



Chartered by United Food & Commercial Workers International Union
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KIM C. CORDOVA
 President

Sent By Email Only

KEVIN R. SCHNEIDER March 6, 2019
 Secretary-Treasurer

Mr. Dennis Gibson
 President, King Soopers, Inc.
 65 Tejon Street
 Denver, CO 80223

Dear Dennis,

I am in receipt of the March 5, 2019 written communication the Company distributed to our Local 7 members regarding negotiations. Your communication is not only misrepresenting the facts, but is reckless and irresponsible. The Company's health and pension proposals do not provide the necessary contributions to sufficiently fund both benefit plans. As you are aware, both union and employer consultants advised the Board of Trustees that there will be a funding crises for both Health and Pension Plans.

It is reprehensible that the Company is promising our members that pension and health benefits will not be reduced or that employees will not see increased costs to their healthcare. The Company is fully aware that their proposal will have a detrimental impact on benefits for active employees, future employees, and retirees. The Pension Fund is projected to drop below the green zone status as soon as January 1, 2020 without sufficient contributions. The Health Plan is projected to have a funding deficiency within the term of a new three-year agreement resulting in potential significant benefit reductions and cost shifting onto the participants.

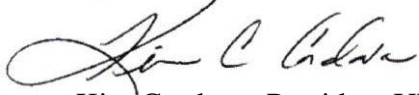
Let me inform you, you are misrepresenting the facts that King Soopers/City Market is solely responsible for funding the benefits. Not only do workers contribute to the Health Plan through weekly co-premiums, a number of employers in Colorado, Arizona, Wyoming, South Dakota and New Mexico, including Local 7, contribute to the multi-employer plans. Please find below a list of all employers that contribute into the Health and Pension funds.

<u>Rocky Mountain UFCW Unions & Employers Health Benefit Plan Contributing Employers</u>
Albertson's Colorado
New Albertson's-Casper
Almagnò Freelance (Barber)
City Market
Darling International-NBP
Darling International-Pepcol
Debonaire Hair (Barber)
Denver Processing
King Soopers
Perfect Touch (Barber)
Safeway
Smith Foods
UFCW Local #7
Zenith American

<u>Meat Cutters and Retail Clerks Pension Contributing Employers</u>
Albertson's Arizona (Yuma)
Albertson's Wyoming
Albertson's Colorado
Albertson's New Mexico
Darling International-NBP
Darling International-Pepcol
City Market
King Soopers
Safeway-Wyoming
Safeway-Colorado
Safeway-South Dakota
UFCW Local #7
Smith Foods-New Mexico

I suggest you and store management show up to negotiations before you communicate inaccurate information. If you have questions, you know how to reach me.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim C. Cordova". The signature is fluid and cursive, with a large initial "K" and a stylized "C".

Kim Cordova, President UFCW Local 7
International Vice President UFCW