unit Credit**. The Actuarial Liability under the Unit Credit method represents the total amount of money needed to fully pay off all future obligations of the Fund, assuming no further accrual of benefits.

- **Accrued Liabilities:** Used for communicating the current level of liabilities, this liability is the same as the Actuarial Liability determined using the Unit Credit method. These liabilities are also required for accounting purposes (ASC Topic 960) and used to establish comparative benchmarks with other plans in financial reports.

- **Vested Liabilities:** Used for administrative purposes in determining employer withdrawal liability, this liability represents that portion of the accrued liabilities which are vested.

- **Current Liabilities:** Used for Federal Government compliance purposes, the calculation of this liability is defined by federal regulations and is used by the government to monitor maximum allowable tax deductible contributions.

The table on the following page discloses each of these liabilities for the current valuation and the prior one. With respect to each disclosure, a subtraction of the appropriate value of fund assets yields, for each respective type, a **net surplus** or an **unfunded liability**.

SECTION III
LIABILITIES

Table III - 1
Liabilities/Net Surplus (Unfunded)

		1/1/2011		**1/1/2012**
ACTUARIAL & ACCRUED LIABILITY				
Active Participant Benefits	$	60,391,991	$	59,486,404
Terminated Vested Participant Benefits		23,084,044		23,894,808
Retiree Benefits		59,780,157		72,431,238
Actuarial & Accrued Liability	**$**	**143,256,192**	**$**	**155,812,450**
Actuarial Value of Assets		109,529,514		103,245,139
Net Surplus (Unfunded)	**$**	**(33,726,678)**	**$**	**(52,567,311)**
VESTED LIABILITY				
Accrued Liability	$	143,256,192	$	155,812,450
Less Present Value of Non-Vested Benefits		3,398,621		3,299,523
Vested Liability	**$**	**139,857,571**	**$**	**152,512,927**
Actuarial Value of Assets		109,529,514		103,245,139
Net Surplus (Unfunded)	**$**	**(30,328,057)**	**$**	**(49,267,788)**
CURRENT LIABILITY (RPA 1994)	**$**	**241,434,627**	**$**	**268,475,605**
Actuarial Value of Assets		109,529,514		103,245,139
Net Surplus (Unfunded)	**$**	**(131,905,113)**	**$**	**(165,230,466)**

SECTION III
LIABILITIES

Allocation of Liabilities by Type

The Fund participants may qualify for a benefit upon death, termination, and disability as well as upon retirement. The value of the liabilities arising from each of these sources is shown in the following table. These liabilities are as of the valuation date of January 1, 2012.

Table III - 2

Benefit Type	Retirement	Termination	Death	Disability	Total
Unit Credit Normal Cost	$ 1,931,944	$ 839,547	$ 39,806	$ 242,282	$ 3,053,579
Unit Credit Actuarial Liability					
Actives	$ 42,199,364	$ 11,637,937	$ 763,222	$ 4,885,881	$ 59,486,404
Terminated Vesteds	$ 0	$ 23,894,808	$ 0	$ 0	$ 23,894,808
Retirees and Beneficiaries	$ 64,578,538	$ 0	$ 3,008,412	$ 4,844,288	$ 72,431,238
Total	$ 106,777,902	$ 35,532,745	$ 3,771,634	$ 9,730,169	$ 155,812,450
Current Liability Normal Cost	$ 3,873,854	$ 2,102,686	$ 45,130	$ 521,685	$ 6,543,355
Current Liability					
Actives	$ 79,331,585	$ 26,211,411	$ 808,109	$ 9,797,001	$ 116,148,106
Terminated Vesteds	$ 0	$ 50,928,605	$ 0	$ 0	$ 50,928,605
Retirees and Beneficiaries	$ 89,554,942	$ 0	$ 4,188,708	$ 7,655,244	$ 101,398,894
Total	$ 168,886,527	$ 77,140,016	$ 4,996,817	$ 17,452,245	$ 268,475,605
Vested Current Liability					
Actives	$ 32,741,106	$ 66,733,248	$ 799,850	$ 9,275,195	$ 109,549,399
Terminated Vesteds	$ 0	$ 50,928,605	$ 0	$ 0	$ 50,928,605
Retirees and Beneficiaries	$ 89,554,942	$ 0	$ 4,188,708	$ 7,655,244	$ 101,398,894
Total	$ 122,296,048	$ 117,661,853	$ 4,988,558	$ 16,930,439	$ 261,876,898

SECTION III
LIABILITIES

Changes in Liabilities

Each of the liabilities shown in the prior table is subject to change at successive valuations as the experience of the Fund varies from that assumed in the valuation. The liabilities may change for any of several reasons including:

- New hires since the last valuation
- Benefits accrued since the last valuation
- Plan amendments
- Interest on accrued liabilities
- Benefits paid to retirees
- Participants leaving employment at rates different than expected
- Changes in actuarial assumptions
- Changes in actuarial methods
- Corrections to participant data records

The overall valuation results also change because employer contributions differ from those expected and investment returns are not in line with the actuarial assumptions.

Table III - 3

	Actuarial / Accrued Liability	Vested Liability
Liabilities 1/1/2011	$ 143,256,192	$ 139,857,571
Liabilities 1/1/2012	155,812,450	152,512,927
Liability Increase (Decrease)	12,556,258	12,655,356
Change due to:		
Plan Amendment	$ 0	$ 0
Assumption Change	0	0
Accrual of Benefits	3,306,583	N/A
Passage of Time (Interest less benefits paid)	3,568,188	N/A
Other Sources	N/A	12,655,356
Actuarial (Gain)/Loss	5,681,487	N/A

SECTION IV
CONTRIBUTIONS

In this section, we present detailed information on the Fund's contributions from two perspectives:

- **Actuarially determined** contributions, based on the Unit Credit funding method; and
- **Government Limitations** which could affect the above.

Actuarial Contributions

For this Fund, the funding scheme employed is the **Unit Credit Cost Method**. The cost is determined in two parts.

The first part is the Unit Credit Normal Cost. This is the annual cost of providing the benefits promised by the Fund to each individual participant in service at the valuation date. It is based on the amount of benefit expected to be earned for service over the upcoming year.

The second part is an amortization payment to pay off the unfunded actuarial liability. The unfunded actuarial liability is the difference between the actuarial assets of the Fund at the valuation date and the assets the Fund should hold as determined by the actuarial cost method. The actual cost is determined by the amortization schedule established by the IRS minimum funding rules.

Government Limitations

ERISA and the IRS tax code place various limits on the contributions made to qualified pension plans. The limits impact the minimum that must be paid, the maximum that can be deducted and the timing of contributions.

To ensure that minimum contributions are met, pension plans are required to retain an Enrolled Actuary to complete Schedule MB to Form 5500 on an annual basis. Because the bargained contributions have exceeded the minimum required contribution in years past, the Fund has built up a Credit Balance. The Credit Balance can be used to make up the difference between the minimum required contribution and the bargained contribution.

The actuarially determined contribution for 2012 is shown below compared to the Government Limits and the actual contributions. The table also shows the per capita cost and contribution. Note that the per capita cost is based on the current year's amortization payment. This cost will fluctuate from year to year as amortization charges and credits are added and fully paid off.

Table IV - 1
Contributions for 2012

		1/1/2012
Actuarially determined contribution		
Unit Credit Normal Cost	$	3,053,579
Amortization Payment		3,742,166
Interest to End of Year		543,660
Total	$	7,339,405
Government Limits		
Maximum Deductible Contribution	$	286,684,906
Minimum contribution (before Credit Balance)	$	7,339,405
Credit Balance (End of Year)	$	10,564,428
Minimum contribution (after Credit Balance)	$	0
Estimated Employer Contributions with Interest	$	5,718,764
Count of Active Participants		7,875
Per Capita Actuarial Cost	$	932
Per Capita Contribution	$	726

SECTION IV
CONTRIBUTIONS

The tables on the following pages show the IRS Funding Standard Account as well as the development of the minimum and maximum contributions for 2012 and other supporting information.

Table IV - 2
Funding Standard Account for 2011 and 2012 Plan Years

	2011	2012
1. Charges For Plan Year		
a. Normal Cost	$ 3,306,583	$ 3,053,579
b. Amortization Charges	7,507,737	9,369,350
c. Interest on a. and b. to Year End	865,146	993,834
d. Additional Funding Charge	N/A	N/A
e. Interest Charge due to Late Quarterly Contributions	N/A	N/A
f. Total Charges	$ 11,679,466	$ 13,416,763
2. Credits For Plan Year		
a. Prior Year Credit Balance	$ 9,480,207	$ 9,781,878
b. Employer Contributions	4,623,399	0 *
c. Amortization Credits	6,097,143	5,627,184
d. Interest on a., b., and c. to Year End	1,260,595	1,232,725
e. Full Funding Limit Credit	0	0
f. Total Credits	$ 21,461,344	$ 16,641,787
3. Credit Balance at End of Year [2. – 1.]	$ 9,781,878	$ 3,225,024

* Because the Credit Balance at the end of 2012 is positive without any employer contributions, the minimum required contribution for 2012 is zero.

SECTION IV
CONTRIBUTIONS

Table IV - 3
Calculation of the Maximum Deductible Contribution for the Plan Year Starting January 1, 2012

1. "Fresh Start" Method		
a. Normal Cost	$	3,053,579
b. Net Charge to Amortize Unfunded Actuarial Liability over 10 years		7,253,777
c. Interest on a. and b.		824,588
d. Total		11,131,944
e. Full Funding Limitation as of Year End		147,662,780
f. Maximum Deductible Contribution	$	11,131,944
2. 140% of Current Liability Calculation		
a. RPA 1994 Current Liability at Start of Year	$	268,475,605
b. Present Value of Benefits Estimated to Accrue during Year		6,543,355
c. Expected Benefit Payments		8,590,686
d. Net Interest on a., b. and c. at Current Liability Interest Rate		11,615,978
e. Expected Current Liability at End of Year, [a. + b. – c. + d.]		278,044,252
f. 140% of e.		389,261,953
g. Actuarial Value of Assets		103,245,139
h. Net Interest on c. and g. at Valuation Interest Rate		7,922,594
i. Estimated Value of Assets, [g. – c. + h.]		102,577,047
j. Unfunded Current Liability at Year End	$	286,684,906
3. Maximum Deductible Contribution at Year End, greater of 1. and 2.	$	286,684,906

SECTION IV
CONTRIBUTIONS

Table IV - 4
Development of Actuarial Gain/(Loss)
for the Year Ended December 31, 2011

1. Unfunded Actuarial Liability at Start of Year	$ 33,726,678
2. Normal Cost at Start of Year	3,306,583
3. Interest on 1. and 2. to End of Year	2,962,661
4. Employer Contributions for Year	4,623,399
5. Interest on 4. to End of Year	14,407
6. Increase in Unfunded Actuarial Liability Due to Changes in Assumptions	0
7. Increase in Unfunded Actuarial Liability Due to Changes in Plan Design	0
8. Increase in Unfunded Actuarial Liability Due to Changes in Funding Method	0
9. Expected Unfunded Actuarial Liability at End of Year [1. + 2. + 3. – 4. – 5. + 6. + 7. + 8.]	$ 35,358,116
10. Actual Unfunded Actuarial Liability at End of Year, not less than zero	$ 52,567,311
11. Actuarial Gain / (Loss) [9. – 10.]	$ (17,209,195)
12. Amortization Factor for Actuarial Gain / (Loss)	9.2442
13. Amortization Credit / (Charge) for Actuarial Gain / (Loss)	$ (1,861,613)

SECTION IV
CONTRIBUTIONS

Table IV - 5
Schedule of Amortizations Required for Minimum Required Contribution as of January 1, 2012

Type of Base	Date Established	Initial Amount	Initial Amortization Years	1/1/2012 Outstanding Balance*	Remaining Amortization Years	Beg of Yr Amortization Amount
Charges						
1. Initial Base	1/1/1986	$ 1,941,924	27	$ 417,371	6	$ 83,596
2. Change Assumptions	1/1/1987	380,100	30	159,422	10	21,999
3. Plan Amendment	1/1/1988	2,309,700	30	1,079,405	11	139,999
4. Plan Amendment	1/1/1989	2,557,800	30	1,311,692	12	161,162
5. Plan Amendment	1/1/1990	892,000	30	495,851	13	58,089
6. Change Method	1/1/1991	3,490,000	25	1,387,233	9	205,618
7. Plan Amendment	1/1/1991	688,000	30	410,455	14	46,099
8. Plan Amendment	7/1/1991	1,130,000	30	695,370	14.5	76,605
9. Plan Amendment	1/1/1992	4,000	30	2,541	15	275
10. Plan Amendment	7/1/1992	1,361,000	30	886,429	15.5	94,252
11. Plan Amendment	1/1/1993	211,550	30	141,420	16	14,794
12. Plan Amendment	7/1/1993	98,000	30	67,123	16.5	6,914
13. Plan Amendment	1/1/1994	53,197	30	37,292	17	3,786
14. Plan Amendment	1/1/1995	430,616	30	315,015	18	31,123
15. Plan Amendment	1/1/1996	837,866	30	636,830	19	61,400
16. Plan Amendment	1/1/1997	2,234,865	30	1,758,170	20	165,809
17. Plan Amendment	1/1/1998	1,191,987	30	967,398	21	89,424
18. Plan Amendment	1/1/1999	685,993	30	571,704	22	51,894
19. Experience Loss	1/1/1999	1,249,379	15	452,194	7	80,420
20. Plan Amendment	1/1/2000	985,433	30	841,200	23	75,102
21. Plan Amendment	1/1/2001	2,224,285	30	1,940,533	24	170,656
22. Experience Loss	1/1/2002	4,967,848	15	2,831,573	10	390,729
23. Plan Change	1/1/2002	2,873,064	30	2,556,639	25	221,762
24. Experience Loss	1/1/2003	9,695,188	15	6,127,128	11	794,691
25. Plan Change	1/1/2003	2,278,455	30	2,064,367	26	176,823
26. Experience Loss	1/1/2004	3,571,616	15	2,465,151	12	302,883
27. Plan Change	1/1/2004	335,951	30	309,425	27	26,200
28. Experience Loss	1/1/2005	1,343,748	15	1,000,758	13	117,239
29. Plan Change	1/1/2005	409,909	30	383,246	28	32,111
30. Experience Loss	1/1/2006	1,269,068	15	1,009,860	14	113,419
31. Experience Loss	1/1/2007	1,473,846	15	1,242,967	15	134,459
32. Experience Loss	1/1/2007	3,114,762	30	2,989,561	30	245,884
33. Experience Loss	1/1/2009	27,801,544	15	25,829,274	17	2,621,897
34. Experience Loss	1/1/2011	2,333,087	15	2,247,160	14	252,383
35. Experience Loss	1/1/2012	17,209,195	15	17,209,195	15	1,861,613
TOTAL CHARGES				$ 82,840,952		$ 8,931,109

*Charge bases established on or before January 1, 2009 have been extended five years as of January 1, 2009 as approved under Section 431(d)(1)(A).

SECTION IV
CONTRIBUTIONS

Table IV - 6
Schedule of Amortizations Required for Minimum Required Contribution
as of January 1, 2012

Type of Base	Date Established	Initial Amount	Initial Amortization Years	1/1/2012 Outstanding Balance	Remaining Amortization Years	Beg of Yr Amortization Amount
Credits						
1. Change Assumptions	1/1/1991	$ 2,355,000	30	$ 1,288,551	9	$ 190,991
2. Actuarial Gain	1/1/1998	3,517,014	15	380,453	1	380,453
3. Change Assumptions	1/1/1998	2,717,390	30	2,136,529	16	223,498
4. Actuarial Gain	1/1/2000	2,734,058	15	823,172	3	295,758
5. Actuarial Gain	1/1/2001	786,886	15	304,487	4	85,122
6. Funding Method	1/1/2004	15,007,039	10	3,988,260	2	2,070,827
7. Funding Method	1/1/2007	1,219,765	10	725,797	5	168,316
8. Actuarial Gain	1/1/2008	3,546,007	15	2,957,518	11	383,591
9. Funding Method	1/1/2009	7,270,216	10	5,640,981	7	1,003,219
10. Experience Gain	1/1/2010	4,291,587	15	3,962,827	13	464,245
TOTAL CREDITS				$ 22,208,575		$ 5,266,020
NET CHARGE				$ 60,632,377		$ 3,665,089

SECTION IV
CONTRIBUTIONS

Table IV - 7

Former Meat and Poultry Schedule of Amortizations Required for Minimum Required Contribution as of January 1, 2012

	Type of Base	Date Established	Initial Amount	Initial Amortization Years	1/1/2012 Outstanding Balance*	Remaining Amortization Years	Beg of Yr Amortization Amount
Charges							
1.	Initial Unfunded Actuarial Liability	1/1/1986	$ 839,074	30	$ 307,664	9	$ 45,603
2.	Plan Change	1/1/1986	305,389	25	30,783	4	8,606
3.	Plan & Assumption Change	1/1/1986	255,338	30	93,627	9	13,878
4.	Plan & Assumption Change	1/1/1986	530,054	30	194,355	9	28,808
5.	Plan Change	1/1/1989	248,266	30	126,547	12	15,548
6.	Plan Change, AVA Change, & Assumption Change	1/1/1989	697,792	30	355,682	12	43,701
7.	Plan Change	1/1/1990	167,457	30	92,359	13	10,820
8.	Plan Change	1/1/1991	143,740	30	84,936	14	9,539
9.	Plan Change	1/1/1993	411,140	30	272,399	16	28,495
10.	Plan Change	1/1/1994	338,908	30	235,563	17	23,912
11.	Experience Loss	1/1/1995	58,545	15	3,449	3	1,239
12.	Experience Loss	1/1/1996	201,653	15	26,208	4	7,326
13.	Plan Change	1/1/1997	618,819	30	482,685	20	45,521
14.	Plan Change	1/1/1998	234,877	30	188,897	21	17,461
15.	Plan Change	1/1/2000	164,070	30	139,112	23	12,420
16.	Experience Loss	1/1/2001	158,332	15	79,048	9	11,717
17.	Experience Loss	1/1/2002	261,394	15	147,787	10	20,393
18.	Experience Loss	1/1/2003	487,511	15	306,137	11	39,706
19.	Experience Loss	1/1/2004	331,260	15	227,562	12	27,960
20.	Experience Loss	1/1/2005	208,941	15	155,131	13	18,173
21.	Experience Loss	1/1/2007	81,286	15	68,552	15	7,416
	TOTAL CHARGES				$ 3,618,483		$ 438,241

*Charge bases established on or before January 1, 2009 have been extended five years as of January 1, 2009 as approved under Section 431(d)(1)(A).

SECTION IV
CONTRIBUTIONS

Table IV - 8
Former Meat and Poultry Schedule of Amortizations Required for Minimum Required Contribution as of January 1, 2012

Type of Base	Date Established	Initial Amount	Amortization Years	Outstanding Balance	Amortization Years	Amortization Amount
Credits						
1. Assumption Change	1/1/1996	$ 491,468	30	$ 355,764	14	$ 39,957
2. Actuarial Gain	1/1/1998	21,546	15	2,294	1	2,294
3. Actuarial Gain	1/1/1999	257,025	15	52,826	2	27,429
4. Actuarial Gain	1/1/2000	60,992	15	18,150	3	6,521
5. Asset Method Change	1/1/2005	591,763	10	226,453	3	81,362
6. Actuarial Gain	1/1/2006	64,491	15	48,072	9	6,796
7. Funding Method Change	1/1/2007	563,269	10	335,162	5	77,726
8. Assumption Change	1/1/2007	1,100,793	15	862,950	10	119,079
TOTAL CREDITS				$ 1,901,671		$ 361,164
NET CHARGE				$ 1,716,812		$ 77,077

SECTION IV
CONTRIBUTIONS

Table IV - 9
Accumulated Reconciliation Account and Balance Test
as of January 1, 2012

1. Amount due to Additional Interest Charges in prior years	$	0
2. Amount due to Additional Funding Charges in prior years		0
3. Reconciliation Account at Start of Year [1. + 2.]	$	0
4. Net Outstanding Amortization Bases		62,349,189
5. Credit Balance at Start of Year		9,781,878
6. Unfunded Actuarial Liability at Start of Year from Funding Equation [4. – 3. – 5.]	$	52,567,311
7. Actuarial Liability at Start of Year	$	155,812,450
8. Actuarial Value of Assets at Start of Year		103,245,139
9. Unfunded Actuarial Liability at Start of Year from Liability Calculation [7. – 8.]	$	52,567,311

The plan passes the Balance Test because line 6. equals line 9.

SECTION IV
CONTRIBUTIONS

Table IV - 10
Development of Full Funding Limitation
for the Year Starting January 1, 2012

	Minimum	Maximum
1. Old Law Full Funding Limitation		
a. Actuarial Liability	$ 155,812,450	$ 155,812,450
b. Normal Cost	3,053,579	3,053,579
c. Lesser of Market Value and Actuarial Value of Assets	86,037,616	86,037,616
d. Credit Balance at Start of Year	9,781,878	N/A
e. Actuarial Liability Full Funding Limit [a. + b. - c. + d.] x 1.08	$ 89,219,114	$ 78,654,686
2. Full Funding Limit Override (RPA '94)		
a. RPA 1994 Current Liability at Start of Year	$ 268,475,605	$ 268,475,605
b. Present Value of Benefits Estimated to Accrue during Year	6,543,355	6,543,355
c. Expected Benefit Payments	8,590,686	8,590,686
d. Net Interest on a., b. and c. at Current Liability Interest Rate	11,615,978	11,615,978
e. Expected Current Liability at End of Year, [a. + b. – c. + d.]	278,044,252	278,044,252
f. 90% of e.	250,239,827	250,239,827
g. Actuarial Value of Assets at Start of Year	103,245,139	103,245,139
h. Net Interest on c. and g. at Valuation Interest Rate	7,922,594	7,922,594
i. Estimated Value of Assets, [g. + h. - c.]	102,577,047	102,577,047
j. RPA 1994 Full Funding Limit Override	$ 147,662,780	$ 147,662,780
3. Full Funding Limitation at End of Year, greater of 1. and 2.	$ 147,662,780	$ 147,662,780

SECTION V
REORGANIZATION STATUS

Table V - 1
Demonstration that the Fund is not in Reorganization
for the Year Starting January 1, 2012

The Reorganization Test specified by ERISA and its Regulations states that unless the Fund elects otherwise the test is based on the valuation for the plan year ending at least 6 months before the Relevant Effective Date. The Relevant Effective Date is the date of the relevant bargaining agreement, provided that bargaining agreement is not more than 36 months old. If there is no relevant bargaining agreement the test is based on the valuation for the plan year ending at least 12 months before the current plan year.

However, the Trustees can opt to use a more recent valuation. This makes the test somewhat simpler to perform because it avoids the need to adjust old valuation results. If the Fund passes the test (i.e., is NOT in Reorganization) using the current valuation then the Trustees can ensure the Fund passes the Reorganization Test by electing to use the current valuation.

Vested Benefits Charge for 2012 based on 1/1/2012 Valuation:

Present Value of Vested Benefits for Retirees	$	72,431,238
Actuarial Value of Assets		103,245,139
Retiree UVB	$	0
10 year Amortization Factor		7.2469
Charge for Retirees	$	0
PVVB for Non-Retirees	$	80,081,689
Residual Assets		30,813,901
Non-retiree UVB	$	49,267,788
25 year Amortization Factor		11.5288
Charge for Non-Retirees	$	4,273,469
Vested Benefits Charge	**$**	**4,273,469**
Net Charges to Funding Standard Account	**$**	**6,795,745**
Reorganization Index	**$**	**0**

The Plan is not in Reorganization because the Reorganization Index is zero.

SECTION VI
FASB ASC TOPIC NO. 960 DISCLOSURED

Table VI - 1
Present Value of Accumulated Benefits as of January 1, 2012
in Accordance with FASB ASC Topic No. 960

		Amounts	Vested Counts
1. Actuarial Present Value of Benefits			
For Retirees and Beneficiaries	$	72,431,238	2,445
Terminated Vesteds		23,894,808	4,180
Active Participants		56,186,881	4,686
Vested Benefits	$	152,512,927	11,311
2. Non-vested Benefits	$	3,299,523	3,189
3. Accumulated Benefits	$	155,812,450	14,500
4. Market Value of Assets	$	86,037,616	
5. Funded Ratios			
Vested Benefits		56%	
Accumulated Benefits		55%	

Reconciliation of Present Value of Accumulated Benefits

1. Actuarial Present Value at Start of Prior Year	$	143,256,192
2. Increase (decrease) over Prior Year due to:		
Benefit Accruals	$	3,306,583
Benefit Payments		(7,848,917)
Increase for Interest		11,417,105
Experience (Gains)/Losses		5,681,487
Changes in assumptions		0
Plan Amendments		0
3. Actuarial Present Value at End of Prior Year	$	155,812,450

APPENDIX A
MEMBERSHIP INFORMATION

The data for this valuation was provided electronically by Associated Administrators, LLC (AA). Cheiron did not audit any of the data. The data is as of January 1, 2012. Below is a list of assumptions Cheiron made in using the data this year. We continue to work closely with AA to work out all of the intricate data details and expect to require fewer assumptions in future years.

Date of Birth for Active Employees

For active participants with bad or missing dates of birth, we have imputed a date of birth based on the assumption that they entered the Plan at the average hire age of the participants in their group. These average hire ages are as follows:

Full-Time/ Part-Time	Sex	Average Hire Age
Full-Time	Male	45
Full-Time	Female	47
Part-Time	Male	37
Part-Time	Female	42

Full-Time/Part-Time Status

Full-time versus part-time status is not included in the data provided to Cheiron. Participants are assigned full-time versus part-time status based on whether the majority of their service worked for the 2011 plan year was full-time or part-time as reported in the valuation data supplied by Associated Administrators.

The following is a list of data charts contained in this section:

- Age/Service Distribution for Full-Time Active Participants
- Age/Service Distribution for Part-Time Active Participants
- Counts and Average Benefit Amount by Age for Retirees, Beneficiaries, and Disabled Participants
- Counts and Average Benefit Amount by Age for Terminated Vested Participants

APPENDIX A
MEMBERSHIP INFORMATION

AGE/SERVICE DISTRIBUTION OF ACTIVE PARTICIPANTS

Table A - 1
Full-Time Participants as of January 1, 2012
Completed years of credited service as of January 1, 2012

AGE	0-4	5-9	10-14	15-19	20-24	25-29	30 & Up	Total
Under 25	183	15	0	0	0	0	0	198
25-29	197	101	7	0	0	0	0	305
30-34	130	95	66	14	0	0	0	305
35-39	125	93	40	101	4	0	0	363
40-44	137	100	61	102	67	8	0	475
45-49	170	138	59	120	87	56	1	631
50-54	153	161	78	111	91	70	34	698
55-59	121	109	63	69	49	43	18	472
60-64	70	94	39	42	37	21	10	313
65 & Up	31	45	16	12	15	10	3	132
Total	1,317	951	429	571	350	208	66	3,892

Average Age = 46.2 Average Service = 10.3

Part-Time Participants as of January 1, 2012
Completed years of credited service as of January 1, 2012

AGE	0-4	5-9	10-14	15-19	20-24	25-29	30 & Up	Total
Under 25	918	88	0	0	0	0	0	1,006
25-29	263	159	17	0	0	0	0	439
30-34	157	81	62	7	0	0	0	307
35-39	126	61	48	28	0	0	0	263
40-44	122	89	72	53	22	3	0	361
45-49	169	83	70	52	32	6	0	412
50-54	143	100	69	53	24	14	2	405
55-59	89	101	80	52	23	5	1	351
60-64	83	66	46	32	13	6	2	248
65 & Up	52	70	33	18	11	6	1	191
Total	2,122	898	497	295	125	40	6	3,983

Average Age = 39.8 Average Service = 6.4

APPENDIX A
MEMBERSHIP INFORMATION

AGE DISTRIBUTION OF INACTIVE PARTICIPANTS

Table A - 3
Pensioners and Beneficiaries Receiving Benefits as of January 1, 2012

	Disability Retirements		Normal, Early Deferred Vested Retirements		Surviving Spouses and Beneficiaries Receiving Benefits		Total	
Age	Number	Average Monthly Benefit	Number	Average Monthly Benefit	Number	Average Monthly Benefit	Number	Average Monthly Benefit
Under 55	29	$ 301	30	$ 137	21	$ 272	80	$ 232
55-59	34	443	129	325	10	182	173	340
60-64	43	393	322	390	10	188	375	385
65-69	0	0	580	303	27	188	607	298
70-74	0	0	521	289	35	151	556	280
75-79	0	0	313	227	31	141	344	219
80 & Over	0	0	269	190	41	139	310	183
Total	106	$ 384	2,164	$ 287	175	$ 170	2,445	**$ 283**

Table A - 4
Deferred Vested Participants and Surviving Spouses Entitled to Future Benefits

Age	Number	Monthly Benefit Payable at Normal Retirement Date
Under 45	1,747	$ 180,911
45-49	731	111,248
50-54	727	128,346
55-59	546	83,678
60-64	343	46,782
65 & Over	86	12,059
Total	4,180	$ 563,023

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

A. Former Meat and Poultry Participants

1. Eligibility

All employees formerly covered by a collective bargaining agreement requiring contributions by employers (including the Local Union) to the Amalgamated Meat Cutters and Allied Workers of North America Local Union No. 593 and Washington Wholesalers Pension Fund participate in the Plan. As of January 1, 2007, the Fund was merged with the UFCW Unions and Participating Employers Pension Fund.

2. Credited Service

Credited service consists of the total past and future service as defined below.

a. Past Service

Past credited service is based on completed years and months of continuous employment with a participating employer prior to the employer's participation date (January 1, 1966 for employers participating under the Amalgamated Meat Cutters agreement and April 1, 1975 for employers participating under the Poultry Workers agreement).

b. Future Service

Future credited service is expressed in terms of years (and fractional years) of employment on or after January 1, 1966 during which an employer is required to make contributions to the Fund. The following schedule is applicable for determining future credited service:

Hours		Future
At Least	But Less Than	Service Credit
400	600	0.3
600	800	0.4
800	1,000	0.5
1,000	1,200	0.6
1,200	1,400	0.7
1,400	1,600	0.8
1,600	1,800	0.9
1,800 and over		1.0

Contributions are made and credit given for the Meat Cutters for 173 hours in any month a participant works 134 or more hours. No employee will be credited with more than one year of future credited service in one calendar year.

Credited service for calculating benefit amounts may not exceed 40 years.

3. Vesting Service

Vesting service for Meat Cutters is the total of past and future credited service.

Vesting service for Poultry Workers is future credited service.

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

In all cases, one year of vesting service is granted for each year of future credited service in which the participant works at least 1,000 hours.

4. Loss of Credited Service

A participant who has fewer than five years of vesting credit will lose all of his previously accumulated credited service if, before qualifying for and making an application for benefits, he suffers at least three consecutive breaks in service (works less than 500 hours). An exception is made for service in the armed forces in time of war, national emergency or pursuant to a national conscription, provided he returns to active service as an employee within 90 days after release or within such longer period as is prescribed by law. A participant who has lost all of his credited service is considered a new participant at such time as subsequent contributions are made to the pension trust on his behalf.

5. Reinstatement of Service Credits

A former participant who ceases to participate after January 1, 1976 and again becomes a participant may reinstate his prior service and benefit accruals. Reinstatement of prior benefit accruals will be as of the last day of the 12-month period following completion of 1,000 hours with the employer in:

a. the 12-month period commencing with the date of his return, or

b. the 12-month period in the plan year following the date of his return, or

c. any subsequent plan year, provided that (i) the number of consecutive years between the last break in service and the beginning of the plan year in which he fulfills the 1,000-hour requirement was less than his prior vesting service, or

   (ii) the participant accumulates at least five years of future service following resumption of participation.

6. Normal Retirement Benefit

<u>Eligibility:</u> A participant is eligible for a normal retirement benefit upon satisfying all of the following conditions:

Age:	60
Credited Service:	5
Future Credited Service:	1

<u>Benefit:</u> The monthly benefit at normal retirement is a dollar amount multiplied by credited service. The dollar amount varies by employer as follows:

Employer	Monthly Benefit Per year of Service
Boar’s Head	$ 6.25
All Others	$ 38.00

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

7. Late Retirement

Eligibility: A participant who remains in employment beyond his normal retirement date is eligible to receive a late retirement benefit commencing on the first day of the month following or coinciding with his actual retirement date.

Benefit: The benefit is determined in accordance with the normal retirement formula based on credited service to the participant's actual date of retirement.

8. Early Retirement Benefit

Eligibility: A participant is eligible for an early retirement benefit upon satisfying all of the following conditions:

Age:	50
Credited Service:	10
Future Credited Service:	1

Benefit: The monthly retirement benefit is the amount determined in accordance with the normal retirement pension formula based on credited service to the date the participant terminates employment, reduced by 1/2 of 1% for each month that the actual benefit commencement date precedes the normal retirement date.

9. Vesting

Eligibility: A participant who terminates employment after completing five or more years of vesting service, including one year of future credited service, is eligible to receive a deferred vested pension commencing at his normal retirement date.

Benefit: The monthly deferred vested pension is the benefit determined in accordance with the normal retirement pension formula based on credited service to the date the participant terminates employment. Individuals who terminated prior to January 1, 1981 have their benefit calculated according to the former plan provisions.

In lieu of benefits commencing at normal retirement, a participant who has completed ten years of credited service (including one year of future credited service) upon reaching age 50 may elect to have a reduced pension commencing immediately. The reduction is calculated in the same manner as the early retirement reduction.

10. Total and Permanent Disability

Eligibility: Each participant who becomes totally and permanently disabled after completing ten or more years of credited service (including one or more years of future credited service) and who qualifies for and receives disability benefits under the federal Social Security law then in effect is eligible for total and permanent disability benefits under the Fund.

Benefit: The monthly total and permanent disability benefit is determined in accordance with the normal retirement pension formula based on credited service at the date of disability.

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

Disability benefits commence after meeting all of the eligibility requirements noted in the eligibility section above with no reduction if prior to the participant's normal retirement date.

11. Surviving Spouse Benefit

Eligibility: The spouse of an active participant, terminated vested participant, or retired participant who has not yet started to receive benefits, who dies after completing five or more years of credited service (including one or more years of future credited service), is eligible for a survivor's benefit provided the spouse has been legally married to the participant for at least one year prior to the death of the participant.

Benefit: The monthly benefit payable to the spouse is the greater of:

a. 40% of the pension the participant would have received if the participant retired the day immediately preceding his death and elected an immediate payment of benefits, or

b. 50% of the pension the participant would have received if the participant retired the day immediately preceding his death and elected the joint and one-half survivor's benefit option.

Payment commences at the time the participant would have been eligible to receive benefits in the amount specified in (b) above if death occurs prior to eligibility for an immediate benefit.

12. Post-Retirement Spouse Benefit

Eligibility: Unless an alternative optional form of benefit is elected, the spouse of a retired participant who is receiving a pension at his death is eligible for a survivor's benefit provided the spouse had been legally married to the retiree for at least one year prior to death.

Benefit: The survivor's benefit is equal to 20% of the monthly benefit being paid to the participant. The survivor's benefit is payable monthly to the surviving spouse for life.

13. Post-Retirement Lump Sum Death Benefit

Eligibility: The post-retirement lump sum death benefit is payable at the death of any retiree who was receiving a monthly pension from the Plan at the time of death.

Benefit: The lump sum post-retirement death benefit is $2,500.

14. Forms of Pension Benefits

The normal form of pension is a monthly benefit for life, with 50% of the pension continued to the surviving spouse after the participant's death (provided the spouse was legally married to the participant for at least one year prior to death). The pension commences the first day of the next

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

calendar month after conditions for retirement are satisfied and an application is filed.

Optional benefits, actuarially equivalent in value to the normal form of benefit, are available for election within 60 days of retirement.

a. A reduced "joint and survivor" benefit: wherein, at the death of pensioner, the full amount of the reduced pension continues for the lifetime of the spouse. (For a participant and spouse of equal age, this option provides a reduced pension equal to 80% of the regular pension. Where the spouse is one year younger, the percentage is 79%, etc.)

b. A reduced "joint and 2/3 survivor" benefit: wherein, at the death of pensioner, 2/3 of the reduced pension continues for the lifetime of the spouse. (For a participant and spouse of equal age, this option provides a reduced pension equal to 90% of the regular pension. Where the spouse is one year younger, the percentage drops to 89%, etc.)

c. A reduced "joint and ½ survivor" benefit wherein, at the death of the pensioner, ½ of the reduced pension continues for the lifetime of the spouse. (For a participant and spouse of equal age, this option provides a reduced pension equal to 95% of the regular pension. Where the spouse is one year younger, the percentage drops to 94%, etc.)

15. Changes Since Last Valuation

None.

B. All Other Participants

1. Eligibility

All employees within bargaining units represented by Local 400 and Local 27 where the collective bargaining agreement calls for contributions to this Fund on behalf of such employees as well as Local 400 staff.

2. Normal Retirement Date

At the employee's option, on the last day of the month in which his 65^{th} birthday occurs, but not prior to his completing at least five years of credited service.

3. Credited Service

For each participant under either of the prior pension plans, credited service under this Fund at January 1, 1982 shall be equal to the credited service accrued under the prior Fund as of December 31, 1981; for each other person, credited service prior to January 1, 1982 (or date of joining the Fund, if later), shall be continuous service with his then employer to the nearest month. On and after January 1, 1982, one-fourth of a year of future service is granted to each full-time employee for each 400 hours worked in each calendar year up to 1,600 hours. For part-time employees, 200 hours per quarter and 800 hours per year are required.

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

4. Normal Retirement Benefit

The benefit is determined according to the contribution rate applicable at the date of the employee's retirement. The contribution and benefit schedule is as follows:

Recognized Contribution Rate	Pension Benefit Per Month Per Year of Credited Service Full-Time Benefit Rate	Part-Time Benefit Rate
$.05	$ 7.13	$ 3.56
.08	11.25	5.62
.12	16.75	8.37
.15	20.13	10.06
.18	22.25	11.12
.21	24.00	12.00
.24	26.13	13.06
.27	28.13	14.06
.30	30.13	15.06
.33	32.13	16.06
.40	36.80	18.40

Note: Though substantially all participants are subject to the contribution and benefit rates above, there are exceptions. More detailed information on such exceptions can be found in the appendix to the Plan Document.

5. Early Retirement

At the employee's option after he has both attained age 55 and completed at least 15 years of credited service. His accrued normal retirement pension is reduced by one-half of one percent for each month by which his retirement precedes his 60th birthday.

6. Disability Retirement

Disability retirement can occur upon the employee becoming totally and permanently disabled (according to Social Security criteria) after he has completed at least ten years of credited service. His accrued normal retirement pension will be payable without actuarial reduction as soon as the disability has been established to the satisfaction of the Trustees.

7. Deferred Vested Pension Benefit

If an employee ceases to work within a bargaining unit covered by the Fund after he has completed five years of Vesting Service, he will be entitled to his normal retirement pension accrued at the date he stopped work, payable starting on his Normal Retirement Date. Vesting service equals the sum of (a) credited service under each of the prior plans as of December 31, 1981, plus (b) his service after January 1, 1982, in which a year of vesting service is granted for each Plan Year in which he is credited with at least 750 regular time hours.

8. Pre-Retirement Spouse's Pension

Each employee who is vested under the Fund will be provided pre-retirement spouse's pension coverage whereby, if his death occurs before actual retirement, his spouse will receive a lifetime pension from the Fund. The

APPENDIX B
SUMMARY OF MAJOR PLAN PROVISIONS

spouse's pension will begin on the first of the month following the later of the employee's death or the earliest date he could have elected to retire under the Fund based upon his credited service at death. The amount of such pension will be one-half of that which would have been payable to the employee if he had retired on the date the spouse's pension is to begin and elected a joint and 50 percent survivor option.

9. Normal Form of Pension

The normal form of pension payable to a married employee will be an actuarially reduced pension on the joint and 50 percent survivor basis unless the employee elects otherwise with the written consent of the spouse. If the employee receives his pension on a single life basis, then a death benefit equal to the excess, if any, of a. over b. will be payable to the employee's designated beneficiary where a. and b. equal

a. 60 times the monthly pension amount

b. the total amount of payments made prior to the employee's death.

10. Post-Retirement Death Benefit

Upon the death of an employee receiving pension benefits under the Plan, a single sum death benefit will be paid to his designated beneficiary. The amount of the death benefit will be $2,500 if the majority of his credited service was as a full-time employee and $1,500 if the majority of such service was as a part-time employee.

11. Changes to Plan Provisions Since Last Valuation

None.

Note: The above summary is for the sole purpose of stating the principal plan provisions on which the valuation is based. Entitlement to benefits under the Fund is determined under the terms and provisions of the Pension Plan document.

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

A. Actuarial Assumptions

1. Rates of Investment Return

Funding and disclosure purposes:
8.00% compounded annually

Current Liability under RPA 1994:
4.29% compounded annually

All investment returns are net of investment and administrative expenses.

2. Rates of Mortality

Funding and disclosure purposes:

Actives: RP-2000 Combined Healthy mortality table for males and females without projection.

Healthy Inactives: RP-2000 Healthy Annuitant mortality table set forward one year for males and no adjustment for females without projection.

Disableds: RP-2000 Disabled Annuitant without projection for ages prior to 65. The same mortality as Healthy Inactives for ages 65 and older.

Current Liability: 2012 Static Mortality as prescribed by IRS regulations.

Past experience has shown that expected mortality is only marginally different from actual mortality in prior patterns. This will continue to be monitored and adjustments will be made when necessary.

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.

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ACTUARIAL ASSUMPTIONS AND METHODS

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

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

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.

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

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. Changes in Assumptions Since Last Valuation

The RPA '94 current liability interest rate was changed from 4.47% to 4.29% to comply with appropriate guidance. The mortality table for current liability was also updated to the 2012 Static Mortality tables for annuitants and non-annuitants.

B. Actuarial Methods

1. Asset Valuation Method

The method used to value plan assets for funding purposes (i.e., for minimum funding purposes under IRS Code Section 412 and for deductibility under IRS Code Section 404) is that described under Approval #15 of Revenue Procedure 2000-40.

At 1/1/07 the actuarial value is set equal to market value. Going forward the actuarial value is taken to be the market value of assets less unrecognized returns (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.

APPENDIX C
ACTUARIAL ASSUMPTIONS AND METHODS

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 plan 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 plan 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.