

July 2015

Dear Participant:

Saving money is not always easy, but the UFCW Local 1776 and Participating Employers Retirement and Savings Plan (the “Plan”) gives you a head start on developing financial security because it makes saving for your future financial needs a little easier.

The Plan gives you an opportunity to save money for the years ahead and, at the same time, lower your current taxes. The Plan is intended to supplement the retirement income you will receive from your defined benefit plan, Social Security, and personal savings. If you plan ahead, you can help to ensure that your retirement years are financially secure.

This booklet is called a Summary Plan Description (“SPD”). The Trustees of the UFCW Local 1776 and Participating Employers Retirement and Savings Plan are providing you with this SPD, which summarizes and describes the highlights of the Plan. This SPD reflects changes made through July, 2015, and updates and replaces any prior descriptions of the Plan. If you have any questions about this important benefit, please contact the third-party administrator at the UFCW Local 1776 and Participating Employers Retirement and Savings Plan office (the “Fund Office”) at (610) 941-9400 or (800) 458-8618.

This SPD is intended as a brief summary of the provisions currently in effect for the Plan. A more complete description is set forth in the Plan document. In the event that this SPD conflicts with the Plan, the text of the Plan document and related Trust Agreement will govern. Copies of these documents are available for your inspection at the Fund Office.

It is not always possible to reprint a new Summary Plan Description to reflect all of the current rules or future amendments. Therefore, before you finalize your retirement plans or make any important decisions based on your understanding of the Plan from this booklet, call the Fund Office to be sure that you are aware of any changes.

Sincerely,

Wendell W. Young, IV

Wendell W. Young, IV
Chairman

Daniel Dosenbach

Daniel Dosenbach
Secretary

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Introduction

The UFCW Local 1776 and Participating Employers Retirement and Savings Plan was developed in collective bargaining to provide additional retirement benefits to eligible Employees.

The Plan is administered by a joint Board of Trustees comprising an equal number of representatives appointed by the UFCW Local 1776 and by the Employers. Under applicable governing law, the Board of Trustees is known as the “Plan Administrator” or “Administrator.” The Trustees work diligently on your behalf to operate the Plan efficiently and to enforce its provisions fairly.

The Trustees hire professionals to help them run the Plan. These professionals include a third-party administrator and staff who are responsible to collect the contributions to the Plan, maintain certain information and plan records, approve the payment of benefits, and provide some of the day-to-day operations of the Plan. The Trustees also contract with attorneys to consult on legal matters, an auditor to review the financial statements, a recordkeeping firm to assist with the administration of the Plan, a custodian to hold the assets of the Plan, and an investment consultant to review the investment options offered under the Plan.

This SPD describes the highlights of the Plan. To help you understand the Plan more clearly, the use of legal and technical terms has been avoided wherever possible. However, it is not intended that this description modify or change in any manner the complete, official text of the Plan document on which this description is based. While every effort has been made to ensure the accuracy of this SPD, the official Plan document will govern in the event of any conflict. Copies of the Plan document are available for your review at the Fund Office.

All capitalized words in this Summary Plan Description have the same meaning as set forth in the Plan, unless otherwise indicated. You can also refer to the Glossary of Terms at this end of this SPD for some of the important defined terms.

If you have any questions about this important benefit, and before you make any important decisions based on your understanding of the Plan from this booklet, please contact the Fund Office at:

UFCW Local 1776 and
Participating Employers
Retirement and Savings Plan
3031B Walton Road
Plymouth Meeting PA 19462
www.ufcw1776benefitfunds.org
fund@ufcw1776benefitfunds.org
(610)941-9400
(800)458-8618

Your Retirement and Savings Plan

The most effective way to build personal savings and provide for a secure retirement is to plan in advance. With the UFCW Local 1776 and Participating Employers Retirement and Savings Plan, planning and saving for the future have become easier. Some of the highlights of the Plan include:

- *Systematic Savings.* You may make contributions to the Plan in two different ways.
 - ✓ First, you may elect to have contributions deducted automatically from your paycheck on a pre-tax basis. These contributions are called “Elective Contributions.”
 - ✓ In addition, if you participate in the UFCW Local 1776 and Participating Employers Flexible Benefits Plan (known as, the “Flex Plan” or the “Choice Plan”), you can elect to contribute your Choice Plan credits to your Account under the Plan. These contributions are called “Flex Plan Contributions.” The Flex Plan Contributions will also be credited to your Account on a pre-tax basis.
 - ✓ Together, the Elective Contributions and Flex Plan Contributions are referred to as “Salary Reduction Contributions.”
- *Tax Advantages.* Your Salary Reduction Contributions are deducted from your gross pay and contributed to the Plan before you pay federal income taxes on these amounts, thereby reducing your federal taxes. You do not have to pay federal income taxes on these amounts until you receive a distribution from the Plan. Please note that Salary Reduction Contributions are subject to FICA (Social Security and Medicare) taxes and Pennsylvania state income tax. In addition, investment earnings on your contributions are not taxed until you receive a distribution from the Plan.
- *Employer Contributions.* Additionally, your employer may make contributions to your Account, if the terms of your collective bargaining agreement so provide. Employer Contributions and the investment earnings on them are not taxable until you receive a distribution from the Plan.
- *Employer Matching Contributions.* Your employer may also make matching contributions to your Account based on the amount of Elective Contributions that you make to the Plan, if the terms of your collective bargaining agreement so provide. Employer Matching Contributions and the investment earnings on them are not taxable until you receive a distribution from the Plan.
- *Investment Choices.* You may designate how your contributions are invested by selecting from the various funds available through the Plan. The fact that these funds may not be available to you as an individual investor is another important advantage of this Plan.

Eligibility and Participation

Salary Reduction Contributions. You are eligible to join the Plan for the purpose of making Salary Reduction Contributions to the Plan on the Entry Date that coincides with or immediately follows the date on which you meet all of the following requirements:

- You work for an Employer participating in this Plan (a “Participating Employer”);
- You are covered by a collective bargaining agreement providing for participation in this Plan;
- You have completed one Year of Eligibility Service with a Participating Employer; and
- You have attained age 21.

You complete one Year of Eligibility Service if you complete 1,000 Hours of Service during the initial 12-month period of your employment or during any Plan Year. You will be credited with 190 Hours of Service for each month in which you complete at least one Hour of Service with a Participating Employer.

If you are covered by a collective bargaining agreement that provides for you to begin participation in this Plan for the purpose of making Salary Reduction Contributions *earlier* than the date identified above, you may begin participation on the date provided in the collective bargaining agreement.

For more information, see “*Salary Reduction Contributions*” on page 5 of this SPD.

Employer Contributions. You may be eligible to receive Employer Contributions under the Plan, if the terms of your collective bargaining agreement provide for these contributions. For more information, see “*Employer Contributions*” on page 6 of this SPD.

If the terms of your collective bargaining agreement provide for Employer Contributions, you are eligible to join the Plan for the purpose of receiving Employer Contributions on the Entry Date that coincides with or immediately follows the date on which you meet the following requirements:

- You work for a Participating Employer;
- You are covered by a collective bargaining agreement providing for participation in this Plan;
- You have completed one Year of Eligibility Service with a Participating Employer; and
- You have attained age 21.

You complete one Year of Eligibility Service if you complete 1,000 Hours of Service during the initial 12-month period of your employment or during any Plan Year. You will be credited with 190 Hours of Service for each month in which you complete at least one Hour of Service with a Participating Employer.

If you are covered by a collective bargaining agreement that provides for you to begin participation in this Plan for the purpose of receiving Employer Contributions *earlier* than the date identified above, you may begin participation on the date provided in the collective bargaining agreement.

Employer Matching Contributions. You may be eligible to receive Employer Matching Contributions under the Plan, if the terms of your collective bargaining agreement provide for these contributions. For more information, see “*Employer Matching Contributions*” on page 6 of this SPD.

If the terms of your collective bargaining agreement provide for Employer Matching Contributions, you are eligible to join the Plan for the purpose of receiving Employer Matching Contributions on the Entry Date that coincides with or immediately follows the date on which you meet the following requirements:

- You work for a Participating Employer;
- You are covered by a collective bargaining agreement providing for participation in this Plan;
- You have completed one Year of Eligibility Service with a Participating Employer; and
- You have attained age 21.

You complete one Year of Eligibility Service if you complete 1,000 Hours of Service during the initial 12-month period of your employment or during any Plan Year. You will be credited with 190 Hours of Service for each month in which you complete at least one Hour of Service with a Participating Employer.

If you are covered by a collective bargaining agreement that provides for you to begin participation in this Plan for the purpose of receiving Employer Matching Contributions *earlier* than the date identified above, you may begin participation on the date provided in the collective bargaining agreement.

Plan Enrollment. Once you have met the eligibility requirements for Salary Reduction Contributions, Employer Contributions or Employer Matching Contributions, you can enroll and begin participating in the Plan on any Entry Date coincident with or immediately following the date you meet the requirements for those contributions. Entry Dates are the 1st day of each calendar month, unless the collective bargaining agreement between your Employer and UFCW Local 1776 specifically provides for a different entry date for any type of contributions (Salary Reduction Contributions, Employer Contributions or Employer Matching Contributions) under the Plan. You should refer to your collective bargaining agreement for more information.

To make Salary Reduction Contributions, simply complete the enrollment forms and return them to the Fund Office by the 15th day of the calendar month prior to the applicable Entry Date. Your contributions will be automatically deducted from your pay.

Rollover Contributions. If you work for a Participating Employer and are covered by a collective bargaining agreement providing for participation in the Plan, you may elect to roll over eligible Rollover Contributions into the Plan, even if you have not yet completed a Year of Eligibility Service or attained age 21. For more information, see “*Rollover Contributions*” on page 6 of this SPD.

Prior Plan Contributions. If you work for a Participating Employer that has, pursuant to a collective bargaining agreement, merged a prior plan into this Plan, you will have a subaccount established under the Plan for your Prior Plan Contributions. For more information, see “Prior Plan Contributions” on page 7 of this SPD.

Contributions to the Plan

The UFCW Local 1776 and Participating Employers Retirement and Savings Plan provides for different types of contributions: Salary Reduction Contributions, Employer Contributions, Employer Matching Contributions, Rollover Contributions and Prior Plan Contributions, as described below. The terms of your collective bargaining agreement will determine the types of contributions for which you are eligible.

Salary Reduction Contributions. Salary Reduction Contributions are designed primarily for retirement savings. This savings option takes advantage of Section 401(k) of the Internal Revenue Code, which provides a tax shelter for long-term savings. By making Salary Reduction Contributions to the Plan with pre-tax dollars, you pay less in taxes.

Under the Plan, you may make Salary Reduction Contributions in two different ways. First, you may contribute a percentage of your pay to the Plan in the form of Elective Contributions. You may choose to make Elective Contributions to the Plan in any whole percentage amount of your pay from 1% to 20% (subject to certain Internal Revenue Code limits described below). Your Elective Contributions are automatically deducted from your wages each pay period.

Elective Contributions are made to the Plan on a “pre-tax” basis. This means that federal income taxes are calculated after your Elective Contributions are deducted from your gross pay, thereby reducing your current taxes. Depending on where you live, you may not have to pay state and local taxes on your pre-tax contributions. Federal income taxes on your pre-tax contributions, as well as on the earnings on your contributions, are deferred until you take a distribution from the Plan.

Also, if you are eligible to participate in the UFCW Local 1776 and Participating Employers Flexible Benefits Plan (Choice Plan), you may elect to have your available credits under the Choice Plan contributed to this Plan. These Flex Plan Contributions are treated as pre-tax contributions and have the same tax advantages as described above.

Internal Revenue Code Limits. The amount of your Salary Reduction Contributions to the Plan (the total of your Elective Contributions and your Flex Plan Contributions, if any) cannot exceed the Internal Revenue Code dollar limit in effect for that calendar year. For the 2015 calendar year, the dollar limit for your Salary Reduction Contributions is \$18,000. The Internal Revenue Service may adjust this limit on Salary Reduction Contributions each year for cost of living. The Internal Revenue Code has also set additional limits on the amount higher-paid employees can contribute to the Plan. If you have exceeded this or any other Internal Revenue Code imposed limit, you will be notified.

When determining your contribution amounts, your “pay” means your wages (amounts treated as wages for the purpose of income tax withholding by your Employer), plus amounts that you have contributed to a plan on a pre-tax basis by salary reduction (including Elective Contributions and Flex Plan Contributions). Your “pay” also includes regular wages and overtime and shift differential payments made to you after your Severance from Employment, as well as accrued but unused bona fide sick or vacation pay, but only if these payments would have been made to you prior to a Severance from Employment if you had continued in employment with your Employer. For the purpose of determining your contributions, your “pay” is limited to a maximum identified in the Internal Revenue Code. For 2015, this limit is \$265,000. This amount may be adjusted each year for cost of living, as the law requires.

Changing Your Contributions. You can change the amount of your Elective Contributions up to two times each year by submitting the appropriate form to the Fund Office or to Prudential, the current recordkeeper for the Plan. The change will be effective as of the first payroll period after receipt, if the form is received at least 15 days prior to the effective date of the change.

You can also elect to stop your Elective Contributions at any time by notifying Prudential or the Fund Office. Generally, contributions will stop with your next paycheck after receipt of the discontinuance form. You can begin participating again on any Entry Date.

You can revoke your election to contribute your Choice Plan credits to this Plan at any time. Please contact the Fund Office for further information if you would like to stop making Flex Plan Contributions to this Plan.

Employer Contributions. If required by the terms of the collective bargaining agreement between your Participating Employer and UFCW Local 1776, your Participating Employer will make Employer Contributions to your Account under the Plan. You should review your collective bargaining agreement to determine if you are entitled to Employer Contributions, and if so, in what amount. Employer Contributions may be subject to service requirements, such as minimum hours of service in a Plan Year or employment on the last day of a Plan Year, as provided in the applicable collective bargaining agreement.

Employer Matching Contributions. If required by the terms of the collective bargaining agreement between your Participating Employer and UFCW Local 1776, your Participating Employer will make Employer Matching Contributions to your Account under the Plan. Employer Matching Contributions will be based on the amount of Elective Contributions that you make to the Plan. You should review your collective bargaining agreement to determine if you are entitled to Employer Matching Contributions, and if so, in what amount.

Rollover Contributions. If you work for a Participating Employer and are covered by a collective bargaining agreement providing for participation in the Plan, you may elect to roll over qualified distributions into the Plan, even if you are not yet eligible to participate in the Plan for the purpose of Salary Reduction Contributions, Employer Contributions or Employer Matching Contributions. Rollover Contributions are subject to all the terms and conditions of the Plan and are only distributable to you under the terms of the Plan.

The Plan accepts rollovers from the following:

- “qualified plans” (plans that meet the requirements of Section 401(a), or annuities that meet the requirements of Section 403(a), of the Internal Revenue Code, such as a profit sharing plan or a 401(k) plan;
- Section 403(b) tax-sheltered annuities (retirement programs for employees of tax-exempt organizations or governments);
- governmental Section 457 Plans (deferred compensation plans for employees of state or local governments);
- a traditional Individual Retirement Account or Annuity (IRA), as described in Sections 408(a) and (b) of the Internal Revenue Code, funded with pre-tax contributions;

- an IRA funded solely with rollover monies from another qualified plan (a “conduit IRA”).

You may make a “direct rollover” to the Plan, in which case the rollover comes directly from the other plan or annuity without being distributed to you first. You may also make an “indirect rollover” to the Plan of amounts that you have already received as a distribution from another plan or annuity. If you actually receive the distribution, you must deliver the rollover contribution to the Plan within 60 days of the date that you received it from the other plan or annuity.

You may also rollover after-tax contributions in a “direct rollover” to the Plan. You are not otherwise permitted to make after-tax contributions to the Plan. Any after-tax contributions that you elect to roll over to the Plan will be separately accounted for under the Plan and will be distributable to you only under the terms of the Plan.

You may not roll over any loans to the Plan, either directly or indirectly.

If you wish to make a rollover to the Plan, you should contact Prudential or the Fund Office for further information. You may be required to provide information to show that the rollover satisfies the Plan’s requirements. If your prior distribution meets the definition of an “eligible rollover distribution,” as specified by the Internal Revenue Code, the money may be transferred into your Account. Once the money is transferred into this Plan, it becomes subject to the provisions of the Plan and will be distributed to you only under the terms of the Plan.

Prior Plan Contributions. If you work for a Participating Employer that has, pursuant to a collective bargaining agreement, merged a prior plan into this Plan, your interest under the prior plan will be transferred directly to the Plan. You will have a subaccount established under the Plan for your Prior Plan Contributions. To the extent required by law, the Plan will preserve all the benefits, rights and features with respect to the assets transferred from the prior plan to your Account under the Plan.

Investment of Your Accounts

All contributions to the UFCW Local 1776 and Participating Employers Retirement and Savings Plan are held in a trust fund created under the Plan.

You decide how the contributions to your Account will be invested among the investment options made available to you under the Plan. You may invest your contributions exclusively in any one investment option or divide them among the available options in multiples of 1% that total to 100%. For more information regarding the investment of your Account, see “Participant Investment Self-Direction” below.

You can find a list of the investment options currently available under the Plan in Appendix A attached to this SPD. The Trustees may change the investment options under the Plan at any time. The Fund Office will provide you with a description of any changes to the investment options under the Plan.

Prospectuses and additional information describing the current investment options are available upon request by contacting the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100) or by visiting the Prudential Retirement Online Retirement Center through the internet website at www.prudential.com/online/retirement.

Valuation of your Account. Each investment option will be valued on a daily basis (each such day being a Valuation Date). Therefore, a value will be assigned to your Account that reflects your Salary Reduction Contributions (including Elective Contributions and Flex Plan Contributions); your Employer Contributions; your Employer Matching Contributions; your Rollover Contributions; your Prior Plan Contributions; your Account's share of the investment experience; expenses, as charged; and any other Account activity.

You may change your investment selections for future contributions or transfer existing account balances at any time by calling the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100) or by visiting the Prudential Retirement Online Retirement Center at www.prudential.com/online/retirement.

Please keep in mind that each of the investment alternatives offered under the Plan is subject to varying degrees of risk. You will share in both the gains and losses of the option(s) you choose. After the end of each quarter, you will receive a statement so that you can monitor the performance of the option(s) you choose.

Participant Investment Self-Direction

The Plan permits Participants to invest their Accounts in several investment categories established by the Trustees and is intended to be a participant-directed account plan in compliance with Section 404(c) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Accordingly, Plan fiduciaries, including the Trustees, will be relieved of liability for any losses which are the direct and necessary result of investment instructions given by Participants.

If any Participant fails to provide an investment instruction for his or her Account, the Account will be invested in the "default" investment selected by the Trustees. You can find more information about the Plan's current default investment in Appendix A attached to this SPD. Remember, as with all of the investment options available under the Plan, the Trustees may change the default investment at any time. You will be notified if the Trustees make this change. As stated above, you may change your investment election for future contributions or transfer existing account balances to different investment options at any time.

Any initial Participant investment instruction will be made in writing on forms provided by the Fund Office and will be made in such manner and at such times as determined by the Trustees. Salary Reduction Contributions (including Elective Contributions and Flex Plan Contributions), Employer Contributions, Employer Matching Contributions, Rollover Contributions and Prior Plan Contributions are subject to Participant direction. Any subsequent change in a Participant's investment instruction will be made by telephone or electronically and can be made on a daily basis in such manner as determined by the third-party services provider acting as custodian for investments under the Plan, and by the Trustees. If you wish to change your investment instructions for future contributions or transfer existing account balances, call the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100) or visit the Prudential Retirement Online Retirement Center at www.prudential.com/online/retirement.

Each Participant will receive:

- ▶ a description of, and information about, all investment alternatives, with a general explanation of investment objectives, risk and return characteristics and the type and diversification of their portfolio assets prior to the date the

Participant is permitted to give investment instructions (and in the event a material change in such information occurs);

- descriptions of any transaction fees and expenses charged in connection with purchases or sales of interests in any investment category in which his or her Account is invested; and
- a copy of the most recent prospectus, either immediately before or following the Participant's initial investment in any investment alternative subject to the Securities Act of 1933.

In addition, upon written request, the Trustees will, to the extent available, provide a Participant with the following additional information:

- ❖ A description of the annual operating expenses of an investment category, including any management fees, which is expressed as a percentage of average net assets of the designated investment category;
- ❖ A copy of the prospectus, financial statement and report, and any other materials provided to the Plan relating to an investment category;
- ❖ A listing of the assets of each investment category, a statement of the value of each such asset (or the proportion of the investment category which it comprises) and, with respect to each such asset which is a fixed rate investment contract, the name of the issuer of the contract, the term of the contract, and the rate of the return on the contract;
- ❖ The value of shares or units in an investment category including information about the past and current investment performance of such investment category; and
- ❖ A statement, given not more frequently than quarterly, concerning the values of shares or units in investment categories held in the Account of the Participant or beneficiary.

Further details concerning investment direction and a description of the investment categories available under the Plan will be provided upon request.

For each calendar quarter, each Participant will receive a report reflecting the investment performance and a statement of the value of his or her own interest in the Plan.

Vesting

You are always 100% vested in the value of all Salary Reduction Contributions and Rollover Contributions made to your Account, and any earnings on those contributions.

You are also 100% vested in the value of all Employer Contributions and Employer Matching Contributions made to your Account, unless the applicable collective bargaining agreement between your Employer and UFCW Local 1776 specifically provides for a different vesting schedule. You should refer to your collective bargaining agreement for further information regarding the vesting schedule applicable to Employer Contributions and Employer Matching Contributions.

If you are not fully vested in your Employer Contributions or Employer Matching Contributions upon termination of employment, you will forfeit the non-vested portion of your Account after you have five (5) consecutive one-year Breaks-in-service.

You are 100% vested in the Prior Plan Contributions transferred to your Account under the Plan.

Notwithstanding any vesting schedule set forth in your collective bargaining agreement, your Account will always be 100% vested upon your death, Disability or attainment of Normal Retirement Age.

When and How Benefits are Paid

The value of your Account will be paid to you in a single sum:

- at your early or normal retirement;
- if you should die (paid to your designated beneficiary); or
- after you leave the employ of **all** Participating Employers for any other reason.

You (or your beneficiary) may be subject to an automatic 20% withholding of federal income tax on the distribution. Also, if you retire or terminate employment with **all** Participating Employers before age 55 and you elect to receive a distribution, you may be required to pay a 10% penalty tax on any money received. You may, however, be able to avoid the mandatory 20% withholding of federal income tax and 10% penalty tax if you make a direct rollover to an eligible retirement plan. For more information on the tax treatment of Plan distributions, see “*Tax Treatment of Distributions*” on page 13 of this SPD. Specific information on the taxation of a distribution will also be provided before the distribution is made.

When You Retire. You can retire on or after you attain Normal Retirement Age, which is the first day of the month coincident with or immediately following your 65th birthday. If you retire **after** age 65, you may continue participating in the Plan and defer payment to a later date.

You can also elect to retire early. You can elect early retirement any time after age 55 or, if earlier, the date you are eligible for retirement under the UFCW Local 1776 and Participating Employers Pension Plan or the UFCW and Participating Food Industry Employers Tri-State Pension Plan (if applicable).

If You Should Die. If you should die before receiving your benefit, your beneficiary will be paid the full value of your Account. You may designate one or more beneficiaries on the form provided by the Fund Office to receive benefits that become payable upon your death.

If you are single, any death benefits payable will be paid to the beneficiary or beneficiaries you have selected.

If you are married, your beneficiary is your spouse, unless you elect otherwise in writing. If you wish to designate a beneficiary other than your spouse, your spouse must consent irrevocably in writing to your designation and your spouse's consent must be witnessed by a notary public.

If you die without a beneficiary designation, if your beneficiary dies before you, or if your beneficiary cannot be located, payment will be made first to your spouse, second to your children (if any) in equal shares, and third, to the legal representative of your estate or, if none exists, to your heirs under intestate law of the state in which you reside at the time of your death.

If You Should Terminate Employment. If you terminate your employment with all Participating Employers prior to your normal or early retirement, you will still be able to receive the full value of your vested Account. You may choose to leave your Account balance in the Plan until a later date, or to receive a distribution of your Account balance as soon as practicable. If you wish to receive a distribution right away, you should submit an application in writing to the Fund Office.

Payment of Benefits at Death, Retirement or Termination of Employment. Payment of your Account will be made to you (or your beneficiary in the case of your death) as of the Valuation Date that coincides with or immediately follows receipt of the application for benefits from you (or from your beneficiary) and approval by the Plan Administrator (or its designee), with actual payment made as soon as practicable thereafter. You (or your beneficiary in the case of your death) must submit the distribution request in writing to the Fund Office at least 30 days prior to the date you wish (or your beneficiary wishes) to receive the distribution.

In-Service Distributions. If you are age 65 or older, you may request an in-service distribution of all or part of your Account under the Plan, even if you continue to be employed by a Participating Employer. A Participant will be permitted to request only one in-service distribution in any Plan Year.

Required Distributions. Generally, you are not required to begin to take your benefits until April 1 of the calendar year following the calendar year in which you attain age 70½, or *if later*, April 1 of the calendar year following the calendar year in which you retire. If you continue to work for a Participating Employer past age 70½, however, you may elect to begin your benefits on April 1 of the calendar year following the calendar year in which you attain age 70½, even though you are still employed.

Loans

Most Participants may borrow from the Plan. The rules of the Plan's loan program are set forth in Loan Procedures, which are attached as Appendix B to this SPD. You may also obtain a copy of the Loan Procedures by contacting the Fund Office at (610) 941-9400 or (800) 458-8618 or the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100), or by requesting a copy online from the Prudential Retirement

Online Retirement Center at www.prudential.com/online/retirement. The loan program is intended to comply with regulations regarding such arrangements issued by the U.S. Department of Labor and U.S. Treasury Department.

Hardship Withdrawals

If you incur a “hardship,” you may elect to receive a distribution from your Account of up to 70% of your pre-tax Salary Reduction Contributions only. For purposes of this Plan, a distribution on account of hardship occurs only if the distribution is made on account of an immediate and heavy financial need and is necessary to meet such financial need. A distribution will be deemed to be made on account of an immediate and heavy financial need if the distribution is used for any of the following:

- ✓ to pay eligible medical expenses for the Participant, the Participant's spouse or dependents or the Participant's Primary Beneficiary under the Plan;
- ✓ to purchase (excluding mortgage payments) a principal residence for the Participant;
- ✓ to pay tuition and related educational fees and room and board for the next 12 months of post-secondary education for the Participant, his or her spouse or dependents or the Participant's Primary Beneficiary under the Plan;
- ✓ to prevent the eviction of the Participant from his or her principal residence or foreclosure on the mortgage of such principal residence;
- ✓ to pay burial or funeral expenses for the Participant's deceased parents, spouse, child, dependent or Primary Beneficiary under the Plan; or
- ✓ to pay certain qualifying expenses for the repair of damage to the Participant's principal residence.

For the purpose of hardship distributions, the Participant's “Primary Beneficiary under the Plan” means an individual who is named by the Participant as a beneficiary under the Plan and has an unconditional right to all or a portion of the Participant's Account balance under the Plan upon the death of the Participant.

No distribution will be treated as necessary to meet an immediate and heavy financial need to the extent the amount of such distribution exceeds the amount required to relieve the financial need or to the extent such need may be met from other resources which are reasonably available to the Participant. Any such distribution may include such amounts as necessary to pay any federal, state or local income taxes or penalties reasonably anticipated due to such a distribution.

A distribution will be deemed to be necessary to satisfy an immediate and heavy financial need if the Participant certifies that the need cannot be relieved through any of the following:

- reimbursement by insurance or otherwise;
- liquidation of the Participant's assets;
- cessation of pre-tax contributions;
- other distributions or non-taxable loans from plans maintained by the Participant's employer; or
- borrowing from commercial sources on reasonable commercial terms.

In addition, reasonable documentation evidencing the Participant's immediate and heavy financial need must be attached to any such certification. Hardship withdrawals are not eligible for rollover to another plan or an IRA.

Tax Treatment of Distributions

The following information is only meant to give you a general idea about taxes. Tax laws are complex and often change; therefore, you should consult a qualified tax advisor or specialist to help you decide the best approach for your situation.

Taxation of Distributions. Under current law, you defer paying federal income taxes on all contributions to the Plan until your Account balance is distributed. Investment earnings accumulating in the Plan also avoid taxation until they are paid out to you. All distributions from the Plan are subject to income taxes, and regulations require that federal income tax be withheld at a rate of 20% unless you roll over your distribution directly to another qualified plan, a 403(b) tax-sheltered annuity, a governmental Section 457 Plan or an IRA, including, beginning on and after January 1, 2008, a Roth IRA. Taxes are to be paid in the year of the distribution.

You may be eligible to rollover your distribution directly to an IRA. You may also rollover your Account directly to another retirement plan, provided such plan accepts rollovers. If you make a direct rollover to an IRA or another retirement plan, your Account balance will not be subject to income taxes until you receive a distribution from the IRA or other retirement plan to which you made the rollover. Your surviving spouse or alternate payee under a “qualified domestic relations order” (see explanation below) may also be able to make a direct rollover to an IRA or another retirement plan that accepts rollovers. Also, a nonspouse beneficiary may be able to rollover the distribution to an eligible IRA which is established for the purpose of accepting the distribution and which is treated as an inherited IRA under the provisions of the Internal Revenue Code.

Hardship withdrawals are not subject to the 20% mandatory withholding requirement because these distributions are not eligible to be rolled over to another plan or an IRA. However, the 10% early distribution penalty applies to hardship withdrawals, unless you satisfy one of the exceptions to this penalty as explained below.

The Plan Administrator will provide more details concerning your options when you apply for your distribution. Before a distribution is made, you will be asked to certify your election in writing. Because the tax laws are complicated and are subject to change, we recommend that you obtain tax advice before taking any distribution.

Penalty on Early Distributions. You may also be liable for a 10% penalty tax on the money paid from your Account in addition to the taxes you would normally pay. This penalty tax is waived if the distribution is made:

- after you reach age 59½;
- when you leave employment with **all** Participating Employers after you attain age 55;
- if you become disabled;
- if you die and the distribution is paid to your beneficiary;

- to pay deductible medical expenses in accordance with Section 213 of the Internal Revenue Code; or
- to an “alternate payee” in accordance with a qualified domestic relations order.

The 10% penalty tax will also be waived if you transfer your distribution directly to an IRA, another qualified plan, a Section 403(b) tax-sheltered annuity or a governmental Section 457 Plan.

How to Apply for a Distribution

If you are eligible for and wish to receive a distribution under the Plan, you (or your beneficiary, if applicable) must file a written claim for a distribution on the appropriate form. You can obtain the necessary materials, as well as assistance in filing claims, by contacting the Fund Office at (610) 941-9400 or (800) 458-8618 or the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100). You may designate an individual to act on your behalf as your “authorized representative” for all or any part of the claim and appeal process.

If Your Claim is Denied

Initial Determinations. If your claim for a distribution is denied, in whole or in part, you will receive written notification of the denial within 90 days (180 days if the Fund notifies you in writing of a need for an extension, and explains why the extension is necessary). This denial will explain the reason for the denial; it will cite the relevant Plan provisions on which the denial is based; it will tell you what you need to do to correct your claim (for example, what further information you could provide which might change the decision) and why such information is needed; and it will tell you how to file an appeal with the Board of Trustees, and of your right to bring an action under 502(a) of ERISA following such an appeal.

If you appeal, you must submit your appeal to the Fund Office in writing within 60 days of the date you receive your claim denial. You and your representative are entitled to submit with your appeal any written comments, issues or other information in support of your claim that you would like the Board of Trustees to consider. If you would like, you (and your representative) can also review the materials relevant to your claim denial by appointment or by request for copies (which will be provided to you free of charge).

Claims Relating to Disability. For claims relating to Disability, you will receive written notification of a claim denial within 45 days. This period may be extended for up to 30 days (and for a second period of up to 30 days) if necessary due to special circumstances beyond the control of the Plan. The Plan will provide you with notice of the circumstances requiring the extension and the date by which a decision will be rendered. If additional information is required, you will have at least 45 days to produce it.

If you appeal a claim relating to Disability, you must submit your appeal to the Fund Office in writing within 180 days of the date you receive your claim denial. On appeal, the following standards will apply to review of a Disability claim:

- The appeal will be conducted without any deference to the initial decision;

- The decision-maker on appeal will not be the person who made the initial decision or a subordinate of that person;
- The Trustees will consult with a properly trained health care professional who is not the individual consulted with respect to the initial decision or a subordinate of that person;
- You will be provided with the identity of any medical or vocational expert consulted in connection with the initial decision; and
- You may submit written comments and other documentation and information to the Trustees.

Upon request, the Trustees will provide you with a copy of any internal rule, protocol or guideline relied upon in any adverse determination (initial claim or appeal) regarding a Disability. If any adverse determination regarding a Disability claim (initial or on appeal) is based upon medical necessity or experimental treatment or a similar exclusion or limit, the Trustees will, upon request, provide you with an explanation free of charge of the scientific or clinical judgment for the determination, applying the terms of the Plan to your medical circumstances.

Decisions On Appeal. The Board of Trustees will make a decision on your appeal for a Disability claim or other claim for benefits under the Plan no later than the date of the Board of Trustees' meeting that immediately follows the Fund's receipt of your appeal. If, however, you file your appeal within 30 days before the date of the next meeting, the Board of Trustees will make a decision by the date of the second meeting after receipt of your appeal. If special circumstances require additional time for a decision on appeal, the Board of Trustees will make a decision not later than the date of the third meeting after the Fund's receipt of the appeal. If special circumstances require an extension of time for review of your claim, the Fund will notify you in writing, prior to the beginning of the extension, of the special circumstances requiring the extension and the date as of which a decision will be made. The Fund will notify you within 5 days of the decision by the Board of Trustees. If your appeal is denied, you will receive a written notice of the decision, which contains the reasons for the decision, the specific plan provisions on which the decision is based, a statement that you are entitled to receive upon request and free of charge reasonable access to and copies of all documents, records, and other information relevant to your claim for benefits, and a statement of your right to bring an action under section 502(a) of ERISA.

If the Plan fails to comply with its claims procedures or with the requirements for claims set forth in U.S. Department of Labor Regulations § 2560.503-1, you may proceed to court immediately and file a lawsuit under ERISA and will be deemed to have exhausted all administrative remedies under the Plan. In this case, no deference will be given to the Trustees' determination on the claim.

Qualified Domestic Relations Order

As a general rule, your benefits under the Plan may not be assigned or used as collateral for a loan, given away, or otherwise transferred. In addition, your creditors may not attach, garnish or otherwise interfere with your Plan benefits prior to distribution.

There is an exception, however, to this general rule. The Plan Administrator may be required by law to recognize obligations you incur as a result of court-ordered child support or alimony

payments. The Plan Administrator must honor a qualified domestic relations order issued by a court or administrative agency that obligates you to pay child support or alimony, or otherwise allocates a portion of your assets in the Plan to your spouse, former spouse, child or other dependent (an “alternate payee”). The Plan Administrator has developed a procedure governing qualified domestic relations orders. Participants and beneficiaries may obtain a copy of such procedures from the Fund Office without charge.

Some Important Points

All contributions to the Plan are placed in a trust fund held and administered by the Board of Trustees. All contributions to the trust fund must be used for the exclusive benefit of Plan Participants and their beneficiaries and for reasonable administrative expenses of the Plan.

Plan expenses will be paid from Plan assets. Because the Plan is an individual account plan, pro-rata deductions will be made from your Account to cover the administrative, professional and consulting expenses of the Plan allocable to your Account. In addition, any special expenses attributable only to your Account (for example, a loan request processing or maintenance fee) will be deducted only from your Account. Also, there will be a per capita annual charge to each Participant's Account for basic recordkeeping, account maintenance and investment self-direction services performed by Prudential Retirement.

This Plan is not a contract between you and any Participating Employer. Nothing in the Plan shall give any Employee the right to remain an Employee of any Participating Employer. All Employees remain subject to discharge, discipline or layoff to the same extent as if the Plan did not exist.

Finally, you should know that the Board of Trustees has the sole power and discretion to interpret and construe Plan provisions. This authority includes, but is not limited to, the power to resolve all questions related to the administration, interpretation, and application of the Plan and the power to construe any ambiguous Plan terms. The Board also has the discretionary authority to determine the relevant facts and to apply the law and the terms of the Plan to the facts. All such decisions by the Trustees shall be final and binding on all parties, and entitled to the maximum deference permitted under the law.

Future of the Plan

Although the Trustees expect and intend to continue the Plan indefinitely, they reserve the right to change, modify or discontinue it at any time. If the Plan is amended or terminated, your vested benefits will not be reduced.

If the Plan is terminated and the trust fund terminates, you will be told when you can expect to receive your benefits and how they will be paid.

If the Plan is terminated, administrative expenses of the Plan not paid directly by the Participating Employers will be paid out of the trust fund.

Your Rights Under the Employee Retirement Income Security Act of 1974

As a Participant in the UFCW Local 1776 and Participating Employers Retirement and Savings Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (“ERISA”) as described below.

ERISA provides that all Plan Participants shall be entitled to:

Receive Information About Your Plan and Benefits

- i. Examine, without charge, at the Plan Administrator's office and at other specified locations such as work sites and union halls, all documents governing the Plan, including 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;
- ii. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including collective bargaining agreements, copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description. The Administrator may make a reasonable charge for the copies;
- iii. 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 this Summary Annual Report;
- iv. Obtain a statement of the total value of your Account and your vested benefits, if any. This statement must be requested in writing and is not required to be given more than once a year. 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 persons who are responsible for the operation of the Plan. The people who operate the 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 benefit or exercising your rights under ERISA.

Enforce Your Rights

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.

Under ERISA, there are steps you can take to enforce the above rights. For instance, 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 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 material, unless the materials were not sent because of reasons beyond the control of the Administrator. If you have a claim for benefits which 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 the 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; 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 Ave., N.W. Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration.

Other Important Information

The following additional information concerning your Plan is being provided to you in accordance with government regulations.

- The Plan Sponsor is the Board of Trustees of the UFCW Local 1776 and Participating Employers Retirement and Savings Plan, 3031 B Walton Road, Plymouth Meeting, PA, 19462.
- A joint Board of Trustees, comprising UFCW Local 1776 representatives and Employer representatives, is the Plan Administrator. The Trustees are charged with the responsibility of carrying out the provisions of the Plan. The names and business addresses of the Trustees are set forth in Appendix C.
- In the discharge of its duties, the Board of Trustees is aided and advised by legal counsel, a recordkeeper, an accountant, a custodian, and an investment consultant, as well as administrative personnel who provide some of the day-to-day operations of the Plan.
- This Plan is a defined contribution profit sharing plan with a cash or deferred arrangement intended to satisfy the requirements of Section 401(k) of the Internal Revenue Code.
- The Board of Trustees has been designated as the agent for the service of legal process. Service of legal process may be made upon any Trustee or the Fund Office.
- As explained above, there are several types of contributions which may be made to your Account under the Plan. If you so elect, you may make pre-tax Salary Reduction Contributions (Elective Contributions and Flex Plan Contributions) to your Account under the Plan. Additionally, if your collective bargaining agreement so provides, your Participating Employer will make Employer Contributions and Employer Matching

Contributions to your Account under the Plan. You may also make eligible Rollover Contributions to the Plan. If you participated in a prior plan that was merged into this Plan, your Prior Plan Contributions will be transferred to your Account under the Plan. For more information about Plan contributions, see “*Contributions to the Plan*” starting at page 5 of this SPD.

- The Fund office will provide you, upon written request, with information as to whether a particular employer is a Participating Employer with respect to this Plan, and if so, the Participating Employer’s address.
- The federal employer identification number assigned to the Board of Trustees is 23-2997353.
- The plan number assigned to this Plan by the Board of Trustees is 001.
- The Board of Trustees has contracted with Healthcare Strategies, Inc. to act as a third-party administrator to provide some of the day-to-day operations of the Plan. If you have any questions, you may contact the staff of Healthcare Strategies, Inc. at the Fund Office at the following address:

UFCW Local 1776 and Participating Employers
Retirement and Savings Plan
3031B Walton Road
Plymouth Meeting PA 19462
www.ufcw1776benefitfunds.org
fund@ufcw1776benefitfunds.org
(610)941-9400
(800)458-8618

- Plan records are maintained on the basis of the Plan Year that ends December 31.
- Benefits are provided from the Plan assets, which are accumulated under the provisions of the collective bargaining agreements or participation agreements and the trust agreement, and held in a trust fund for the purpose of providing benefits to covered Participants and defraying reasonable administrative expenses. Assets of the Fund are managed under authority of the Board of Trustees,
- The benefit you receive under this Plan is the actual amount in your individual Account. Therefore, the Pension Benefit Guaranty Corporation does not insure benefits under the Plan.

While we have made every effort to be as accurate as possible in developing this Summary Plan Description, official Plan documents govern in all cases. Copies of these Plan documents are available for your review in the Fund Office.

Glossary of Terms

This Glossary of Terms defines certain terms used frequently in this Summary Plan Description. Any term used in this document that is not defined in this Glossary shall have the meaning set forth in the Plan document.

Account means the Participant's interest in the Fund. The term "Account" shall refer, as the context indicates, to any or all of the following subaccounts:

- **Salary Reduction Contribution Account** means the subaccount to which a Participant's Salary Reduction Contributions are credited (Elective Contributions and Flex Plan Contributions), and adjustments related thereto.
- **Rollover Contributions Account** means the subaccount to which a Participant's Rollover Contributions are credited, and adjustments related thereto.
- **Employer Contribution Account** means the subaccount to which a Participant's Employer Contributions are credited, and adjustments related thereto.
- **Employer Matching Contribution Account** means subaccount to which a Participant's Employer Matching Contributions are credited, and adjustments related thereto.
- **Prior Plan Contributions Account** means the subaccount to which a Participant's Prior Plan Contributions are credited, and adjustments related thereto.

Board of Trustees or Trustees means the governing body, comprising representatives of the UFCW Local 1776 and the Employers, which is responsible for the administration of the Plan. The Board of Trustees shall serve as the named fiduciary as required by ERISA, and shall be responsible for the Plan's management, operation and administration.

Break-in-service means a Plan Year during which an Employee has not completed more than 500 Hours of Service due to a Severance from Employment.

Disability means a physical or mental condition, other than death, that renders a Participant incapable of performing any employment. The determination of the existence of disability shall be made by the Trustees on the basis of medical evidence under a uniform standard, consistently applied.

Employee means a person who is a common-law employee of an Employer and who is covered by a collective bargaining agreement or any written agreement requiring contributions on his behalf to the Fund established pursuant to the Trust Agreement.

Employer means a signatory to a collective bargaining agreement with the UFCW Local 1776 requiring contributions to the Fund or signatory to any other agreement requiring contributions to the Fund, provided such signatory has been accepted as an Employer by the Board of Trustees.

Employer Contributions means any non-elective payment of money by an Employer to the Plan pursuant to a collective bargaining agreement with UFCW Local 1776.

Employer Matching Contributions means any payment of money by an Employer to the Plan on account of a Participant's Elective Contributions and pursuant to a collective bargaining agreement with UFCW Local 1776.

Entry Date means the first day of each calendar month, or such other dates as specifically provided in the applicable collective bargaining agreement between the Employer and UFCW Local 1776 for any contributions under the Plan.

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

Flexible Benefits Plan means the UFCW Local 1776 and Participating Employers Flexible Benefits Plan.

Fund means the trust fund established for this Plan, administered under the Trust Agreement, out of which benefits payable under this Plan shall be paid.

Hour of Service means each hour for which an Employee is paid or entitled to payment by an Employer for employment duties (including back pay) or for vacation, holiday, illness, incapacity (including disability), jury duty, layoff, leave of absence, or military duty.

Up to 501 Hours of Service will be credited to an Employee if absent from work due to pregnancy, the birth or adoption of a child, or for purposes of the care of a child immediately after birth or adoption. These Hours of Service will be credited to either the Plan Year in which the Employee's absence begins if necessary to prevent a Break in Service during that period, or to the following Plan Year. No more than 501 Hours of Service will be credited to an Employee on account of any single continuous period during which no duties are performed.

Special rules apply for crediting Hours of Service if an Employee moves from employment in a position covered by a collective bargaining agreement requiring contributions to the Plan to employment in a position not covered by a collective bargaining agreement, and vice versa.

Normal Retirement Age means, for any Participant, the first day of the calendar month coincident with or next following the date on which he attains age 65.

Participant means an individual for whom an Account is maintained under the Plan.

Plan means the UFCW Local 1776 and Participating Employers Retirement and Savings Plan as set forth herein, which is a profit-sharing plan with a cash or deferred arrangement within the meaning, and intended to satisfy the requirements, of Section 401(k) of the Internal Revenue Code.

Plan Year means the 12-month period beginning on each January 1st.

Prior Plan Contributions means, for any Employee, the assets attributable to his account under a prior plan of an Employer, which assets have been transferred to the Plan as the result of a merger between the Plan and the prior plan.

Rollover Contributions means, for any Employee, the distributions transferred by or from an Employee to the Plan from another qualified retirement plan or from an individual retirement account.

Salary Reduction Contributions means, for any Participant, the pre-tax contributions that the Participant elects to have contributed to the Plan on his behalf. The term "Salary Reduction Contributions" shall refer, as the context indicates, to either or both of the following:

- **Flex Benefit Contributions** means the contributions which are made on a Participant's behalf pursuant to his participation in the Flexible Benefits Plan.

- **Elective Contributions** means all other contributions which are made on a Participant's behalf pursuant to a salary reduction agreement.

Severance from Employment means resignation, retirement, discharge or any other absence, other than death, that causes an individual to cease to be an Employee. An Employee will not incur a Severance from Employment merely as a result of a change in his employment status from employment in a position covered by a collective bargaining agreement to a position not covered by a collective bargaining agreement, provided he continues to be employed by an Employer.

Trust Agreement means the agreement and declaration of trust executed for purposes of the Plan.

Valuation Date means the last business day of each Plan Year or such other interim dates that the Trustees may establish. Currently, Plan has daily valuation dates.

APPENDIX A

INVESTMENT OPTIONS

as of July, 2015

UFCW Local 1776 and Participating Employers Retirement and Savings Plan offers a selection of investments from which to choose. You can decide how you want your money invested, and may move money between investments anytime.

Prudential Retirement provides the platform for the investment of your Account under the Plan in the options described below. For more information about your investment options under the Plan, or to change your investment elections, contact Prudential Retirement by using the Prudential Interactive Voice Response Service (IVR) at 877-PRU-2100 (877-778-2100) (toll-free number), or by visiting the Prudential Retirement Online Retirement Center through the internet website at www.prudential.com/online/retirement. When prompted for a “plan number,” please enter: 006159.

Individuals who would like to simplify investment decision-making can invest in a single Retirement Goal Fund based on an expected retirement date. Each Retirement Goal Fund has a specific target retirement date – 2010, 2020, 2030, 2040 and 2050. An additional Retirement Goal Fund, called the Retirement Goal Income Fund, is designed for individuals in or near retirement who seek high current income. When selecting a Retirement Goal Fund, be sure to consider both the number of years to your retirement and your risk tolerance.

Stable Value	
Guaranteed Income Fund	
Fixed Income – Domestic	
Core Plus Bond/PIMCO Fund	
Balanced – Target Date	
Retirement Goal 2010 Fund	Retirement Goal 2040 Fund
Retirement Goal 2020 Fund	Retirement Goal 2050 Fund
Retirement Goal 2030 Fund	Retirement Goal 2060 Fund
	Retirement Goal Income Fund
Balanced – Value	
SA/Oakmark Equity & Income Strategy II	
Large Cap Stock – Growth	
Large Cap Growth/American Century Fund	
SA/T. Rowe Price Growth Stock Strategy	

Large Cap Stock – Value	
Large Cap Value Fund (sub-advised by Wellington Management)	Large Cap Value/AJO Fund
Large Cap Stock - Blend	
Dryden S&P 500 Index Fund	Large Cap Blend/AJO Fund
Mid Cap Stock – Value	
Mid Cap Value/Cooke & Bieler Fund	Mid Cap Value/Integrity Fund
Mid Cap Stock – Growth	
Mid Cap Growth/TimesSquare Fund	Mid Cap Growth/Westfield Capital Fund
Small Cap Stock – Value	
Small Cap Value/Kennedy Capital Fund	Small Cap Value/TBC AM
Small Cap Stock – Growth	
Small Cap Growth/Emerald Fund	
Specialty - Real Estate	
Real Estate/American Century Fund	
International Stock – Value	
International Value/LSV Asset Management Fund	

Default Investment Fund. If a Participant fails to provide an investment instruction for his or her Account, the Account will be invested in the Plan’s default investment fund. Currently, the default investment fund is the applicable Retirement Goal Fund based on the year in which the Participant is expected to attain age 65, which is the Normal Retirement Age under the Plan. For example, the default investment for a Participant who will reach age 65 in 2030 will be the Retirement Goal 2030 Fund. The Participant may change the investment of future contributions and may transfer existing account balances to different investment options at any time.

APPENDIX B

LOAN PROCEDURES

The Board of Trustees of the UFCW Local 1776 and Participating Employers Retirement and Savings Plan (the “Plan”) has adopted the following procedures with respect to Plan loans. All participants who satisfy the rules set forth in these procedures are eligible to obtain a Plan loan. These procedures and the rules for loans from the Plan will be interpreted in a manner to comply with the requirements of the Internal Revenue Code of 1986, as amended, and the Employee Retirement Income Security Act of 1974, as amended. The Trustees reserve the right to modify, amend, or eliminate any rules regarding the availability of Plan loans at any time.

How to Apply for a Loan

In order to obtain a loan, you should contact Prudential toll-free at (877) 778-2100 or on the Prudential website at www.retirement.prudential.com to request a Loan Application Form and Loan Disclosure Statement. You should review the Loan Disclosure Statement for additional information about the loan program and requesting a loan from the Plan. Upon completing the Loan Application Form, you should return it to Prudential as instructed on that form.

Following approval of your Loan Application, Prudential Retirement will send you a Promissory Note, which includes a pledge of a portion of your Account as security for your loan, as well as a Truth-In-Lending Statement for your loan. You must sign the Promissory Note and return it to Prudential Retirement. The Promissory Note will be held as an asset of the Plan allocated to your Account. Following receipt of the Promissory Note, Prudential Retirement will liquidate the requested loan proceeds and mail the loan check to you along with an amortization schedule. Your payroll deductions to repay your loan will begin in accordance with this amortization schedule. If you obtain a loan, you will incur a fee of Twenty-Five Dollars (\$25), which is deducted directly from your Plan Account.

General Rules Governing Loans

Basic requirements for loans. There is no special advantage in borrowing from the Plan. These loans are regular loans – similar to loans from a bank. Of course, the money you borrow comes out of your Account and the principal and interest that you pay are credited back to your Account. This means that:

- you have to sign a promissory note;
- you have to make payments on the loan;
- you have to pay interest equal to the bank prime loan rate as reported by the United States Federal Reserve Bank (www.federalreserve.gov) on the last business day of the calendar quarter immediately preceding the quarter in which you apply for your loan, plus 1%, or such other reasonable and adequate rate as may be promulgated by the Board of Trustees from time to time;
- during a period of military service, the interest rate on your loan will be limited to 6%, in accordance with the Servicemembers Civil Relief Act (provided you

give the Plan written notice of your military service within 180 days after your service ends);

- the payments will amortize the loan on a level basis over its term (no “interest only” or balloon payments are permitted);
- the term of the loan cannot be more than 5 years; and
- you have to post collateral for the loan.

Amount. There are several rules about the amount of a loan:

- First, the minimum amount you can borrow is One Thousand Dollars (\$1,000).
- Second, the maximum loan amount (when added to the current outstanding balance of any other loans) is limited to the lesser of:
 - (a) 50% of your vested Account balance; or
 - (b) \$50,000, reduced by the amount by which you have paid off any loans within the one-year period immediately preceding the date the loan is to be made.
- Third, no participant may have more than two outstanding loans at any time.

Repayment by payroll deduction. To get a loan, you must agree to a payroll deduction to make your loan payments. For this reason, generally, except as discussed below, only active employees who are receiving regular payroll compensation from a participating employer can obtain a loan. Your loan must be repaid in substantially equal installments sufficient to amortize the loan over the repayment period. Loans will be amortized by weekly repayments in accordance with your employer’s payroll cycle.

The law requires the Plan to afford loans to certain former employees who are “parties in interest.” Such persons also must arrange for some other method of automatic repayment in order to get a Plan loan. In addition, a former employee may continue to have an outstanding loan that was taken prior to the date he or she ceased to be employed by all participating employers, but only for so long as the former employee maintains an Account balance under the Plan and continues to make loan payments on a monthly basis by making the appropriate arrangements with Prudential Retirement.

Loan repayments of principal and interest will be reinvested in the Plan’s investment alternatives in accordance with your investment directions in effect at the time of repayment.

Interest rate. The interest rate will be determined in a non-discriminatory manner; however, loans granted at different times may bear different interest rates determined by the interest rate in effect at the time of your loan application. The interest that you pay on your loan will be deposited into your Account.

Posting collateral. To get a loan, you must post collateral by pledging a portion of your Account. The portion must be equal to the amount of the loan. And you must pledge a portion that you would otherwise be entitled to receive under the Plan if you were to quit.

Pre-payment. You are entitled to pay off the loan in full at any time with no pre-payment penalty. Just ask Prudential Retirement (877-778-2100) for the pay-off amount.

You may also make principal only payments directly to Prudential Retirement at the address below. If you send Prudential Retirement a principal only payment, you should indicate that it is for principal only. Otherwise, Prudential Retirement will apply the payment to your next scheduled payment of principal and interest before applying the excess amount to the principal balance on your loan. Principal only payments will not modify any of the terms of your loan, including the amount of your weekly payroll deductions for repayment of the loan. Your next scheduled payment is still expected.

You may prepay your loan in full or make principal only payments on your loan by mailing a check directly to Prudential Retirement at the following address:

Prudential Retirement
Loan Payment Processing Center
P.O. Box 641513
Pittsburgh, PA 15264-1513

If you don't pay. You are obligated to repay any loan that you get from the Plan. In the event of default, the Board of Trustees will take all reasonable steps to collect, just like a bank. In particular, the Plan can seize your collateral – the Account balance that you pledged – to satisfy the loan. If it does, that seizure is treated the same as if the Plan had paid you the money and then you had used it to repay the loan. Therefore, you may owe income tax on that amount. Actual foreclosure on the Promissory Note and seizure of the security will only occur at a time you would otherwise be entitled to get your money from the Plan.

Deemed distribution. If at the time of default you are not entitled to get your money from the Plan, you will have a “deemed distribution” and will be subject to taxes and penalties on the unpaid balance of the loan. The Plan Administrator has elected to apply, and comply with, those provisions of the Treasury regulations relating to plan loans that permit the Plan not to treat interest that accrues after a deemed distribution upon default as an additional loan or additional income and to make certain adjustments to the borrower’s tax “basis” and Account balance under the Plan with respect to the deemed distribution upon default, retroactive to the respective initiation dates of any loans already in existence.

Calling the loan early. Obviously, if you don't repay the loan, the Plan Administrator will call it. But the entire outstanding balance of the loan will also be immediately due and payable if:

- the payroll deduction to make your loan payments terminates and continue to be employed by a participating employer,
- you cease to be employed by all participating employers because of death, or
- you declare bankruptcy or the equivalent.

NOTE: If the reason that you are in default on your loan is because your payroll deduction to make your loan payments terminates and remain employed by a participating employer, you will have until the last day of the calendar quarter following the calendar quarter during which the default occurred to cure the default.

If you are no longer employed by any participating employer, you will have until the last day of the calendar quarter following the calendar quarter in which your employment terminated to pay off your loan in full. Alternatively, you may elect to continue making installment payments to repay your loan after termination of employment with all participating employers. In this case, you must make regular monthly payments on a revised schedule of amount and payments dates as calculated by Prudential Retirement to repay your loan with interest in full in substantially equal payments over the remaining period of the original period of the loan. You will make these installment payments directly to Prudential Retirement. If you fail to make these payments in accordance with the revised schedule, your loan will be in default. In any case, in the event the default is not cured (by making the missed payments) by the last day of the cure period (the last day of the calendar quarter after the calendar quarter in which the missed payments occurred), the unpaid balance of the loan becomes subject to federal income tax (including applicable penalties).

You will not be in default under the Plan in the event you are on an authorized leave of absence (either unpaid, or during which your pay is insufficient to service the loan) for up to one year. Your loan must still be repaid within five years, as required by law. Also, you will not be in default under the Plan if you are performing service in the uniformed military services. In this case, your Plan loan payments will be suspended and the five-year repayment period may be extended by the length of the period of military service.

Transferring the loan note. If you are no longer employed by any participating employer and can transfer your Plan loan note to your new employer's plan, you may do so without being treated as being in default with respect to your Plan loan. However, your new employer's plan must permit such a transfer.

Appeals. If you are denied a loan, you have the right to appeal. You should follow the Plan's claim review procedures which can be found in the Plan documents or in the Summary Plan Description.

Other rules. All loans shall be subject to such further rules and administrative procedures as the Board of Trustees shall from time to time prescribe and administer in a non-discriminatory manner.

APPENDIX C

UNION TRUSTEES

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