
NATIONAL RETIREMENT FUND

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TO: Participants and Alternate Payees in the Adjustable Plan of the National Retirement Fund; Workers United, an SEIU affiliate; and Contributing Employers to the Adjustable Plan of the National Retirement Fund

FROM: The Board of Trustees of the National Retirement Fund

DATE: September 15, 2021

SUBJECT: Retirement Benefits Under the Adjustable Plan of the National Retirement Fund

You are receiving this notice because you are either: (i) an active participant in the Adjustable Plan of the National Retirement Fund (the "Adjustable Plan"); (ii) an employee organization representing participants in the Adjustable Plan; or (iii) an employer that contributes to the Adjustable Plan. This notice contains important information concerning participants' future pension benefits under the Adjustable Plan.

The Board of Trustees of the National Retirement Fund (the "NRF") is the plan sponsor of both the Adjustable Plan and another pension plan called the Legacy Plan of the National Retirement Fund (the "Legacy Plan"). All employers that contribute to the Legacy Plan also contribute to the Adjustable Plan. The Settlor Committee of the National Retirement Fund (the "Settlor Committee") is responsible for allocating contributions to the NRF between the Adjustable Plan and the Legacy Plan, based on a number of factors.

The Settlor Committee has determined recently that, effective October 1, 2021, on average, an additional five cents of each employer's hourly contribution rate will be reallocated from the Legacy Plan to the Adjustable Plan. The reallocation will not affect the amount of benefits participants accrue under the Legacy Plan because the Legacy Plan is frozen. Participants in the Adjustable Plan will not earn benefits on the reallocated contributions. Instead, the reallocated contributions will be used for the administration of the Adjustable Plan.

PLEASE NOTE THAT THE FACT THAT A PORTION OF EMPLOYER CONTRIBUTIONS IS BEING REALLOCATED ON A PROSPECTIVE BASIS FROM THE LEGACY PLAN TO THE ADJUSTABLE PLAN WILL IN NO WAY REDUCE OR ADVERSELY AFFECT YOUR BENEFITS UNDER THE ADJUSTABLE PLAN OR LEGACY PLAN, NOR WILL IT REDUCE OR ADVERSELY AFFECT YOUR CURRENT ACCRUAL RATE UNDER THE ADJUSTABLE PLAN.

To further help explain the impact of the contribution reallocation from the Legacy Plan to the Adjustable Plan, please see the following explanation of how you earn Adjustable Plan benefits, followed by a benefit example before and after the contribution reallocation goes into effect:

Your monthly Normal Retirement Pension Benefit equals the sum of the benefit you earn during each plan year that you earn Credited Service. The benefit that you earn during a Plan Year is the sum of:

(i) the contribution rate x the future service multiplier x your Future Service

PLUS

(ii) the contribution rate x the past service multiplier x your Past Service

For benefits earned from the Adjustable Plan's effective date of January 1, 2015, through September 30, 2021, the future service multiplier was 37 and the past service multiplier was 14.8. For benefits earned on or after October 1, 2021, these multipliers remain unchanged. In addition, the contribution rate used to calculate your benefit earnings is also unchanged because the contributions being reallocated from the Legacy Plan to the Adjustable Plan will go towards the cost of administering the Adjustable Plan.

Benefit Example:

Before the Contribution Reallocation

Assume your employer contributes \$0.22 per hour to the Adjustable Plan, you work 1,600 hours each year (thus earning 1.0 year of Future Service for each year worked) and the Adjustable Plan's benefit multiplier remains at 37 each future year. If you retire with 20 years of Future Service, you will receive a monthly benefit of \$162.80 ($\$0.22 \times 37 \times 20$).

Continuing the example, if you were earning Past Service under the Legacy Plan, then you will continue to earn Past Service from the Adjustable Plan (up to a total of 20 years of Past Service combined between both plans). Assume you have already earned 10 years of Past Service in the Legacy Plan and have 10 years of Past Service remaining to be earned under the Adjustable Plan. If you retire with 20 years of Future Service and 10 years of Past Service, you will receive an additional monthly benefit of \$32.56 ($\$0.22 \times 14.8 \times 10$), for a total benefit of \$195.36 ($\$162.80 + \32.56).

Note that the Adjustable Plan's benefit adjustment feature is still in place, and the future service multiplier and past service multiplier could change in future years, depending on the Adjustable Plan's future investment earnings.

After the Contribution Reallocation

The example above remains unchanged. While the total contribution rate allocated to the Adjustable Plan increases by \$0.05 per hour, from \$0.22 per hour to \$0.27 per hour, the contribution rate used to calculate your benefit remains \$0.22. The additional \$0.05 per hour is used to administer the Adjustable Plan.

If you have any questions regarding this notice or your benefits under the Adjustable Plan, please do not hesitate to contact the Fund Office at (833) 440-8476 between 8:30 AM to 4:45 PM EST. This Notice is issued in compliance with Sections 204(h), 102(a) and 104(b) of the Employee Retirement Income Security Act of 1974, as amended, and Section 4980F of the Internal Revenue Code of 1986, as amended. The Board of Trustees continues to reserve the right to amend or terminate the Adjustable Plan and/or the Legacy Plan at any time.