

**ALASKA UNITED
FOOD AND COMMERCIAL WORKERS
PENSION FUND**

**United Food and Commercial Workers
Local Union #1496**

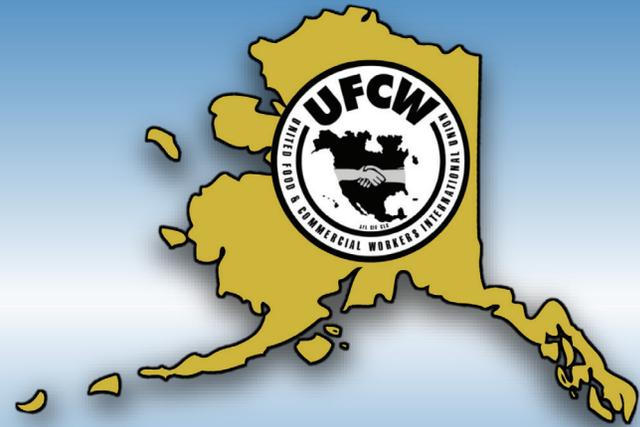
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**Summary Plan Description and Plan Document
January 2017**

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To All Participants:

We are pleased to provide you with this revised booklet which describes the benefits of your Pension Plan. Since the Plan was established in 1970, the benefits have been improved many times. This booklet incorporates all changes made prior to January 1, 2013.

This booklet applies to active participants in the Alaska United Food and Commercial Workers Pension Fund on or after January 1, 2017. If you terminated or retired prior to that date, you should consult the booklet in effect on that date.

If you have any questions about your participation, eligibility for benefits, or about any matter of Trust Fund or Pension Plan administration, you should contact the Administration Office.

Administration Office

Alaska United Food and Commercial Workers Pension Fund

Labor Trust Services, Inc.

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P.O. Box 93870

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Telephone Numbers: (907) 561-5119

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Website: www.akufcwtrust.com

Only the Administration Office is authorized by the Board of Trustees to answer your questions. No participating employer, employer association, or labor organization or its employees has any authority to answer your questions.

We urge you to read this booklet carefully. You should keep it with your other important papers, so that you can refer to it when you terminate, change jobs, or retire. If you have any questions about your pension situation, you should contact your Administration Office.

Sincerely,

Board of Trustees

Employer Trustees:

Frank Jorgensen

Robert McLauchlin

H.L. "Buzz" Ravenscraft

Union Trustees:

Gaither "Buster" Martin

Silvana Tirban

Walter Stuart

Alaska United Food and Commercial Workers Pension Fund
Summary Description Plan

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This booklet is a summary of the important provisions of the Plan and is not intended to serve as a legal document. If there is any discrepancy between this summary and the Plan and Trust documents, the Plan and Trust documents will govern. This booklet is not an agreement of employment.

Introduction

This Plan provides monthly retirement income for eligible participants and their surviving spouse at retirement. Benefits you receive are based on your service with a contributing employer and the level of contributions made on your behalf.

Here's an overview of some of the Plan's key features:

Alaska UFCW Pension Plan Highlights	
Who is Eligible	Employees of contributing employers who are required to make contributions on your behalf. You must complete at least 375 covered hours of service in a calendar year to earn a year of "credited service."
When Participation Begins	First day of the month for which employer contributions are required.
Cost of the Plan	The Plan is funded by your employer's contributions. You do not contribute.
How Benefits Are Determined	Your benefits are determined based on your service with a contributing employer and the level of contributions made on your behalf. See the section called "How Your Accrued Benefit is Determined" on page 10 for more information.
Vesting	<ul style="list-style-type: none">• You become vested in your retirement benefit when you have completed five or more years of service or on your normal retirement date if you are still actively employed on that date.• If you terminate employment before you are vested, you forfeit your benefits under this Plan. Forfeited benefits may be restored if you are later reemployed, as long as you do not incur a five year break-in-service.
When Benefits May Begin	<ul style="list-style-type: none">• You may retire and begin receiving reduced early retirement benefits from this Plan as early as age 50 if you have completed five or more years of service.• Unreduced retirement benefits are available at your normal retirement date. Normal retirement

	is generally age 57 with at least five years of service for benefits earned prior to April 1, 2009 or age 65 with at least five years of service for benefits earned on and after April 1, 2009. (See page 13 for more information.)
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These are just the highlights. It's important to read this entire booklet carefully.

Employee Statements

At your request, the Plan will provide you with one personal benefit statement per year. You should check the information carefully and advise the Administration Office of any necessary corrections.

Cost of the Plan

This Plan is funded by your employer's contributions. The hourly rate of your employer's contribution is determined by a collective bargaining agreement or by a special written agreement between your employer and the Trustees. You are not required or permitted to contribute to the Plan.

A copy of the collective bargaining agreement and other information about your status, rights and privileges under the Plan is available for inspection at the Administration Office. A copy of the collective bargaining agreement may be obtained by writing to the Administration Office. You will be charged \$0.25 per page for the reproduction.

Participation

If your employer is required to make contributions to this Plan on your behalf by the terms of a collective bargaining agreement or a special agreement with the Trustees, you are automatically covered by the Plan effective the first day of the month for which employer contributions are required.

A complete listing of contributing employers is available to participants and beneficiaries for inspection at the Administration Office. In addition, a participant or beneficiary may upon written request obtain a list of the contributing employers or information as to whether a particular employer is a contributing employer and the employer's address.

Individual proprietors, partners or other self-employed persons, corporate officers, individuals excluded by the Labor Management Relations Act,

and substantial shareholders (generally 10% shareholders) are not eligible to participate in the Plan.

As a participant, you will be classified in one of the following categories of participation:

1. You are an **“Active Participant”** if employer contributions are being made for you, you have not terminated participation under the Plan, you are not currently receiving benefits under the Plan and you are not an “Inactive Participant,” as described below.
2. You are an **“Inactive Participant”** if you were an Active Participant and are either earning “Uncovered Hours of Service” towards vesting (see page 8) or are currently on an approved leave of absence (described on page 21).
3. You are a **“Terminated Vested Participant”** if you have a vested interest in the Plan and are not currently receiving benefit payments under the Plan but have terminated Plan participation (described on page 21).
4. You are a **“Terminated Non-Vested Participant”** if you have terminated Plan participation, do not have a vested interest in the Plan, are not earning “Uncovered Hours of Service” towards vesting and are not on an approved leave of absence.
5. You are a **“Retired Participant”** if you were an Active or Terminated Vested Participant but are now receiving benefit payments under the Plan.

How Service is Measured

Your eligibility for a benefit and the amount of benefit you are eligible for are based on your service with a contributing employer and the level of contributions made on your behalf. You must complete at least 375 covered hours of service in a calendar year to earn a year of credited service. Covered hours of service include all hours for which an employee is paid or entitled to payment (and for which an employer contribution to the Trust is required) on account of working, absence due to vacation, holiday, illness, incapacity, layoff, jury duty, military duty or leave of absence, or a back pay award. Hours in excess of the maximum hours per month recognized under a collective bargaining agreement are not counted.

Years of service are determined in the same manner as credited service (described above) with two exceptions:

1. "Uncovered hours of service." Beginning January 1, 1976, or the date your employer first contributes to the Plan (whichever is later), your hours worked in a job classification not covered by a collective bargaining agreement will be counted toward meeting the 375 required minimum hours to prevent a break-in-service and for determining whether your retirement benefit is vested, if you are continuously employed by the same employer and your uncovered hours follow your covered hours of service.
2. Maternity or paternity absence. If you earn less than 375 hours of service due to the birth or adoption of a child, you will be credited with enough additional hours of service to reach the minimum of 375 hours of service either in the calendar year of the birth or adoption or in the following calendar year. Hours credited for maternity or paternity absence will only be counted in determining whether you have a break-in-service and not for vesting or earning benefits under the Plan.

Also, only for purposes of determining whether there has been a break-in-service, hours of service include the following unpaid periods:

- Absence for military service.
- Absence for at least six months due to illness or injury which prevents you from working. The Trustees must approve the absence, and only the first two years of an absence will be counted.
- Absence for at least six months due to strike or lockout.

Hours of service during an absence are credited according to your regular work schedule, or eight hours per day if your regular schedule cannot be determined.

Calendar years in which you fail to work 375 hours of service will be counted as a break-in-service.

Service Used in Determining Benefits

The amount of benefit payable from the Plan is based on your covered hours of service and credited service. Your credited service is made up of credited past service and credited future service.

Credited Past Service

Credited past service generally is the number of your completed years of continuous service with a contributing employer starting from the date the employer was first required to contribute to the Plan or before January 1, 1970, whichever is later. Service before January 1, 1950 does not count. You are not entitled to credited past service unless you were employed by the contributing employer on the date the employer was first required to contribute to the Plan. You are responsible for proving that you were employed by the contributing employer in those prior years. The Trustees will determine the maximum number of years of credited past service allowed with respect to your employer.

In order to receive credited past service, you must have worked at least 375 covered hours of service either in the first calendar year that your employer was required to contribute to the Plan or in the next calendar year. In addition, to receive credited past service, you must complete at least five years of credited future service.

If your employer withdraws from participation in the Plan and you have not retired or terminated, the Trustees may withdraw their former grant of credited past service for your employer, and your credited past service will be forfeited.

Completed years of continuous service may be calculated using either of the following methods, whichever results in the most credited past service:

- **Method 1:** You are entitled to one year of credited past service for each calendar year before your employer became a contributing employer in which you were a member in good standing with your Local Union No. 1496 (Anchorage) or, prior to January 1, 1987, Local No. 1689 (Fairbanks), of the United Food & Commercial Workers, International Union, AFL-CIO, and any other lawful labor organization that the Trustees allow to participate in this Plan. If your latest Union membership date was before December 1, you will be credited with a full year of past service for that calendar year. If you let your Union membership lapse for a period of more than 12 consecutive months, your service prior to such a break in membership will not be counted.
- **Method 2:** You are entitled to one year of credited past service for each consecutive 12-month period preceding the first day of the month in which your employer became a contributing employer in which you worked at least 1,000 hours in the industry. Working in the industry means past continuous employment with your current employer or with any other employer participating in this Plan in any job classification

included in a collective bargaining agreement (whether or not the collective bargaining agreement existed at that time) in an operation and within the area covered by this Plan. In addition, it means past employment under an agreement between any Union and an employer that was the same or similar to employment with employers participating in this Plan, but with an employer that is no longer in business. If you do not work at least 1,000 hours in the industry during a year, service prior to that year will not be counted.

Credited Future Service

Credited future service is based on your covered hours of service in each calendar year after the date your employer first contributed to the Plan for you. A covered hour of service is an hour for which your employer is required to contribute to the Plan on your behalf.

For each calendar year in which you complete 375 covered hours of service, you will be entitled to a year of credited future service. Excess covered hours may not be carried over to the next year.

You cannot earn more than one year of credited service in any one calendar year.

How Your Accrued Benefit is Determined

Your accrued benefit is the total of your past service benefit plus your future service benefit. Your accrued benefit is payable monthly, beginning at normal retirement, in the form of a Single Life option.

Read the following section for information about how your past service benefit and future service benefit are determined. You can also refer to the section called "Examples" starting on page 24 to see how one fictional participant's accrued benefit is calculated.

Past Service Benefit

For each year of your credited past service, you receive a month's past service credit as follows:

Under These Conditions and Circumstances:	The Amount of Monthly Past Service Benefit Is:	For This Credited Past Service:
Termination or retirement on or before 12/31/1972	\$ 9.50	
Termination or retirement 1/1/1973 through 12/1/1975	\$20.00	
Termination or retirement 12/2/1975 through 12/31/1977	\$30.00	
Termination or retirement after 12/31/1977	\$40.00	Each year commencing prior to 1/1/1980
Termination or retirement after 12/31/1977 and employer contributes at the highest contribution rate collectively bargained by Carrs or Safeway as of participant's most recent termination date	\$40.00	Each year commencing on and after 1/1/1980
Termination or retirement after 1/1/1980 and employer contributes less than the highest contribution rate collectively bargained by Carrs or Safeway as of participant's most recent termination date	\$20.00	Each year commencing on and after 1/1/1980

Future Service Benefit

For each year of your credited future service, you are credited with a monthly future service benefit as follows:

For Service Earned During This Time Period...	Your Future Service Benefit Is...
On or before December 31, 1991	\$0.0378 X covered hours of service
January 1, 1992 through December 31, 1998	4.45% of employer contributions
January 1, 1999 through December 31, 2003	4.3% of employer contributions
January 1, 2004 through March 31, 2009	2.5% of employer contributions
April 1, 2009 through February 28, 2010	0.0% of employer contributions
March 1, 2010 and later	1.0% of employer contributions

In order to be entitled to a future service benefit for any year, you must have earned at least 375 covered hours of employment during the calendar year (a year of credited future service).

Please note, the future service benefits shown in the chart above apply to active Plan participants who:

- Retire on or after March 1, 2010, and
- Have one year of credited service on or after March 1, 2010.

If you are a terminated vested participant or a terminated non-vested participant without a break-in-service as of March 1, 2010, you return to covered employment and earn one year of credited service, all your future service (both before and after termination) will be calculated using the table shown above.

If you are not in one of these categories (for example, you retired before March 1, 2010), your credited future service will be calculated based on the Plan provisions in effect at that time. Call the Administration Office if you have questions about how your future service was determined.

When Benefits May Begin

Benefits may begin when you are eligible for and decide to take early, normal or deferred retirement. If you choose to retire early, your monthly benefit will be reduced as described later in this section.

Normal Retirement

Your normal retirement date is generally:

For benefits earned prior to April 1, 2009, the earlier of either:

- The first of the month after you reach age 57 with at least five years of service, or
- The first of the month after you reach age 65 with at least one year of service in the current or preceding calendar year.

For benefits earned on and after April 1, 2009

- The first of the month after you reach age 65 with at least five years of service

However, the Plan's rules for determining your normal retirement date are more complex than this and your normal retirement date may be slightly different, based on these rules. The complete Plan rules are as follows:

Normal retirement date:

(a) For benefits earned prior to April 1, 2009 is the earlier of:

i. The later of:

- 1) The first day of the first month after you reach age 57 (but use your actual birthday if it is on the first of a month); or, the first anniversary of the date your employer was first required to contribute to the Plan according to a collective bargaining agreement, whichever is later; or
- 2) The earlier of the date you:
 - a) Complete five or more years of service, at least one year of which is credited future service; or
 - b) Complete one year of service in the current or preceding year and have had the tenth anniversary of the first day of the month in which employer contributions were first made or owed

on your behalf during any year of service which is not forfeited.

- ii. The date you complete one year of service in the current or preceding year, reach age 65 and have had the fifth anniversary of the first day of the month in which employer contributions were first made or owed on your behalf during any year of service which is not forfeited.

(b) For benefits earned on and after April 1, 2009 the later of:

- i. The first day of the month after you reach age 65 (but use your actual birthday if it is on the first of a month); or
- ii. The fifth anniversary of the month in which Employer contributions were first made or owed on your behalf during any year of service.

Call the Administration Office for help determining your Normal Retirement Date(s).

If you retire on your normal retirement date, your monthly retirement income will be based on the accrued benefit you have earned as of your normal retirement date. Your monthly retirement income will be adjusted based on form of payment you elect (see Retirement Payment Options, page 17).

Early Retirement

You may choose to retire early if you are at least 50 years old, have completed five or more years of service, and you stop working for your current employer. You must make your election in writing.

If you retire on an early retirement date, your monthly retirement income will be your accrued benefit as of your early retirement date **reduced** 6.5% for each year that your early retirement date precedes your normal retirement date.

This reduction in your monthly early retirement income is because benefits are expected to be paid for a longer period than if they began at your normal retirement date. Your monthly benefit will be reduced further if you elect a payment option that provides for payments to your spouse to continue after your death (see Retirement Payment Options, page 17).

Deferred Retirement

If you choose to continue working after your normal retirement date, you will be eligible for a deferred retirement as of the first day of any month after you actually stop working. Your deferred retirement date must not be later than April 1 of the year after the year in which you reach age 70½ or the date you stop working, whichever is later. If you continue working after age 70½ you may choose, but are not required, to begin receiving benefits on the April 1 following the calendar year in which you turn age 70½.

If you retire on a deferred retirement date, your monthly retirement benefit will be your accrued benefit earned as of your deferred retirement date (but no less than the amount you would have received if you had retired on your normal retirement date **increased** to reflect the fact you delayed the start of your benefits). Your monthly retirement income will be reduced if you choose a payment option that provides for payments to continue to your spouse after your death (see Retirement Payment Options, page 17).

If you keep working after your deferred retirement date and after you start receiving benefits (at age 70½) your benefit amount will be recalculated and adjusted each year.

Applying for Retirement Benefits

When you decide to retire, ask the Administration Office for an Application for Retirement form. Complete the application and submit it to the Administration Office along with proof of age (for you and your spouse, if you're married), proof of marriage, and documentation of any name changes (as described on the next page).

When the Administration Office receives your application, the Trustees will determine if you are eligible for a benefit under the Plan. If you are eligible, the Trustees will send you a written explanation of the retirement payment forms available to you and the amount of your monthly retirement benefit under each of the applicable payment options. Based on this information, you should select the form of payment that best fits your personal circumstances. If you are married, some payment options you choose will require your spouse's written, notarized consent.

You should submit your application at least 60 days before you wish to retire. You may choose to begin receiving your benefit as of the first day of any month in the 90-day period following the date of your application. You may take at least 30 days to decide which payment option you want.

If you and your spouse decide to waive this 30-day period on your application form, your benefit still cannot begin until at least eight days after the application is sent to you.

Normally your benefit will begin on the first of the month following the date your application was received, provided you have ceased working and your completed paperwork is received no later than the 20th of the month.

Application Forms

You may also choose a retroactive benefit start date as long as the date you choose is after the date the Trustees provide a written description of the forms of benefit to you.

If you have any questions, please call the Administration Office.

Proof of Age

Because the Plan requires proof of your date of birth as a condition of benefit payment when you retire, you must provide proof of age (and your spouse's age) before your benefits can start. Documents that will substantiate date of birth are as follows:

One of the following:	Or any two of the following:
<ul style="list-style-type: none">• Birth certificate• Infant baptismal certificate	<ul style="list-style-type: none">• Passport• Naturalization papers• Family bible entries• Marriage license• Early school records• U.S. census report*• Life insurance policies*• U.S. military service records <p><i>* Must be at least 10 years old</i></p>

Note: *If the name shown on any document differs from the present name, a copy of the court order, marriage license, or other document recording the name change must be submitted for identification purposes.*

Retirement Payment Options

The Plan provides several different payment options when you retire. Although the amount of retirement income you receive each month differs under each option, the expected “actuarial” value for all of the payment options is the same.

If you are married and do not select a form of payment, your monthly retirement income will automatically be paid as a 100% Spouse Option. If you are single and do not select a form of payment, your monthly retirement income will automatically be paid as a Single Life option.

Very small benefits will not be paid monthly. Instead, the value of these payments as of your date of termination, retirement, or death and will be paid as a single lump sum. You will receive a direct rollover notice and will have 60 days to make a rollover election.

Single Life Option

This form of payment will provide you with monthly retirement income based on the accrued benefit you are entitled to as of your retirement date. The monthly payments will begin on your retirement date and will end when you die. No further payments are payable following your death.

Spouse Options

If you choose a Spouse Option, your monthly benefit amount is reduced to guarantee a lifetime income to your surviving spouse if you die first. You receive this reduced amount for life and, if you die before your spouse, your spouse receives a lifetime monthly income as follows:

- A **50% Spouse Option** gives your spouse half the amount you were receiving before your death.
- A **66²/₃% Spouse Option** gives your spouse 66²/₃% of the amount you were receiving before your death.
- A **100% Spouse Option** gives your spouse the same amount you were receiving before your death.

If you are married when you retire, your benefit will automatically be paid as a 100% Spouse Option unless you choose a different payment option.

If you elect a Spouse Option, you must submit proof of your spouse's age, proof of your marriage, and proof of any name changes of you or your spouse.

Spousal Consent Requirements

If you are married and elect the Single Life option when you retire, your spouse must consent to this election in writing, on the official Plan form, witnessed by a notary public, and submitted during the 90 days before the first payment is made. You may choose any of the Plan's Spouse Options without having to provide the written consent of your spouse.

Reemployment After Retirement

Your monthly retirement benefits will be suspended during any month in which you return to active, covered post-retirement service for at least 40 hours per month or more. If you return to work, you must immediately notify the Administration Office. Your benefits will be suspended as long as you continue to work at least 40 hours per month, but they will be reinstated when you return to retirement or you reach age 70½, whichever comes first. When your benefits are reinstated, they will be in an amount that is no less than your initial retirement benefit.

You are considered to be reemployed in "post retirement service" if you work 40 or more covered hours of service in any month (defined as the calendar month or the four- or five- week pay period ending in a calendar month) in the industry, in the same trade or craft and in the same geographic area. These terms are defined below:

- *Industry* means any organization which is engaged in retail business as a supermarket, grocery store, super-drugstore, general merchandise store, drug store, liquor store, convenience food store, retail bakery or meat market.
- *Trade or Craft* is any work handling, selling, processing, servicing, or cashiering of any merchandise in any business under "Industry" above. Trade or craft shall also include any work as a supervisor, sole proprietor, partner, or corporate owner.
- *Geographic Area* is employment in the state of Alaska.

If you engage in post-retirement employment, you must provide the Administration Office any information regarding employment after retirement during the first calendar month of the employment, including Social Security and income tax records. If you fail to provide this information and the Administration Office becomes aware that you are

employed post-retirement, your retirement benefits will be suspended for every month of noncompliance, in accordance with the provisions of the regulations of the United States Department of Labor.

“Post retirement service” shall also include any employer within the state of Alaska, as an employee covered under a special or bargained agreement; as a paid officer or employee of a union or other employee labor organization; or as an employee of the Trust Fund or any related Trust Fund, or as an employee of a third party administrator, if the participant was ever treated as a special, associate or covered employee or credited with covered hours of employment on the basis of such employment.

If benefits are suspended, the Administration Office will notify you of the reasons for the suspension during the first calendar month that payments are suspended.

You must notify the Administration Office upon your return to retirement during the first calendar month after you stop post-retirement service. Suspended benefit payments will resume no later than the first day of the third month after the month in which you stop post-retirement service. The first payment will include benefits for the months (or four- or five-week pay periods ending in a month) in which you completed less than 40 hours of post-retirement service.

If you receive a benefit for any month you were working 40 or more hours (or four- or five- week pay periods ending in a calendar month) the Administrator will reduce your first benefit payment by the amount of benefits paid during post-retirement service. If the overpayment amount is larger than the first payment, a portion of your future monthly checks will be withheld to repay the trust. You will receive 75% of your future pension benefits until the full amount has been repaid.

If you earn additional credited service by working at least 375 covered hours of service in a calendar year, your pension benefit will be re-determined. Your new benefit will take into account this additional service plus the benefit you earned previously. If you earn an additional benefit after your Normal Retirement Date, it will be paid according to your most recent payment election.

Cost of Living Adjustments

The Plan does not provide regular cost of living adjustments to your monthly retirement benefits. However, the Trustees have in the past from

time to time authorized one-time cost of living adjustments for retired participants. Past cost of living adjustments were as follows:

Past Cost of Living Adjustments	
Effective Date	Increase to Monthly Retirement Benefits
1/1/1994	3.0%
4/1/1999	3.5%
4/1/2000	5.0%

A special, one-time extra monthly payment of 105% of the monthly benefit was also paid to retired participants as of March 1, 2000.

The Trustees are not obligated to make any future increases or payments.

Vesting

Your retirement benefit becomes vested when you have completed five or more years of service. Your retirement benefit will also become vested upon your normal retirement date if you are still an employee on that date.

If your participation in the Plan ends before you are eligible for early or normal retirement but after your retirement benefit has vested, you will be entitled to a monthly retirement benefit beginning on your early or normal retirement date. If your participation ends before you are vested, you forfeit Plan benefits.

The amount of your monthly retirement benefit will be based on your accrued benefit and the terms of the Plan as of your most recent date of Active Participation and will be subject to the normal or early retirement provisions, depending on when you choose to have monthly payments begin.

Reciprocity (Service with Related Plans) and Vesting

“Reciprocity” refers to agreements between various retail clerks and Amalgamated Meats pension plans under which each plan recognizes continuous service in the various Plans to determine whether you have a vested right to a benefit. Reciprocity is a “two-way street.” It applied to

employees who leave this Plan and go to a related Plan, and to employees who enter this Plan from a related Plan.

A related Plan is another retirement Plan that has agreed with this Plan to exchange and recognize service credits earned by employees who work in both Plans. The following related Plans have been recognized by this Plan:

- Retail Clerks Pension Trust (Washington)
- Washington Meat Industry Pension Fund
- Clark County Employers and Retail Clerks 942 Pension Trust
- Denver Area Meat Cutters & Employers Pension Trust
- Oregon Retail Employees Pension Trust
- Northern California Retail Clerks Unions Food Employers Joint Pension Trust
- Rocky Mountain UFCW Unions & Employers Pension Trust (formerly Denver Area Trust)
- Intermountain Retail Store Employees Pension Trust
- Retail Drug Clerks #1001
- Desert States Plan
- Oregon Federation of Butchers

The list may change from time to time. Contact the Administration Office for more information.

Hours of service you earn while a member of a related Plan will be counted by this Plan for vesting if you have earned at least one year of credited future service under this Plan. Also, hours of service under a related Plan will be considered in determining whether you worked enough hours to avoid a break-in-service and whether you have been in continuous service for purposes of credited past service.

When you retire, the service credits you earned while a member of a related Plan will be added to the service credits you earned while a member of this Plan in determining whether you meet the requirements for vesting under the Plan. The maximum amount of service credit you may earn in one calendar year using reciprocity is one year of service from either the related Plan or this Plan, but not both. You will receive credit for a year in the plan under which you worked the longest during that year.

Termination of Participation

Your participation in the Plan ends on the date you incur a break-in-service or the date an approved leave of absence ends, if later.

A leave of absence is approved if it lasts at least six months and due to:

- One period of voluntary enlistment in military service and all periods of conscription.
- Illness or injury that prevents you from working; the Trustees must approve the absence and it may not exceed two years.
- Other reasons approved by the Trustees, up to two years.
- Strike or lock-out.

Absences will not be approved if due to unlawful drug use or legal drug use if you are required but fail to attend a rehabilitation program.

If you terminate Plan participation before you are vested (see below) and you have five consecutive breaks-in-service, you will lose all of your past and future service benefits earned before your termination.

Break-in-Service

If you earn less than 375 hours of credited service in a calendar year, you will have a break-in-service for that year. If you incur five consecutive breaks-in-service, your Plan participation will terminate.

Reemployment After Termination

Vested Participants: If you are a terminated vested participant and you are later reemployed by a contributing employer, all the benefits you earn after your reemployment will be added to those you earned before your termination.

Non-vested Participants: If your Plan participation terminated before you were vested and you are later reemployed, you may be eligible to have your service and accrued benefit reinstated if both the following apply:

- You are reemployed by a contributing employer, and
- You return before incurring a break-in-service equal to the larger of five consecutive years or the number of years of service preceding the break-in-service.

Death Benefits

If You Die Before Retirement – Married

If you are vested, married, and die **before** your earliest retirement date, your surviving spouse will receive a monthly benefit for life equal to the amount your spouse would have received if you terminated service the day you died, survived to your earliest retirement date, elected the 50% Spouse Option form of payment and died immediately after retiring. These monthly payments will begin on your earliest retirement date unless your surviving spouse elects to postpone the commencement of benefits to the first day of any month on or before the date that would have been your normal retirement date if you had survived.

If you are vested, married, and die **after** your earliest retirement date, but before you begin receiving benefits, your surviving spouse is entitled to a 50% Spouse Option. The benefit is equal to the amount he or she would have been entitled to if you had elected the 50% Spouse Option and retired the day before you died. The benefit is payable monthly beginning the first of the month following your date of death unless your surviving spouse decides to postpone receiving benefits to the first day of any month on or before the date that would have been your normal retirement date if you had survived.

As an alternative, your spouse may receive the actuarial equivalent of the applicable 50% Spouse Option form of payment described above in equal monthly installments over a 24-month period or until the spouse's death, whichever occurs first.

If You Die After Retirement

If you die after you retire, the form of payment you chose when you retired will determine the death benefit that may be payable to your surviving spouse. If you die and do not have a surviving spouse (if married), no death benefits are payable.

If You Die While in Qualified Military Service

In the case of a participant who dies on or after January 1, 2007 while performing qualified military service, the survivors of the participant are entitled to any additional benefits (other than benefit accruals relating to the period of military service) from the Plan as if the participant had resumed covered employment and then terminated employment on account of death.

Retiree Medical Benefits

If you are covered under the Retiree Medical Plan provided by the Alaska U.F.C.W. Health and Welfare Fund, medical benefits may be provided to you, your spouse and dependents under this Plan. These benefits are subject to certain limitations. Furthermore, the Trustees have the right to amend or terminate retiree medical benefits and/or the Retiree Medical Plan at any time. You should refer to the Summary Plan Description for the Alaska U.F.C.W. Health and Welfare Fund for more information regarding eligibility and benefits under that plan.

Examples

The following examples are intended to help you better understand your benefit. They are for illustration purposes only. If you have specific questions about the way your benefit is calculated, please contact the Administration Office.

Normal Retirement

Bill Jackson decides to retire on January 1, 2014 from an employer who has contributed at the highest collectively-bargained rate. He will be age 57 (normal retirement for benefits earned prior to April 1, 2009). Let's further assume that Bill has 10 years of credited past service and that, during his 26 years of future service beginning January 1, 1987, he worked 40,000 covered hours: 8,500 hours before January 1, 1992, 18,000 hours from January 1, 1992 through December 31, 2003, 7,875 hours from January 1, 2004 through March 31, 2009, 1,375 hours from April 1, 2009 through February 28, 2010, and 4,250 hours from March 1, 2010 through December 31, 2013. Also, assume his employer contributed 85¢ for each covered hour Bill worked after December 31, 1991.

Bill's accrued benefit earned up to his normal retirement date is determined as follows:

1. Monthly Past Service Benefit

$\$40 \times 10$ years of credited past service = **\$400.00/month**

2. Monthly Future Service Benefit Earned Prior to April 1, 2009

For the period January 1, 1987 through December 31, 1991:
8,500 covered hours of employment x \$0.0378 = **\$321.30/month**

+

For the period January 1, 1992 through December 31, 1998:
 10,500 covered hours of employment x .85 x 4.45% =
\$397.16/month

+

For the period January 1, 1999 through December 31, 2003:
 7,500 covered hours of employment x .85 x 4.3% = **\$274.13/month**

+

For the period January 1, 2004 through March 31, 2009:
 7,875 covered hours of employment x .85 x 2.5% = **\$167.34/month**

**Total Monthly Accrued Benefit Payable at age 57 =
 \$1,559.93/month**

3. Monthly Future Service Benefit Earned on and after April 1, 2009

For the period April 1, 2009 through February 28, 2010:
 1,375 covered hours of employment x .85 x 0.00% = **\$0.00/month**

+

For the period March 1, 2010 through December 31, 2013:
 4,250 covered hours of employment x .85 x 1.0% = **\$36.13/month**

Total Monthly Accrued Benefit Payable at age 65 = \$36.13/month

Bill can either wait until age 65 to receive the \$36.13 per month or he can receive it early subject to the reduction for early retirement.

If Bill is married and his wife is five years younger, the monthly retirement income available under the available retirement payment options is as follows:

Forms of Payment	Monthly Payment to Bill at Age 57	Monthly Payment to Bill's Wife After His Death
Single Life	\$1,559.93	\$0
50% Spouse Option	\$1,418.54	\$709.27
66% Spouse Option	\$1,376.27	\$917.51
100% Spouse Option	\$1,298.85	\$1,298.85

Forms of Payment	Additional Monthly Payment to Bill at Age 65	Monthly Payment to Bill's Wife After His Death
Single Life Option	\$36.13	\$0
50% Spouse Option	\$31.87	\$15.94
66% Spouse Option	\$30.62	\$20.42
100% Spouse Option	\$28.41	\$28.41

Early Retirement

Let's again assume that Bill Jackson decides to retire on January 1, 2014, but that he will only be age 55 at that time. The facts are the same as in the Normal Retirement example except that it will be an early retirement instead of a normal retirement with all benefits payable at age 55.

Since Bill's retirement income payments will begin before his normal retirement date, his accrued benefit of \$1,559.93 payable at 57 and \$36.13 payable at 65 are adjusted to reflect the additional monthly payments he is expected to receive over his lifetime. His monthly accrued benefit is reduced by 6.5% for each year that Bill's early retirement date (age 55) precedes his normal retirement date (ages 57 and 65).

This results in a reduction of 13% (6.50% x 2 years) for the benefit earned prior to April 1, 2009 and a reduction of 65% (6.50% x 10 years) for the benefit earned on and after April 1, 2009. Therefore, the monthly benefit payable to Bill beginning at age 55 is \$1,369.78 ($\$1,559.93 \times 87\% + \$36.13 \times 35\%$).

Monthly retirement income available under the available retirement payment options is as follows:

Forms of Payment	Monthly Payment to Bill	Monthly Payment to Bill's Wife After His Death
Single Life Option	\$1,369.78	\$0
50% Spouse Option	\$1,254.42	\$627.21
66% Spouse Option	\$1,219.68	\$813.12
100% Spouse Option	\$1,155.67	\$1,155.67

Important Information

Income Tax Highlights

Before you begin receiving Plan benefits, you should consult your tax advisor for information about current federal and state tax laws and how they apply to your situation.

However, distributions you receive from this Plan are taxable income for federal income tax purposes. If your benefits are paid monthly under a single life option or a spouse option, you may elect whether or not to have income tax withheld from your payments. State income tax may also apply; check with your tax advisor.

A more detailed "Special Tax Notice Regarding Plan Payments" will be sent to you before you begin receiving Plan benefits. You may request a copy by calling the Administration Office.

Limitations on Benefits

There are federal laws that limit the maximum amount you can receive under the Plan. The limits have been set very high and you will be notified if they ever apply to you.

The Future of the Plan

Although the Board of Trustees intends to continue this Plan indefinitely, it reserves the right to change or discontinue the Plan at any time, unless precluded by the terms of a collective bargaining agreement. It cannot be changed, however, in a way that would reduce the rights you have

accrued under the Plan prior to the change, nor can the Plan assets be used for anything other than to provide benefits to participants and beneficiaries or to pay Plan administrative expenses.

Protection of Benefits

Generally, your benefits under the Plan may not be assigned, sold, transferred, encumbered or used to secure debts, and are not subject to attachment, garnishment, or any other legal process. The law provides exceptions with respect to benefits payable pursuant to qualified domestic relations orders (QDRO) and for collection of federal taxes. A QDRO is a court order, judgment or decree which governs child support, spousal support or alimony, or marital property rights. Payments under a QDRO may begin, after you are vested, on the earliest date you could retire, even if you continue to work after that date.

Contact the Administration Office for more information about QDROs.

Name of Plan

This Plan is known as the Alaska United Food and Commercial Workers Pension Fund.

Plan Administrator—Agent for Legal Process

This Plan is maintained and administered by a joint labor-management Board of Trustees. The name, address and telephone number for the Board of Trustees and the Plan Administrator is:

Board of Trustees of the
Alaska United Food and Commercial Workers Pension Fund
c/o Labor Trust Services, Inc.
375 W. 36th Avenue, Suite 200
P.O. Box 93870
Anchorage, Alaska 99509-3870
Telephone: (907) 561-5119 or (800) 478-8329

A list of participating employers and labor organizations can be examined at this office. Each member of the Board of Trustees and the Plan Administrator is an agent for purposes of accepting service of legal process on behalf of this Plan.

Contract Trust Administrator

The name, address and telephone number for the Contract Trust Administrator is:

Labor Trust Services, Inc.
375 W. 36th Avenue, Suite 200
P.O. Box 93870
Anchorage, Alaska 99509-3870
Telephone: (907) 561-5119 or (800) 478-8329
www.akucwtrust.com

Members of the Board of Trustees

Union Trustees:

Walter Stuart
P.O. Box 538
Lolo, Montana 59847-8496

Silvana Tirban
UFCW Union Local 1496
2120 S. Cushman #201
Fairbanks, Alaska 99701-6629

Gaither "Buster" Martin
UFCW Union Local 1496
501 W. Northern Lights Boulevard,
#200
Anchorage, Alaska 99503-2577

Employer Trustees:

Frank Jorgensen
Safeway Inc.
1121 124th Avenue NE
Bellevue, Washington 98005-2101

Robert McLaughlin
Safeway Inc.
1264 E. Rivers End Drive
Eagle, Idaho 83616

H.L. "Buzz" Ravenscraft
Sahara, Inc.
6631 113th Place SE
Bellevue, Washington 98006-6429

Identification Number

The Employer Identification Number assigned to the Plan by the Internal Revenue Service is 91-6123694. The Plan Number is 001.

Type of Plan

This Plan is a defined benefit pension plan.

Type of Administration

This Plan is administered by the Board of Trustees, with the assistance of Labor Trust Services, Inc., a contract administrative services organization.

Description of Collective Bargaining Agreements

This Plan is maintained under several collective bargaining agreements between contributing employers and Local No. 1496 of the United Food & Commercial Workers International Union, AFL-CIO and, for years prior to January 1, 1987, Local No. 1689 (Fairbanks) of the United Food & Commercial Workers International Union, AFL-CIO. These collective bargaining agreements can be examined at the offices of the Plan Administrator.

Insured Benefits and the Future of the Plan

The Plan is intended to be permanent. However, the Trustees reserve the right to change, modify, amend, or terminate the Plan at any time. The Board of Trustees is authorized to amend the Plan in certain respects; for instance, changes may be required to comply with federal law. However, the Plan cannot be changed or amended in a way that would reduce the benefits you have earned under the Plan before the change or amendment. Any amendment that materially changes the costs under the Plan must be approved by the Board of Trustees and signed by two authorized officers. Continuation of the Plan is subject to the terms of the collective bargaining agreement.

Your pension benefits under this multiemployer Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first \$11 of the monthly benefit accrual rate and (2) 75% of the next \$33. The PBGC's maximum guarantee limit is \$35.75 per month times a participant's years of service.

For example, the maximum monthly guarantee for a retiree with 30 years of service would be \$1,072.50.

The PBGC guarantee generally covers:

- Normal and early retirement benefits;
- Disability benefits if you become disabled before the Plan becomes insolvent;
and
- Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- Benefits greater than the maximum guaranteed amount set by law;
- Benefit increases and new benefits based on Plan provisions that have been in place for fewer than five years at the earlier of (1) the date the Plan terminates, or (2) the date the Plan becomes insolvent;
- Benefits that are not vested because you have not worked long enough;
- Benefits for which you have not met all of the requirements at the time the Plan becomes insolvent; or
- Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits it guarantees, ask the Plan administrator or contact the PBGC's Technical Assistance Division, 1200 K Street NW, Suite 930, Washington, DC 20005-4026 or call 202-326-4000 (not a toll-free number). If you are hearing impaired, you may call 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC pension insurance program is available through the PBGC web site (<http://www.pbgc.gov/>).

In the event the Plan is terminated or partially terminated, all affected employees on the date of termination would be fully vested in their accrued benefits *to the extent those benefits are funded*. To the extent accrued benefits are *not* funded and not guaranteed by the PBGC, benefits would be permanently forfeited on Plan termination. Contributing employers would not be obligated to make any further contributions on behalf of affected employees, except for any additional contribution that may be required by federal law.

For more information on the PBGC insurance protection and its limitations, ask your Plan Administrator or the PBGC. Inquiries to the PBGC should be addressed to:

Branch of Coverage and Inquiries
PBGC
2020 K Street N.W.
Washington, D.C. 20006

The Branch of Coverage and Inquiries may also be reached by calling **1-800-400-7242**.

Funding Medium

A Trust is maintained as part of this Plan. The contributions made to this Plan by your employer are held in trust and invested by a professional investment manager in a diversified portfolio of assets.

Plan Year

The Plan's fiscal year and Plan year end December 31.

Your Rights as a Plan Participant

As a participant in this Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all Plan participants will be entitled to:

Receive Information About Your Plan and Benefits

Upon the written request of a plan participant, beneficiary, employee representative, or any employer who is obligated to contribute to the plan, the plan will provide any of the documents below within 30 days of the request. No one is entitled to more than one copy of any of the documents below during any 12 month period. In the case of documents described in e. through i. below, the plan need not provide any document which has been in the administrator's possession 6 years or more prior to the date the request was received.

- a. Plan Document including amendments
- b. Latest Summary Plan Description
- c. Current Trust Agreement and amendments

- d. Any Participation Agreement within the five (5) preceding plan years relating to the requesting Employer. This document is only available to the requesting employer.
 - e. Annual Report (form 5500) for any plan year.
 - f. Plan Funding Notice
 - g. Any periodic actuarial report, which has been in the Plan's possession for at least 30 days
 - h. Any quarterly, semi-annual, or annual financial report prepared by any plan investment manager or advisor and which has been in the plan's possession for at least 30 days.
 - i. Audited Financial Statements for any plan year
 - j. Any application for an extension under section 304(d) of ERISA or section 431(d) of the IRC.
 - k. The latest Funding Improvement plan or Rehabilitation Plan, and contribution schedules.
 - l. Relevant collective bargaining agreements under which the plan is currently maintained.
- You may obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally, age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get the right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide this statement free of charge.
 - The above information may be provided in written or electronic form so long as the information is reasonably accessible to the recipient. If copies are requested the Administrator may make a reasonable charge. This information may also be reviewed, without charge, at the offices of the Trust Administrator, by appointment.
 - Other than identifying persons or companies who prepared reports which are subject to the above disclosure requirements the Plan is not allowed to provide any individually identifiable information with respect to plan participants, employees, advisors, fiduciaries, or contributing employers. Likewise, any proprietary information regarding the Plan, a Contributing Employer, or an entity providing services to the plan is not subject to disclosure. See ERISA Sections 101(k)(2) & (3).

Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties on the people who operate the plan. The people responsible for exercising discretion in the administration or operation of the Plan are called fiduciaries. These individuals or entities have an obligation to administer the Plan prudently and to act in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from receiving benefits or exercising your rights under ERISA.

Enforce Your Rights

Under ERISA there are steps you can take to enforce your rights described above in the section entitled **Your Rights as a Plan Participant**.

- **Improper denial of benefits:** If your claim for a benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge and to appeal any denial, all within certain time schedules. If your claim is denied, you will receive a written explanation of the reasons for the denial. After you exhaust the Plan's claim appeal procedure, you may file suit in state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court.
- **Failure to provide materials:** If you request a copy of Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in federal court. In such a case, the court may require the Plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.
- **Misuse of Plan funds:** If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in federal court.

The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance With Your Questions

If you have any questions about the Plan, contact the Plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan administrator, contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue NW, Washington, DC 20210. You also may obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at 866-444-3272.

How To Appeal Your Claim For Benefits

Claim Procedures

If your (or your beneficiary's) claim to retirement benefits is denied or partially denied, the Trustees will notify you in writing and will give you an opportunity to appeal the decision.

The time periods for responding to a claim may be extended during periods when you have been requested to supply the Trustees with additional information. If the Trustees request additional information from you (or your beneficiary), you will have at least 45 days to respond to the request. The time period for the Trustees to respond to the appeal does not continue to run during this time.

Appealing Your Claim

If the Trustees deny your claim for benefits, you will receive written notification of this denial (or partial denial) within 90 days after your claim is filed, unless specific circumstances require an extension. You will be notified if the Trustees require an extension to review your claim. However, under no circumstance will this additional time extend beyond 180 days after your claim was originally filed.

If you wish to appeal this decision, you should request a hearing before the Trustees concerning your denied (or partially denied) claim. You or a person appointed by you must submit the request for a hearing within 60 days after you have received written notice that your claim has been denied. Your request for a hearing must be submitted in writing to the Administration Office. Within 30 days of receiving your request for a hearing, the Trustees will notify you of the date, time, and location of the hearing.

If you wish, you or a person appointed by you may examine pertinent documents relating to the denial prior to the hearing. You, or a person appointed by you, may also write to the Trustees requesting a description of the information used by the Trustees to deny your claim.

The hearing will be conducted by the Trustees or a committee appointed by the Trustees, composed of an equal number of employer and union Trustees. You, or a person appointed by you, will have a right to attend the hearing to present your position and supporting evidence, either orally or in writing. After the hearing, the Trustees (or subcommittee of Trustees) will issue a decision regarding your claim within 5 days of the hearing. The decision will be in writing and will include the specific reasons for the decision and references to any Plan provisions on which the decision is based. You will receive this notification to reaffirm, modify, or set aside your denied claim within 60 days after your appeal is filed, unless specific circumstances require an extension. Under no circumstances will this additional time extend beyond 120 days after your appeal was originally filed.

After you have exhausted the Plan's claim appeal procedure, you may file suit in state or federal court if you are not satisfied with the written decision of the Trustees. In addition, if you disagree with the Plan's decision, or lack thereof, concerning the qualified status of a domestic relations order, you may file suit in federal court.

Military Service Under USERRA

If you leave covered employment for service in the United States uniformed services (including the military, National Guard, and the Commissioned Corps of the Public Health Service), the period of military service may prevent a break in service (as described on page 8), and you may receive benefit accrual and vesting for the time you are away.

Under the Uniformed Services Employment and Reemployment Rights Act (USERRA), you must notify your employer before taking leave, unless precluded by military necessity or other reasonable cause. You should also tell your employer how long you expect to be gone. Your uniformed service may not exceed five years unless a longer period is necessary to complete an initial period of obligated service or you are ordered to (or retained on) active duty.

Upon release from duty, you must apply for reemployment as follows:

- For less than 31 days military service – apply immediately, taking into account safe transportation plus an 8-hour rest period.

- For 31-180 days military service – apply within 14 days.
- For more than 180 days military service – apply within 90 days.

If you are hospitalized or convalescing, these reemployment deadlines will be extended while you recover, but not longer than two years.

To ensure proper crediting of service under USERRA, you should notify the Administration Office when you take USERRA leave and how long you expect to be gone. You should also notify the Administration Office when you apply for reemployment after your leave.

USERRA only applies if you seek reemployment after December 11, 1994. For information on the military service provisions that applied before that date, or for additional information on service under USERRA, please contact the Administration Office.

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ALASKA UNITED FOOD AND COMMERCIAL WORKERS
PENSION FUND
PLAN DOCUMENT

Restated, and Approved by the Board of Trustees

MARCH 14, 2017

History

The PLAN was previously approved by the IRS effective February 4, 2010.

In January of 2015, the plan was restated to include Amendments 1 – 4 and was submitted to the IRS for renewal of our tax determination letter under Cycle D.

That restated plan was approved by the IRS following an audit and Closing Agreement.

After the closing of the Audit, the **favorable Tax Determination Letter was issued on December 22, 2016** (which approved the February 4, 2010 PLAN and Amendments 1-4).

This restatement includes Amendment 5 which was adopted after the plan had been submitted to the IRS.

This restatement was adopted by the Board of Trustees on March 14, 2017.

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PREAMBLE

THIS RETIREMENT PLAN (hereinafter referred to as the “Plan” and known as the Alaska United Food and Commercial Workers Pension Fund) is amended, restated and adopted March 14, 2017 by the Board of Trustees of the Plan (hereinafter “Trustees”).

WHEREAS, this Plan was established effective January 1, 1970 to provide retirement benefits to Covered individuals who become covered under the Plan and initial benefits commenced on January 1, 1972; and

WHEREAS, the PLAN was formerly names the Alaska Retail Clerks Pension Fund and the name was changed to the Alaska United Food and Commercial Workers Pension Fund effective September 14, 1988; and

WHEREAS, the Plan shall be maintained for the exclusive benefit of covered Employees, and is intended to comply with the Internal Revenue Code of 1986, as amended, the Employee Retirement Income Security Act of 1974, as amended, and other applicable law;

NOW, THEREFORE, except as otherwise specified herein, the Board of Trustees does hereby amend and restate the Plan as set forth in the following pages effective March 14, 2017 except that any change required by federal law, including without limitation amendments to the Internal Revenue Code, the Employee Retirement Income Security Act, the Age Discrimination in Employment Act and regulations or rulings issued pursuant thereto shall be effective on the latest date on which such change may become effective and comply with such laws.

ARTICLE I – DEFINITIONS

The following terms when used herein shall have the following meaning, unless a different meaning is plainly required by the context. Capitalized terms are used throughout the Plan text for terms defined by this and other sections.

1.1 Accrued Benefit

“Accrued Benefit” means, on any date, the benefit determined under the formula specified in section 4.1 as of such date.

1.2 Actuarially Equivalent/Actuarially

“Actuarially Equivalent” and similar terms (for purposes other than determining contributions to the Trust Fund) means that the present value of two (2) payments or series of payments shall be of equal value when computed at a six percent (6%) rate of interest and on the basis of the 1984 Unisex Pension Mortality Table; provided, however that the interest rates and mortality table below shall apply for purposes of calculating lump sums.

Notwithstanding the foregoing and Section 4.7, with respect to Participants whose Annuity Starting Date is on or after January 1, 2008, the Actuarial Equivalent value of any lump sum distribution shall be determined using the following interest rate and mortality table:

Interest: The interest assumption is the interest rate specified in Section 417 (e)(3)(C) (for plan years prior to January 1,2008, Code section 417 (e)(3)(A)(ii)(II)) for November of the year prior to the Plan Year in which the payment is made; or in the case of a payment for which a payment for which a Participant elects a retroactive Annuity Starting Date, the interest rate in effect at the retroactive Annuity Starting Date or the date that payment is made, whichever produces the larger value; and

Mortality: the applicable mortality assumption prescribed by the Secretary of the Treasury under Code section 417(e)(3)(B) (for plan years prior to January 1, 2008, Code section 417 (e)(3)(A)(ii)(I)).

1.3 Affiliated Companies

“Affiliated Companies” means:

- (a) an Employer,
- (b) any other corporation which is a member of a controlled group of corporations which includes the Employer (as defined in Code Section 414 (b)),
- (c) any other trade or business under common control with the Employer (as defined in Code Section 414 (c)), or

- (d) any other member of an affiliated service group which includes the Employer (as defined in Code Section 414(m)).

For purposes of the limitation on benefits in Section 8.2, the determination of whether an entity is an Affiliated Company will be made by modifying Code Sections 414(b) and (c) as specified in Code Section 415(h).

1.4 Annuity Starting Date

“Annuity Starting Date” means the first day of the first period for which a Plan benefit is payable as an annuity or any other form; provided, however, that except as provided in Section 5.4 (b) or unless the Participant consents to a waiver of the 30-day election period, a Participant shall not have an Annuity Starting Date that is less than 30 days or more than 90 days after the Participant receives a notice explaining the forms of payment as described in Section 5.4(c).

1.5 Beneficiary

“Beneficiary” means the person or persons designated to be the Beneficiary by the Participant in writing to the Trustees. A married Participant may not designate someone other than his or her spouse as Beneficiary. The spouse of a married Participant shall automatically be deemed to be the Participant’s Beneficiary, regardless of whether the Participant provides a written designation.

1.6 Break-in-Service

“Break-in-Service” means any Plan Year in which an Employee has less than three hundred and seventy-five (375) Hours of Service. Solely for purposes of determining a Break-in-Service, Hours of Service shall also include the following periods for which no Compensation is received, provided the total absence (paid and unpaid) under (b) and (c) is at least six (6) months long:

- (a) absence due to service with the Armed Forces of the United States to the extent required by Code Section 414(u);

- (b) absence due to illness or injury which prevents employment, provided the Participant submits proof of such illness or injury, satisfactory to the Trustees, for a period not to exceed two (2) years; and
- (c) absence due to strike or lock-out.

In addition, Hours of Service for purposes of this Section shall also include periods during which no Compensation is received, during an absence (of a male or female Employee) due to pregnancy, birth or adoption, subject to the following limitation. Where a temporary absence was due to a pregnancy, birth or adoption of a child, or caring for a child immediately following birth or adoption occurs, hours are credited only in the Plan Year in which the absence begins if such hours are necessary to prevent a Break-in-Service. If such hours are not needed in such first Plan Year to avoid a Break -in-Service then the total number of hours attributable to such leave including those that occurred in the first Plan Year shall be credited in the next following Plan Year.

During such periods of temporary absence, Hours of Service shall be credited in accordance with the Employee's regular work schedule. In any case in which the Participant's regular work schedule cannot be determined, the Participant will be credited with eight (8) Hours of Service per day of absence.

1.7 Code

"Code" means the Internal Revenue Code of 1986, as amended and including all regulations promulgated pursuant thereto.

1.8 Collective Bargaining Agreement

"Collective Bargaining Agreement" means an agreement between an Employer or Employer association and a local Union, and any supplement, amendment, continuation or renewal thereof, which requires an Employer to make contributions to the Trust to provide pension benefits for Employees.

1.9 Compensation

The term "Compensation" means wages within the meaning of Code Section 3401(a) and all other payments of compensation

to a Participant by an Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish a written statement to the Participant under Code Sections 6041(d), 6051(a)(3), and 6052, determined without regard to any rules under Code Section 3401(a) that limit the remuneration including in wages based on the nature or location of the employment or services performed. Compensation shall also include any elective deferrals (as defined in Code Section 402(e)(3), 402(k) and 402(h)(1)(B)) and any amount which that is contributed or deferred by the Employer pursuant to a salary reduction agreement and which at the election of the Participant and that is not includible in the gross income of the Employer at the election of a Participant by reason of Code Section 125(a), 132(f)(4), or 457(b).

Salary continuation payments for military service as described in Treasury Regulation Section 1.415(c)-2(e)(4) shall be included in Compensation. Compensation shall include any differential wage payment, as defined in Code Section 3401(h)(2). If an Employer makes such a differential wage payment during a Plan Year, all differential wage payments made by all Employers (determined under Code Section 414(b), (c), (m), or (o)) during that Plan Year must satisfy the nondiscrimination requirements of Code Section 414(u)(12)(C).

Except as otherwise provided below, in order to be included in Compensation under this Section 1.9, the amount must be paid or treated as paid to the Employee prior to the Employee's severance from employment (as defined in Treasury Regulation Section 1.401(k)-1(d) (2), except that, for purposes of determining the employer, the modifications provided under Code Section 415(h) apply).

Notwithstanding the foregoing, effective January 1, 2008, Compensation shall not exceed the amount permitted under Code Section 401(a)(17) as adjusted for cost of living in accordance with Code Section 401(a)(17), and includes regular pay and leave cash outs paid within 2 ½ months after severance from employment or, if later, by the end of the Plan Year that includes the severance date, as described in Treasury Regulation Section 1.415(c)-2(e)(3)(ii) and (iii)(A).

Back pay, within the meaning of Treasury Regulation Section 1.415(c)-2(g) (8), shall be included in Compensation for the Plan Year to which the back pay relates.

1.10 Covered Hour of Service

“Covered Hour of Service” means each hour for which an Employee is paid or entitled to payment by an Employer with respect to which an Employer contribution is required to be paid to the Trust under the terms of a Collective Bargaining Agreement, on account of:

- (a) performance of duties;
- (b) a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence; and
- (c) an award of back pay, irrespective of mitigation of damages, awarded or agreed to by an Employer. However, hours credited under (a) or (b) above shall not also be credited under this subsection (c).

Hours under this paragraph shall be calculated and credited pursuant to 29 CFR 2530.200b-2(a), (b) and (c), which are incorporated herein by this reference.

Notwithstanding the above, such hours shall not include hours in excess of any maximum number of hours per month set forth in the applicable provisions of a Collective Bargaining Agreement.

1.11 Credited Future Service

“Credited Future Service” means the period of service of a Participant for which Employer contributions are required to be made to the Trust on behalf of the Participant on or after the Participant’s Effective Date of Coverage, excluding:

- (a) periods of service forfeited due to a Break-in-Service; and
- (b) any Plan Year during which the Participant did not complete three hundred seventy-five (375) Covered Hours of Service.

A Participant shall receive one (1) year of Credited Future Service for each Plan Year in which he or she completes at least three hundred seventy-five (375) Covered Hours of Service.

Covered Hours of Service in excess of three hundred seventy-five (375) hours in any Plan Year shall not be carried over to any prior or subsequent year for purposes of Credited Future Service.

1.12 Credited Past Service

(a) General

“Credited Past Service” means the number of “Completed Years of Continuous Service” (as defined below) rendered by an Employee immediately prior to his or her Employer’s Effective Date of Coverage. In the event an Employee worked for an Employer prior to the Employer’s Effective Date of Coverage, but was not an Employee of the Employer on its Effective Date of Coverage, the previous service will not count as Credited Past Service. However, the maximum number of consecutive years which may be examined in determining a Participant’s Credited Past Service shall not exceed the maximum number of years approved by the Trustees with respect to the Participants Employer, and in no event shall service prior to January 1, 1950, be recognized.

In order to receive credit for past service, a Participant must:

- (i) complete at least three hundred seventy-five (375) Covered Hours of Service in the Plan Year in which the Employer’s Effective Date of Coverage occurs, or in the immediately following Plan Year; and
- (ii) complete at least five (5) years of Credited Future Service.

Only when these two conditions are met, will credit for past service be recognized.

The methods described in (b) or (c) may be used to determine Credited Past Service, whichever produces the greatest service.

Because of special circumstances, the Safeway, Inc. employees at its Seward and Juneau stores are granted

Past Service Credit up to a maximum of five (5) years from their Date of Hire to the effective date of the Collective Bargaining Agreement (8/1/01) with a benefit of \$20.00 per year with one (1) year of validation (375 hours in either the first or second year of participation).

- (b) Method (1): A “Completed Year of Continuous Service” is a calendar year during the whole of which the Participant was a member of the Union, except that if the Participant’s latest membership date in the Union occurred before December 1, such year shall count as a Completed Year of Continuous Service. Continuous Service includes all periods without a break in Continuous Service. A break in Continuous Service shall occur whenever a Participant interrupts membership in the Union for a period of more than twelve (12) consecutive months. No service prior to a break in Continuous Service shall be counted as Continuous Service.
- (c) Method (2): A “Completed Year of Continuous Service” is a year in which a Participant was employed “In the Industry for at least one thousand (1,000) hours of employment in that year. Continuous Service is service without a break in employment. A break in employment occurs at the end of a one (1)-year period during which, the Participant does not complete one thousand (1,000) hours of employment. No service prior to a break in employment shall be counted. A year is a twelve (12)-month period ending on the day preceding the first day of the month in which the Participant’s Effective Date of Coverage occurs, and each preceding twelve-month period. Hours of employment for a Participant are determined by the Trustees based on Social Security earnings records and the prevailing wage rate and include all hours that would have been included as covered Hours of Service if the Collective Bargaining Agreement had been in effect at the time.
- (d) In the Industry
“In the Industry” for purposes of this Section means:
 - (i) All past continuous employment with his or her current Employer in an operation of the

Employer covered by this Plan within the geographical area of the Plan; and/or

- (ii) All past employment with any other participating Employer hereunder in an operation of the Employer covered by this Plan within the geographical area of the Plan; and/or
- (iii) All past employment under an agreement between any Union and a concern engaged in the same or similar employment or operations of Employers herein if such concern is no longer in business.

For purposes of this subparagraph (d), the term “employment” means employment in any of the job classifications included in Collective Bargaining Agreement, regardless of whether the Collective Bargaining Agreement existing at the time.

(e) Credited Past Service Adjustment

A Participant who receives Credited Past Service pursuant to subparagraph (a) and who has not yet retired or Terminated shall forfeit that Credited Past Service in the event the Employer to which the Credited Past Service relates withdraws from participation in the Plan and the Trustees withdraw their former grant of Credited Past Service for that Employer. This paragraph shall not apply with respect to any benefits accrued by the Participant under a predecessor plan that are provided under this Plan, if any.

(f) Proof of Employment

The burden of proving employment prior to the Effective Date of Coverage is on the Participant, but if, in the opinion of the Trustees, the information provided by the Participant is inconclusive or doubtful, the Trustee may examine any or all of the following records concerning the Participant:

- (i) Union records of the Union initiation date and periods of Union membership;
- (ii) Social Security records;

- (iii) Employment records with Employers; and
- (iv) Any other records and evidence

1.13 Credited Service

“Credited Service” means the sum of Credited Past Service and Credited Future Service.

1.14 Effective Date

“Effective Date” means January 1, 1970, which is the date as of which the Plan was originally established.

1.15 Effective Date of Coverage

“Effective Date of Coverage” means the later of:

- (a) January 1, 1970; or
- (b) with respect to any Employer and its Employees, the date such Employer is first required to contribute to the Plan pursuant to a Collective Bargaining Agreement.

1.16 Eligible Employee

“Eligible Employee” means any Employee for whom an Employer is obligated to make contributions to the Plan pursuant to a Collective Bargaining Agreement; provided, that the following individuals shall not be Eligible Employees under any circumstances pursuant to the Collective Bargaining Agreement; an individual proprietor, partner or other self-employed person, corporate officer, or individuals excluded by rule, definition, or determination pursuant to §2(3) or §9(b) of the Labor Management Relations Act of 1947, as amended. Union membership is not a consideration regarding the definition of an “Eligible Employee.”

“Eligible Employee” also means any Employee for whom an Employer is obligated to make contributions to the Plan pursuant to a Special Agreement; provided, that the following individuals shall not be Eligible Employees under any circumstances pursuant to the Special Agreement; an individual proprietor, partner or other self-employed person, corporate officer, or substantial shareholder. A substantial shareholder is a person i)

with the ability to influence the policies of the corporation, or ii) who owns (or is considered as owning within the meaning of Code Section 318) at least ten percent (10%) of the value of the outstanding stock of the corporation or stock possessing more than ten percent (10%) of the total combined voting power of all stock of the corporation.

1.17 Eligible Retirement Plan

“Eligible Retirement Plan” means an individual retirement account or individual retirement annuity (other than an endowment contract) under Code Sections 408(a) or 408(b), a trust qualified under Code Section 401(a) and exempt from tax under Code Section 501(a), which accepts rollover distributions (as limited by Code Section 401(a)(31)(D)), an annuity plan under Code Section 403(a), an annuity contract described in Code Section 403(b), or an eligible plan under Code Section 457 that is maintained by a governmental entity which agrees to separately account for amounts transferred into such plan from this Plan.

1.18 Employee

“Employee” means any person (other than a non-resident alien with no U.S. source income) who is employed by an Employer as a common law employee and any Leased Employee; provided, however, if leased employees constitute twenty percent (20%) or less of an Employer’s non-highly compensated work force, the term “Employee” shall not include a Leased Employee who is covered by a plan maintained by the leasing organization which meets the requirements of Code Section 414(n)(5).

1.19 Employer

“Employer” means any individual proprietor, partnership, joint venture or corporation, or any municipality, public utility district, or other public agency, public corporation or governmental unit which is party to a Collective Bargaining Agreement or to a Special Agreement, or any successor thereof. An Employer-association, or Union or the Trust shall also be considered an “Employer” so that the Employees of the Employer-association, or the Union or the Trust, if any, can be covered by the Plan. In no event, however, shall a Union representative ever be selected as an Employer-Trustee, nor shall the Union participate in the selection of an Employer-Trustee.

1.20 Employment Commencement Date

“Employment Commencement Date” means the date on which an Employee first completes an Hour of Service for an Employer or an Affiliated Company during the current period of employment.

1.21 ERISA

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended, including all regulations promulgated pursuant thereto.

1.22 Hours of Service

“Hours of Service” means a Covered Hour of Service and an Uncovered Hour of Service.

1.23 Leased Employee

“Leased Employee” means any person (other than a common law employee of an Employer) who pursuant to an agreement between the Employer and any other person (“leasing organization”) has performed services for the Employer on a substantially full-time basis for a period of at least one (1) year, provided such services are performed under primary direction or control of the Employer. Contributions or benefits provided a leased employee by the leasing organization that are attributable to services performed for the recipient Employer shall be treated as provided by the recipient Employer.

1.24 Participant

“Participant” means any Eligible Employee who qualifies for participation pursuant to Sections 2.1 or 2.2.

A non-vested Participant shall cease to be a Participant on the date he or she Terminates participation pursuant to Section 1.29.

A vested Participant shall cease to be a Participant when his or her benefit payments from the Plan are completed.

1.25 Plan

“Plan” means the Alaska United Food and Commercial Workers Pension Fund either in its previous or present form or as amended from time to time.

1.26 Plan Administrator

“Plan Administrator” means the person or entity designated in Section 10.1 to administer the Plan.

1.27 Plan Year

“Plan Year” means the calendar year.

1.28 Special Agreement

“Special Agreement” means a written agreement between an Employer and the Board of Trustees, and any written supplement, amendment, continuation, or renewal thereof, which obligates the Employer to make contributions to the Trust Fund, for the purpose of including in this Plan the Employees mentioned in the Special Agreement.

1.29 Terminated/Terminates

There are three types of termination referenced in this Plan, as follows:

- (a) “Termination” with a capital “T” shall mean a Participant’s Termination of participation in the Plan as defined below;
- (b) “termination” with a small “t” with respect to a Participant shall mean a Participant severs or is severed from his or her employment relationship; and
- (c) “termination” with a small “t” with respect to the Plan shall mean Plan termination or partial Plan termination. Article XI of the Plan addresses Plan termination and partial Plan termination.

A Participant shall Terminate participation in the Plan for purpose of (a) above on the later of the date he or she incurs a one-year Break-in-Service, or the date on which an approved leave of

absence ends. An approved leave of absence is an absence from work for at least six (6) months for one of the following reasons:

- (d) Absence due to service with the Armed Forces of the United States for one (1) year period of voluntary enlistment and for all periods of conscription;
- (e) Absence approved by the Trustees due to illness or injury which prevents employment, provided the Participant submits proof of such illness or injury, satisfactory to the Trustees, for a period not to exceed two (2) years;
- (f) Absence approved by the Trustees for a period not to exceed two (2) years; or
- (g) Absence due to strike or lock-out.

Notwithstanding the foregoing, an illness or injury due to one of the following shall not be considered an approved absence for purposes of subparagraph (e) or (f) above:

- (i) current use of illegal drugs or unlawful use of legal drugs; or
- (ii) use of legal drugs if a physician has prescribed a rehabilitation program for the Participant and the Participant fails to attend.

1.30 Trust Agreement

“Trust Agreement” means the agreement executed November 3, 1969, which created the Alaska Retail Food Clerks Pension Fund and any subsequent amendments or modifications thereof.

1.31 Trust or Trust Fund

“Trust” or “Trust Fund” means the trust fund into which shall be paid all contributions and from which all benefits shall be paid under this Plan.

1.32 Trustee

“Trustee” means the trustee or Board of Trustees who receive, hold, invest and disburse the assets of the Trust and administer the Plan in accordance with the terms and provisions set forth in the Plan and Trust Agreement.

1.33 Uncovered Hours of Service

“Uncovered Hours of Service” means each hour described below during an Employee’s continuous period of employment with the same Employer in a position not covered by the Collective Bargaining Agreement, which occurs after the later of:

- (a) January 1, 1976; or
- (b) the Participant’s Effective Date of Coverage.

For purposes of this Section, continuous employment means that no quit, discharge or retirement has occurred between the Participant’s Covered Hours of Service and employment in a position not covered by the Collective Bargaining Agreement.

Uncovered Hours of Service include each hour following Covered Hours of Service, for which an Employee is paid or entitled to payment by an Employer on account of:

- (c) performance of duties;
- (d) a period of time during which no duties are performed (irrespective of whether the employment relationship has terminated) due to vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence; and
- (e) an award of back pay, irrespective of mitigation of damages, awarded or agreed to by an Employer.

Uncovered Hours of Employment shall only be used for purposes of determining a Participant’s vested interest and Breaks-in-Service.

1.34 Union

“Union” means local Union No. 1496 (Anchorage) and, for years prior to January 1, 1987, Local No. 1689 (Fairbanks), both of the United Food & Commercial Workers International Union, AFL-

CIO, and any other lawful labor organizations which the Trustees allow to participate in this Plan and Trust Fund.

1.35 Year of Service

“Year of Service” means:

- (a) each Plan Year commencing on or after the Effective Date of Coverage in which an Employee has three hundred seventy-five (375) or more Hours of Service; and,
- (b) each Plan Year commencing prior to the Effective Date of Coverage during which an Employee earned a year of Credited Past Service.

Where the Employer maintains the plan of a predecessor employer, service for such predecessor employer will be treated as service for the Employer as required by the Code.

1.36 Additional Definitions in Plan:

The following terms are defined in the following Sections of the Plan:

	<u>Section</u>
Active Participant	2.3(a)
Benefit	8.1(c)(ii)
Combined Service	7.4(e)
Completed Year of Continuous Service	1.12
Craft	4.5(b)(ii)
Deferred Retirement Benefit	4.4
Deferred Retirement Date	3.3
Early Retirement Benefit	4.3
Early Retirement Date	3.2
Future Service Benefit	4.1(b)
Geographic Area	4.5(b)(iii)
Highly Compensated Employee	8.1(a)
Inactive Participant	2.3(b)
Industry	4.5(b)(i)
Investment Manager	12.4
Joint and Survivor Annuity	5.1(b)
Medical Account	13.4
Medical Benefits	13.2
Normal Retirement Benefit	4.2
Normal Retirement Date	3.1
Past Service Benefit	4.1(a)

Post-Retirement Service	4.5(b)
Qualified Domestic Relations Order	10.8
Related Credit	7.4(d)
Related Hours	7.4(c)
Related Plan	7.4(b)
Required Beginning Date	3.3
Restricted Group	8.1(c)(i)
Retired Participant	2.3(e)
Retiree Medical Plan	13.2
Retirement Date	3.4
Statutory Joint and Survivor Annuity Option	5.2(a)
Terminated Non-Vested Participant	2.3(d)
Terminated Vested Participant	2.3(c)
Trade	4.5(b)(ii)
Two-Year Period Certain and Life Annuity	5.1(a)

ARTICLE II – PARTICIPATION

2.1 Eligibility for Participation

Each Eligible Employee who is not already a Participant shall become a Participant under this Plan on the first day of the month for which Employer contributions are made or owed with respect to the Eligible Employee.

2.2 Reemployment after Termination of Participation

Upon the reemployment of a Terminated former Participant as an Eligible Employee, he or she shall immediately become a Participant.

2.3 Categories of Participation

Each Participant shall be classified, at any point in time, in one of the following categories of participation:

(a) Active Participant

An Active Participant is an Eligible Employee who has met the requirement of Section 2.1, is not currently receiving benefits under the Plan, has not terminated participation in accordance with Section 1.29, and is not an Inactive Participant as defined in Section (b).

(b) Inactive Participant

An Inactive Participant means an Eligible Employee or former Eligible Employee who has met the requirements of Section 2.1, has not Terminated participation in accordance with Section 1.29, and who is either (1) earning Uncovered Hours of Service towards vesting, or (2) currently absent for one of the reasons set forth in Section 1.29.

(c) Terminated Vested Participant

An Eligible Employee or former Eligible Employee who has Terminated participation in accordance with Section 1.29, who retains a vested interest in accordance with Article VII, and who is not currently receiving benefit payments under this Plan.

(d) Terminated Non-Vested Participant

An Eligible Employee or former Eligible Employee who has Terminated participation in accordance with Section 1.29, who does not have a vested interest in accordance with Article VII, and who is not earning Uncovered Hours of Service towards vesting and is not currently absent for one of the reasons set forth in Section 1.29.

(e) Retired Participant

A former Eligible Employee who is receiving benefit payments under the Plan.

ARTICLE III – RETIREMENT DATES

3.1 Normal Retirement Date

(a) Normal Retirement Benefit Attributable Prior to April 1, 2009

This subsection (a) shall apply to a Participant's Future Service Benefit that is attributable to Covered Hours of Service earned prior to April 1, 2009. The Normal Retirement Date for a Participant shall be the earlier of the date described in (i) or (ii) below:

- (i) the later of:
 - (A) the first day of the month coinciding with or next following the later of the attainment of age fifty-seven (57), or the first anniversary of his or her Employer's Effective Date of Coverage; or
 - (B) the earlier of the date the Participant:
 - (1) completes five (5) or more Years of Service, at least one year of which is Credited Future Service; or
 - (2) completes one (1) Year of Service in the current or preceding year and attains the tenth (10th) anniversary of the first day of the month in which Employer contributions were first made or owed on the Participant's behalf during any Year of Service which is not forfeited.
- (ii) the date the Participant completes one (1) Year of Service in the current or preceding year and attains age sixty-five (65) and the fifth (5th) anniversary of the first day of the month in which Employer contributions were first made or owed on the Participant's behalf during any Year of Service which is not forfeited.

(b) Normal Retirement Benefit on and after April 1, 2009

This subsection (b) shall apply to a Participant's Future Service Benefit that is attributable to Covered Hours of Service Earned on and after April 1, 2009 and a Past Service Benefit based on an Effective Date of Coverage on or after April 1, 2009. The Normal Retirement Date shall be the first day of the month immediately following or coinciding with the later of:

- (i) The date the Participant attains age sixty-five (65); or
- (ii) The fifth (5th) anniversary of the month in which Employer contributions were first made or owed

on the Participant's behalf during any Year of Service.

3.2 Early Retirement Date

Each Participant who attains age fifty (50) and complete five (5) Years of Service may terminate employment and elect, in writing, an Early Retirement Date.

3.3 Deferred Retirement Date

The Deferred Retirement Date for a Participant who continue working after the Normal Retirement Date shall be the first day of the month on which he or she elects to retire; provided, however, the Deferred Retirement Date shall not be later than April 1 following the calendar year in which the Participant attains age seventy and one-half (70 ½) or terminates employment, whichever is later (the "Required Beginning Date"). Notwithstanding the foregoing, a Participant who continues working after attaining age seventy and one-half (70 ½) may elect to commence benefits on April 1 following the calendar year in which he or she reaches seventy and one-half (70 ½).

3.4 Retirement Date

The Retirement Date for a Participant shall be one of the dates specified in Sections 3.1 through 3.3 above, on which benefits are to commence. The Retirement Date for a Participant who terminates prior to retirement with a vested Accrued Benefit shall be Normal Retirement Date, unless such Participant qualifies for and elects to receive benefits at an Early Retirement Date.

Notwithstanding any other provision of this Article III, payment of retirement income will not commence as of a date prior to the date that the Plan provides the written notice described in Section 5.4 (c) except in the case of a Participant who:

- (a) has attained his or her Normal or Deferred Retirement Date; and
- (b) affirmatively elects to commence payments retroactive to his or her Normal or Deferred Retirement Date, with spouse consent (if applicable).

If retroactive commencement of benefits is not affirmatively elected, then in lieu of receiving make-up payments retroactive

to the Participant's Normal or Deferred Retirement Date plus interest, payments of a Participant's retirement income will commence the first of the month following the date the Participant's application is submitted, but no earlier than seven days after the date the written notice is provided. Retirement income payments will be Actuarially Equivalent to the Participant's Accrued Benefit as of the Participant's Normal or Deferred Retirement Date; as applicable.

ARTICLE IV – RETIREMENT BENEFITS

4.1 Accrued Benefit

The Accrued Benefit for any Participant shall equal the sum of the Participant's Past Service Benefit plus his or her Future Service Benefit. The percentage of contributions accrual shall be based upon contributions made to the Plan and contributions required to be made to the Plan. The Accrued Benefit is payable in the form of a Two-Year Certain and Life Annuity commencing at the Participant's Normal Retirement Date.

In no event shall a Participant's Accrued Benefit be less than his or her Accrued Benefit on the date immediately preceding the date on which any Plan provision that affects the Accrued Benefit is amended.

(a) Past Service Benefit

For each year of Credited Past Service commencing on and after January 1, 1980, an Active Participant whose Employer contributes the amount to the Trust Fund agreed to in the collective bargaining agreements with the Anchorage Food Employers Council and the Fairbanks Retail Grocers, as of the Participant's most recent Termination date, shall have a monthly past service benefit equal to \$40.00. The applicable monthly past service benefit for each year of Credited Past Service commencing on and after January 1, 1980 for an Active Participant whose Employer contributes an amount to the Trust Fund less than the amount agreed to in the collective bargaining agreement with the Anchorage Food Employers Council and the Fairbanks Retail Grocers, as of the Participant's most recent Termination date, shall be \$20.00.

For each year of Credited Past Service commencing prior to January 1, 1980, an Active Participant shall have a monthly past service benefit equal to \$40.00.

Notwithstanding the foregoing, a Participant who Terminated participation or Retired, whichever is earlier, from the Plan during the time periods shown below, shall have a monthly past service benefit equal to the applicable amount shown below for each year of Credited Past Service commencing prior to such Termination of participation or Retirement.

If Participation Terminated or Retirement Applicable Amount Occurred

On or before 12/31/72	\$ 9.50
01/01/73-12/01/75	\$20.00
12/02/75 – 12/31/77	\$30.00

(b) Future Service Benefit

- (i) Effective January 1, 1970, if a Participant was an Active Participant on or after January 1, 1970, his or her monthly future service benefit is equal to 4.75 percent (.0475) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on and after January 1, 1970.
- (ii) Effective January 1, 1973, if a Participant was an Active Participant on or after January 1, 1973, his or her monthly future service benefit is equal to \$0.01 multiplied by the number of Covered Hours of Service for service on and after January 1, 1973.
- (iii) Effective December 1, 1975, if a Participant was an Active Participant on or after December 1, 1975, his or her monthly future service benefit is equal to \$0.015 multiplied by the number of Covered Hours of Service for service on and after January 1, 1970.

- (iv) Effective January 1, 1978, if a Participant was an Active Participant on or after January 1, 1978, his or her monthly future service benefit is equal to \$0.02 multiplied by the number of Covered Hours of Service for service on and after January 1, 1970.
- (v) Effective January 1, 1980, if a Participant was an Active Participant on or after January 1, 1980, his or her monthly future service benefit is equal to \$0.0225 multiplied by the number of Covered Hours of Service for service on and after January 1, 1970.
- (vi) Effective January 1, 1986, if a Participant was an Active Participant on or after January 1, 1986, his or her monthly future service benefit is equal to the sum of (A) and (B) below.
 - (A) \$0.0225 multiplied by the number of Covered Hours of Service for service prior to January 1, 1986, plus
 - (B) \$0.026 multiplied by the number of Covered Hours of Service for service on or after January 1, 1986.
- (vii) Effective January 1, 1987, if a Participant was an Active Participant on or after January 1, 1986, is or her monthly future service benefit is equal to the sum of (A) and (B) below:
 - (A) \$0.026 multiplied by the number of Covered Hours of Service for service prior to January 1, 1986, plus
 - (B) \$0.03 multiplied by the number of Covered Hours of Service for service on or after January 1, 1986.
- (viii) Effective January 1, 1989, if a Participant was an Active Participant on or after July 1, 1989, his or her monthly future service benefit is equal to the sum of (A) and (B) below:

- (A) \$0.03 multiplied by the number of Covered Hours of Service for service prior to January 1, 1986, plus
 - (B) \$0.0325 multiplied by the number of Covered Hours of Service for service on or after January 1, 1986.
- (ix) Effective January 1, 1989, if a Participant was an Active Participant and completed one (1) year of Credited Future Service on or after January 1, 1988, his or her monthly future service benefit is equal to the sum of (A) and (B) below:
- (A) \$0.0325 multiplied by the number of Covered Hours of Service for service prior to January 1, 1986, plus
 - (B) \$0.0325 multiplied by the number of Covered Hours of Service for service on or after January 1, 1986.

Terminated Vested Participants and Terminated Non-Vested Participants who have not incurred a five (5) consecutive year Break-in-Service on January 1, 1989, who return to covered employment and earn one (1) year of Credited Future Service will have all pre-1986 Credited Future Service which is not forfeited recalculated at the \$0.0325 per Covered Hour of Service rate.

- (x) Effective January 1, 1992, if a Participant was an Active Participant and completed one (1) Year of Credited Future Service on or after January 1, 1991, his or her monthly future service benefit is equal to the sum of (A) and (B) below:
- (A) \$0.034 multiplied by the number of Covered Hours of Service for service prior to January 1, 1992, plus

- (B) four percent (.04) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on and after January 1, 1992.

Terminated Vested Participants and Terminated Non-Vested Participants who have not incurred a five (5) consecutive year Break-in-Service on January 1, 1992, who return to covered employment and earn one (1) year of Credited Future Service, will have all pre-1992 Credited Future Service recalculated at the \$0.034 per Covered Hour of Service rate.

- (xi) Effective January 1, 1996, if a Participant was an Active Participant and completed one (1) Year of Credited Future Service on or after January 1, 1995, his or her monthly future service benefit is equal to the sum of (A) and (B) below:

- (A) \$0.0365 multiplied by the number of Covered Hours of Service for service prior to January 1, 1992, plus

- (B) 4.3 percent (0.043) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on and after January 1, 1992.

Terminated Vested Participants and Terminated Non-Vested Participants who have not incurred a five (5) consecutive year Break-in-Service on January 1, 1996 who return to covered employment will not be recalculated at the higher rate.

- (xii) Effective April 1, 1999, if a Participant was an Active Participant and completed one (1) Year of Credited Future Service on or after January 1, 1997, his or her monthly future service benefit is equal to the sum of (A), (B), and (C) below:

- (A) \$0.0378 multiplied by the number of Covered Hours of Service for service prior to January 1, 1992, plus
- (B) 4.45 percent (0.0445) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on or after January 1, 1992 through December 31, 1997, plus
- (c) 4.3 percent (0.043) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on or after January 1, 1998.

Terminated Vested Participants and Terminated Non-Vested Participants who have not incurred a five (5) year consecutive year Break-in-Service on January 1, 1998, who returned to covered employment and earn one (1) year of Credited Service, will have any prior Credited Future Service recalculated at the above rates.

- (xiii) Effective for a Participant retiring on or after April 1, 2000, if a Participant was an Active Participant and completed one (1) Year of Credited Future Service on or after January 1, 1999, his or her monthly future service benefit is equal to the sum of (A), (B), and (C) below:
 - (A) \$0.0378 multiplied by the number of Covered Hours of Service for service prior to January 1, 1992, plus
 - (B) 4.45 percent (0.0445) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on or after January 1, 1992 through December 31, 1998, plus
 - (C) 4.3 percent (0.043) of contributions made by the Participant's Employer for each Covered Hour of Service for

Credited Future Service earned on or after January 1, 1999.

Terminated Vested Participants and Terminated Non-Vested Participants who have not incurred a five (5) consecutive year Break-in-Service on January 1, 1999, who return to covered employment and earn one (1) year of Credited Future Service, will have any prior Credited Future Service recalculated at the above rates.

Notwithstanding the foregoing, the monthly future service benefit for a Participant whose Employer contributes an amount to the Trust Fund which is less than the highest contribution rate collectively bargained by Carrs or Safeway (or other applicable collectively bargained agreement as determined by the Trustee) shall be determined using prorated cents per hour rates in lieu of the cents per hour rates in (v) through (xiii) above for Credited Hours of Service between January 1, 1980 and January 1, 1992. Such prorated amounts shall equal the applicable cents per hour rate provided in (v) through (xiii) above, multiplied by the ration of the amount being contributed on behalf of such Participants to the highest rate collectively bargained by Carrs or Safeway (or other applicable collectively bargained agreement). The percentage rates in (xi) and (xiii) shall not be prorated for this purpose.

(xiv) Effective January 1, 2007, if a Participant was an Active Participant as of January 1, 2007 and completed one (1) Year of Credited Future Service on or after January 1, 2006, his or her monthly future service benefit is equal to the sum of (A), (B), (C), (D) and (E) and (F) below:

(A) \$0.0378 multiplied by the number of Covered Hours of Service for service prior to January 1, 1992, plus

(B) 4.45 percent (0.0445) of contributions made by the Participant's Employer for

each Covered Hour of Service for Credited Future Service earned on or after January 1, 1992 through December 31, 1998, plus

- (C) 4.3 percent (0.043) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on or after January 1, 1999 through December 31, 2003.
- (D) 2.5 percent (0.025) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on or after January 1, 2004 and before April 1, 2009.
- (E) 0.0 percent (0.00) of contributions made by the Participant's Employer for each Covered Hour of Service for Credited Future Service earned on and after April 1, 2009 through February 28, 2010.
- (F) 1 percent (1.00) on contributions made by the participant's employer for each covered hour of service for credited future service earned on or after March 1, 2010.

In no event shall a Participant earn a benefit in any Plan Year in which he or she is credited with less than three hundred seventy-five (375) Covered Hours of Service.

4.2 Normal Retirement Benefit

A Participant's monthly Normal Retirement Benefit shall equal his or her vested Accrued Benefit earned as of his or her Normal Retirement Date, and then adjusted for form of payment.

4.3 Early Retirement Benefit

For retirement on or before December 31, 2012 a Participant's monthly Early Retirement Benefit shall equal his or her vested

Accrued Benefit earned as of his or her Early Retirement date, reduced by five-twelfths percent (5/12 of 1%) for each month that the Early Retirement Date precedes the Normal Retirement Date, and then adjusted for form of payment.

For retirements on or after January 1, 2013 a Participant's monthly accrued benefit is reduced by 6.5% for each year (pro-rated for partial years) that the Participant's Early Retirement Date precedes their Normal Retirement Date.

4.4 Deferred Retirement Benefit

A Participant's monthly Deferred Retirement Benefit shall equal his or her vested Accrued Benefit earned as of his or her Deferred Retirement Date, and then adjusted for form of payment. Service beyond the Normal Retirement Date shall be taken into consideration. In no event shall the monthly benefit amount provided under this paragraph be less than the retirement benefit to which the Participant would have been entitled if he or she had actually retired on the Normal Retirement Date, Actuarially increased to reflect the deferred commencement of payments.

In the event a Participant continues working after the date benefits commence following age seventy and one-half (70 ½) pursuant to Section 3.3, the Deferred Retirement Benefit shall be recalculated and adjusted annually on each January 1 following the date benefits commence. This re-determined benefit will be payable under the form of payment elected in accordance with Article 5.

4.5 Reemployment after Retirement

(a) Suspension of Benefits

Upon reemployment in Post-Retirement Service, a retired Participant shall cease receiving retirement benefits under the Plan, until the date benefits are reinstated pursuant to subparagraph (d) or the participant elects to commence benefit payments at age seventy and one-half (70 ½) pursuant to Section 3.3, whichever is earlier. In no event shall the benefit upon subsequent retirement, be less than the initial retirement benefit.

(b) Post-Retirement Service

A retired Participant is considered reemployed in Post-Retirement Service if he or she works forty (40) or more Covered Hours of Service in any calendar month or the four (4) or five (5)-week pay period ending in a calendar month, in the Industry, in the same Trade or Craft, and in the same Geographic Area as defined below:

- (i) "Industry", means any organization which is engaged in the retail business as a supermarket, grocery store, super-drugstore, general merchandise store, drug store, liquor store, convenience food store, retail bakery or meat market.
- (ii) "Trade or Craft", is any work handling, selling, processing, servicing, or cashiering of any merchandise in any business under "Industry" above. Trade or Craft shall also include any work as a supervisor, sole proprietor, partner, or corporate owner.
- (iii) "Geographic Area", is employment in the state of Alaska.

A Participant who engages in any post-retirement employment shall notify the Administrator during the first calendar month that such employment commences and provide any information regarding employment after retirement, including without limitation Social Security and income tax records. If a Participant fails to notify the Administrator of post-retirement employment and the Administrator is made aware of such employment, retirement income payments shall be suspended on the basis of a presumption that any such Participant is in Post-Retirement Service in accordance with Department of Labor Regulation 29 CFR2530.203-3.

An hour of Post-Retirement Service shall be determined in accordance with Department of Labor Regulation 2530.200b2.

(c) Notice of Suspension

The Plan Administrator shall notify each Participant whose benefits are suspended following Normal Retirement Date due to Post-Retirement Service of the reasons for suspension of payment of retirement income payments, during the first calendar month which includes or follows the Participant's Normal Retirement Date, that such payments are suspended pursuant to this Section.

(d) Reinstatement Following Suspension

A Participant who engages in Post-Retirement Service shall notify the Plan Administrator upon return to retirement within the first calendar month following the cessation of Post-Retirement Service. In the event retirement income payments are suspended pursuant to Section 4.5(a), such retirement income payments shall resume no later than the first day of the third calendar month immediately following the calendar month in which the Participant ceases Post-Retirement Service. The first payment shall include retirement income payments for those months (or four (4) or five (5)-week pay periods ending in a month) in which the Participant completed less than forty (40) hours of Post-Retirement Service; provided, however, that payments may be reduced or forfeited as described in the next paragraph.

In the event a Participant received retirement income payments during any month in which such Participant performed Post-Retirement Service, the first benefit payment following the second or subsequent retirement shall be reduced by the amount of any benefits paid during Post-Retirement Service. If such overpayment amount is larger than the first payment, future benefit payments may continue to be reduced until the full amount of the overpayments is recovered, provided that the offset may not exceed twenty-five percent (25%) of the amount otherwise payable.

A Participant may only elect one form of payment with respect to each portion of his or her Accrued Benefit. If a Participant commenced benefits and is later reemployed in Post-Retirement Service, the Participant may elect a new form of payment with respect to the

new benefit earned during reemployment, but not with respect to the original benefit which will be reinstated when the Participant again retires. Provided, however, that any Accrued Benefit earned after the Participant's Normal Retirement Date will be paid according to the Participant's most recent form of payment election.

Once a Participant retires and receives retirement income, he or she will receive additional credit for Covered Hours of Service in the event he or she resumes employment in any Plan Year in which the Participant completes at least three hundred seventy-five (375) Covered Hours of Service. If a participant earns additional Accrued Benefits, his or her retirement benefit will be re-determined at least annually.

4.6 Adjustment to Retirement Income for Retired Participants and Beneficiaries

(a) General

From time to time, the Trustees may authorize an increase in monthly retirement income or an additional retirement income payment. Such increases and additional payments shall be one-time increases or payments only and shall not obligate the Trustees to make any future increases or payments.

(b) Monthly Benefits

The monthly retirement benefit payable to a Retired Participant (or a Participant's Beneficiary) as determined shall be increased as of each applicable date by the percentage indicated:

<u>Effective Date</u>	<u>Percentage Increase</u>
1/1/1994	3.0%
4/1/1999	3.5%
4/1/2000	5.0%
4/1/2007	3.0%
<u>1/1/2013</u>	<u>Rescind 3% granted on 4/1/2007</u>

(c) Additional Checks

An additional monthly retirement income payment equal to one hundred five percent (105%) of the regular monthly retirement income payment shall be paid to each Participant or each Participant's Beneficiary who was receiving or entitled to receive a monthly benefit payment for March 1, 2000.

4.7 Benefits for Terminated Participants

Benefits under the Plan shall be determined and paid in accordance with the provisions of the Plan in effect on the Participant's most recent date of Active Participation, except as specifically otherwise stated herein.

ARTICLE V – FORMS OF PAYMENT

5.1 Forms of Payment

The following forms of benefit payments are available under this Plan:

(a) Two Year Certain and Life Annuity

For deaths on or after January 1, 2013 a Life Annuity shall be payable monthly from the Retirement Date to the first month preceding death. The monthly benefit payable under a Life Annuity shall be equal to the Participant's Early, Normal, or Deferred Retirement Benefit, whichever applies.

For deaths prior to January 1, 2013, a Two-Year Certain and Life Annuity shall be payable monthly from the Retirement Date to the first of the month preceding death, but in certain circumstances a minimum of twenty-four (24) monthly payments are guaranteed to be made. If the Participant dies before receiving twenty-four (24) monthly payments, the remaining payments shall continue to be made to his or her Beneficiary. If there is no surviving Beneficiary, payments shall stop on the first of the month preceding the Participant's death. If there is a surviving Beneficiary, but he or she also dies before the twenty-four (24) monthly payments are made,

payments shall stop on the first of the month preceding the Beneficiary's death. The monthly benefit payable under a Two-Year Certain and Life Annuity shall be equal to the Participant's Early, Normal or Deferred Retirement Benefit, whichever applies.

(b) Joint and Survivor Annuity

A reduced Joint and Survivor Annuity shall be payable monthly to a Participant from the Retirement Date to the first of the month preceding death. Following the Participant's death, a benefit equal to fifty percent (50%), sixty-six and two-thirds percent (66-2/3%) or one hundred percent (100%) of the reduced amount payable to the Participant shall be payable for life to the Participant's spouse, if living at the time of the Participant's death. A Participant may elect which percentage shall be payable to the spouse.

If the spouse dies after the Participant's benefit payments begin, the Participant's payments will be in the same reduced amount as is otherwise payable under the Joint and Survivor Annuity. If the spouse dies prior to the date as of which the Participant's benefit payments begin, any election of a form of benefit under this subsection (b) shall be automatically canceled. If the Participant dies prior to the date as of which his or her benefit payments are to begin, the spouse shall not be entitled to receive any payments under this subsection (b). However, a spouse may be entitled to a death benefit under Section 6.1.

(c) Small Monthly Payments

Notwithstanding any other Plan provision, in the event payments would be less than ten dollars (\$10) a month, payments shall be made on another periodic basis which would result in periodic payments of a least \$10 each.

5.2 Automatic Form of Benefit

Unless a Participant elects otherwise, benefits shall be paid as provided below:

(a) Married Participants

Any Participant who is married on his or her Annuity Starting Date shall automatically be deemed to have elected the one hundred percent (100%) Joint and Survivor Annuity option, effective as of such date, with his or her spouse on the Annuity Starting Date as the joint annuitant (the “Statutory Joint and Survivor Annuity Option”).

A married Participant may reject the Statutory Joint and Survivor Annuity Option, by filing a written notice with the Trustees within ninety (90) days prior to his or her Annuity Starting Date. Such initial notice, or subsequent change, must specify the form of payment elected. Also, if the Participant does not elect a Joint and Survivor Annuity, the election must acknowledge the effect of the election, and must be signed by the Participant’s spouse. The spouse’s signature must be notarized or witnessed by a Plan representative. Notwithstanding this consent requirement, if the Participant establishes to the satisfaction of the Trustees that such written consent cannot be obtained because there is no spouse or the spouse cannot be located, such election can be made without the consent of any person.

A married Participant may file a rejection notice or revoke any such notice at any time during the ninety (90) day period immediately preceding the Annuity Starting Date.

(b) Unmarried Participants

On or after January 1, 2013 a Participant who is unmarried on the Annuity Starting Date shall receive his or her retirement benefits in the form of a Life Annuity.

For deaths prior to January 1, 2013, a Participant who is unmarried on the Annuity Starting Date shall receive his or her retirement benefits in the form of a Two-Year Certain and Life Annuity.

5.3 Limitation on Forms of Payment

A Participant may not elect a joint annuitant other than his or her spouse. Also, notwithstanding any Plan provision to the

contrary, all distributions, including distributions to Beneficiaries, will be made in accordance with Code Section 401(a)(9), IRS Regulations 1.401(a)(9)-2 through 1.401 (a)(9)-9, including the incidental death benefit rule of Code Section 401(a)(9)(G), and any other provisions reflecting Code Section 401(a)(9) as prescribed by the Commissioner of the Internal Revenue Service. Provisions in this Plan reflecting Code Section 401(a)(9) override any distribution options inconsistent with Code Section 401(a)(9).

Effective on and after January 1, 2008, no distribution shall be made which contravenes the restrictions of Code Section 432(f)(2)(A), if applicable.

5.4 Application for Benefits and Explanation of Forms of Payment and Election

(a) Application

Each Participant shall notify the Trustees in writing, on the form prescribed by the Trustees, of his or her intent to retire on a Retirement Date. Following such notice, the Participant shall receive a written explanation from the Trustees of the terms and conditions of the various forms of payment, the financial effect (in terms of dollars per monthly payment to the Participant and his or her surviving spouse) of electing a form of payment other than the automatic form, and the relative value of such forms of payment, as well as a description of the consequences of failing to defer commencement of benefit payments if the participant is retiring as of an Early Retirement Date.

(b) Delayed Application

Notwithstanding the preceding paragraph, if a Participant who is eligible to begin payment of his or her vested Accrued Benefit does not file a timely written application to commence payments on his or her Normal Retirement Date or Deferred Retirement Date, upon proper application (and with spousal consent, if applicable), such Participant shall be entitled to elect retroactive commencement of his or her retirement income payments to the later of the Participant's:

- (i) Normal Retirement Date; or
- (ii) Deferred Retirement Date.

Retroactive payments of benefits are subject to the rules for suspending benefits during periods of Post-Retirement Service as defined in Section 4.5. Retroactive benefits shall include the value of Retirement Income payments previously suspended for months after the Participant's Retirement Date in which the Participant did not engage in 40-hour Post-Retirement Service as defined in Section 4.5, and shall include interest at reasonable rate as determined by the Board of Trustees on such suspended amounts from the date each retirement income payment was missed to the date the payment is made.

(c) Explanation and Election

The Trustees shall furnish each Participant with a written explanation of the terms and conditions of the forms of payment within a reasonable period (at least thirty (30) but not more than ninety (90) days) prior to the Participant's Annuity Starting Date. Such notice shall include:

- (i) an explanation of the all forms of benefit available under the Plan and, the financial effect of the payment of monthly benefits in each form, and the relative value of such forms of payment; and
- (ii) a notice that benefits for a married Participant will be made in the 100% Joint and Survivor Annuity form, and that a single Participant's Retirement Income payments will be made in the Life Annuity form, commencing on the Participant's Normal Retirement Date unless the Participant elects otherwise in accordance with Section 5.2; and
- (iii) an explanation that the Participant has a right to a thirty (30)-day period to consider the election of a form of payment.

A Participant may elect one of the optional forms of payment at any time during the ninety (90)-day period ending on the Annuity Starting Date. A Participant may change his or her election at any time during such ninety (90)-day period. A participant may waive the thirty (30)-day waiting period by an affirmative election in writing on form(s) provided by the Trustees.

Also, a Participant or spouse may revoke an election to commence benefits at any time during the seven (7)-day period that immediately follows the day on which the written explanation is provided by the Trustees. Also, a Participant may elect a retroactive benefit commencement date so long as the date is not before the date the written explanation is provided and the first payment is not made until after the seven (7)-day revocation period.

5.5 Eligible Rollover Distributions and Qualified Distributions

- (a) General Rule. Except as otherwise provided below, any portion of an eligible rollover distribution shall, at the election of and in lieu of distribution to the distributee, be paid directly to an Eligible Retirement Plan in a direct rollover, or to a Roth IRA (as defined in Code Section 408A) in a qualified rollover, as specified by the distributee.

- (b) Eligible Rollover Distribution. Subject to the limitations in (c) below, for purposes of this Section 5.5, an “eligible rollover distribution” is any distribution of Plan benefits to a Participant, a Participant’s surviving spouse, a Participant’s spouse or former spouse pursuant to a qualified domestic relations order; and effective January 1, 2010, a non-spouse beneficiary who is a designated beneficiary within the meaning of Code Section 401(a)(9)(E) (“distributee”), except the following distributions:
 - (i) any distribution that is one of a series of substantially equal periodic payments made at least annually over one of the following periods:
 - (A) for the life (or life expectancy) of the distributee, or the joint lives (or life

expectancies) of the distributee and a designated beneficiary; or

- (B) for a specified period of ten years or more.
- (ii) any distribution to the extent it is required under Code Section 401(a)(9).

The provisions of Code Section 401(a)(31)(C) and the regulations thereunder are incorporated herein by reference for the purpose of further defining and interpreting the term “eligible rollover distribution” and those provisions shall be controlling.

- (c) Non-spouse beneficiary. If the distributee is a non-spouse beneficiary who is a designated beneficiary within the meaning of Code Section 401(a)(9)(E), only an individual retirement account or individual retirement annuity that is established for the purpose of receiving the distribution on behalf of the distributee and that will be treated as an inherited individual retirement account or individual retirement annuity pursuant to Code Section 402(c)(11). A non-spouse Beneficiary may also make a qualified rollover to a Roth IRA.
- (d) Direct rollover. A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee.

ARTICLE VI – DEATH BENEFITS

6.1 Married Participant Death Benefit

(a) General

In the event a vested, married Participant dies before commencing to receive retirement benefits under the Plan, his or her spouse shall receive a pre-retirement death benefit. The amount of the spouse’s benefit and time of commencement is described below. The spouse of a non-vested Participant, or a Participant who has started to receive benefits, is not entitled to this death benefit.

Within a reasonable time following the Participant's death, the Trustees shall provide a written notice to the surviving spouse, of the terms and conditions of this death benefit and the spouse's right to delay benefit commencement and elect an alternative form of payment.

(i) Death Following Earliest Retirement Date

If the Participant dies after the Participant's Normal Retirement Date or after he or she becomes eligible to elect an Early Retirement Date, the spouse's benefit shall be paid monthly from the first of the month coinciding with or following the Participant's death through the first of the month preceding the spouse's death. For deaths prior to January 1, 2013, the benefit shall equal the amount payable to the surviving spouse under a one hundred percent (100%) Joint and Survivor Annuity form of payment if the Participant had commenced receiving retirement benefit payments as of the date spouse benefits commence, based upon the Participant's vested Accrued Benefit at the date of death. For deaths on or after January 1, 2013, the above benefit shall be a fifty percent (50%) Joint and Survivor Annuity form of Payment if the Participant had commenced receiving retirement benefit payments as of the date spouse benefits commence, based upon the participant's vested Accrued Benefit at the date of death.

(ii) Death Prior to Earliest Retirement Date

The spousal benefit in this section applies to Participant deaths prior to January 1, 2013.

If the Participant dies prior to becoming eligible to elect a Retirement Date, the spouse's benefit shall be paid monthly from the Participant's earliest Retirement Date (determined as if the Participant had survived, but was not employed after the date of death) through the first of the month preceding the spouse's death. The benefit shall equal the amount payable to the

surviving spouse under a one hundred percent (100%) Joint and Survivor Annuity form of payment if the Participant had terminated on the date of death (or actual termination date if not employed upon death), survived to the date spouse benefits commence and commenced receiving retirement benefit payments on such date.

Benefits for spouses of Participants who die on or after January 1, 2013 shall be the same as above except the Joint and Survivor Annuity form of payment shall be 50% instead of 100%.

(b) Benefit Commencement

Notwithstanding (a), in the event a Participant dies prior to Normal Retirement Date, a spouse entitled to benefits under (a)(i) or (a)(ii), may elect prior to the date benefits commence thereunder, to postpone commencement of benefits to the first day of any month on or before the Participant's Normal Retirement Date determined as if he or she had survived.

(c) Form of Payment

Notwithstanding (a), a spouse may elect to receive monthly benefits over a twenty-four (24)-month period or until the first of the month preceding the spouse's death, if sooner. Benefits in this form of payment shall be Actuarially Equivalent to the form of payment described in (a).

6.2 Single Participant Death Benefit

On or after January 1, 2013, in the event a vested single participant dies before commencing to receive retirement benefits under the Plan, no benefit is payable.

In the event a vested, single Participant dies prior to January 1, 2013 and before commencing to receive retirement benefits under the Plan, his or her Beneficiary shall receive a pre-retirement death benefit. The benefit shall commence not later than the last day of the calendar year following the Participant's death.

The monthly benefit shall be the monthly amount that would have been payable to the Participant as if the Participant had survived and commenced receiving retirement benefit payments on the later of his or her date of death or his or her earliest Retirement Date (determined as if the Participant had survived, but was not employed after the date of death), in the form of a Two (2) Year Certain and Life Annuity form of payment. As noted above, even though the monthly benefit amount is the same as that payable under a Two (2) Year Certain and Life Annuity, there is no guarantee of twenty-four (24) monthly payments. If the Beneficiary dies before receiving twenty-four (24) monthly payments, no further benefits are payable after the Beneficiary's death.

6.3 Forfeiture

If, at death occurring on or after January 1, 2013, a Participant does not have a surviving Spouse, the interest of the deceased Participant and any death benefit shall lapse and the monies otherwise provided for such benefit shall become part of the general funds of the Trust Fund and used to defray the necessary expenses of the Trust.

6.4 Survivors of persons who die in qualified military service

In the case of a participant who dies on or after January 1, 2007 while performing qualified military service (as defined in IRC section 414(u)(5)), the survivors of the participant are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the plan had the participant resumed and then terminated employment on account of death.

ARTICLE VII – VESTING

7.1 Vesting

Each Participant shall have a vested, non-forfeitable right to his or her Accrued Benefit multiplied by the appropriate vesting percentage in accordance with the following table:

<u>Years of Service</u>	<u>Percent Vested</u>
Less than 5	0%
5 or more	100%

In addition, each Participant shall have a one hundred percent (100%) non-forfeitable right to his or her Accrued Benefit upon his or her Normal Retirement Date, provided he or she is an Employee on such date. An Employee who Terminates with zero percent (0%) vested shall be deemed "non-vested."

7.2 Termination Prior to Vesting

(a) Forfeiture of Service

In the event a non-vested Participant incurs a Break-in-Service, and the number of Break-in-Service years equals or exceeds five (5) consecutive years, his or her Years of Service and Credited Service preceding the Break-in-Service shall be disregarded, and any Accrued Benefit earned prior to the Break-in-Service shall be forfeited at the end of the five (5)-year Break-in-Service.

Any Service forfeited under the terms of the Plan in effect on any date prior to January 1, 1996 shall remain forfeited.

If a vested Participant incurs a Break-in-Service, all Years of Service and Credited Service before and after the Break-in-Service shall be aggregated

(b) Deemed Cash-Out of Accrued Benefit

If a Participant Terminates at a time when the present value of the Participant's vested Accrued Benefit is zero (0), the Participant shall be deemed to have received a distribution of such Accrued Benefit upon Termination, and shall no longer be a Participant. If the individual resumes employment with an Employer before incurring a Break-in-Service equal to the larger of five (5)-consecutive years or the number of Years of Service preceding the Break-in-Service, his or her Years of Service and Credited Service preceding the Break-in-Service shall be reinstated at the end of the first Plan Year after reemployment in which the Participant has three hundred and seventy-five (375) or more Hours of Service.

7.3 Forfeitures

Any forfeitures arising under this Plan shall be used only to offset the cost of administering the Plan and shall not affect any Participant's Accrued Benefit.

7.4 Reciprocal Vesting

(a) Purpose

Reciprocal vesting is provided under this Plan for Participants who would otherwise be ineligible for benefits because their years of employment have been divided between employment credited under another pension plan in the retail industry, or whose benefit would otherwise be less than the full amount because of such division of employment.

(b) Related Plans

By motion duly adopted, the Trustees may recognize another pension plan in the retail industry as a Related Plan. Another Plan may not be recognized as a Related Plan unless the other plan adopts and maintains reciprocal vesting provisions substantially similar to this Section, and the other plan recognizes this Plan as a Related Plan under such provisions.

Copies of the motions adopted by the Trustees and by the Board of Trustees of the other plan, certified by the executive officers, shall be exchanged.

(c) Related Hours

Related Hours means hours of service which are credited under a Related Plan.

(d) Related Credit

Related Credit means years of past service or future service, or portions thereof, credited to a Participant for vesting purposes under a Related Plan.

(e) Combined Service

“Combined Service” means the total of a Participant’s Related Credit plus the Years of Service earned under this Plan.

If a Participant failed to earn a Year of Service under this Plan solely because employment in a given period was divided between the jurisdiction of this Plan and a Related Plan, the Participant shall be granted a year of Combined Service.

If a period of employment in the jurisdiction of this Plan was longer during such year than in the jurisdiction of the Related Plan, then such Participant will be granted a Year of Service under the Plan for such year provided the Related Plan does not grant any Related Credit for such year.

(f) Non-Duplication of Credits

A Participant shall not receive double credit for the same period of employment; no more than one (1) year of Related Credit or one (1) Year of Service under the Plan shall be given for all employment in any year.

(g) Vesting Service

For purposes of Section 7.1, for a Participant with Combined Service, vesting shall be based on his or her Combined Service in lieu of his or her Years of Service, provided the Participant has earned at least one (1) year of Credited Future Service under this Plan.

(h) Use of Related Hours to Prevent Break-in Service

Related Hours shall be considered in determining whether a Participant has worked the required number of hours to avoid a Break-in-Service. Service credited under a Related Plan shall be considered in determining whether a Participant has met the definition of Continuous Service for purposes of Credited Past Service.

(i) Continuation of Arrangement

This Section has been adopted by the Trustees in consideration of the adoption of similar provisions by the Board of Trustees of the Related Plans. It is contemplated that this Section will be enforced indefinitely. However, the Trustees reserve the right to modify or discontinue the provisions of this Section in whole or in part with respect to prospective service, upon the giving of ninety (90) days notice, in writing, to all Related Plans.

ARTICLE VIII – LIMITATIONS OF BENEFITS

8.1 Limitation on Benefits

(a) General Rule

In the event the Plan terminates, the benefit of any Highly Compensated Employee (and any former Highly Compensated Employee (as defined in Code Section 414(q)) shall be limited to a benefit that is nondiscriminatory under Code Section 401(a)(4).

(b) Limit on Annual Payments

Annual payments to an Employee in the “Restricted Group” (as defined below) are restricted to an amount equal to the payments that would be made on behalf of the Employee:

- (i) under a single life annuity that is Actuarially Equivalent to the sum of the Employee’s Accrued Benefit and the Employee’s other benefits under the Plan (other than a Social Security supplement); plus
- (ii) the amount of any Social Security supplements the Employee is entitled to receive. This restriction will not apply if:
 - (A) after payment to an Employee in the Restricted Group of all “Benefits” (as defined below), the value of Plan assets

equals or exceeds one hundred and ten percent (110%) of the value of current liabilities, as defined in Code Section 412(l)(7); or

- (B) the value of the Benefits for an Employee in the Restricted Group is less than one percent (1%) of the value of current liabilities before distribution of such Benefits.

(c) Definitions

- (i) The "Restricted Group" consist of the twenty-five (25) highest-paid current and former Highly Compensated Employees or all current and former Highly Compensated Employees if less than twenty-five (25).
- (ii) "Benefit" means loans in excess of the amounts set forth in Code Section 72(p)(2)(A), any periodic income, any withdrawal values payable to a living Employee or former Employee, and any non-insured death benefits.

(d) Limitations Not Effective

The limitations contained in this Section shall not restrict the annual amount paid to a Participant in the Restricted Group provided the Participant agrees to repay an amount necessary for the distribution of assets upon Plan termination to satisfy Code Section 401(a)(4). Such Participant must agree to repay amounts paid to him or her to the extent they exceed the amount he or she would have received if the restrictions under this Section had been applied. The agreement to repay must be secured by deposit in escrow of property having a market value of one hundred twenty-five percent (125%) of the amount subject to repayment. If the value of the property falls below one hundred ten percent (110%) of the repayment amount, the Participant must deposit additional property to again satisfy the one hundred twenty-five percent (125%) requirement. Alternatively, the agreement to repay may be secured or

collateralized by posting a bond or letter of credit equal to at least one hundred percent (100%) of the repayment amount. Such bond must be furnished by an insurance company or bonding company or other surety approved by the U.S. Department of Treasury as an acceptable surety for federal bonds.

Any such repayment agreement shall be terminated and any property in escrow shall be returned and any bond or letter of credit may be cancelled in the event one of the three conditions set forth in O is satisfied or the Plan terminates and benefits received by the Participant are nondiscriminatory in accordance with Code Section 401(a)(4).

(e) Regulatory Authority

This Section is intended to comply with Treas. Reg. §1.401(a)(4)-5(b), and shall be superseded to the extent any provision of such regulation conflicts with the limitations stated herein.

8.2 Maximum Annual Benefit Payable under the Plan

For purposes of this Section, the Employer and any Affiliated Companies shall be considered a single employer, to the extent required by the Code.

(a) Primary Rules

Notwithstanding any other provisions of the Plan, the Accrued Benefit, including the right to any optional benefits provided in the Plan (and all other defined benefit plans required to be aggregated with this Plan under Code Section 415, shall not increase to an amount in excess of the amount permitted under Code Section 415 at any time. For purposes of determining compliance with Code Section 415, with respect to limitation years beginning after December 31, 1986, the term annual additions shall include all Employee contributions to the Plan, if any, except that re-computation of annual additions for limitation years beginning before January 1, 1987 shall not be required.

(b) Remedy

If the limitation on the aggregation of this Plan with a defined contribution plan contained in Code Section 415 is exceeded, and the annual additions to the defined contribution plan are not limited to achieve such limitation, the benefit under this defined benefit Plan shall be reduced to the extent necessary to satisfy the limitation.

ARTICLE IX – TOP HEAVY PROVISIONS

9.1 Scope

Notwithstanding any Plan provision to the contrary, for any Plan Year in which the Plan is Top-Heavy within the meaning of Section 416(g) of the Code, the provisions of this Article IX shall govern to the extent they conflict with or specify additional requirements to the Plan provisions governing Plan Years which are not Top-Heavy.

9.2 Top-Heavy Status

(a) Top-Heavy

This Plan shall be “Top-Heavy” if, as of the Determination Date, (1) the sum of the Aggregate Accounts of Key Employees, and/or (2) the Present Value of Accrued Benefits of Key Employees under this Plan and any plan of an Aggregation Group, exceeds sixty percent (60%) of the Aggregate Accounts or the Present Value of Accrued Benefits of all Participants under this Plan and any plan of an Aggregation Group.

The Present Value of Accrued Benefits and/or Aggregate Account balance of a Participant who was previously a Key Employee but is no longer a Key Employee (or his or her Beneficiary), shall not be taken into account for purposes of determining Top-Heavy status. Further, a Participant’s Present Value of Accrued Benefits and/or Aggregate Account balance shall not be taken into account if he or she has not performed services for the Affiliated Companies during the one (1)-year period ending on the Determination Date.

(b) Determination Date

Whether the Plan is Top-Heavy for any Plan Year shall be determined as of the Determination Date. "Determination Date" means (a) the last day of the preceding Plan Year, or (b) in the case of the first Plan Year, the last day of such Plan Year.

(c) Valuation Date

"Valuation Date" means, for purposes of determining Top-Heaviness, the Determination Date.

(d) Aggregate Account

"Aggregate Account" means, with respect to a Participant, his or her adjusted account balance in a defined contribution plan, as determined under the top-heavy provisions of such plan.

(e) Present Value of Accrued Benefits

"Present Value of Accrued Benefits" means the sum of:

- (i) the Actuarial Equivalent present value of the accrued Normal Retirement Benefit under the Plan as of the Valuation Date;
- (ii) distributions prior to the Valuation Date, made during the Plan Year that contains the Determination Date and the preceding Plan Year, for reasons other than severance from employment, death or disability; and
- (iii) Distributions prior to the Valuation Date, made during the Plan Year that contains the Determination Date and the four (4) preceding Plan Years for reasons other than those set forth in Subsection (ii) above.

For purposes of Subsections (ii) and (iii), unrelated rollovers or transfers from this Plan shall be considered distributions. A related rollover or transfer from this Plan shall not be considered a distribution. An unrelated rollover or transfer is one that is both initiated by the Employee and made between plans of different employers. A related rollover or transfer is one that is

either not initiated by the Employee or made between the plans of the same employer.

(f) Key Employee

“Key Employee” means an Employee or former Employee (and his or her Beneficiaries), who at any time during the Plan Year containing the Determination Date or the preceding Plan Year, is included in one of the following categories as within the meaning of Code Section 416(i):

- (i) an officer of the Employer whose annual aggregate Compensation from the Affiliated Companies exceeds \$130,000 (as adjusted in accordance with Code Section 416(i)(1)), provided that no more than fifty (50) Employees shall be considered officers, or if less, the greater of three (3) or ten percent (10%) of the Employees;
- (ii) an Employee who owns more than five percent (5%) of the Employer; or
- (iii) an Employee who owns more than one percent (1%) of the Employer with annual aggregate Compensation from the Affiliated Companies that exceeds \$150,000, as adjusted by the Treasury.

(g) Aggregation Group

“Aggregation Group” means the group of plans that must be considered as a single plan for purposes of determining whether the plans within the group are Top-Heavy (Required Aggregation Group), or the group of plans that may be aggregated for purposes of Top-Heavy testing (Permissive Aggregation Group). The Determination Date for each plan must fall within the same calendar year in order to aggregate the plans.

- (i) The Required Aggregation Group includes each plan of the Affiliated Companies in which a Key Employee is a participant in the Plan Year containing the Determination Date or any of the four (4) preceding Plan Years, and each other plan of the Affiliated Companies which, during

this period, enables any plan in which a Key Employee participates to meet the minimum participation standards or nondiscriminatory contribution requirements of Code Sections 401(a)(4) or 410.

- (ii) A Permissive Aggregation Group may include any plan sponsored by an Affiliated Company, provided the group as a whole continues to satisfy the minimum participation standards and nondiscriminatory contribution requirements of Code Sections 401(a)(4) and 410.

Each plan belonging to a Required Aggregation Group shall be deemed Top-Heavy or non-Top-Heavy in accordance with the group's status. In a Permissive Aggregation Group that is determined Top-Heavy only those plans that are required to be aggregated shall be Top-Heavy. In a Permissive Aggregation Group that is not Top-Heavy, no plan in the group shall be Top-Heavy.

9.3 Minimum Benefit

(a) General Rule

For any Top-Heavy Plan Year, a non-Key Employee who completes a Year of Service shall have an Accrued Benefit at least equal to the minimum benefit described herein. The minimum Accrued Benefit at any point in time equals the lesser of:

- (i) two percent (2%) multiplied by Top-Heavy Years of Service, or
- (ii) twenty percent (20%),

Multiplied by such Participant's "average Compensation." "Average Compensation" means a Participant's average Compensation for the five (5) consecutive years when such Participant had the highest aggregate Compensation from the Employer. However, Compensation received for non-Top-Heavy Plan Years shall be disregarded. The benefit described herein is expressed as an annual benefit in the form of a single life annuity (with no ancillary benefits), commencing at normal retirement age.

A non-Key Employee shall not be denied this minimum benefit because he or she was not employed on a specified date, failed to make any mandatory employee contributions, or failed to earn a specified amount of Compensation. For purposes of satisfying the minimum benefit requirements of Code Section 416(c)(1) and the Plan, in determining the number of Top-Heavy Years of Service with the Employer, any Service with the Employer shall be disregarded to the extent that it occurs during a Plan Year when the Plan benefits (within the meaning of Code Section 410(b)) no Key Employee or former Key Employee.

(b) Special Two (2)-Plan Rule

Where this Plan and a defined contribution plan belong to an Aggregation Group that is determined Top-Heavy, the minimum benefit required under (a) above for any non-Key Participant who also participates in the defined contribution plan shall be reduced by the minimum contribution and forfeiture allocated to the non-Key Participant's accounts pursuant to the defined contribution plan's top-heavy provisions. Such offset shall be in accordance with the safe harbor rules of Treas. Reg 1.416-1(m-12).

9.4 Vesting

(a) Top-Heavy Schedules

For any Top-Heavy Plan Year, each Participant who completes an Hour of Service in such Plan Year shall become vested and have a nonforfeitable right to retirement benefits he or she has earned under the Plan in accordance with the following table:

<u>Years of Service</u>	<u>Vesting Percentage</u>
Less than 2	0%
2	20%
3	40%
4	60%
5	80%
6 or more	100%

Provided, however, that a Participant's vesting percentage shall not be less than the percentage determined under the table in Section 7.1.

(b) Return to Non-Top-Heavy Status

If the Plan becomes Top-Heavy and ceases to be Top-Heavy in any subsequent Plan Year, the vesting schedule shall automatically revert to the vesting schedule in effect before the Plan became Top-Heavy. Such reversion shall be treated as a Plan amendment pursuant to the terms of the Plan, and shall not cause a reduction of any Participant's non-forfeitable interest in the Plan on the date of such amendment.

A Participant with three (3) or more Years of Service with the Employer as of the end of the election period, may elect to remain covered by the Top-Heavy vesting schedule. The Participant's election period shall commence on the adoption date of the amendment and shall end sixty (60) days after the latest of:

- (i) the adoption date of the amendment,
- (ii) the effective date of the amendment, or
- (iv) the date the Participant receives written notice of the amendment from the Administrative Committee.

ARTICLE X – ADMINISTRATION OF THE PLAN

10.1 Plan Administrator

The Plan Administrator and named fiduciary shall be the Board of Trustees. The Board of Trustees operational procedures are set forth in the Trust Agreement. The Contract Trust Administrator shall be the agent of the Plan for service of legal process.

A member of the Board of Trustees who is also a Participant shall not vote or act on any matter relating solely to such member.

10.2 Duties and Authority of Trustees

(a) Administrative Duties

The Trustees shall administer the Plan in a nondiscriminatory manner for the exclusive benefit of Participants and their Beneficiaries. The Trustees shall perform all such duties as are necessary to supervise the administration of the Plan and to control its operation in accordance with the terms thereof, and the Trust Agreement.

(b) Investment Authority

The Trustees shall establish an investment policy consistent with the purposes of the Plan and the requirements of applicable law, as appropriate from time to time. Pursuant to the Trust Agreement, the Trustees shall have responsibility and authority with respect to the management, acquisition, disposition or investment of Plan assets to the extent such responsibility and authority is not delegated to an Investment Manager. Title to all investments or other assets of the Trust Fund shall be maintained in the name of the Trust Fund.

(c) General Authority

The Trustees shall have all powers necessary or appropriate to carry out its duties, including the discretionary authority to interpret the provisions of the Plan and the facts and circumstances of claims for benefits. Any interpretation or construction of or action by the Trustees with respect to the Plan and its administration shall be conclusive and binding upon any and all parties and persons affected hereby, subject to the exclusive appeal procedure set forth in the Trust.

10.3 Expenses

All reasonable expenses which are necessary to operate and administer the Plan may be deducted from the Trust Fund.

10.4 Bonding and Insurance

To the extent required by law, every Trustee, every fiduciary of the Plan and every person handling Plan funds shall be bonded. The Trustees shall take such steps as are necessary to assure compliance with applicable bonding requirements. The Trustees may apply for and obtain fiduciary liability insurance insuring the Plan against damages by reason of breach of fiduciary responsibility at the Plan's expense and insuring each fiduciary against liability to the extent permissible by law provided such personal fiduciary insurance is not paid for by the Plan.

10.5 Commencement of Benefits

(a) Conditions of Payment

Benefit payments under the Plan shall not be payable prior to the fulfillment of the following conditions:

- (i) the Participant or Beneficiary has furnished to the Trustees such applications, proofs of birth or death, employment records, address, form of benefit election, spouse consent if required, and other information the Trustees deem necessary;
- (ii) the Participant has terminated employment, reached his or her Required Beginning Date or died; and
- (iii) the Participant or Beneficiary is eligible to receive benefits under the Plan as determined by the Trustees.

The Trustees may rely on all such information so furnished, including the Participant's current mailing address. All applications for benefits under this Plan, and all elections and designations made by Participants or Beneficiaries under this Plan shall be made in writing to the Trustees in the form and manner prescribed by the Trustees. Any misrepresentation by the applicant shall constitute grounds for the suspension of benefits, in whole or in part, for such applicant if necessary to correct an overpayment, or for the recovery of benefit overpayments made in reliance thereon.

(b) Commencement of Payment

Unless a Participant elects otherwise, the payment of benefits shall commence no later than sixty (60) days after the end of the Plan Year in which the latest of the following occurs:

- (i) the Participant reaches Normal Retirement Date,
- (ii) the tenth anniversary of the year in which the Participant commenced participation in the Plan, or
- (iii) the Participant terminates employment;

provided that payments shall not commence later than the Participant's Required Beginning Date.

The amount of any payments required following the Participant's Required Beginning Date shall at least satisfy the minimum required distribution amount under Code Section 410(a)(9)(A)(ii) and related regulations.

Payments shall be made in the automatic form described in Section 5.2 commencing no earlier than the Participant's Normal Retirement Date, unless the Participant and spouse, if any, provide written consent to distribution on an Early Retirement Date, a retroactive commencement of retirement income payments, and/or another form of payment, or unless the benefit is cashed out pursuant to Section 10.7(c). Spouse consent must acknowledge the effect of such election and be notarized or witnessed by a Plan representative.

If the information required in Section 10.5(a) above is not available prior to such date, the amount of payment will not be ascertainable. In such event, the commencement of payments shall be delayed until no more than sixty (60) days after the date the amount of such payment is ascertainable.

10.6 Appeal Procedure

The procedures for submitting and reviewing a claim for benefits under the Plan are set forth in the Trust Agreement.

10.7 Plan Administration – Miscellaneous

(a) Limitations on Assignments

Benefits under the Plan may not be assigned, sold, transferred, or encumbered, and any attempt to do so shall be void, except a benefit may be rolled over pursuant to Section 5.5. The interest of a Participant in benefits under the Plan shall not be subject to debts or liabilities of any kind and shall not be subject to attachment, garnishment or other legal process, except as provided in Section 10.8 relating to Domestic Relations Orders, or otherwise permitted by law.

Notwithstanding the foregoing, the Trustees may approve any offset of a Participant's benefit to pay a judgment or settlement against a Participant for a crime involving the Plan or a breach of the Participant's fiduciary duty to the Plan, provided such offset is in accordance into the requirements of Code Section 401(a)(13).

(b) Masculine and Feminine, Singular and Plural

Whenever used herein, pronouns shall include the opposite gender, and the singular shall include the plural, and the plural shall include the singular, whenever the context shall plainly so require.

(c) Small Benefits

Notwithstanding any Plan provision to the contrary, including without limitation Section 4.7, if the Actuarially Equivalent present value of a vested and payable benefit does not exceed \$5,000, the Participant's benefit will be paid in a lump sum distribution as soon as practical following the Participant's Retirement Date or death. Each participant who will receive a distribution pursuant to this Section shall receive a direct rollover notice pursuant to Section 5.5 (b) and shall have sixty (60) days to make a rollover election. No distribution shall be made without the consent of the Participant, or in the case of the Participant's death, the Participant's spouse.

This Section 10.7(c) shall apply automatically to Participants who Terminate on or after August 1, 1998, and their spouses or Beneficiaries. In addition, notwithstanding any other Plan provision to the contrary, Participants (or their spouses or Beneficiaries, as applicable) who Terminated prior to August 1, 1998 but whose Annuity Starting Date is on or after August 1, 1998 may elect to receive his or her benefit in the form of a lump sum if the requirements of this Section 10.7(c) are met.

(d) No Additional Rights

No person shall have any rights in or to the Trust Fund, or any part thereof, or under the Plan, except as, and only to the extent, expressly provided for in the Plan. Neither the establishment of the Plan, the accrual of benefits under the Plan nor any action of the Trustees or an Employer shall be held or construed to confer upon any person any right to be continued as an Employee, or, upon dismissal, any right or interest in the Trust Fund other than as herein provided. This Plan is not intended to affect in any way the Employer-Employee relationship between an Employee and Employer hereunder. Such relationship shall continue under any Collective Bargaining Agreement or other agreement between those parties which may be in effect from time to time.

(e) Governing Law

The Plan shall be administered, in accordance with Section 302(c) of the Labor Management Relations Act of 1947, the Employee Retirement Income Security Act of 1974, the Internal Revenue Code, and the regulations pertinent thereto, and other applicable federal statutes and regulations, as such statutes and regulations presently exist or as they may hereafter be amended, and the laws of the state of Alaska, wherein venue shall be for any dispute arising hereunder. References herein to particular sections of the above-mentioned statutes shall include any regulations pertinent to such sections and any subsequent amendments to such section of regulations.

(f) Disclosure to Participants

Each participant shall be advised of the general provisions of the Plan and, upon written request addressed to the Trustees, shall be furnished any information requested regarding the Participant's status, rights and privileges under the Plan as may be required by law.

(g) Service Records

Participants shall be entitled to obtain periodic reports showing the number of hours credited to their accounts at the administration office. Participants who contend that they are entitled to be credited with a greater number of hours for any calendar year must file evidence in support of such claims with the administration office within one (1) year after the end of the disputed year, or hours shall remain as credited. The Trustees shall determine the proper number of hours, if any, to be credited to such Participants.

(h) Income Tax Withholding Requirements

Any retirement benefit payment made under the Plan shall be subject to any applicable income tax withholding requirements.

(i) Severability

If any provision of this Plan shall be held illegal or invalid for any reason, such determination shall not affect the remaining provisions of this Plan which shall be construed as if said illegal or invalid provision had never been included.

(j) Facility of Payment

In the event any benefit under this Plan shall be payable to a person who is under legal disability or is in any way incapacitated so as to be unable to manage his or her financial affairs, the Trustees may direct payment of such benefit to a duly appointed guardian, committee or other legal representative, to a custodian for such person under a Uniform Gifts to Minors Act or to any

relative of such person by blood or marriage, for such person's benefit. Any payment made in good faith pursuant to this provision shall fully discharge the Trustees and the Plan of any liability to the extent of such payment.

(k) Correction of Errors

Any Employer contribution to the Trust Fund made under a mistake of fact (or investment proceeds of such contribution if a lesser amount) shall be returned to the Employer within one (1) year after payment of the contribution.

In the event an incorrect amount is paid to a Participant or Beneficiary, any remaining payments may be adjusted to correct the error. The Trustees may take such other action they deem necessary and equitable to correct any such error.

(l) Limitation of Liability of the Employer and Others

No participant shall have any claim against an Employer, or the Trustees, or against their directors, officers, members, agents or representatives, for any benefits under the Plan, and such benefits shall be payable solely from the Trust; nor, to the extent permitted by law, shall an Employer, the Trustees or their directors, officers, members, agents or representatives incur any liability to any person for any action taken or suffered or omitted to be taken by them under the Plan in good faith.

(m) Missing Persons

In the event a distribution is required to commence and the Participant or Beneficiary cannot be located, the Participant's benefit shall be forfeited on the last day of the Plan Year in which the distribution was supposed to commence. If the affected Participant or Beneficiary later contacts the Plan, his or her benefit shall be reinstated and missed payments shall be distributed as soon as practical.

Prior to forfeiting any benefit, the Plan shall attempt to contact the Participant or Beneficiary by return receipt

mail at his or her last known address according to the Plan's records, and by the letter forwarding services offered through the Internal Revenue Service, or the Social Security Administration, or such other means as the Trustees deem appropriate.

(n) Spouse Consent

In the event spouse consent is required for any Plan purpose, such consent shall acknowledge the effect of the consent, the consent must be in writing, and it must be witnessed by a notary public or Plan Representative; provided, written consent will not be required if the Participant establishes to the satisfaction of the Trustees that no spouse exists, or the spouse cannot be located.

(o) Uniformed Services Employment and Reemployment Rights Act of 1994

Effective on and after December 12, 1994, notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Code Section 414(u). Contributions, benefits, and service credit provided pursuant to Code Section 414(u) shall be treated as an expense of administering the Plan. The contribution rate used to determine the credit given a Participant pursuant to this Section 10.7(o) shall be the rate provided for such Participant by the Collective Bargaining Agreement under which he was performing Credited Future Service immediately prior to entering Qualified Military Service. If the contribution rate under the applicable Collective Bargaining Agreement is amended, the credit given pursuant to this Section 10.7(o) shall be revised accordingly.

(p) Disposition of excess contributions from employers

In the event that an employer remits to the Trust contributions exceeding the amount required to be contributed by that employer under the applicable Collective Bargaining Agreement or the Plan, the Trustees will refund the excess amount to the employer to the extent provided under the Plan's rules and procedures. If a refund is not possible or permissible

under applicable law or would be inconsistent with the Plan's rules and procedures, the Trustees will use the excess amount to pay participant benefits and/or defray the reasonable expenses of operating the plan.

10.8 Domestic Relations Orders

Notwithstanding any Plan provisions to the contrary, benefits under the Plan may be paid to someone other than the Participant, Beneficiary or a surviving spouse, pursuant to a Qualified Domestic Relations Order, in accordance with Section 414(p) of the Code. A Qualified Domestic Relations Order is a judgment, decree, or order ("Order") (including approval of a property settlement agreement) that:

- (a) relates to the provision of child support, alimony payments or marital property rights to a spouse, former spouse, child or other dependent of a Participant;
- (b) is made pursuant to a state domestic relations law (including a community property law);
- (c) creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to, receive all or a portion of the benefits payable to a Participant under the Plan;
- (d) specifies the name and last known address of the Participant and each alternate payee;
- (e) specifies the amount or method of determining the amount of benefit payable to an alternate payee;
- (f) specifies the number of payments or period during which payments are to be made;
- (g) names each plan to which the order applies;
- (h) does not require any form, type or amount of benefit not otherwise provided under the Plan; and
- (i) does not conflict with a prior Domestic Relations Order that meets the requirements of this Section.

Payments to an alternate payee pursuant to a Qualified Domestic Relations Order may commence at the earliest date on which a Participant is eligible to elect a Retirement Date as if the Participant retired on such earliest date, regardless of whether

the Participant continues working after that date, and may be made in any of the payment options described in Section 5, other than a Joint and Survivor Annuity.

10.9 Plan Qualification

It is intended that the Plan will constitute a qualified pension plan under the applicable provisions of the Internal Revenue Code, as now in effect or hereafter amended. Any modification or amendment of the Plan may be made retroactive, as necessary or appropriate, to establish and maintain a “qualified plan” pursuant to Section 401 of the Code, and ERISA and regulations thereunder and the exempt status of the Trust Fund under Section 501 of the Code.

10.10 Participant Rollovers

This Plan shall not accept a transfer of assets on behalf of the Employee from another qualified plan, and shall not accept a rollover amount which was distributed from another qualified plan or conduit Individual Retirement Account (IRA).

ARTICLE XI – AMENDMENT AND TERMINATION

11.1 Amendment General

It is the Trustees’ intention that the Plan will continue indefinitely. However, unless precluded by the terms of a Collective Bargaining Agreement, the Trustees shall have the right to amend, terminate, or partially terminate this Plan at any time subject to any advance notice or other requirements of ERISA and the Code (including, but not limited to Code Section 432, if applicable). Any amendment or termination shall be made in writing, adopted by the Trustees, and executed by one or more duly authorized Trustees.

In no event shall any Plan amendment reduce a Participant’s Accrued Benefit as defined in this Plan and Code Section 411(d)(6) determined as of the date immediately preceding the effective date of the amendment.

11.2 Amendment – Consolidation or Merger

In the event the Plan's assets and liabilities are merged into, transferred to or otherwise consolidated with any other retirement plan, then such must be accomplished so as to ensure that each Participant would (if the other retirement plan then terminated) receive a benefit immediately after the merger, transfer or consolidation, which is equal to or greater than the benefit the Participant would have been entitled to receive immediately before the merger, transfer or consolidation (as if the Plan had then terminated).

11.3 Termination of the Plan

The termination of the Plan shall not cause or permit any part of the Trust Fund to be diverted to purposes other than for the exclusive benefit of the Participants and Beneficiaries, or cause or permit any portion of the Trust Fund to revert to or become the property of any Employer at any time prior to the satisfaction of all liabilities with respect to the Participants.

Upon termination of this Plan, the Trustees shall continue to act for the purpose of complying with the preceding paragraph and shall have all power necessary or convenient to the winding up and dissolution of the Plan as herein provided. While so acting, the Trustees shall be in the same status and position with respect to other persons as if the Plan remained in existence.

11.4 Allocation of the Trust Fund on Termination of the Plan

(a) Complete Termination

In the event of a complete Plan Termination, the right of each Participant to benefits accrued to the date of such termination that would be vested under the provisions of the Plan in the absence of such termination shall continue to be vested and nonforfeitable; and the right of each Participant to any other benefits accrued to the date of termination shall be fully vested and nonforfeitable to the extent then funded under the priority rules set forth in Section 4044 of ERISA.

In any event, a Participant or a Beneficiary shall have recourse only against Plan assets for the payment of benefits thereunder, subject to any applicable guarantee

provisions of Title IV of ERISA. The Trustees shall direct the Trustee to allocate Trust assets to those affected Participants to the extent and in the order of preference set forth in Section 4044 of ERISA. The assets so allocated shall be distributed, as determined by the Trustees, either wholly or in part by purchase of nontransferable annuity contracts or lump-sum payments. If Trust Fund assets as of the date of Plan termination exceed the amounts required under the priority rules set forth in Section 4044 of ERISA, such excess, after all liabilities of the Plan have been satisfied, shall be distributed to Participants and Beneficiaries in the manner determined by the Trustees.

Upon Plan termination, benefits of missing Participants shall be treated in accordance Section 4050 of ERISA.

(b) Partial Termination

If the Plan is partially terminated, the rights of each affected Participant to accrued benefits to the date of such termination, to the extent funded, shall be nonforfeitable. The occurrence of a partial termination of the Plan, if such partial termination can occur at all, is limited solely to a finding of such partial termination made either by the Internal Revenue Service as permitted by law or by the Trustees in the exercise of their discretion applying relevant law. The foregoing provisions regarding partial termination of the Plan are adopted by the Trustees of the Plan solely for the purpose of complying with Code Section 411(d)(3) and Internal Revenue Service requirements of plan language in order to qualify under Code Section 401(a). Such provisions are not included and do not apply for any other purpose or for purposes of ERISA. For purposes of this paragraph as well as the entire Plan, the term "Participant" does not define or include a former Participant or a non-vested, former Participant.

(c) Merged Plan Assets

For a period of five (5) years after the date the Plan is combined in a merger with one or more other defined benefit plans, assets shall be allocated upon Plan termination according to a special schedule in

accordance with Treas. Reg. 1.414(l)-1(e) through (k) to prevent any Participant from receiving smaller benefits on a termination basis as a result of the merger.

ARTICLE XII – FUNDING

12.1 Contributions to the Trust

Contributions to this Plan will be made by the Employers, in the amounts specified in their respective Collective Bargaining Agreements or by Special Agreement in writing between the Employer and the Trustees. All contributions shall be made to the Trust.

12.2 Trust for Exclusive Benefit of Participants

The Trust is for the exclusive benefit of Participants and their Beneficiaries. Except as provided in Sections 10.7(k) (Correction of Errors), 10.8 (Domestic Relations Orders), and 13.8 (Impossibility of Diversion), no portion of the Trust shall be diverted to purposes other than this or revert to or become the property of an Employer at any time prior to the satisfaction of all liabilities with respect to the Participants.

12.3 Trustee

A Trust is maintained as part of this Plan. The Trust Agreement sets forth the procedure for becoming a Trustee and ceasing to be a Trustee, and explains the obligations and duties of Trustees.

12.4 Investment Manager

The Trustees have the power to appoint, remove or change from time to time an Investment Manager to direct the investment of all or a portion of the Trust Fund held by the Trustees. For purposes of this Section “Investment Manager” shall mean any fiduciary (other than the Trustees) who:

- (a) has the power to manage, acquire, or dispose of any asset of the Plan;
- (b) is either

- (i) registered as an investment adviser under the Investment Advisers Act of 1940, or
 - (ii) a bank, or
 - (iii) an insurance company qualified under the laws of Alaska and at least one (1) other state to perform the services described in subparagraph (a); and
- (b) has acknowledged in writing that he, she or it is a fiduciary with respect to the Plan.

ARTICLE XIII – MEDICAL BENEFITS

13.1 Medical Benefits for Retired Participants

Sickness, accident, hospitalization, medical and dental expenses for certain retired Participants and their eligible dependents shall be provided under this Plan in accordance with Internal Revenue Code Section 401(h). Benefits provided under this Section 13.1 shall not be part of the Accrued Benefit for any Participant, and shall not be subject to Article V Forms of Payment.

13.2 Medical Benefits

The medical benefits provided under this Article XIII (“Medical Benefits”) shall include any medical expense deductible under Internal Revenue Code Section 213 and properly reimbursable under the terms and conditions of the retiree medical plan provided to retirees and spouses and by the Union and participating Employers, as amended from time to time (the “Retiree Medical Plan”) to provide medical coverage to retired Participants and their spouses and dependents.

A copy or summary of the pertinent terms of the current Retiree Medical Plan shall be attached as an exhibit to this Plan for the purpose of specifying the benefits to be provided hereunder. The provisions of the Retiree Medical Plan are incorporated herein by this reference.

13.3 Eligible Individuals

Medical Benefits shall be provided to only those Retired Participants, and their spouses and dependents, who are

actually covered under the Retiree Medical Plan (“Covered Individuals”). Notwithstanding the foregoing, Medical Benefits shall not be payable from this Plan for any “key employee” within the meaning of Internal Revenue Code Section 401(h)(6).

13.4 Separate Account

A separate account shall be maintained for recordkeeping purposes with respect to contributions to fund the payment of Medical Benefits (the “Medical Account”). The funds deposited in the Medical Account need not be separately invested; however, if funds in the Medical Account are not separately invested, any earnings and losses shall be allocated to the Medical Account on a reasonable and consistent basis.

Administrative expenses attributable to the Medical Account which are not paid by Employers shall only be paid out of the Medical Account.

13.5 Contributions

(a) In General

The Trustees may in their discretion designate that a portion of each contribution to the Plan, if any, is allocable to the Medical Account. The Trustees shall not be required to designate any portion of any Plan contribution as allocable to the Medical Account. No contributions to the Medical Account shall be accepted from Participants.

Amounts designated by the Trustees to fund the Medical Account shall be both reasonable and ascertainable, and such contributions shall be conditioned on their deductibility. In determining the amount of such contributions, the Trustees shall apply assumptions that are reasonable in the aggregate, including reasonable assumptions about projected increases in health care costs due to inflation.

(b) Limitations on Contributions

In no event shall aggregate actual contributions to the Medical Account, when added to actual Plan contributions, if any, for life insurance protection under the Plan, exceed twenty five percent (25%) of the total

actual contributions to the Plan (excluding contributions to fund past service credits) after January 1, 1995, the date on which the Medical Account is established. For purposes of this paragraph, life insurance protection includes any benefit paid under the Plan on behalf of a Participant as a result of death of such Participant to the extent such payment exceeds the amount of the reserve to provide retirement benefits for the Participant existing at his or her death. Contributions to fund past service credits shall be calculated using the Plan's actuarial method and assumptions used to calculate the Plan's normal cost of pension benefits.

(c) Excess and Nondeductible Contributions

If any amounts are contributed to the Medical Account in excess of the limitation imposed by this Section 13.5, such excess allocation shall be withdrawn from the Medical Account promptly and applied to provide retirement benefits otherwise payable under the Plan, or returned to the Employer in the event the excess contribution was due to a mistake in fact.

Any contributions to the Medical Account that are not deductible pursuant to the rules set forth in Treasury Regulations and Internal Revenue Code Section 404 (and any related earnings) shall be returned to Employers within a reasonable period of time after it is determined that such contributions are not deductible.

13.6 Payment of Benefits

Medical Benefits shall be paid to or on behalf of Covered Individuals from the Medical Account to the extent such benefits are not paid by another Employer and/or Union sponsored plan or trust, subject to any applicable distribution limits. The aggregate distribution for any Plan Year for any Covered Individual shall be determined based on the provisions of the Retiree Medical Plan limitations and the limits on Medical Benefits set by the Trustees, which shall be established from time to time and applied in a nondiscriminatory manner.

Distributions of Medical Benefits which are payable under this Article XIII shall be made as soon as administratively practical after the Participant furnishes such evidence as is reasonably

required by the Trustees to determine that a Medical Benefit is payable, to the extent such benefits do not exceed the limits imposed on Medical Benefits. Payment or reimbursement shall be made in accordance with the procedures established by the Trustees.

In no event shall an Employer be required to make additional contributions to the Medical Account because the cost of Medical Benefits for a year exceeds the value of the assets in the Medical Account.

13.7 Discrimination

No benefit from the Medical Account shall be paid in a manner that discriminates in favor of Highly Compensated Employees as defined in Internal Revenue Code Section 414(q).

13.8 Impossibility of Diversion

Except as provided above, no amount contributed to the Medical Account and no income thereon may be used for, or diverted to, any purposes other than providing Medical Benefits under the Plan, unless all liabilities of the Employer and/or Union under the Retiree Medical Plan have been satisfied, in which case amounts remaining in the Medical Account shall be returned to Employers.

13.9 Right to Terminate Benefits

The Trustees reserve the right to amend or terminate the Medical Benefits provided hereunder or the Retiree Medical Plan at any time, subject to the requirements of Section 13.8.

13.10 Internal Revenue Service Approval

The Medical Benefits provided under this Article XIII are subject to and contingent upon approval by the Internal Revenue Service. No Medical Benefits shall be paid until a favorable determination letter covering this Article XIII is issued by the Internal Revenue Service. If a favorable determination letter which covers this Article XIII cannot be obtained, any contribution made by the Employer shall be returned to Employers and this Article shall cease to be effective.

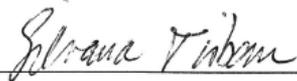
IN WITNESS WHEREOF, the Board of Trustees of the Alaska United Food and Commercial Workers Pension Fund, in accordance with Section 11.1 of the Plan have adopted this Amendment and Restatement and directed that this Amendment and Restatement be duly executed this _____ day of

03-15, 2017.

FOR THE EMPLOYERS:



FOR THE UNION:



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