



March 13, 2023

Mr. Casey Enevoldsen
Vice President, Employee Experience, Lund Food Holdings, Inc.
Sent via email to Casey.Enevoldsen@lfhi.com

Dear Casey,

Re: Lunds and Byerlys H&W Withdrawal Argument in your March 8, 2023 Letter:

1. The Union redirect proposal was structured to be equitable to all Employers. Withdrawn Employers redirected H&W contributions are not being contributed to the MRMC Pension Fund. Withdrawn employers redirect contributions are available per the Union proposal to be distributed to their employees based on negotiations with Local 663. The Union's proposal is to redirect contributions to a one-time employee bonus.
2. If Lunds and Byerlys objects to taking their pro rata portion of the H&W redirect and is so concerned about the financial state of the H&W Fund, they have the option to leave their share of the redirect in the MRMC H&W Fund.
3. If Lunds and Byerlys is truly concerned about the pension security of their current employees and their retired employees, who have earned benefits in the MRMC Pension Fund, you would not be objecting to the redirect of H&W contributions by Employers still contributing to the MRMC Pension Fund to satisfy the ongoing PPA Rehabilitation Plan.
4. Lunds and Byerlys stated concerns about the redirect reducing the MRMC H&W Fund's reserves are disingenuous and are contradicted by proposals made by Lunds and Byerlys and other Employers to reduce net reserves to six months and not agree to pay breakeven contribution rates during the term of the CBA. These Employer proposals are a direct raid on the H&W Fund's assets, in which the anticipated savings go directly to the Employers' bottom line profit.
5. Lunds and Byerlys assertion that the MRMC would have to purchase stop-loss insurance as a result of the redirect is hypothetical and based on conjecture.

Sincerely,

A handwritten signature in black ink, appearing to be the initials "RW" or a similar stylized name.

Rena Wong, President
UFCW Local 663