

ALASKA UNITED FOOD AND COMMERCIAL WORKERS PENSION FUND

Administered by Zenith American Solutions

12205 SW Tualatin Road, Suite 200

Tualatin, OR 97062

(833) 942-2315

April 29, 2024

Re: Alaska UFCW Pension Fund ("Trust")

Dear Participant:

Enclosed is the Alaska UFCW Pension Fund's Annual Funding Notice for the 2023 Plan Year and the Notice of Critical & Declining Status for the 2024 Plan Year. You do not need to take any action as a result of receiving these notices – they are informational only.

We want to provide you with some additional information that may help you better understand the notices.

Notice of Critical and Declining Status

The Plan was certified as Critical and Declining Status for the 2024 Plan Year. The notification and information in it is required by law, and it indicates that the Trust is projected to become insolvent before December 31, 2043. However, the certification and notification do not reflect actions that the Trustees are taking to secure the funding position of the Trust.

Specifically, the Trustees are applying for “Special Financial Assistance” (SFA) from the PBGC under the American Rescue Plan (ARP) Act of 2021. What is SFA?

- SFA is a one-time infusion of money from the PBGC to the Trust that is designed to keep the Trust solvent through at least 2051.
- The SFA program is funded through the U.S. Treasury and was set up to ensure the success of financially troubled multiemployer plans (including the Alaska UFCW Trust).
- There is no limit to the amount of money the U.S. Treasury will provide to the various multiemployer plans. (There is a limit for how much SFA an individual plan may receive)
- The Trust anticipates receiving the SFA in 2024 or 2025.
- Once the Trust receives SFA, the Trust will no longer be in Critical and Declining Status (it will be in Critical Status automatically through 2051).
- You do not have to take any actions; all other operations of the Trust will continue as normal and you will not see any impact.
- With careful management, we anticipate the funds (combined with future actions by the Board of Trustees) will enable the Trust to remain solvent much further beyond 2051.
- For additional information from the PBGC regarding SFA, please visit the SFA section of their website, <https://www.pbgc.gov/arp-sfa>.

Annual Funding Notice

The Annual Funding Notice reports the Trust's funded percentage for the past Plan Years of 2023, 2022 and 2021 and is required to provide general information about what could happen to pension plans that may be experiencing financial trouble. The Notice also discusses insolvent pension plans and the benefit guarantees provided by the Pension Benefit Guaranty Corporation (PBGC). This language is included because it is required by law. It does not indicate that this situation applies to the Trust.

For more information you may contact Zenith American Solutions by telephone at (833) 942-2315 or by mail at 12205 SW Tualatin Road, Suite 200, Tualatin, OR 97062.

Sincerely,
Board of Trustees