

To: Acme Markets Employees Represented by UFCW Local 1776KS

Re: New Retirement Benefit Through the UFCW Local 1776 and Participating Employers Retirement and Savings Plan Effective January 1, 2020

You are eligible to participate in the UFCW Local 1776 and Participating Employers Retirement and Savings Plan (“Plan”) starting on the first day of the month after you complete 90 days of employment with Acme. After you become a Participant in the Plan, you will earn points for each month in which you work or are paid for at least one hour of service, including paid vacation and disability benefits under the UFCW Local 1776 and Participating Employers Health and Welfare Fund. Your points each month will be calculated based on your years of service (service tier) and your employee status (full-time or part-time).

The Service Tier and Point System

The Service Tier and Point System is a key factor in the contribution allocation calculation. In this calculation, higher years of service yield a larger contribution allocation. Points are determined based on:

- Years of service¹
- Full-time or part-time status
- At least one (1) hour worked or paid² in a month

Years of service are grouped in service tiers of five (5) years without regard to part-time or full-time employment status. Initially, Participants’ service tier assignments were determined as of December 31, 2019, for the new benefit effective January 1, 2020. Future service tier assignments will be determined as of January 1 of each year, based on years of service as of December 31 of the prior year. Service tiers will not be redetermined during a calendar year, and Participants will remain in their service tier for the entire calendar year regardless of additional service earned during that calendar year. Below is the Service Tier and Point Chart.

Service Tier and Point Chart			
Tier	Years of Service	Monthly points for Full-time Status	Monthly Points for Part-time Status
1	Less than 5	1.00	0.75
2	5 or more, but less than 10	3.50	2.75
3	10 or more, but less than 15	6.00	4.50
4	15 or more, but less than 20	8.50	6.50
5	20 or more, but less than 25	11.50	8.75
6	25 or more, but less than 30	14.00	10.50
7	30 or more, but less than 35	16.50	12.50
8	35 or more, but less than 40	19.00	14.25
9	40 or more, but less than 45	21.50	16.25
10	45 or more	24.00	18.00

¹ Years of service includes contiguous non-covered service, as defined under the Plan.

² Hours worked or paid includes paid vacation and disability benefits paid by the UFCW local 1776 and Participating Employers Health and Welfare Fund.

The Contribution Allocation

The amount of money deposited into each Plan Participant's Employer Contribution Account is based on the number of points earned by the Participant in a calendar quarter multiplied by the "point value" for that quarter. The "point value" is determined by dividing the total dollar amount of the Acme employer contributions to the Plan for the calendar quarter, by the total number of points earned by *all* eligible Acme Participants during the calendar quarter.

Contributions shall be deposited into each Participant's Employer Contribution Account as soon as administratively feasible following completion of the necessary calculations for the calendar quarter.

Vesting

A Participant shall become vested in his or her individual Employer Contribution Account in the Plan in accordance with the following schedule:

Employee Vesting Schedule	
Years of Service	Percent Vested
Less than 2 Years of Service	0%
2 Years of Service but less than 3	20%
3 Years of Service but less than 4	40%
4 Years of Service but less than 5	60%
5 Years of Service but less than 6	80%
6 or more Years of Service	100%

Participants who had earned vesting credit in the UFCW and Food Industry Employers Tri-State Pension Fund ("Tri-State Pension Fund") as of December 31, 2019, will automatically be credited with that vesting credit for purposes of their Employer Contribution Account under the Plan.

Participants will, always, be 100% vested in their employee wage deferral account under the Plan.