

**REHABILITATION PLAN OF THE
NATIONAL RETIREMENT FUND (THE “FUND”)¹
AS UPDATED FOR 2011**

I. INTRODUCTION

The Pension Protection Act of 2006 (the “PPA”) created new funding classifications for multiemployer pension plans. These funding classifications impose requirements on the Fund’s Board of Trustees (the “Board”) to improve the Fund’s funding levels. On March 31, 2010, the Fund’s actuary certified that the Fund is in critical status. Once the Fund enters critical status, the Board is responsible for the implementation of a rehabilitation plan for the Fund (the “Rehabilitation Plan”), which will enable the Fund to emerge from critical status by January 1, 2023. This Rehabilitation Plan is effective April 1, 2010, as updated for 2011, and amends the Fund’s plan document.

This Rehabilitation Plan does not reduce the level of a Participant’s accrued benefit as of June 1, 2010 payable on the Normal Retirement Date. The benefits of the Fund’s retirees and beneficiaries with benefit commencement dates prior to June 1, 2010 shall not be affected by this Rehabilitation Plan.

All collective bargaining agreements that are agreed to, renewed or extended on or after May 1, 2010 must comply with the Rehabilitation Plan. The Board has the sole and absolute authority to amend, construe, and apply the provisions of the Rehabilitation Plan, including the Schedules (as defined below); provided, however, pursuant to ERISA Section 305(e)(3)(B)(iii), the schedule of contribution rates provided by the Board to the bargaining parties, and which are adopted by the bargaining parties, shall remain in effect for the duration of

¹ Effective September 24, 2010, the name of the Fund was changed from “UNITE HERE National Retirement Fund” to “National Retirement Fund.”