United Food and Commercial Workers Unions
and Participating Employers
Pension Fund

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MINUTES OF THE SPECIAL MEETING OF THE BOARD OF TRUSTEES OF THE UFCW UNIONS AND PARTICIPATING EMPLOYERS PENSION FUND VIA VIDEO CONFERENCE DECEMBER 30, 2020

The following Trustees were present:

UNION TRUSTEES
J. Chorpenning – Secretary
Y. Anwar
M. Federici
C. Hoffmann
R. Wildt

EMPLOYER TRUSTEE
B. Seehafer – Chairman
J. Born
J. Ferrer
V. Marsh
S. Loeffler (Independent Employer Trustee)

Also present were:

L. DuVall - Associated Administrators, LLC
A. Hanson – UFCW Local 400
P. Hardcastle - Cheiron
T. Hipkins - UFCW Local 27
J. Ianniello - Associated Administrators, LLC
N. Jacobs – UFCW Local 400
J. Kimble - Morgan, Lewis and Bockius, LLP
C. Murphy - Associated Administrators, LLS
R. Murray - Cheiron
S. Sanchez - Slevin & Hart P.C.
B. Slevin - Slevin & Hart P.C.
L. Walsh – Associated Administrators, LLC
B. Warren – Cheiron

I. CALL TO ORDER

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

II. Appointment of Independent Employer Trustee

Mr. Seehafer stated that SuperValu has appointed Mr. Steven Loeffler as an Independent Employer Trustee. He asked Associated to add Mr. Loeffler to the Fund's fiduciary liability insurance policy.

III. Discussion of Rehabilitation Plan ("RP") and Associated Administrators' Memorandum of Agreement ("MOA")

Trustees Seehafer, Marsh, Born and Ferrer advised that they have determined they should recuse themselves from decisions with regard to: (a) adoption of the 2020 Rehabilitation Plan ("RP") update; and (b) approval of the 2020 Associated MOA because of special circumstances related to those issues. After discussion, the Employer Trustees formally recused themselves from the discussion and any decisions regarding these matters and advised that the independent Employer Trustee, Mr. Loeffler, would act in their place.

Employer Trustees Seehafer, Marsh, Born and Ferrer recused themselves from the meeting.

The remaining Trustees discussed the Fund's current RP and proposed 2020 RP update, including application of the annual contribution rate increases and the goal of the RP.

The Trustees discussed the uncertain future of SuperValu as a Participating Employer in the Fund and the impact of this uncertainty on actuarial projections regarding the Fund. The Board determined that clarifying the RP consistent with the intent of the 2019 Update to the RP would mean that Associated's 2020 MOA complied with the RP. Co-counsel will present clarified RP language to the Board once it is finalized. The Board will update the RP based upon the results of negotiations by the bargaining parties to provide for ongoing annual increases in accordance with the Trustees' intent regarding achievable goals of the RP. The Trustees agreed to approve a revised RP in 2021 based on Local 27 and 400's negotiations whth SuperValu. Trustee Loeffler asked to review the motion in writing before approving. Mr. Slevin agreed to provide it.

After discussion, the Board confirmed its interpretation that the 2019 RP requires all participating employers in the Fund to annually increase their contribution rates by 8.7%. Also, after discussion,

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

> **RESOLVED, to adopt the 2020 RP update to reflect: (i) a change to Section II to reflect the Trustees' acknowledgment that the Locals and Shoppers are currently negotiating a collective bargaining agreement and the parties are evaluating various options, including exploring a transfer of assets and liabilities to another plan, which, if agreed to, is likely to be in the best interest of the participants and beneficiaries of the Fund as compared to a change in the Schedules; (ii) there is the possibility that the bargaining parties will negotiate a Shoppers withdrawal from the Fund, which would result in more income than any contribution increases that the Board of Trustees would likely adopt in a Schedule; and (iii) the Trustees will update the Rehabilitation Plan for 2021 by June 30, 2021; and, therefore, the Trustees will monitor these developments during 2021 and further update the RP as appropriate.**

The Trustees discussed the 2020 Associated MOA. After discussion,

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

> **RESOLVED, to adopt the Memorandum of Agreement between Associated Administrators and UFCW Locals 400 and 27.**

IV. ADJOURNMENT

There being no further business, the meeting was adjourned.

Respectfully Submitted,

Jason Chorpenning, Secretary

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