

PENSION PLAN OF THE NATIONAL RETIREMENT FUND
 BOARD OF TRUSTEES OF THE NATIONAL RETIREMENT FUND
 EIN / PN = 13-6130178 / 001
Schedule R, Summary of Rehabilitation Plan

Exhibit 1 - Example of H.E.R.E.I.U. Fund

	Hourly Contribution	Expected Accrual Under <u>Current Plan</u>	40% <u>Reduction</u>	Smoothed <u>Accrual</u>
2010	0.92	\$27.40	n/a	n/a
2011	1.02	\$29.00	\$17.40	\$27.00
2012	1.12	\$30.60	\$18.36	\$27.00
2013	1.22	\$32.20	\$19.32	\$27.00
2014	1.32	\$33.80	\$20.28	\$27.00
2015	1.37	\$35.40	\$21.24	\$27.00

For example, in 2011 the accrual rate for a former H.E.R.E.I.U. participant would have been an additional \$29.00 per month added to the participant's monthly accrued benefit at 1/1/2011. The 40% reduction would have reduced that accrual to \$17.40; however, the accrual under the "bump up" smoothing will be \$27.00.