Southern California General Sales Employers and United Food and Commercial Workers Unions Pension Plan

Summary Plan Description

May 1, 2020 Edition

SOUTHERN CALIFORNIA GENERAL SALES EMPLOYERS
AND
UNITED FOOD AND COMMERCIAL WORKERS UNIONS
PENSION PLAN

SUMMARY PLAN DESCRIPTION

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Your pension rights are governed by the Pension Plan as amended from time to time. This booklet, called the Summary Plan Description, summarizes the Pension Plan. It is not intended to be a complete review of the Plan. You must refer to the full text of the Pension Plan itself to answer any specific questions. If any inconsistencies exist between this booklet and the Pension Plan document, the Pension Plan document, as it may be amended from time to time, will govern.

INTRODUCTION

The Board of Trustees of the General Sales Employers and United Food and Commercial Workers Unions Pension Plan ("Plan") is pleased to provide you a retirement plan designed to reward your years of employment.

Many of the important Plan terms in this book are capitalized. For definitions of those words that are not readily understandable and are not explained in the text, refer to the Glossary on page 36.

The Plan is designed to provide retirement benefits to Participants working under Collective Bargaining Agreements between Employers and Southern California United Food and Commercial Workers Union Locals.

This Summary Plan Description ("SPD") has been prepared to provide you with information about the Plan and supersedes prior materials.

This SPD summarizes the Plan as of May 1, 2020, unless otherwise noted. It does not contain every detail addressed in the Plan. If you left employment with an Employer before December 31, 2019, or if your work for Employers has been interrupted by periods of absence, your pension benefits may be different from those described in this booklet.

The Pension Plan may be amended in the future from time to time. A summary of any significant changes will be mailed to all Participants.

This Summary Plan Description is subject to the provisions of the official Plan documents and cannot modify or affect the Plan documents in any way. In case of any differences between this SPD and the official Plan documents, the Plan documents will prevail.

Neither you nor any of your beneficiaries shall earn any rights because of any statement in, or omission from, this Summary Plan Description. The provisions of the Plan documents cannot be modified or amended in any way by any statement or promise, written or oral, made by any person, including employees of the Fund Office, the Unions or any Contributing Employer.

The Board of Trustees has full discretion and authority to resolve questions concerning the interpretation or administration of this Plan, including without limitation, all questions relating to eligibility for Plan benefits. The determinations of the Board are conclusive and binding as to all persons and for all purposes.

PENSION PLAN HIGHLIGHTS

Becoming A Participant	❖ You become a Participant in the Plan on the first day of the month following the date you have attained age 21 and completed at least 600 Hours of Service (including at least one Hour of Covered Service) with one or more Employers within any Year or within any two consecutive Years.
Earning Plan Credit	***Vesting Credit*** ❖ Determines your right to a pension benefit. ❖ Generally, you earn one Vesting Credit for each calendar year in which you complete 750 or more Hours of Service. If you earn fewer than 750 Hours of Service in a Year, you may earn a fraction of a Vesting Credit; see page 5 for more information. ***Service Credit*** ❖ Determines the amount of your pension benefit. ❖ Generally, you earn one Service Credit for each calendar year in which you complete 1,800 or more Hours of Covered Service. If you earn fewer than 1,800 Hours of Covered Service in a Year, you may earn a fraction of a Service Credit; see page 6 for more information.
Vesting	❖ To be Vested means that you are entitled to a pension benefit when you reach retirement age and retire in accordance with the Plan. Once you are Vested, your right to a pension will not be affected if you stop working for a contributing Employer. ❖ Generally, if you earned more than one Hour of Service after 1998, you will be Vested when you have earned five Vesting Credits. Otherwise, you need 10 Vesting Credits. For more complete information, see page 5.
Types of Pensions	**Normal Retirement Pension** is available: ❖ at age 65, if you are Vested; or ❖ if you are not Vested by age 65, on your fifth anniversary of Participation in the Plan (you must be a Participant on your fifth anniversary). *You can also delay the start of your pension past Normal Retirement Age, in which case you may receive an increased benefit for delayed retirement. See page 17.* **Early Retirement Pension** is available if you: ❖ are at least age 55; and ❖ have 10 or more Service Credits. *Your monthly pension benefit will be reduced for early retirement.* **Disability Retirement Pension** is available if you are under age 65 and you: ❖ have at least 10 Service Credits; ❖ qualify for a Social Security Disability Benefit first payable in January 1980 or thereafter; and ❖ did not have a Separation in Service as of the end of the Year before the Year in which your disability began, unless you earned some Vesting Credit after the Separation in Service and before the Year in which you became disabled.

Choosing How Your Pension Is Paid	❖ If you are **not married** at the time you retire, your pension benefit will be paid in the form of a Single Life Annuity. • The Single Life Annuity provides a monthly pension benefit to you for your lifetime. No benefits are payable after your death. ❖ If you are **married** at the time you retire, the forms of payment that are available to you include the 50% Joint & Survivor Annuity, 75% Joint & Survivor Annuity, and the Single Life Annuity. However, if you want a form of payment other than the 50% Joint & Survivor Annuity, your spouse must agree to your choice. See pages 21 and 22 for more information. • The 50% Joint & Survivor Annuity pays you a monthly pension benefit for life. If you die before your spouse, 50% of the amount you were receiving will continue to your surviving spouse after your death. • The 75% Joint & Survivor Annuity pays you a monthly pension benefit for life. If you die before your spouse, 75% of the amount you were receiving will continue to your surviving spouse after your death. • The Single Life Annuity provides a monthly pension benefit to you for your lifetime. No benefits are payable after your death. ❖ If the present value of your benefit is $5,000 or less when you retire, you will receive your benefit in one lump sum payment.
In The Event Of Death	**If you die:** ❖ before pension payments begin, and you are Vested, your spouse may be eligible for a Pre-Retirement Survivor Annuity Benefit; or ❖ before pension payments begin and you have at least 10 Vesting Credits, your unmarried surviving child(ren) under age 18 may be eligible for a Surviving Child Benefit if there is no Pre-Retirement Survivor Annuity benefit payable or if a Pre-Retirement Survivor Annuity is payable with respect to only a portion of your Service Credit (such as under a QDRO); or ❖ after pension payments begin, and you were receiving your pension in the form of a 50% or 75% Joint & Survivor Annuity, your spouse may receive 50% or 75%, as applicable, of the amount you were receiving.

How The Pension Trust Fund Works

- ❖ Your Local Union and your Employer negotiate participation in the Plan through a bargaining process.
- ❖ Your Employer reports your hours to the Pension Trust Fund.
- ❖ Union and Management Trustees hire professional money managers to manage the money in the Pension Trust Fund.
- ❖ The money is invested and used to pay pension benefits and administrative expenses.

WORKING

Becoming a Participant

After you start working for an Employer, you become a Participant in the Plan on the first day of the month after you have:

1. attained age 21, and

2. completed at least 600 Hours of Service (including at least one Hour of Covered Service) within any Year or within any two consecutive Years.

Hour of Service
Hour of Covered Service
For a definition of these terms, see the discussion below.

You do not earn any Vesting Credit or Service Credit until you are a Participant. Once you become a Participant, however, you may be credited with your hours back to your date of hire.

Continuing as a Participant

You will continue to be a Participant in the Plan as long as you earn at least 300 Hours of Service in a Year. Once you become Vested (see *Earning Plan Credit* on page 5), you continue to be a Participant even if you earn less than 300 Hours of Service in a Year.

Hours of Covered Service and Hours of Service

It is important for you to understand these two terms.

Hours of Covered Service. On and after January 1, 1974, "Covered Service" is employment in a classification subject to federal tax withholding for which an Employer is obligated to contribute to the Trust in accordance with the Collective Bargaining Agreement. Hours of Covered Service include:

- All regular time hours you work.
- Hours for which you are paid by an Employer for vacation, sick leave, jury duty, bereavement leave, holidays, and work performed on Sundays and holidays, exclusive of overtime.
- Periods of qualified military service as required by federal law. Please contact the Fund Office upon your return to Covered Service to ensure you are properly credited for your military service.

Hours of Service include:

- Hours of Covered Service; and
- Hours worked in Connecting Noncovered Employment (see page 36 for a definition of Connecting Noncovered Employment). For example, if you move from a position covered by a Collective Bargaining Agreement to a position not covered by a Collective Bargaining Agreement with the same Employer without terminating your employment, you will continue to earn

Hours of Service for your work with the Employer. You should inform the Fund Office annually about such work to be sure that you receive credit.

Becoming Vested

Once you have five Vesting Credits you will be Vested, as long as you were a Participant in the Plan and had more than one Hour of Service after December 31, 1998. If you do not have more than one Hour of Service or were not a Participant after December 31, 1998, you must have earned 10 Vesting Credits to be Vested. In addition, you become Vested if you are a Participant at the later of age 65 or your fifth anniversary of participation in the Plan. Different vesting rules may apply to you if you worked for certain contributing Employers (i.e., Gemco, Standard Brands) at the time the Employer went out of business.

> Any Vesting Credits earned before a Permanent Break in Service will not be counted in determining whether you are Vested. For information about the consequences of a Permanent Break in Service see page 8.

Once you are Vested, you cannot lose the Service and Vesting Credits you have accumulated under the Plan, and you will be eligible for a Normal Retirement Pension when you reach Normal Retirement Age and satisfy other requirements to begin collecting your pension.

Depending on your age, your job classification, and your number of Benefit and Vesting Credits, you may qualify to begin receiving pension benefits before Normal Retirement Age. See *Types of Pensions* beginning on page 18 for more information about Normal, Early, and Disability Retirement Pensions.

If you are Vested and die before you retire, your surviving spouse may be eligible for a Pre-Retirement Survivor Annuity. See *If You Die Before Your Pension Begins* on page 14 for more information.

Earning Plan Credit

You earn two types of credit under the Plan: Vesting Credit and Service Credit.

Vesting Credit

Generally, you earn one Vesting Credit for each Year in which you complete at least 750 Hours of Service. If you earn fewer than 750 Hours of Service in a Year, you will earn a fraction of a year of Vesting Credit, equal to your number of Hours of Service divided by 2,000. However, no Vesting Credit will be earned if you complete fewer than 300 Hours of Service in a Year. In addition, no Vesting Credit is earned for Hours of Service before age 18.

> Generally, you earn one Vesting Credit for each Year in which you have 750 or more Hours of Service.

> ***Vesting Credit Example***
> *Pat has 500 Hours of Service in a Year. Pat earns 0.25 Vesting Credits for that Year (500 Hours of Service ÷ 2,000 = 0.25 Vesting Credits). However, if Pat had earned 750 Hours of Service in the Year, she would have received a full Vesting Credit for that Year.*

No more than one Vesting Credit may be earned in any calendar year.

Service Credit

Service Credits are used to determine the amount of your pension benefit and whether you qualify for certain benefits.

You earn one Service Credit for any Year after 1975 in which you earn 1,800 or more Hours of Covered Service. If you earn fewer than 1,800 Hours of Covered Service in a Year, you will earn a fraction of a Service Credit equal to your number of Hours of Covered Service divided by 2,000. You do not earn any Service Credit for a Year in which you earn fewer than 300 Hours of Covered Service, unless you earned a full Vesting Credit for that Year. In addition, no Service Credit is earned for Hours of Covered Service before age 20.

> ***Service Credit Example***
> *Pat has 1,000 Hours of Covered Service in a year. Pat earns 0.50 of a Service Credit for that Year (1,000 Hours of Covered Service ÷ 2,000 = 0.50 Service Credits).*

Between July 1, 1964, and December 31, 1975, 1/12th of a Service Credit was earned for each 150 Hours of Covered Service in a Year. Service Credit for work before July 1, 1964, or before your Employer was obligated to contribute to the Plan, may be available. Contact the Fund Office for more information if you think one of these situations might apply to you.

Reciprocal Agreements

To help you avoid a loss of pension benefits due to work that is not covered under this Plan, the Fund has entered into reciprocal agreements with other retirement plans (reciprocal plans). These reciprocal agreements allow the Plan to recognize credits (reciprocal credits) earned under a reciprocal plan. Reciprocal credits may be taken into account in determining your eligibility for participation in the Plan and to help you qualify for benefits. Reciprocal credits will not count toward Service Credit. Currently the Fund has reciprocal agreements with the Southern California United Food and Commercial Workers Unions and Food Employers Joint Pension Plan; the UFCW Pharmacists, Clerks and Drug Employers Pension Plan (Northern California); and the Southern California United Food and Commercial Workers Unions and Drug Employers Pension Plan

> A reciprocal agreement provides a pension benefit for you when you may not otherwise be eligible because your years of service are divided between two or more plans.

LEAVING WORK

If your Covered Service ends, it can affect you in the following ways:

- ❖ If you are not Vested, you can incur a One-Year Break in Service;
- ❖ If you have five consecutive One-Year Breaks in Service, you will incur a Permanent Break in Service;
- ❖ Regardless of whether you are Vested, you can experience a Separation in Service.

If you have a One-Year Break in Service before you become Vested, you will lose all the Vesting and Service Credit you have earned before the Break, unless you return to work in Covered Service before you suffer a Permanent Break in Service.

Once you become Vested, you cannot lose the Vesting and Service Credit you have earned under the Plan, and you will have the right to a pension under the Plan, even if you stop working for Employers.

Separation in Service

A gap in Covered Service, whether you are Vested or not, may cause a Separation in Service.

You will incur a Separation in Service if you earn fewer than 300 Hours of Covered Service in a Year or if you receive retirement benefits under the Plan. If you have a Separation in Service, it may make you ineligible for a Disability Pension and for the Surviving Child benefit.

Before 1978, Separations in Service were determined under different rules. For more information, please contact the Fund Office.

Service Breaks

Service breaks apply only to non-Vested Participants.

One-Year Break in Service

If you are not Vested, a One-Year Break in Service occurs at the end of a calendar year in which you do not earn at least 300 Hours of Service.

If you have a One-Year Break in Service, you cease to be a Participant, and you will lose the Vesting and Service Credit you earned before the One-Year Break, unless you again become a Participant by earning 300 Hours of Service in a Year before you incur a Permanent Service Break (see *Permanent Breaks in Service* on page 8).

> You incur a One-Year Break in Service when you earn fewer than 300 Hours of Service in a Year. You can "cure" the One-Year Break, and again become a Participant, by earning 300 Hours of Service in a Year before you incur a Permanent Break in Service.

If you earn 300 Hours of Service in a Year before you incur a Permanent Service Break, your Vesting and Service Credits will be restored and all Hours of Service earned during that Year will be added to your Vesting and Service Credits.

There are certain circumstances that allow you to avoid a One-Year Break in Service. For more information, see page 9.

Permanent Breaks In Service

A Permanent Break in Service will cause you to permanently lose any Vesting and Service Credit you earned before the Permanent Break. Once you are Vested, you cannot incur a Permanent Break in Service.

If you have more than one Hour of Service after 1998 and you are not Vested, you will incur a Permanent Break in Service at the end of the calendar year in which you have five consecutive One-Year Service Breaks.

If you do not have more than one Hour of Service after 1998, you are not Vested, and you worked after January 1, 1987, you incurred a Permanent Break in Service if your consecutive One-Year Breaks in Service equaled or exceeded the greater of:

- five; or
- the number of Vesting Credits you had accumulated before your first consecutive One-Year Break in Service.

If you worked before 1987, Permanent Breaks in Service were calculated differently. Contact the Fund Office for more information.

Permanent Service Break Example
Joe's work record looks like this:

Year	*Hours of Service*	*Years of Vesting Credit*	*One-Year Service Breaks*
2009	*820*	*1*	*0*
2010	*750*	*1*	*0*
2011	*250*	*0*	*1*
2012	*900*	*1*	*0*
2013	*830*	*1*	*0*
2014	*200*	*0*	*1*
2015	*0*	*0*	*1*
2016	*0*	*0*	*1*
2017	*0*	*0*	*1*
2018	*0*	*0*	*1*
Total		*4*	*5*

Joe will have five consecutive One-Year Breaks in Service and a Permanent Service Break at the end of 2018. When he incurs the Permanent Break at the end of 2018, he will permanently lose the Vesting and Service Credits he previously earned.

Once you incur a Permanent Break in Service, you may become a Participant again by meeting the Plan's participation requirements (see page 4). However, your Vesting and Service Credits earned before the Permanent Break in Service will not be restored.

You can avoid a Permanent Break in Service during a period of absence from Covered Service due to employment with the Union or the UFCW International Union. If you think this may apply to you, please contact the Fund Office.

Avoiding A One-Year Break in Service

You can avoid a One-Year Break in Service during periods of "excused absence" for the following reasons (in some cases, you can be credited with Hours of Service for your absence):

- Military Service -- you will be credited with Hours of Service and Hours of Covered Service (for Vesting and Service Credit), to the extent required by federal law.
- Changes in Family Status - Subject to certain limits, you can be credited with Hours of Service and avoid a One-Year Break in Service for absences due to the following:
  - your pregnancy;
  - the birth of your child;
  - the placement of a child with you in connection with your adoption of the child; and
  - the care of a child immediately following birth or placement with you for adoption.

  In order to avoid a One-Year Break in Service under this provision, you must provide the Fund Office with proof that your absence is due to one of these reasons and the number of days of your absence within 24 months of the date your absence from work started.
- Serious Health Condition – You avoid a One-Year Break in Service if you are on an approved leave of absence under the Family and Medical Leave Act ("FMLA") because of your own serious health condition or to care for your spouse, son, daughter, or parent with a serious health condition.
- After January 28, 2008, you can avoid a One-Year Break in Service if you are on an approved FMLA leave of absence for one of the following reasons:
  - an exigency arising from the fact that your spouse, son, daughter, or parent is on active duty (or has been notified of an impending call to active duty) in the Armed Forces;
  - to care for your spouse, son, daughter, parent, or next of kin who is a current member of the United States Armed Forces (including a member of the National Guard or Reserves) who is undergoing medical treatment, recuperation, or therapy, or is otherwise on the temporary disability retired list, for a serious injury or illness incurred in the line of duty on active duty.

Contact the Fund Office promptly to determine if a particular absence qualifies to prevent a Break in Service.

GETTING MARRIED OR DIVORCED

Your pension benefits may be affected when you marry or divorce. You should notify the Fund Office of any changes to your marital status.

Effect of Marriage on Retirement Benefits

Marriage Before Retirement

Generally, if you are married when you retire, you will be able to elect a form of payment that will provide a benefit to your spouse, should you die before your spouse. Similarly, if you die before you retire, your spouse may be eligible to receive a Pre-Retirement Survivor Annuity. See pages 14 and 15 for more information about these benefits.

Pre-Retirement Survivor Annuity
A benefit your spouse may be eligible to receive if you are Vested and die before you begin your pension.

Marriage After Retirement

If you marry *after* you have begun to receive a pension, you cannot change the form of payment you are receiving or provide a survivor benefit to your new spouse.

Effect of Divorce on Retirement Benefits

If you divorce (whether before or after retirement), a court may award your former spouse a share of your pension. In order to require the Plan to pay a share of your pension to your former spouse, and to make the court's order enforceable against the Plan, the former spouse must obtain a court order called a Qualified Domestic Relations Order (QDRO).

Qualified Domestic Relations Order (QDRO)
A QDRO is a court order that requires the Plan to pay all or a portion of your pension benefits to your spouse, former spouse or dependent(s).

A QDRO is a court order that satisfies certain legal requirements and requires the Plan to pay all or a portion of your pension benefit to a spouse, former spouse, child, or other dependent (the Alternate Payee). A QDRO cannot require the payment of benefits to anyone else.

The Plan has no duty to protect a former spouse's interest in your pension unless the Plan has been put on notice as to the former spouse's interest. To put the Plan on notice, you or your former spouse should send one of the following to the Plan: (1) your former spouse's written claim of an interest in the pension; (2) a court order showing an award of the pension interest to your former spouse; or (3) a court order that is meant to be a QDRO. A former spouse's interest may be affected if the notice is first provided after you retire or die.

The Plan is responsible for determining whether a court order that is intended to be a QDRO is in fact a QDRO. If the Plan receives a court order that requires the Plan to pay all or a portion of your pension to someone other than you, the Fund Administrator will determine whether the order is a QDRO. If the order complies with the requirements of a QDRO, the Plan will pay the individual designated to receive payments from the Plan (aka the "Alternate Payee") in accordance with the QDRO. If the Plan determines that the order is not a QDRO and the compliance defects are not cured, the Plan will not make payments to the Alternate Payee.

You or your former spouse may obtain, without charge, the Plan's QDRO procedures and a sample QDRO by contacting the Plan at extension 500.

IF YOU BECOME DISABLED

Eligibility for Disability Retirement Pension

If you become totally and permanently disabled before age 65, you may qualify for a Disability Retirement Pension provided you:

- have at least 10 Service Credits;
- qualify for a Social Security Disability Benefit; and
- did not incur a Separation in Service as of the end of the Year preceding the Year in which your disability (as determined by the Social Security Administration) occurred, unless you earned some Vesting Credit after the Separation and before you became disabled.

If you become disabled after age 65, you may be eligible for a Normal Retirement Pension. See page 18.

Applying for a Disability Pension

If you become disabled, you may submit an application for a Disability Pension. When you apply for a Disability Pension, you will need to provide proof of your Social Security Disability Award. If you do not yet have a Social Security Disability Award, you may be able to apply for an Early Retirement while your application for Social Security benefits is pending (see below for more information).

Payment of Disability Pension

The Disability Retirement Pension is calculated like a Normal Retirement Pension, as if you had reached age 65, and is based on all of your Service Credits. There is no reduction for your age. See page 18 for more information on how a Normal Retirement Pension is determined.

Disability Retirement Benefits are payable beginning with the first month for which a Social Security Disability benefit is payable to you. However, in no case will Disability Benefits be payable for a month that is more than 12 months prior to the month in which your retirement application is filed with the Fund Office.

To continue receiving Disability Pension benefits each year you must provide proof to the Fund Office that you remain eligible for Social Security Disability Benefits.

Termination of Disability Pension

If you cease to be entitled to Social Security Disability Benefits before age 65, your Disability Retirement Benefits will also terminate. If that happens, you may apply, when eligible, for an Early or Normal Retirement Pension.

You May Receive an Early Retirement Pension While Your Application for Social Security Benefits is Pending

If you have not received your Social Security Disability Award and you are at least 55 years of age, you may apply for an Early Retirement Pension while awaiting a determination on your application for Social Security Disability Benefits. To do this, you must indicate, on your retirement application, that you are applying for a Disability Pension. You are also required to submit evidence, with your retirement application, that you have applied for Social Security Disability Benefits or have a pending appeal from the denial of Social Security Disability Benefits.

In order to be eligible to convert your Early Retirement Pension to a Disability Retirement Pension, your Social Security Disability Award must have an entitlement date (i.e., the date for which Social Security benefits are first payable) that is no more than 6 months after the effective date of your Early Retirement Pension.

If you do not receive a Social Security Disability Award or you receive one with a date of entitlement that is more than six months after your Early Retirement date, your Early Retirement Pension will remain in effect, and your Early Retirement Pension will not be converted to a Disability Pension.

IN THE EVENT OF DEATH

If Your Spouse Dies

If your spouse dies, you should contact the Fund Office to update your Pension Fund records.

Effective for retirements on or after January 1, 2002, if you have already started receiving a Joint & Survivor Annuity form of payment, your monthly pension amount will be increased to the Single Life Annuity amount on the first of the month following the month in which your spouse dies, but you must first submit a copy of your spouse's death certificate. See pages 21 and 22.

If You Die Before Your Pension Begins

Surviving Spouse Benefit

If you die after you are Vested but before your pension benefits begin, your surviving spouse will receive a Pre-Retirement Survivor Annuity benefit from the Plan, if you and your spouse were married for at least one year before your death.

> If you die after you are Vested, your spouse may receive a monthly benefit called a Pre-Retirement Survivor Annuity.

The date the monthly benefit to a surviving spouse can begin depends on your total Service Credits and age at death.

If, at the time of your death, you had:

- at least 10 Service Credits and you were:
  - age 55 or older, benefits may begin on the first of the month following the month in which you died; or
  - not yet age 55, benefits may begin on the first of the month coincident with or next following the date you would have attained age 55 had you lived; or
- less than 10 Service Credits and you were:
  - age 65 or older, benefits may begin on the first of the month following the month in which you died; or
  - not yet age 65, benefits may begin on the first of the month coincident with or next following the date you would have attained age 65 had you lived.

The amount of the Pre-Retirement Survivor Annuity benefit is based on your total Service Credits at the time of your death. Your eligible spouse will receive 50% of the amount you would have been eligible to receive with a 50% Joint & Survivor Annuity form of payment. The amount of this benefit will be adjusted if necessary for early retirement.

Your spouse must apply for the benefit and may be required to submit supporting documentation, such as a copy of your death certificate and/or marriage certificate.

If you are divorced, your former spouse may qualify for a share of the Pre-Retirement Survivor Annuity benefit payable on your behalf if a Qualified Domestic Relations Order (QDRO) so provides.

If you do not have a surviving spouse, or if pursuant to a Qualified Domestic Relations Order a Pre-Retirement Survivor Annuity is payable as to only a portion of your Service Credit, your surviving child(ren) under age 18 may be entitled to a Surviving Child benefit until age 18 (see below).

Surviving Child Benefit

If you have at least 10 Vesting Credits and: (1) you die before retirement, (2) you have not incurred a Separation in Service as of the end of the Year preceding your date of death, and (3) there is no Pre-Retirement Survivor Annuity payable to your surviving spouse (or a Pre-Retirement Survivor Annuity is payable to a former spouse with respect to only a portion of your Service Credit), your unmarried eligible child(ren) under the age of 18 will receive monthly benefit payments until age 18.

Benefits payable to your surviving child or children will be 50% of your accrued 50% Joint & Survivor Annuity, determined as if you had retired on the first day of the month coincident with or following the date of your death. If you die before the age of 55, the amount will be determined as if you had died at age 55. The monthly benefit amount will be shared equally among all eligible children under age 18.

For this purpose your eligible children include a legally adopted child or stepchild principally supported by you.

If a former spouse receives a Pre-Retirement Survivor Annuity based on a portion of your total Service Credit, the benefit payable to your surviving children is based on the remaining portion of your Service Credit.

If you do not have a surviving spouse or ex-spouse eligible for the Pre-Retirement Survivor Annuity, and the Surviving Child Benefit is not payable to your surviving child or children, then no payments will be made to anyone after your death.

If You Die While Performing Qualified Military Service

If you die while performing Qualified Military Service, your beneficiaries will be entitled to any benefits, except benefit accruals (Benefit Credits), that would have been provided had you resumed Covered Service just before your death.

If You Die After Your Pension Begins

Surviving Spouse Benefit Under Joint & Survivor Forms of Payment

If you die after your pension benefits begin and you were receiving one of the Joint & Survivor Annuity forms of payment, your spouse will be eligible to receive 50% or 75%, as applicable, of your benefit for the remainder of his or her lifetime, provided you were married at retirement and your marriage lasted for at least one year. For more information on the Joint & Survivor Annuity forms of payment, please see *Your Pension Payment Options*, on page 21.

If, with your spouse's consent, you had elected the Single Life Annuity, all benefit payments will cease after your death.

APPLYING FOR YOUR PENSION BENEFIT

In order to be eligible for pension benefits from this Plan, you must submit a retirement application to the Fund Office. If you have not yet reached age 62, you must also terminate your employment with your Employer(s) before benefits can start. Please call the Fund Office for more information or to obtain a retirement application.

> To receive benefits, you must apply for your pension. To receive a retirement application, call the Fund Office.

The Fund Office will provide you information about your pension with your retirement application. Specifically, you will receive an explanation of the forms of payment available under the Plan and estimated pension amounts for each form of payment available to you.

> The Fund Office must have your current address on file at all times. This helps ensure that you receive important information from the Plan.

You should complete your retirement application and send it (along with any supporting documentation) to the Fund Office 60 to 90 days before you want your pension to start. Along with your application, you will need to provide:

- proof of your age,
- if married, proof of your marriage and your spouse's age, and
- if divorced, copies of all divorce decree(s).

If you are missing some of the supporting documentation needed to complete your retirement application, you can submit your application while working to obtain the documents.

If you are applying for a Disability Retirement Pension, you will need to provide a copy of your Social Security Disability Award. If you do not yet have a Social Security Disability Award, you may be able to apply for an Early Retirement Pension while your application for Social Security Benefits is pending. (For more information see page 12).

After your retirement application is processed, the Fund Office will send you information about your pension, including an election form.

> If you are married, your pension generally must be paid in the form of a 50% Joint & Survivor Annuity, unless you and your spouse reject this form of payment in writing. See pages 21 and 22 for more information.

In the event of your death before retirement, your spouse must apply for the Pre-Retirement Survivor Annuity and submit proof of your death.

If any additional information is needed, the Fund Office will notify you.

When Your Pension Benefits Begin

After you submit your retirement application, you will receive information about your pension benefits, including an election form.

> You should start the application process for pension benefits 60 to 90 days before you want your benefits to become effective.

Unless you specify a later date on your retirement application, your pension benefits will generally be effective on the first day of the first month after the date that you submit your retirement application to the Fund Office, as long as you have satisfied all other requirements for a pension as of that date. Because the Fund Office requires time to process your pension, your first pension payment may be delayed until after your effective date.

Please be aware that the Plan and federal law require that you start receiving your pension payments by April 1 of the calendar year following the calendar year in which you reach age 70-1/2, even if you are still working. This date is known as your Required Beginning Date. If you are no longer working for an Employer (or are working but own 5% or more of an Employer) and do not begin collecting your retirement benefits by this date, you may be subject to adverse income tax consequences.

If You Apply for Your Pension After Normal Retirement Age

If you delay applying for your pension benefits until after Normal Retirement Age (typically age 65), your pension benefits will generally start later than expected and, therefore, will be paid for a shorter period of time than if they had started at your Normal Retirement Age.

As a result, if the effective date of your pension is later than the first day of the first month after your Normal Retirement Age, the amount of your monthly pension benefit will be actuarially increased from what it would have been at Normal Retirement Age (this means that you will get a larger monthly benefit). Alternatively, you and your spouse may elect a retroactive annuity starting date. With a retroactive annuity starting date, you will receive a single sum payment of your monthly Normal Retirement Benefit times the number of months between your Normal Retirement Age and the date your payments begin, plus interest.

TYPES OF PENSIONS

There are three types of pensions available under the Plan:

- Normal Retirement Pension;
- Early Retirement Pension; and
- Disability Retirement Pension.

This section summarizes the eligibility requirements and the method for calculating the amount of the Normal and Early Retirement Pensions. For information about the Disability Retirement Pension, refer to *If You Become Disabled* on page 12.

Normal Retirement Pension

If you are Vested and you satisfy all other Plan requirements, you may begin receiving the full monthly pension you have earned in the Plan on or after the first of the month following your 65th birthday.

If you have fewer than five Vesting Credits at age 65, and you satisfy all other requirements, you may begin receiving retirement benefits on your fifth anniversary of Participation in the Plan (with respect to service performed on or after January 1, 1988), provided you are still a Participant at that time.

Amount of Normal Retirement Benefit

For Retirement Dates Before January 1, 2010:

Effective January 1, 2010, if you are a Retiree whose Annuity Starting Date was before January 1, 2010, the monthly amount of your Normal Retirement Pension payable as a Single Life Annuity will generally be $50.00 multiplied by your total Service Credits. No more than 30 Service Credits may be used in determining the amount of your retirement benefit.

> If you are married, you can receive your benefit in the form of a Joint & Survivor Annuity (50% or 75%), which will allow you to provide a benefit to your surviving spouse, should you die first. The amount of your benefit is reduced to provide that form of payment.

> ***Normal Retirement Example – Retirement Before 2010***
>
> *Matilda retired in 2008 with 20 Service Credits. As a result of the January 1, 2010, benefit improvement Matilda's monthly retirement benefit, payable in the form of a Single Life Annuity, increased to $1,000.00 ($50.00 x 20 years = $1,000.00).*

For Retirement Dates After January 1, 2010:

If you retire with an Annuity Starting Date on or after January 1, 2010, the monthly amount of your Normal Retirement Pension payable as a Single Life Annuity will be $45.00 multiplied by your total number of Service Credits. No more than 30 Service Credits may be used in determining the amount of your retirement benefit.

Normal Retirement Example – Retirement After 2009

Lucy retires on October 1, 2019, at her Normal Retirement Age of 65. Lucy has 30 Service Credits. Lucy's monthly Normal Retirement Pension, payable in the form of a Single Life Annuity, is $1350.00 ($45.00 x 30 Service Credits). If Lucy elects a Joint & Survivor Annuity form of payment, the amount of her monthly pension benefit will be reduced to provide a benefit to her spouse after her death.

Early Retirement Pension

If you have earned at least 10 Service Credits and you satisfy all other requirements, you may retire with an Early Retirement Benefit at any time between the ages of 55 and 65. Remember, if you are retiring before age 62, you must terminate your employment with all contributing Employer(s).

Your monthly pension is reduced when you retire early, since you will receive more monthly payments.

Amount of Early Retirement Pension Benefit

If you elect Early Retirement, the monthly amount of your pension benefit will be reduced from the amount you would have received with a Normal Retirement Benefit at age 65. This is because your monthly payments are expected to be paid over a longer period of time. The following table shows how this reduction is made:

Early Retirement Table

Age at Retirement	% of Normal Pension
64	94.0%
63	88.0%
62	82.0%
61	76.0%
60	70.0%
59	66.0%
58	62.0%
57	58.0%
56	54.0%
55	50.0%

(Reductions for other than exact ages are determined by straight-line interpolation.)

Early Retirement Pension Example

Mike retires on December 1, 2019, at exactly age 58, with 20 Service Credits. Mike's monthly Normal Retirement Pension, payable at age 65, is $900.00. Using the Early Retirement Table above, his monthly Early Retirement Pension benefit is calculated as follows:

Step 1:	*Monthly Normal Retirement Pension:*		*$900.00*
Step 2:	*Percentage of Normal Pension payable at age 58:*		*62.0%*
Step 3:	*Mike's monthly Early Retirement Pension:*	*$900.00 x 62.0%*	*$558.00*

Mike's monthly Early Retirement Pension is $558.00, if paid in the form of a Single Life Annuity. His benefit may be further reduced, if he elects a different form of payment.

Your Pension Payment Options

The pension payment options available to you upon retirement depend on your marital status when you retire. If you are legally married, you and your spouse will be able to elect one of the forms of payment described below. If you are not married, your pension generally can be paid only in the form of a Single Life Annuity.

Single Life Annuity

If you are not married when you retire, your pension will be paid as a Single Life Annuity. The Single Life Annuity provides you with equal monthly pension payments for your lifetime. No benefits are payable after your death.

If you are married, you may choose a Single Life Annuity only if your spouse waives (in writing) his or her right to the 50% Joint & Survivor Annuity and consents to the Single Life Annuity on a form provided by the Fund Office.

> The Single Life Annuity form of payment pays a monthly pension to you for your lifetime with no further benefits payable upon your death.

50% Joint & Survivor Annuity

The 50% Joint & Survivor Annuity form of payment provides you with monthly pension payments for your lifetime. If you die before your spouse, lifetime monthly payments equal to 50% of the monthly benefit you were receiving will automatically continue to your surviving spouse, provided that you were married for at least one year. Effective for retirements on or after January 1, 2002, if your spouse dies first, your monthly pension will thereafter be increased to the amount you would receive with a Single Life Annuity.

> If you elect one of the Joint & Survivor Annuity forms of payment, your monthly benefit is reduced to provide a survivor benefit for your spouse in the event of your death.

In order to provide a benefit to your surviving spouse, the amount of your 50% Joint & Survivor Annuity is reduced from what you would have received with a Single Life Annuity.

- ❖ If you are retiring with an Early or Normal Retirement Pension, the monthly amount of your pension will be 90% of the amount you would receive with a Single Life Annuity form of payment. If your spouse is more than 10 years younger than you, the amount of the reduction will be increased by an additional 0.5% for each year, or fraction of a year, that your spouse is more than 10 years younger than you.

- ❖ If you are retiring with a Disability Pension, the monthly amount of your pension will be 80% of the amount you would receive with a Single Life Annuity form of payment. If your spouse is more than 10 years younger than you, the amount of the reduction will be increased by an additional 0.5% for each year, or fraction of a year, that your spouse is more than 10 years younger than you.

75% Joint & Survivor Annuity

If you are legally married when you retire, you may receive your benefit in the form of a 75% Joint & Survivor Annuity if your spouse consents and completes the form necessary to waive the 50% Joint & Survivor Annuity.

Like the 50% Joint & Survivor Annuity, the 75% Joint & Survivor Annuity gives you monthly payments for your lifetime, while providing a survivor benefit to your spouse. When you die, lifetime monthly payments equal to 75% of the payment amount you were receiving will automatically continue to your surviving spouse, provided you were married for at least one year. Effective for retirements on or after January 1, 2002, if your spouse dies first, your monthly pension benefit will, thereafter, be increased to the amount you would have received with a Single Life Annuity.

In order to provide a benefit to your surviving spouse, the amount of your 75% Joint & Survivor Annuity is reduced from what you would have received with a Single Life Annuity.

- ❖ If you are retiring with an Early or Normal Retirement Pension, the monthly amount of your pension will be 86% of the amount you would receive with a Single Life Annuity form of payment.

- ❖ If you are retiring with a Disability Pension, the monthly amount of your pension will be 75% of the amount you would receive with a Single Life Annuity form of payment.

Regardless of your type of pension, if your spouse is more than 10 years younger than you, the amount of the reduction will be increased by an additional 0.5% for each year, or fraction of a year, that your spouse is more than 10 years younger than you.

Additional Rules Applicable to the 50% and 75% Joint & Survivor Annuities

- ➢ You and your spouse must have been married at the time of your retirement, and your marriage must have lasted for at least one year, for your spouse to be eligible for survivor benefits under the Joint & Survivor Annuity forms of benefit.

- ➢ The Joint & Survivor Annuity forms of payment protect the spouse to whom you are legally married when pension benefits begin. If you divorce your spouse after you retire, the amount of your monthly pension benefit will not change. Your former spouse will remain entitled to survivor benefits after your death as long as you were married to your former spouse for at least 12 months prior to your death. If you later remarry, your new spouse will not be entitled to any surviving spouse benefits.

- ➢ If your marriage ends before you retire, neither you nor your former spouse qualify for a Joint & Survivor Annuity, unless a QDRO requires that your former spouse be treated as your surviving spouse under a Joint & Survivor Annuity form of payment (see page 10 for more information about QDROs).

- ➢ After your death, lifetime payments continue to your surviving spouse and will not stop even if your spouse remarries.

Joint & Survivor Annuity Form of Payment Example

Fernando retires at age 65. Assuming his monthly Normal Retirement Pension benefit is $1,000.00 (see page 18) and his wife is age 62 (three years younger than he is), here's how his Joint & Survivor Annuity forms of payment (50% & 75%) are calculated.

50% Joint & Survivor Annuity Example

If Fernando elects the 50% Joint & Survivor Annuity, the following benefits would be payable:

- *While Fernando and his wife are both alive, Fernando will receive $900.00 per month ($1,000 x 90%)*
- *If Fernando dies first, his wife will receive $450.00 per month for the rest of her lifetime (50% of $900.00).*
- *If his wife dies first, Fernando's monthly benefit will increase to $1,000.00 per month for the rest of his lifetime.*

If Fernando and his wife had elected the Single Life Annuity, Fernando would have received $1,000.00 per month for the rest of his lifetime, and no benefits would have been payable to his wife after his death.

75% Joint & Survivor Annuity Example

If Fernando elects the 75% Joint & Survivor Annuity, the following benefits would be payable:

- *While Fernando and his wife are both alive, Fernando will receive $860.00 per month ($1,000 x 86%)*
- *If Fernando dies first, his wife will receive $645.00 per month for the rest of her lifetime (75% of $860.00).*
- *If his wife dies first, Fernando's monthly benefit will increase to $1,000.00 per month for the rest of his lifetime.*

If Fernando and his wife had elected the Single Life Annuity, Fernando would have received $1,000.00 per month for the rest of his lifetime, and no benefits would have been payable to his wife after his death.

Lump Sum Distribution

If, when you apply for benefits and your benefit is calculated, the Actuarial Equivalent value of your pension benefit is $5,000 or less, your benefit will be distributed in a lump sum.

Lump Sum Distribution
If the value of your pension benefit is $5,000 or less, you will receive your benefit as one lump sum payment. Once a lump sum payment is made, no additional benefits will be payable from the Plan.

This means that your entire pension benefit will be paid in one payment. Once a lump sum payment is made, no additional benefits will be payable from the Plan. This lump sum distribution is considered a taxable payment. Lump sum payments are eligible for rollover to an IRA or qualified retirement plan. Doing so allows payment of income taxes to be deferred. If your benefit is payable as a lump sum, you will be provided with information on rollovers.

Withholding Tax on Pension Payments

All pension payments are taxable for purposes of federal and state income tax. When you retire you will be provided an explanation about withholding of taxes from your benefit payments and asked to specify the amount of income taxes you wish to have withheld each month. You may change your tax withholding election at any time.

After you retire, you will receive Form 1099-R from the Fund Office each year indicating the amount of pension income you received for the previous year and the amount of taxes withheld.

Retirees are required to make their Social Security and IRS records available to the Fund upon request to verify employment status and must annually certify eligibility to continue receiving pension benefits. Pension payments may stop until your response is received by the Fund Office.

WORKING AFTER RETIREMENT

Effective January 1, 2009, this Plan does not suspend pension benefits for work after retirement. After you retire, if you return to Covered Service, you may earn additional pension benefits.

Additional Benefits Earned Before Normal Retirement Age

Any additional benefits you earn before you attain Normal Retirement Age will generally be payable, starting with the earlier of:

- the first monthly payment after you again retire; or
- the first monthly payment after you reach Normal Retirement Age.

Due to time required for processing your post-retirement accrual calculation, any adjustment to your pension amount as a result of your Covered Service after retirement may be delayed.

Additional Benefits Earned After Normal Retirement Age

After you retire, if you return to work in Covered Service, you may earn additional pension benefits. Additional benefits you earn after Normal Retirement Age will be determined at the end of the Year and will be payable starting with the first monthly payment in the following year. In calculating additional benefits earned in a Year after Normal Retirement Age, the benefit you accrued in that Year will be reduced (but not below zero) by the actuarial equivalent of the total pension distributions made to you for the Year.

Due to time required for processing your post-retirement accrual calculation, any adjustment to your pension amount as a result of Covered Service after retirement may not occur until several months into the effective Year.

CLAIMS AND APPEALS PROCEDURE

Application Procedure

To begin collecting retirement benefits, you must file a retirement application with the Fund Office. Please see pages 12 and 16 for more information about how to file your application.

Applications for pension benefits must be completed by you or your properly authorized representative on forms provided by the Fund Office. You will be notified if any additional information is necessary.

Generally, a decision will be made within 90 days of receipt of your application by the Fund Office. If special circumstances require additional time to make a decision on your claim, the Fund may extend this 90-day period up to an additional 90 days. Before any extension is taken, you will be notified in writing of the reasons for the delay and when you can expect to receive a decision. You can always agree to extend the time for processing your claim.

If Your Application Is Denied

If your application is denied in whole or in part, you will receive a written notice that:

- states the specific reason or reasons for the denial;
- refers to the specific Plan provision(s) on which the denial is based;
- describes any additional information or materials necessary to complete your claim and explains why the information is needed;
- describes the Plan's appeal procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of ERISA following the denial of a claim on appeal.

Appeal Procedure

If you are not satisfied with the decision on your application, you (or your authorized representative) have 60 days after you receive the written decision to submit an appeal. The appeal must be in writing and should be sent to the Fund Office. You or your representative may, upon request and without charge, inspect or receive copies of documents, records, and other information relevant to your claim that are held by the Fund Office. You may also submit written comments, documents, records, and other information relating to your claim.

Your appeal will receive a full and fair review by the Board of Trustees or its designated Appeals Committee. As a part of this review, all documents or information that you submit will be considered, regardless of whether such information was submitted or considered in the initial decision. You will not have the right to appear personally before the Board or Committee.

> You must appeal the decision on your pension application within 60 days after the date you receive the decision. You should send your written appeal to the Fund Office.

You will be notified in writing of the decision on your appeal within 60 days of the receipt of your appeal by the Fund. If special circumstances require an extension of time for processing your appeal, the Fund may extend this 60-day period up to an additional 60 days, or longer if you are asked to submit information necessary to process your appeal. If an extension is necessary, you will be notified in writing of the reasons for the delay and the date by which a decision will be made. If you are asked to submit information necessary to decide your appeal, you will be given at least 45 days to respond, and the time period for deciding your appeal will be suspended from the date of the extension notice until the earlier of the date you respond or the due date set by the Fund.

If your appeal is denied, in whole or in part, the written notice of decision on your appeal will contain:

- the specific reason or reasons for the decision;
- reference to the specific Plan provision(s) on which the decision was based;
- a statement notifying you that you have the right to receive, upon request and without charge, reasonable access to, and copies of all documents, records and other information relevant to your claim; and;
- a statement that you have the right to bring a civil action under Section 502(a) of ERISA.

An appeal filed more than 60 days after you receive the decision on your claim will be rejected unless the Board or Committee concludes that the delay in filing was for reasonable cause.

If you do not file a timely appeal, you will not be entitled to bring a civil action based on the denial of your application for benefits.

Failure to Follow Procedures

If the Fund fails to follow these claims and appeals procedures, and it does not correct the error without prejudice to you, you will be deemed to have exhausted the administrative remedies available to you under the Plan and will be entitled to pursue any available remedies under Section 502(a) of ERISA.

Circumstances That May Result in Ineligibility, Disqualification, Denial, or the Loss or Reduction of Your Benefits

Certain circumstances can cause you to lose benefits under the Pension Plan or your benefits under the Plan could be reduced. This section describes various circumstances that can cause you to have a loss or reduction of your benefits.

- Leaving Covered Service before you become Vested can cause you to lose your accumulated Vesting and Service Credits (see *Leaving Work* on page 7). If you are considering leaving Covered Service, check with the Fund Office to learn whether or not you are Vested.
- Incurring a Permanent Break in Service will cause you to permanently lose all of the Vesting and Service Credits you accumulated before the Permanent Break. See page 8 for more information.
- If you have a Separation in Service, you may become ineligible for certain benefits, such as a Disability Retirement Pension.
- If you are receiving a Disability Retirement Pension and you cease to be disabled (i.e., if Social Security Disability Benefits are terminated), your Disability Pension benefits from the Fund will end. You may apply (when eligible) for an Early Retirement Pension, or may instead receive a Normal Retirement Pension upon reaching Normal Retirement Age.
- If benefits are paid to you or anyone else who is not entitled to such benefits, the amount of the improper payment is an obligation of the recipient to the Fund. The Fund may recover any such erroneous payments (including overpayments) by any means available, including, but not limited to, by deduction from future benefits payable to the recipient or any surviving beneficiary. The Board may waive any such obligation in whole or in part if it determines that enforcing the obligation would be inequitable under the circumstances.
- Benefits may be reduced or lost if the Plan terminates or if there is a partial termination. In the event the Plan terminates, if there are not sufficient assets to fully fund the accrued benefits of each Participant and beneficiary, the assets available to provide benefits will be allocated in accordance with the law.
- If an Employer withdraws from the Plan and the result is to endanger the financial soundness of the Plan, the Trustees may choose to reduce benefits attributable to past service with such Employer in accordance with regulations established by federal law.
- The Trustees require that each eligible pensioner or beneficiary annually complete a form verifying receipt of pension payments. Failure to return this form in a timely manner will stop release of additional payments until the verification form has been completed.

Administrative Information

Plan Name
Southern California General Sales Employers and United Food and Commercial Workers Unions Pension Plan
www.ufcwdrugtrust.org

Plan Number
001

Plan Sponsor's Employer Identification Number
51-6029991

Fiscal Year of the Plan (the Plan Year)
January 1 - December 31

Type of Plan
The Plan is a defined benefit pension plan.

Legal Document
This Summary Plan Description booklet highlights the provisions of the official legal documents governing the Pension Plan. *All of your rights and benefits are governed by the official Plan document.* If you wish, you may examine the Plan document at the Fund Office or obtain a copy for a reasonable copying charge. It is available from the Fund Office.

Funding of Plan
The Plan is funded by investment earnings on the Trust Fund and contributions from Employers, as necessary and in accordance with the terms of the Collective Bargaining Agreements and the Trust Agreement. Currently, Employer contributions are suspended. The amount of Employer contributions, if any, is determined by the Collective Bargaining Agreements and the Board of Trustees.

Funding Medium
Fund assets are held in trust by the Fund's custodian, Northern Trust Company.

Plan Sponsor and Plan Administrator
The Board of Trustees of the Southern California General Sales Employers and United Food and Commercial Workers Unions Pension Plan is the Plan Sponsor and the Plan Administrator. The Plan is administered by the Board of Trustees, with the help of a Fund Administrator. The Board of Trustees is comprised of Union and Employer representatives. If you wish to contact the Board of Trustees, you may use the address and phone number below:

Board of Trustees
Southern California General Sales Employers and United Food and
Commercial Workers Unions Pension Plan
2220 Hyperion Avenue
Los Angeles, California 90027
(323) 666-8910

The Trustees of this Plan are:

Agent for Service of Legal Process

The Fund Administrator is the Plan's agent for service of legal process. Accordingly, if legal disputes involving the Plan arise, any legal documents should be served upon the Fund Administrator at the Fund Office. However, such documents may also be served upon any Trustee. The Fund Administrator is:

Fund Administrator
Southern California General Sales Employers and UFCW
Unions Pension Plan
2220 Hyperion Avenue
Los Angeles, California 90027

Normal Retirement Age

The Normal Retirement Age under the Plan is the *later* of:

- age 65; or
- the earlier of your tenth anniversary of participation in the Plan, or your fifth anniversary of participation in the Plan with respect to service performed on or after January 1, 1988.

Collective Bargaining Agreements

The Plan is maintained in accordance with Collective Bargaining Agreements between various Employers and United Food and Commercial Workers Union Locals.

A copy of any of the Collective Bargaining Agreements may be obtained upon written request to the Fund Administrator. Such information is also available for examination at the Fund Office, or can be examined at the Local Union Offices or work sites upon ten days advance request to the Fund Office.

By written request to the Plan Administrator, Participants and beneficiaries may receive information as to whether a particular union or employer is a sponsor of the Plan and, if the union or employer is a sponsor, the sponsor's address.

Participating Local Unions include:

UFCW Local 8	1910 Mineral Court Bakersfield, CA 93308	661-391-5773 or 661-391-5770
UFCW Local 135		
San Diego (main office)	2001 Camino Del Rio South San Diego, CA 92108	619-298-7772 or 800-545-0135
North County Office	323-A South Rancho Santa Fe Road San Marcos, CA 92078	619-298-7772 or 800-545-0135
UFCW Local 324	8530 Stanton Avenue Buena Park, CA 90620	714-995-4601 or 800-244-8329
UFCW Local 770		
Los Angeles (main office)	630 Shatto Place Los Angeles, CA 90005	213-487-7070 or 800-832-9770
Arroyo Grande	140 W. Branch Street Arroyo Grande, CA 93420	805-481-5661
Bakersfield (Kaiser Members)	1910 Mineral Court Bakersfield, CA 93308	661-323-2866
Camarillo	816 Camarillo Springs Road, Suite H Camarillo, CA 93012	805-383-3300
Harbor City	25949 Belle Porte Avenue Harbor City, CA 90710	310-784-5340

Huntington Park	5400 Pacific Boulevard Huntington Park, CA 90255	323-923-1510
Santa Barbara	4213 State Street, Suite 201 Santa Barbara, CA 93110	805-681-0770
Santa Clarita	27125 Sierra Highway, Suite 204 Santa Clarita, CA 91351	661-259-9900
UFCW Local 1167	855 W. San Bernardino Avenue Bloomington, CA 92316	909-877-1110
UFCW Local 1428	705 W. Arrow Highway Claremont, CA 91711	909-626-6800
UFCW Local 1442	9075 S. La Cienega Boulevard Inglewood, CA 90301	310-322-8329

Type of Administration
The Plan is self-administered by the Board of Trustees with the assistance of a Fund Administrator and staff. The Fund also employs other personnel, including consultants, actuaries, attorneys, investment managers and accountants.

Assignment of Benefits
This Plan is intended to pay benefits only to you or your eligible beneficiaries. Your benefits cannot be used as collateral for loans or assigned in any other way, except in connection with Qualified Domestic Relations Orders (QDRO) or as otherwise permitted by law.

Maximum Pensions
The Internal Revenue Service has established a maximum monthly pension amount that can be received from a pension plan, such as this one. You will be contacted if the maximum affects you.

Plan Amendment and Termination
The Board of Trustees has the right, consistent with the terms of the Collective Bargaining Agreements and the Trust Agreement, to modify, amend, or terminate the Plan. Except as may otherwise be required to obtain or retain tax-exempt status for the Pension Trust Fund, or as otherwise permitted or required by law, no amendment may divest any accrued rights which have Vested prior to the later of the date of execution of the amendment or its effective date.

Upon termination or partial termination of the Plan, no further benefits will accrue on behalf of the affected Participants, but all such Participants' accrued benefits will be fully Vested to the extent funded by the date of termination or partial termination.

If the Plan terminates, money in the Pension Fund, to the extent possible, would be used in accordance with any applicable laws. No funds will be returned to any Employer. Benefits may be paid as soon as the Plan termination has been approved by government agencies, or payment could be deferred to a later time. The Board of Trustees, with government approval if applicable, will determine when benefits are to be paid.

In lieu of terminating the participation of any individual group which ceases to participate hereunder, or in addition to such termination, the Board may reduce or cancel the rate of benefits applicable to or payable on account of past service credits attributable to employment within that group, as determined by the Board of Trustees based on the recommendations of a qualified actuary.

Authority of the Board of Trustees

Under the Declaration of Trust establishing the Pension Trust Fund, the Board of Trustees has full discretion to resolve all questions pertaining to the administration, interpretation and application of the Trust Agreement and the Pension Plan and to decide any questions of eligibility for and the amount of Plan benefits.

The Trustees have been given broad discretion and their decisions in such matters are final and binding on all persons dealing with the Pension Plan or claiming a benefit from the Plan.

Except as limited by federal law, the Trustees have the authority to increase, decrease, or change benefits, eligibility rules, or other provisions of the Pension Plan as they may determine in their discretion.

No officer, agent or employee of the Union or Employer, or any other person, is authorized to speak for or on behalf of or to commit the Trustees or Plan Administrator on any matter relating to the Pension Plan.

Plan Termination Insurance/PBGC Insurance

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 benefit 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:

- 100% of the first $11 of the monthly benefit accrual rate; and
- 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 annual guarantee for a retiree with 30 years of service would be $12,870.

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;
- benefits increases and new benefits based on Plan provisions that have been in place for fewer than five years at the earlier of:

  - the date the plan terminates; or
  - the time 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; and
- 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 your Plan Administrator or contact the PBGC's Technical Assistance Division at:

PBGC
Technical Assistance Division
1200 K Street N.W., Suite 930
Washington, D.C. 20005-4026

You may also call the PBGC at (202) 326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

Your ERISA Rights

As a Participant in the Southern California General Sales Employers and United Food and Commercial Workers Unions Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants are entitled to:

Receive Information About Your Plan and Benefits

You have the right to:

Examine, without charge, at the Fund Office and at other specified locations, such as worksites and Union Local Offices, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration;

Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description (the Plan Administrator may make a reasonable charge for the copies);

Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each Participant with a copy of the annual funding notice.

Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (as defined on page 36) 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 a 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 the statement free of charge.

Prudent Actions By Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and 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 obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension 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.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a 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 Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a 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. 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 a 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 your Plan, you should 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, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), 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 N.W., Washington D.C. 20210.

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of EBSA at (800) 998-7542 or contact the EBSA field office nearest you.

You may also find answers to your Plan questions and a list of EBSA field offices at the website of EBSA at http://www.dol.gov/ebsa.

GLOSSARY

Throughout this booklet, there are certain capitalized words that are used frequently and that you should know. Those that are not readily understandable and are not defined in the text are defined below.

Annuity Starting Date is the first day of the first month for which an amount is payable as an annuity, or, in the case of a benefit not payable as an annuity, the first day on which all events have occurred which entitle you to such benefit. In no case will your Annuity Starting Date be later than the April 1 of the calendar year following the calendar year in which you attain age 70½.

Collective Bargaining Agreement means any collective bargaining agreement between an Employer and one or more of the UFCW Locals 8, 135, 324, 770, 1167, 1428, or 1442 that provides for Employer contributions to this Pension Trust Fund.

Connecting Noncovered Employment means employment for an Employer that is subject to federal tax withholding and that is not Covered Service but that immediately follows or precedes Covered Service with the same Employer without any intervening quit, discharge or retirement and that occurs while that Employer is obligated to contribute to the Pension Trust Fund for Employees in Covered Service.

Connecting Noncovered Employment is counted for participation and Vesting Credit purposes, but not for Service Credit purposes. For Vesting Credit, it is counted in a Year only if doing so results in the Participant receiving one full year of Vesting Credit for that Year. Except for determining eligibility to participate, Connecting Noncovered Employment is not counted before January 1, 1976.

Covered Service means employment in a position for which an Employer is required by a Collective Bargaining Agreement to contribute to the Pension Trust Fund.

Employer means an employer that is a party to a Collective Bargaining Agreement and is required by the terms of the Collective Bargaining Agreement to become a party to the Trust Agreement or to make contributions to the Plan on your behalf.

ERISA means the Employee Retirement Income Security Act of 1974, as amended.

Normal Retirement Age is the *later* of:

- age 65; or
- the earlier of the tenth anniversary of commencement of participation in this Plan or the fifth anniversary of participation in the Plan with respect to service performed on or after January 1, 1988.

Vested means that you are entitled to a pension benefit when you reach retirement age and retire in accordance with the Plan. Once you are Vested, your right to a pension will not be lost if you stop working for a contributing Employer.

Year means the calendar year. The calendar year is used to determine Participation, Vesting Credit and Service Credit.