

Desert States Employers
& UFCW Unions Pension Plan
c/o Southwest Service Administrators Inc.
2400 West Dunlap Ave, Suite 250
Phoenix, Arizona 85021-2811

December 2006

DESERT STATES EMPLOYERS & UFCW UNIONS PENSION PLAN

NOTICE OF AMENDMENT TO SUSPENSION OF BENEFIT RULES

IMPORTANT: This notice applies to you ONLY IF, after May 2004, you worked in the retail food industry, in either Arizona or New Mexico for an employer other than (i) Safeway or Fry's in Arizona or (ii) Raley's, Smith's or Safeway in New Mexico. If you did not work in such employment after May 2004, this notice does not apply to you.

We are sending you this notice regarding a change in the rules under the Desert States Employers & UFCW Unions Pension Plan (the "Plan") that allow the Plan to suspend your pension benefits if you engage in certain employment after your pension benefit becomes payable to you.

Effective January 1, 1998, the Plan amended its rules that allow the Plan to suspend your pension benefits if you engage in certain employment after your pension benefit becomes payable to you. However, under new rules issued by the Internal Revenue Service ("IRS"), you may be eligible to elect to begin receiving that portion of your pension benefit that you earned prior to January 1, 1998.

If you would like to commence that portion of your pension that you earned before January 1, 1998, you will need to provide additional information to the Plan so it can determine if you are eligible to begin receiving that portion of your pension under the new IRS rule. If you are considering commencing your pension now, please fill out the enclosed "Employment History" form and return it to the Plan at the address noted in this letter.

If the Plan determines that you are eligible to begin receiving that portion of your pension benefit that accrued prior to January 1, 1998, the Plan will provide you an election form for you to elect to commence your pension benefit. You will begin receiving your monthly benefit payments as soon as administratively feasible after the Plan receives your fully completed election form. Additionally, if you elect to receive benefits under the new IRS rule, you may be entitled to a retroactive payment equal to the monthly benefits that you did not receive between June 7, 2004 (the effective date of the new IRS rule) and the date your monthly benefit payments actually commence. You must apply for benefits within six months of the date of this

notice if you wish to commence benefits pursuant to the new IRS rule. If you fail to elect benefits within six months, you can still commence your pension at any time, but you will not receive retroactive payments under this new rule.

You can also elect to receive any benefits that you earned on and after January 1, 1998 if you are not presently working in employment for which the Plan may suspend your pension benefits, but no retroactive payments will be made with respect to this portion of your benefit.

Alternatively, instead of commencing your pension benefit at this time, you can defer commencement of your pension until a later date. If you do elect payment at this time, the monthly amount of your pension will be reduced if you have not yet attained age 62. If you would like to defer commencement of your pension until a later date, you need not take any action at this time.

If you have any questions regarding this notice or with respect to completing the enclosed form, please contact the Fund Office at 602-249-3582 or toll free 800-474-3485.

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EMPLOYMENT HISTORY

Please complete this form by showing all work performed in each different job classification, for each employer for whom you have been working since June 2004. This information should be as accurate as possible. It will be verified.

Employer's Industry, Name and Address	Local Union #	Hours Worked Per Week/Month	EMPLOYMENT		JOB CLASSIFICATION
			FROM Mo./ Yr.	TO Mo./ Yr.	Cashier, Baker, Clerk, Manager, Owner, Partner, Corporate Officer, etc.

Please make sure all applicable sections of this form are fully completed.