United Food and Commercial Workers Unions and Participating Employers Pension Fund

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MINUTES OF THE MEETING OF THE
BOARD OF TRUSTEES OF THE
UFCW UNIONS AND PARTICIPATING EMPLOYERS
PENSION FUND
VIA VIDEO CONFERENCE
DECEMBER 17, 2025
(DRAFT)

The following Trustees were present:

UNION TRUSTEES	EMPLOYER TRUSTEES
J. Chorpenning- Secretary	W. Seehafer - Chairperson
D. Blitzstein	G. Dufault
M. Federici	J. Nesse
J. Harrison	
C. Hoffman	

Also present were:

A. Dietrich - Slevin & Hart P.C.
P. Hardcastle - Cheiron
J. Herron - Associated Administrators, LLC
J. Ianniello - Associated Administrators, LLC
J. Kimble - Morgan, Lewis and Bockius, LLP
C. McDonough - Investment Performance Services
B. McKiver – Local 400
C. Murphy - Associated Administrators, LLC
R. Murray – Cheiron
M. Petrovic – Morgan, Lewis and Bockius, LLP
S. Sanchez - Slevin & Hart P.C.
A. Sims - Associated Administrators, LLC
B. Warren – Cheiron
M. Wilson – Local 400

I. CALL TO ORDER

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

II. MINUTES

Mr. Ianniello presented the previously circulated minutes of the regular meeting held on September 25, 2025.

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

> **RESOLVED, that the minutes of the regular meeting held on September 25, 2025, are approved as presented.**

III. FINANCIAL REPORT

The Trustees welcomed Mr. Chris McDonough from IPS to the meeting.

A. Cash Flow Summary - Combined

Mr. McDonough presented the Master Consulting report as of September 30, 2025. He reviewed the third-quarter cash flow, noting a beginning market value of $90,822,280, net cash flow of $183,627,025, and a net investment gain of $5,026,541, resulting in an ending value for the SFA and non-SFA assets of $279,475,846. Mr. McDonough stated that the Fund's return as of September 30, 2025 was 9%. He noted that all asset allocations are within the Fund's Investment Policy range. Mr. McDonough reported that as of October 31, 2025, the Fund's combined balance was $279,619,211 and the return was 9.2%.

B. SFA Portfolio

Mr. McDonough presented the Master Consulting report for the SFA Portfolio as of September 30, 2025. He reported a beginning market value of $185,359,549, a net investment gain of $1,553,442, and an ending value of $186,912,990. Mr. McDonough reported that as of October 31, 2025, the Fund's SFA portfolio balance was $185,889,451.

C. Legacy Portfolio

Mr. McDonough presented the Master Consulting report for the Legacy Portfolio as of September 30, 2025. He reported a beginning market value of $90,822,280, a negative net cash flow of $1,732,523, and a net investment gain of $3,473,099, resulting in an ending value of $92,562,855. Mr. McDonough reported that as of October 31, 2025, the Fund's Legacy portfolio balance was $ 93,729,760.

D. Asset Allocation and Rebalancing

Mr. McDonough reported on the asset allocation and rebalancing decisions made by the Trustees between meetings based on IPS's recommendation memoranda described below.

Memo #1: October 3, 2025 - IPS recommended reducing the US Large Cap equity allocation by lowering the target from 25% to 20%, lowering the US SMID allocation target from 5% to 2.5%, raising the Fixed Income Intermediate target from 7.50% to 20%, reducing the Opportunity High Yield target from 10% to 7.50%, lowering the Real Estate Core Plus target from 7.50% to 2.50%, lowering the Real Estate Value Add target from 5.0% to 2.50%, and adding Private Credit and Infrastructure as allocation classes, with targets of 7.50% and 10%, respectively.

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

> **RESOLVED, to ratify the Board's approval between meetings of the asset allocation target recommendations in IPS's October 3, 2025 memorandum.**

Memo #2: November 10, 2025 – IPS recommended the following:

Recommendation #1: Rebalance allocations closer to policy by transferring $2 million from Cash reserves and $9 million from the U.S. Large Cap equity asset class, with $3.0 million from Northern Trust, $1.0 million from Westfield, $2.0 million from Wedge, $2.0 million from Loomis Sayles, and $1.0 million from Hardman Johnston.

Recommendation #2: To rebalance the core plus allocation closer to Policy, submit $1.5 million redemption from Intercontinental.

Recommendation #3: To rebalance the core real estate allocation closer to Policy, change the income election for Principal from distribute to reinvest.

Recommendation #4: Hire GCM Grosvenor Private Credit Fund for a $7.5 million mandate for the private credit allocation.

Recommendation #5: Hire IFM Global Infrastructure for a $10.0 million mandate for the infrastructure allocation.

Recommendation #6: To diversify and rebalance the international equity allocation closer to Policy, hire First Eagle International Value for a $2.8 million mandate.

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

> **RESOLVED, to ratify the Board's approval between meetings of the recommendations described in IPS's November 10, 2025 memorandum.**

The Trustees discussed with Mr. McDonough and Fund counsel the rules relating to separation of Legacy assets and SFA assets.

Mr. McDonough reported that in the context of negotiating Chartwell's recent fee decrease, IPS determined that Chartwell owed the Fund a credit of approximately $8,000 as the result of an error in the timing of invoices submitted to the Fund. He stated that IPS would work with Chartwell to apply a credit with interest to resolve this overpayment.

The Trustees discussed the Fund's Legacy investment portfolio and Mr. Seehafer questioned why the overall return was lower than the benchmark for the most recent 10-year period. Mr. McDonough replied that this was largely due to performance over the past three years and stated that IPS would provide more information on this for the next meeting. The Trustees also asked for information on which investment managers automatically deduct fees from the assets under management and which submit invoices to the Fund office. Mr. McDonough said he would assist Mr. Ianniello in compiling a list of providers who submitted invoices versus those that automatically deduct fees.

Mr. McDonough reported that IPS sent letters to all clients regarding changes in IPS's upper management and ownership. He assured the Trustees that IPS would remain 100% employee-owned.

The Trustees thanked Mr. McDonough for his report.

IV. ACTUARY’S REPORT

The Trustees welcomed Mr. Peter Hardcastle, Mr. Brett Warren, and Mr. Robert Murray from Cheiron to the meeting.

A. Stores Closing Impact

Cheiron discussed the impact of additional store closures on Cheiron’s previous projections regarding the Fund’s long-term solvency. The Trustees requested a detailed report on the effect of the recent store closures on the Fund’s solvency projections. Mr. Blitzstein questioned whether the Fund may have a cause of action against Shoppers/UNFI if Shoppers/UNFI had known and failed to disclose information regarding the planned store closings in advance of the Fund’s receipt of SFA. Mr. Hardcastle said that, in hindsight, the CBU assumptions used in the SFA application were incorrect because they did not take into account the drop in contribution base units resulting from the store closures. The Trustees and Mr. Hardcastle discussed the Fund’s return assumption and options for de-risking the Legacy investment portfolio. Mr. Blitzstein noted that IPS should be included in further discussions regarding the Legacy portfolio’s investments. The Trustees agreed to hold a special meeting to discuss the impact of the store closures on January 16, 2026, at 1:30 p.m. via Zoom.

The Trustees thanked Cheiron for their report and excused them from the meeting.

V. ATTORNEYS' REPORT

A. 2025 Rehab Plan Update

Ms. Sanchez presented the proposed 2025 Rehabilitation Plan Update.

On Motion made and seconded, the Trustees voted to approve the following resolution:

> **RESOLVED, to approve the 2025 Rehabilitation Plan Update, as presented.**

B. Cybersecurity Update

Ms. Sanchez reported that all the Fund's vendors had responded to the Fund's cybersecurity questionnaire. She stated that Fund counsel is following up with providers who have not yet executed a cybersecurity contract addendum.

C. Chartwell Agreement & Fee Change Addendum

Ms. Sanchez reported on the Chartwell agreement and fee change addendum.

D. Investment Manager Agreements

Ms. Sanchez reported that counsel is reviewing the Investment Manager documents for IFM, First Eagle and Grosvenor.

E. Form 5500

Ms. Sanchez reported on the Fund's Form 5500.

F. Fiduciary Applications

Ms. Sanchez reported on the Fund's Fiduciary Liability Insurance renewal application.

G. Fidelity Bond Application

Ms. Sanchez reported on the Fund's Fidelity Bond renewal application.

VI. ADMINISTRATIVE MANAGER'S REPORT – Third Quarter 2025 Report

A. Third Quarter 2025 Report

Mr. Ianniello presented the Administrative Manager's Report for the Third Quarter of 2025, which had been pre-circulated. The report showed total income of $187,865,969 and total expenses of $4,952,619, resulting in a net increase of $182,913,350 for the quarter. He noted that the Fund received contributions on behalf of 1,351 Plan participants. He then reviewed the Stipend Income & Expenses, which showed stipend income of $32,400 and stipend expenses of $32,604 for 24 Plan participants.

Mr. Ianniello reported no delinquencies for the Third Quarter of 2025.

B. Pension Applications

Mr. Ianniello presented the list of pension applications submitted for approval during the Third Quarter of 2025.

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

> **RESOLVED, that the pension applications contained in the Administrative Manager's Report for the Third Quarter of 2025 are approved for payment.**

C. Invoices

Mr. Ianniello presented a list of pre-circulated invoices dated December 17, 2025. He noted 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 December 17, 2025, are approved for payment.**

VII. OTHER FUND BUSINESS

A. Cost Sharing

The Trustees discussed cost sharing between the Pension Fund, the UFCW Unions and Participating Employers Health and Welfare Fund and the UFCW Unions and Contributing Employers Legal Fund regarding shared expenses (e.g. insurance policies; payroll audits; IFEBP membership). Mr. Ianniello stated that currently, the Funds split such shared expenses as follows: 40% to the Pension Fund, 40% to the Health and Welfare Fund, and 20% to the Legal Fund. After discussion regarding the needs of each Fund,

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

> **RESOLVED, to update the cost sharing arrangement between the Pension Fund, the Health and Welfare Fund and the Legal Fund as follows: 45% payable by the Pension Fund, 45% payable by the Health & Welfare Fund, and 10% payable by the Legal Fund.**

B. IFEBP Renewal

Mr. Ianniello presented the IFEBP membership renewals.

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

> **RESOLVED, to renew the Fund's membership with IFEBP at a total cost of $1,900.00 to be shared between the Pension, Health & Welfare, and Legal Funds, as agreed upon by the Funds.**

C. Fidelity Bond Renewal

Mr. Ianniello reported that the Fund's Fidelity Bond is set to renew on February 1, 2026, but Associated has not yet received the renewal package.

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

> **RESOLVED, to delegate to the Chairman and the Secretary authority to approve the Fidelity Bond renewal between meetings.**

D. CAPIS Recapture

Mr. Ianniello reported that the Fund received a $198.22 check from CAPIS recapture services.

E. Payroll Audit

Mr. Ianniello reviewed Withum's payroll audit proposal. In the proposal, Withum suggests an audit of Shoppers/Metro in 2026, covering the 2025 Plan year, and audits of the remaining employers in 2027, covering the 2026 Plan year. The Trustees asked that Withum submit a new proposal with fees reflecting an extended audit period beyond one year.

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

> **RESOLVED, to delegate to the Chairman and the Secretary the authority to approve Withum's payroll audit proposal upon receipt of the updated proposal.**

F. Appeal P25/114-1803

The Trustees considered appeal P25/114-1803 and reviewed the related file. Mr. Ianniello noted that at the September 25, 2025, Trustee meeting, the Trustees delegated resolution of this appeal to the Chairman and Secretary. The Trustees requested additional information regarding the appeal.

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

> **RESOLVED, to revoke the prior delegation of this appeal to the Chairman and Secretary; and**
>
> **FURTHER RESOLVED to table the appeal for consideration of additional information and presentation the January 16, 2026, special meeting.**

VIII. 2026 MEETING DATES & LOCATIONS

After discussion, the Trustees selected the following dates and meeting locations for 2026:

March 26, 2026 – 10:00 a.m. – Virtual

June 23, 2026 – 10:00 a.m. – Virtual

September 3, 2026 – 10:00 a.m. - TBD

December 17, 2026 – 10:00 a.m. – TBD

IX. ADJOURNMENT

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

Respectfully Submitted,

Jason Chorpenning, Secretary