

Summary of Key Issues in Acme's Proposal
June 15, 2009

Acme – Supervalu has proposed a four year, zero cost contract. The steep cuts in contributions to the Health and Welfare Fund are greater than increases the company is proposing to pay to the Pension Fund and wages combined. That means you are paying for the entire cost of the contract by reducing your Health and Welfare benefits. This means Acme is not paying one dollar for anything proposed in this contract.

1. Article 1 – The Company's proposal would remove all past practice, settlements, decisions by arbitrators and agreements between the Company and the Union.
2. Article 2 – The Company's proposal will allow many jobs under the contract to be outsourced. Acme will be able to replace you with lower compensated non-union workers.
3. Article 8 – The Company's proposal eliminates the promotional bid system in its entirety. Allows the company to select whoever they want, regardless of seniority, for training and to fill any and all positions.
4. Article 15 – Hours and Overtime
 - The Company's proposal changes the hours and availability terms in order to disqualify many members from the 20 hour minimum guarantee and therefore benefit eligibility.
 - The Company's proposal eliminates members' right to bump for schedules and hours.
5. Article 19 – This Company's proposal would delete all past practices and agreements between the parties.
6. Article 27 – The Company's proposal reduces the minimum full-time employee percentage from 23 % to 18 %. By excluding Customer Service Attendants and Non-checker Qualified Clerks, the effective reduction would be below 15%.
7. Exhibit 6 – Pension Improvements – The Company's proposal would delete all past agreements, causing permanent and deep cuts to your pension plan.
8. Exhibit 7 – The Company's proposal changes to this section would prevent members who formally worked in the Allentown and

Reading divisions from returning to that area if Acme opens stores in that region, in the future.

9. Article 14 – Wages

- The Company's proposal includes virtually no wage increases for 4 years.
- Under the Company's proposal, the Company will divert any proposed wages to fund additional contributions needed in the Pension Fund, leaving you with no lump sum payments or wage increases at all.
- The Company's proposal removes seniority in determining temporary and permanent department head replacements

10. Article 16 – The Company's proposal eliminates all premiums for Sunday work for all newly hired employees.

11. Article 17 – The Company's proposal extends the waiting period for new employees to receive holiday pay.

12. Article 22 – Health and Welfare – The Company's proposal reduces contributions to the Health and Welfare plan in the first year by 22%. By the final year of the contract the short fall would be nearly 60%.

- Substantial benefit cuts will be required.
 - Eliminate Family medical coverage for all part-time employees.
 - Increase Rx co-pays up to \$40.00 per prescription.
 - Reduce medical coverage for all full-time and part-time employees.
 - Reduce or eliminate retiree coverage including elimination of medical from 62-65.
 - Reduce plan reserves.
 - Extend progression for benefits to 10 years.
- With the additional reduction in health fund contributions resulting from changes in hours and eligibility language, the short fall, in the health fund will be even larger than the numbers referenced above.
- The Company's proposal provides for a 10 fold increase in monthly premium co-payments paid by those hired after 1/23/2000.

- The Company's proposal will require all employees to pay monthly premium co-payments for a significantly reduced benefit plan.

13. Article 13 – Pension – Under the Company's proposal, employees will suffer the maximum benefit cuts under the law. The Company's proposal:

- Eliminates the rule of 90 for everyone.
- Eliminates all forms of subsidized early retirement. No one will be able to retire prior to 65 without a substantial actuarial reduction.
- Eliminates disability pension benefits.
- Eliminates the death benefit.
- Employer is relieved of obligations to pay contribution increases to the Pension plan by diverting Health and Welfare contributions to the Pension plan. This will cause even larger Health and Welfare cuts.

14. Exhibit 4 and 5 – Health and Welfare – Company's proposal will delete all description of your Health and Welfare benefits from the contract. This eliminates their obligation to provide the specific benefits listed.