GREATER BOSTON HOSPITALITY EMPLOYERS
LOCAL 26 TRUST FUNDS

Summary Plan Description

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The UNITE HERE! Workers and Hospitality Employers Variable Defined Benefit Pension Trust

Effective Jan. 1, 2012

AUTHORIZED SOURCES OF INFORMATION

If you have a question about any aspect of your participation in the plan, you should, for your own permanent record, write to the Trust Office or the trustees. You will then receive a written reply, which will provide you with a permanent reference.

This plan summary and the Trust Office personnel are authorized sources of plan information. The trustees have not given anyone else the right to speak for them about this plan. No employer, union representative, supervisor, or shop steward is authorized to tell you about your rights or benefits from this plan.

Nothing in this plan summary is meant to interpret, extend, change, or contradict in any way, the provisions of the Pension Plan. The Trustees reserve the right to amend, modify, or discontinue all or part of this Plan, whenever, in their judgment, conditions warrant.

In the event there appears to be a conflict between the benefit descriptions in this plan summary and the provisions of the Pension Plan itself, the provisions of the Pension Plan shall govern.

THE UNITE HERE! WORKERS and HOSPITALITY EMPLOYERS VDB PENSION TRUST

SUMMARY PLAN DESCRIPTION

EFFECTIVE JANUARY 1, 2012

TRUST OFFICE

For pension application forms, beneficiary forms or other pension information, contact:

Greater Boston Hospitality Employers / Local 26 Benefits Administration, LLC.
33 Harrison Avenue, Suite 500
Boston, MA 02111
617-451-0318

Unite Here! Workers and Hospitality Employers VDB Pension Trust

To All Covered Members:

The benefits described in the following pages are provided through your collective bargaining agreement between your employer and the UNITE HERE Local 26 ("the Union") or through a participation agreement. This Plan and the Plan's trust fund are managed by the Board of Trustees, with equal union and employer representation.

The purpose of this Plan is to provide you monthly income during retirement. This summary contains a description of the important benefits and rules about how the Pension Plan will be managed. This summary describes the Plan as of the date shown at the bottom of each page. Read this material carefully and become familiar with the Plan and your rights under it.

In this summary, we tried to explain the Plan in simple terms. A question about the Plan may occur to you – now or in the future – that is not answered in this summary. In that case, call the Trust Office. If they do not have the answer, they will be happy to get it for you.

The Trustees have the right to submit this Plan to the Internal Revenue Service for approval. The Internal Revenue Service will issue a "determination letter" to the Trustees approving this Plan as a "qualified" retirement plan, if this Plan meets specific legal requirements.

Some of the statements made in this Summary Plan Description are dependent upon this Plan being "qualified" under the provisions of the Internal Revenue Code. This Summary Plan Description is not meant to interpret, extend, or change the provisions of your Plan in any way. The provisions of your Plan may only be determined accurately by reading the actual Plan document.

A copy of your Plan is on file at your Union's office and may be read by you, your beneficiaries, or your legal representatives at any reasonable time. If you have any questions regarding either your Plan or this Summary Plan Description, you should ask your Plan's Administrator. In the event of any discrepancy between this Summary Plan Description and the actual provisions of the Plan, the Plan will govern.

The Trustees are responsible for the operation of the plan. We will be happy to assist you in every way possible so that you promptly receive the benefits to which you are entitled. If at any time you need information or assistance, please write or call the Trust Office.

Sincerely and fraternally yours,

Board of Trustees

HIGHLIGHTS OF THE PLAN

The UNITE HERE! Workers and Hospitality Employers VDB Pension Trust is designed to provide an important component of your retirement income (other sources of retirement income include Social Security retirement benefits and personal savings). In addition, the Plan may provide important financial protection to you or your designated beneficiary (i.e.) if you die either before or after retirement, of if you become disabled while an active employee.

This is intended to be only a brief summary of your Plan and does not contain the full details for any of these topics. Please review your Plan document for more details.

Participation in the Plan

You are eligible to participate in the Pension Plan after you:

(1) Are hired by an Employer who contributes to the Pension Fund under a Collective Bargaining Agreement with UNITE HERE Local 26 or under a Participation Agreement accepted by the Trustees; and

(2) Complete 1000 or more Hours of Service in a Calendar Year. Generally, an Hour of Service is an hour that you work in employment for which a contribution to this Plan is required.

Pension Benefits Upon Retirement

Normal Retirement

The Plan's Normal Retirement Date is generally the first day of the month after you reach age 65.

Effective January 1, 2012, our Normal Retirement Pension Benefit is payable to you for your lifetime in an amount equal to the greater of:

(i) The sum of your Floor Benefit accruals; or

(ii) The Variable Benefit as determined at time of retirement.

Floor Benefit

The Floor benefit is equal to the sum of all Base Benefits earned during your working career as a covered participant in the plan.

For employees who became participants effective January 1, 2012, the Base Benefit has two pieces. The Future Service benefit and the Past Service benefit. The total Base Benefit earned in a year is the sum of these two benefits adjusted for service if the participant worked less than 1801 hours in the year.

(i) Future Service benefit starts out at $300 per year for someone who works 1801 hours or more. Each year this benefit accrual will increase by $10 until the ultimate rate of $400 per year is attained.

(ii) Past Service benefit was established for those individuals commencing participation under the plan on January 1, 2012 and were age 55 on this date. If these requirements are met, the Past Service benefit is $75 per year of past service. Participants will be credited with up to two years of past service for each year of future service they work.

If the participant works less than 1801 hours in a year, the Floor Benefit accrual will be prorated according to the table below to reflect the partial year of service.

Hours of service credited	**Percentage of full year of participation credited**
1000 to 1200	60
1201 to 1400	70
1401 to 1600	80
1601 to 1800	90
1801 and above	100

The tables below show examples of how the benefits accrue. The benefit amounts shown are annual amounts. You would receive 1/12th of these amounts each month as an annuity for life. The examples shown also assume the participants works a full year of 1801 hours or more in each year.

Example 1 – age 22 with one year of past service

Year	Age	Future Service	Past Service	Total Benefit
2012	22	$300	n/a	$300
2013	23	$310	n/a	$610
2014	24	$320	n/a	$930
2015	25	$330	n/a	$1,260
2016	26	$340	n/a	$1,600
2017	27	$350	n/a	$1,950
2018	28	$360	n/a	$2,310
2019	29	$370	n/a	$2,680
2020	30	$380	n/a	$3,060
2021	31	$390	n/a	$3,450
2022	32	$400	n/a	$3,850
2023	33	$400	n/a	$4,250
……..	……..	……..	……..	……..
2050	60	$400	n/a	$15,050
2051	61	$400	n/a	$15,450
2052	62	$400	n/a	$15,850
2053	63	$400	n/a	$16,250
2054	64	$400	n/a	$16,650

Since this person was not age 55 on the Plan's effective date (January 1, 2012), there was no past service benefit accrual.

Example 2 – age 55 with 5 years of past service

Year	Age	Past Service	Future Service Benefit	Past Service Benefit	Total Benefit
2012	55	5	$300	$150	$450
2013	56	5	$310	$150	$910
2014	57	5	$320	$75	$1,305
2015	58	5	$330	0	$1,635
2016	59	5	$340	0	$1,975
2017	60	5	$350	0	$2,325
2018	61	5	$360	0	$2,685
2019	62	5	$370	0	$3,055
2020	63	5	$380	0	$3,435
2021	64	5	$390	0	$3,825

Variable Benefit

The Variable Benefit is determined by converting each years Floor Benefit accrual into a number of shares. The share value will increase or decrease based on the investment performance of the Trust. When you retire, the number of shares you have accumulated during your working career is multiplied by the share value at the time you retire.

Your final retirement benefit will be the greater of the variable benefit or the floor benefit.

Early Retirement

You may be eligible to receive an Early Retirement Pension Benefit if you retire before your Normal Retirement Date. You can begin receiving an Early Retirement Pension after you:

(a) Reach age 55 and

(b) Complete 10 Years of Vesting Service.

Your monthly pension benefit will be reduced by ½ of 1% for each month your early retirement date precedes your normal retirement date. The reduction accounts for the longer payment period.

Deferred Pension

If you stop working under the Plan, and you have completed five Years of Vesting Service, you will be 100% vested and eligible to receive a monthly pension benefit from the Plan when you reach age 65. Alternatively, you may be eligible for a reduced early retirement benefit.

The amount of your deferred monthly pension benefit will be equal to your Normal Retirement Benefit, calculated as of the date you last earned service under the Plan.

Death Benefits

If you are vested and married for at least 1 year at the time of your death, your spouse may be eligible for a monthly survivor benefit for his or her lifetime. Your spouse will receive 50% of the monthly benefit that would have been payable to you under the 50% Joint and Survivor Annuity Form (reduced for consideration of spouse's age and early retirement, if applicable). Payment to your surviving spouse will start at the earliest date you would have first been eligible to receive an early or normal retirement pension following your death.

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HOW THE PLAN WORKS
QUESTIONS AND ANSWERS

This section contains simple answers to common questions about your Plan. It is intended to be only a brief explanation of your Plan and does not contain the full details of any of the topics.

How does this Plan work?

For every hour you work in covered employment, your employer contributes a negotiated amount (called a contribution) to the Pension Plan on your behalf. That money is placed in the Plan's trust. The Plan's assets are used to pay benefits and the cost of administering the Fund. When you retire, you may be eligible to receive a monthly pension from the Plan. (The Plan also pays disability and survivor benefits). The amount you receive is based on the number of years you have worked while covered by the Plan, the number of hours you work and the investment performance of the trust.

How is my pension financed?

The employers contribute to the Plan on behalf of the employees covered by a collective bargaining agreement or participation agreement. The collective bargaining agreement or participation agreement specifies the conditions by which the contributions are made.

You should realize the money contributed by your employer does not belong to you, and it will not be available to you if you leave the Plan before becoming eligible for benefits. Employer contributions remain in the trust fund until paid out as pension benefits when employees or spouses become eligible for benefits.

What do I have to do to be a participant in the pension plan?

To participate in this Plan your employer must be required to make contributions to the Plan on your behalf through a collective bargaining agreement or a participation agreement. You become a Participant in the Pension Plan after you have completed 1000 Hours of Service within a Plan Year.

How do I earn benefits?

Each Plan Year that you work at least 1000 Hours of Service you will earn a benefit under the Plan. Your benefit earned each year is based on your Hours of Service worked.

What types of benefits do I get from participating in this plan?

This Plan provides the following types of retirement pensions: normal retirement (age 65) and early retirement (between ages 55 and 65). Additionally, the Plan provides disability and survivor benefits.

Please note that your participation in this Plan does not make you automatically eligible for these benefits. To be eligible for these benefits you must earn a certain number of years of Vesting Service Credit (generally five years) and become "vested."

How much are my benefits?

The amount of your monthly pension benefit is based on your service credit earned in the Plan and the investment earnings of the trust. More service credit and higher investment earnings will give you a greater benefit.

If you retire before age 65 or elect the 50% or 100% Joint and Survivor Annuity, your monthly pension will be smaller to reflect a longer expected period of payment.

What does it mean to be "vested"?

Being vested means you have the right to receive a pension benefit from the Plan (in the future) even if you stop working in covered employment. In other words, you have a non-forfeitable right to a pension. Generally, it takes five years of uninterrupted employment to become vested.

When can I start getting a pension from the Plan?

This Plan pays monthly pension benefits when you retire from covered employment <u>and</u> apply for your pension. When you reach age 65 you can begin receiving your normal retirement pension following the date you retire. The Plan also has an early retirement provision, where, if you meet the eligibility requirements, you can retire between the ages 55 and 65, with a smaller monthly pension. In addition, the Plan provides an unreduced early retirement pension under conditions specified in detail below.

You will not receive payment of your monthly pension until you file a completed application!

What do I have to do to be eligible for a normal retirement pension?

Generally, to be eligible for normal retirement pension, you must be at least age 65 and be credited with five years of Vesting Service Credit.

What do I have to do to be eligible for an early retirement pension?

Generally, to be eligible for an early retirement pension you must retire from active work, be at least age 55, and have accumulated ten years of Vesting Service Credit. Please remember that the monthly amount you receive from an early retirement pension will be smaller than if you wait and retire with a normal retirement pension. This is because the early retirement monthly pension will be paid over a longer period of time.

What are Vesting Service Credit and Future Service Credit?

The Plan has two different ways to count your years of service to determine if you are eligible for a pension from the Plan and to calculate how much your monthly pension will be. They are *Vesting Service Credit* and *Future Service Credit*.

Future Service Credit is used to **compute** your monthly pension. Generally, you earn one *Future Service Credit* for each year of full-time covered employment; the more service credits you earn, the larger your monthly benefit will be. You receive 1.0 year of *Future Service Credit* for any Plan Year that you report at least 1,801 hours. You will receive a partial year of *Future Service Credit* for any Plan Year that you report at least 1000 hours.

Vesting Service Credit is used to determine if you are **eligible** for a benefit. Generally you earn one *Vesting Service Credit* for each year of employment, and you must have five years of *Vesting Service Credit* to be eligible to receive a pension when you retire. *Vesting Service Credit* is also used to determine if you are eligible for early retirement, disability benefits, or death benefits. You receive 1.0 year of *Vesting Service Credit* for any Plan Year that you report at least 1000 hours.

How can I find out about any pension benefits to which I'm entitled?

You can write to the Trust Office and request a benefit statement. The statement will tell you whether you have a right to receive a pension and if so, how much your normal retirement pension would be if you stopped working in covered employment now. If you do not have the right to a pension because you are not vested, the statement will tell you how many more years you have to work to be vested. This statement must be requested in writing and the plan is not required to give you this statement more than once a year. The Trust Office will provide the statement free of charge.

What happens if I leave covered employment before I retire?

When you leave covered employment before retirement, whether or not you are eligible for a benefit at retirement depends on if you are "vested."

If you are not vested when you leave covered employment, you may lose credits (called *Service Credits*) you earned toward benefits while you were a Plan Participant.

If you are vested, when you go from being actively employed in covered employment to not being employed in covered employment, generally, your Plan status changes from "active" to "inactive." At that time your vested pension benefit is "frozen" at the amount you accumulated as of the last day of the *Plan Year* in which you earned *Service Credit* from reported covered employment.

How are retirement benefits paid?

Generally, the Plan pays you a single life benefit if you are single, or a 50% or 100% Joint & Survivor benefit if you are married.

How do I collect a pension or other benefits due to me from this Plan?

To receive a pension or other benefits from the Plan, you must complete the Plan's written application and return it to the Trust Office together with other required documents.

Be sure to file an application for benefits as soon as you know you are going to retire. As a general rule, pension benefits are not paid until you apply, so if you file late, you could lose months of benefits you would have received had you applied timely. Generally, benefit payments are not made retroactively.

Can I change my retirement benefit payment method after I retire?

No. Your monthly pension payment will be based on the benefit form you choose on the pension application form. You can change the payment method anytime before you start to receive benefits, but once payments start; your benefit form can not be changed.

What if I retire and return to work?

The Plan may have to suspend your pension benefit while employed. Please contact the Trust Office immediately if you are receiving a benefit and planning to return to work. The suspension of benefit rules are discussed in more detail below.

What if I die before I retire? Will my spouse receive a benefit from the Plan?

If, at the time of your death you have been married for at least one year, a monthly pension will be paid to your surviving spouse for his or her lifetime at your earliest eligible retirement date. The amount your spouse receives is calculated as 50% of the amount you would have received had you retired on the day before your death and chose to have a retirement pension paid as a Life Annuity benefit.

What benefits are available to my spouse if I die after I retire?

If your monthly pension is being paid in the 50% Joint & Survivor benefit form, your spouse will receive 50% of the monthly pension you were receiving for the rest of his or her life. If your monthly pension is being paid in the 100% Joint & Survivor benefit form, your spouse will receive 100% of the monthly pension you were receiving for the rest of his or her life.

Are my pension benefits taxable?

Yes. Your benefits from this Pension Plan are taxable income to you. The Plan will issue you a copy of your reporting form filed with the Internal Revenue Service. Further, the federal tax law provides for the withholding of federal income tax from your monthly pension payments unless you advise the Trust Office in writing that you do not wish to have taxes withheld (by completing IRS form W4-P). If you have any questions regarding your tax status, you should contact a tax expert, accountant, or attorney.

If your pension benefit is paid to you in one lump sum of less than $5,000, you may have some special tax issues to consider.

What about Social Security?

In addition to the pension you receive from the Pension Plan, you should also receive Social Security benefits, which are an important part of your retirement income.

It is your responsibility to contact your local Social Security Office for information concerning the benefits available to you.

The Social Security Administration will give you, free of charge, a computer-generated statement of estimated benefit. These statements are available to employees who have paid Social Security taxes, are under their Social Security full retirement age, and have not started drawing benefits. The service, called "Personal Earnings and Benefit Estimate Statement," provides estimates of retirement, disability, and survivor benefits.

Call the toll free number, 1-800-772-1213, to request copies of Form SSA-7004. After you return the completed form, the Social Security Administration will send you an estimate that shows what you would collect in retirement at either age 62 or the Social Security full retirement age. The statement will also show how much you and your family would receive in survivor's benefits, and how much you and your family would receive in disability benefits. It is a good idea to request these statements periodically.

What could cause me to lose benefits?

There are certain events or circumstances that could cause you to lose Plan benefits. Please note the following:

- **If you are considering leaving covered employment** under the bargaining agreement, check to find out whether you are vested. If you stop working before becoming vested, you may have a *Break in Service* and permanently lose all of the *Service Credit* you earned while actively working. If you ever have to rely on the disability, military, maternity or paternity grace periods to prevent a *Break in Service*, be sure to give all facts, in writing, to the Trust Office as soon as possible.

- **If you file for benefit late.** Be sure to file an application for benefits as soon as you know that you are going to retire. Pension benefits are not paid until you file, unless the delay in filing is due to causes beyond your control.

- **If there is a mistake in your** *Future Service Credit* or ***Vesting Service Credit***. If you are informed of your accumulated *Future Service Credit* and *Vesting Service Credit*, contact the Trust Office immediately if you think there is an error.

Whenever you have to make a decision that might affect your rights under the Plan and are uncertain of what the effect will be, contact the Trust Office.

Can anyone take my pension from me?

The Plan is designed to pay benefits only to you or your spouse when monthly benefits become due. Accordingly, you cannot assign your benefits to another; you cannot sell them, use them as collateral for a loan and in most cases, your creditors cannot attach garnish or otherwise interfere with your benefits. There is an exception to this rule. The Trustees are required to comply with certain court orders (or judgments, decrees or approved property settlements) that require distribution of your Plan benefit to your spouse or dependent, in order to meet your alimony or marital property rights support obligations.

Who determines whether I am eligible for a retirement pension?

The Board of Trustees decides the rules as to who is eligible. The Board of Trustees is responsible for interpreting the plan and for making determinations under the plan. To carry out their responsibilities, the Trustees have exclusive authority and full discretion.

PARTICIPATION

This section explains what you have to do to become a Participant in the Plan.

How You Become a Plan Participant

If your employer is making contribution payments on your behalf through a collective bargaining agreement or a participation agreement, you become a Plan Participant after you have completed 1000 hours of reported covered employment within the 12-month period following your date of hire

How You Continue to be a Plan Participant

To continue to participate, each *Plan Year* you must have at least 1000 hours of reported covered employment. If you believe that your employer has underreported or failed to report your hours of work in covered employment, you must present evidence satisfactory to the Trustees to receive credit for such hours. The burden of proof lies with you to affirmatively establish your entitlement to underreported or unreported hours of covered employment.

Covered Employment

"Covered employment" means bargaining unit work for which your employer contributes, on your behalf, to this Plan because your employer has a collective bargaining agreement with UNITE HERE Local 26 or your employer has signed a Participation Agreement accepted by the Trustees requiring contributions to the Plan on your behalf. Covered employment also means non-bargaining unit work for which your employer contributes on your behalf to this Plan because your employer has a participation agreement with the Trustees.

Plan Year

The Plan Year is the 12 months commencing January 1 of each year and ending the following December 31. Plan records are maintained on a Plan Year basis. The Plan uses the Plan Year to calculate periods for participation, vesting service, future service, and breaks in service.

SERVICE CREDITS

Service Credits are the credits you earn for hours of reported covered employment that are used to determine both your eligibility for Plan benefits and the amount of your monthly pension. There are two types of Service Credit: past service and future service. This section tells you how you earn Service Credits.

Past Service Credit

Past Service Credit is Service Credit you received for your continuous employment before the date your employer began to make contribution payments on your behalf to the Plan. The following rules spell out how Past Service Credit is calculated.

Past Service is calculated as follows for employer groups who entered the Plan on January 1, 2012 and were at least age 55 as of this date. Past service will be calculated with hours worked by participants for an employer where such employer was required to make contributions to the Greater Boston Hotel Employees / Local 26 Health and Welfare Fund during the calendar years 1992 – 2011. Service will be calculated based on the following schedule:

Service Reported in Year	Fraction of Year Credited
1000 hours or more	1 year
Less than 1000 hours	0 years

Past Service is credited to the participant at a rate of 2 years of past service for each year of future service earned by the participant. If no future service is earned under the plan, no past service will be credited for benefits.

Future Service Credit

Future Service Credits are *Service Credits* you receive from work in covered employment after the date your employer became a participating employer. *Future Service Credits* are based on the hours of covered employment reported on your behalf in each year:

Hours of service credited	Percentage of full year of participation credited
1000 to 1200	60
1201 to 1400	70
1401 to 1600	80
1601 to 1800	90
1801 and above	100

Example of Future Service Credit

Robert was hired on January 1, 2010, and his employer became a participating employer on January 1, 2012. Robert works full time during most years; however, Robert has a few years during which he worked either part time or did not work in covered employment at all. Robert's *Future Service Credits* are calculated as follows:

PLAN YEAR	HOURS OF COVERED EMPLOYMENT	FUTURE SERVICE CREDITS
1/1/2012 to 12/31/2012	2,100	1.0000
1/1/2013 to 12/31/2013	1,950	1.0000
1/1/2014 to 12/31/2014	650	0.0000
1/1/2015 to 12/31/2015	0	0.0000
1/1/2016 to 12/31/2016	1,150	0.6000
1/1/2017 to 12/31/2017	1,560	0.8000
1/1/2018 to 12/31/2018	1,775	0.9000
1/1/2019 to 12/31/2019	1,990	1.0000
1/1/2020 to 12/31/2020	2,000	1.0000
Total		6.3000

In this example, Robert has 6.25 *Future Service Credits.*

BECOMING VESTED
- HOW YOU BECOME ELIGIBLE FOR A BENEFIT

To receive a benefit from the Plan, you must be a Plan Participant for a certain number of years. Once you have participated in the plan at 1000 hours per year for that number of years, you'll become "vested" in your Plan benefit. Being vested means you have the right to receive a future benefit from the Plan when you retire, whether or not you stay in covered employment. This section explains how you become vested.

Vesting Service Credit

You accumulate one year of *Vesting Service Credit* for each *Plan Year*:

- After your employer starts making contributions to the Plan; and
- You are reported in covered employment for 1000 or more hours.

You become vested at the end of the *Plan Year* in which you accumulate five years of *Vesting Service Credit* and you are reported in covered employment for at least one hour in a *Plan Year* after January 1, 2012. If you were employed prior to January 1, 2012 by an employer participating in the Greater Boston Hotel Employees / Local 26 Health and Welfare Fund, the hours you worked in years prior to 2012 will count towards vesting purposes.

- **Participation Agreement Employees.** If your employer is making contribution payments on your behalf through a participation agreement, you become vested at the end of the *Plan Year* in which you accumulate five years of *Vesting Service Credit.*
- Example of earning Vesting Service Credit

Delores worked in covered employment from January 1, 2012, to December 31, 2020. Her *Vesting Service Credit* was calculated as follows:

Plan Years	**Hours of Covered Employment**	**Years of Vesting Service Credit**
1/1/2012 to 12/31/2012	2,100	1.0000
1/1/2013 to 12/31/2013	1,950	1.0000
1/1/2014 to 12/31/2014	650	0.0000
1/1/2015 to 12/31/2015	0	0.0000
1/1/2016 to 12/31/2016	1,150	1.0000
1/1/2017 to 12/31/2017	1,560	1.0000
1/1/2018 to 12/31/2018	1,775	1.0000
1/1/2019 to 12/31/2019	1,990	1.0000
1/1/2020 to 12/31/2020	2,000	1.0000
Total Vesting Service Credit		7.0000

Delores became vested when she accumulated 5 years of vesting service credit in 2018.

LEAVING COVERED EMPLOYMENT BEFORE RETIREMENT

This section describes what happens to your benefits if you leave covered employment before retirement. If you leave covered employment before you become vested, you could have a permanent Break in Service and lose the Service Credit you earned and lose your pension benefits. This section explains how long you have to be gone to lose your unvested pension benefits. Additionally, if you are vested when you leave covered employment, your benefits will be "frozen." If you later return to covered employment, having a frozen benefit will change the way your monthly pension is calculated.

Breaks in Service – How You Could Lose Your Right to A Pension Plan Benefit

One-Year Break in Service Rule

You have a one-year *Break in Service* if you are not reported in covered employment for at least 501 hours in a *Plan Year*.

Permanent Breaks in Service

If you have five (5) consecutive one-year *Breaks in Service*, then you have a permanent *Break in Service* (and lose your accumulated *Service Credits*).

Returning to Covered Employment

If you return to covered employment and report 501 or more hours in a Plan Year before you have a permanent Break in Service, your prior consecutive one-year Breaks in Service are eliminated. If you return to covered employment and report 1000 or more hours in a Plan Year before you have a permanent Break in Service, you are reinstated as an active participant with your Service Credit account reinstated at the accumulation level you had before your first one-year Break in Service.

Example of a Permanent Break in Service

Manny worked in covered employment for three *Plan Years* then left for another job. After seven *Plan Years* Manny returned to covered employment. Since he was gone for more than the five-year minimum break period and was not vested at the time he left, he has lost all of the *Service Credits* he earned during his previous period of covered employment. He will now have to start over as a new participant in the Plan.

Exceptions to the One-Year Break in Service Rule

You could receive a grace period under the one-year *Break in Service* rule for the following reasons:

- **A Grace Period for Disability Leave**. If you are not reported in covered employment for at least 501 hours in a *Plan Year* because of a leave of absence granted by the Employer (pursuant to the Family and Medical Leave Act of 1993), a grace period will be granted in that *Plan Year*.

- **A Grace Period for Military Leave**. If you are not reported in covered employment for at least 501 hours in a *Plan Year* because of military service, a grace period will be granted in that *Plan Year*.

- **A Grace Period for Maternity and Paternity Leave**. If you are not reported in covered employment for at least 501 hours in a *Plan Year* because of a maternity or paternity leave related to the birth or adoption of a child, a grace period will be granted in that *Plan Year*.

Military Service

You may receive Vesting Service Credit and Future Service Credit for certain periods of military service to the extent required by Federal law.

Verification of Leave Required for Grace Period Credit

To qualify for a grace period under the one-year *Break in Service* rule, it is your personal responsibility to submit written verification to the Trust Office.

How Changing to Non-Covered Employment with the Same Employer Affects Your Benefit

If, before you become vested, you change your job with the same participating employer from bargaining unit work to non-bargaining unit work, you will continue to earn *Vesting Service Credit*, provided:

- You remain continuously employed by the same employer; and

- Your employer continues to be signatory to a collective bargaining agreement with a participating local union.

However, if no contribution payments are made on your behalf for non-bargaining unit work:

- You do not accumulate any additional *Future Service Credit* above that which you accumulated to the date your job changed to non-bargaining unit work; and

- You continue to earn *Vesting Service Credit*; and

- If you become vested while you are continuously employed in non-bargaining unit work, you will become vested for retirement benefit purposes and you will be considered an "inactive" participant.

It is your personal responsibility to notify the Trust Office, in writing, if you change your job from bargaining unit work to non-bargaining unit work with the same participating employer. This rule does not apply if your employer continues making contribution payment on your behalf through a participation agreement.

Frozen Benefits - Leaving Covered Employment After You are Vested

If you stop working in covered employment, you change from "active" status to "inactive" status.

When your Plan status changes from "active" to "inactive," your pension benefit is "frozen" at the amount you accumulated as of the last day of the *Plan Year* in which you last accumulated *Service Credit* from reported covered employment. In addition to the benefit, other plan provisions such as the benefit calculation formula, the *Service Credit* accumulation schedule, and the *Vesting Service Credit* accumulation schedule are frozen.

If you return to covered employment before retirement, your monthly pension at your actual retirement date is calculated by adding your "frozen" vested benefit amount when you first left the Plan together with the benefit amount determined from "new" *Service Credits* accumulated after your return to covered employment.

Be sure to notify the Trust Office whenever you change your address. The Trust Office will send you information each year about the status of the Plan.

RETIREMENT BENEFITS

This section explains how you become eligible for normal and early retirement pension benefits, how to calculate your pension benefit and what happens to your pension benefits if you retire early or work past age 65.

Normal Retirement at Age 65 or Later

You are eligible for a normal retirement pension when you retire when you are age 65 or older and you have accumulated 5 years of *Vesting Service Credit.*

Calculating Your Normal Retirement Benefit

Your normal retirement pension benefit will be the greater of the Floor Benefit and the Variable Benefit as described in the introduction.

Example of calculating a normal retirement pension benefit

Katherine retires at age 65 in 2022. She had commenced participation when the plan began in 2012 and was eligible for 5 years of past service. She works 1801+ hours each year. During the first 3 years she is credited an additional $375 representing 5 years of past service times $75 per year.

Year	Age	Past Service	Future Service Benefit	Past Service Benefit	Total Benefit
2012	55	5	$300	$150	$450
2013	56	5	$310	$150	$910
2014	57	5	$320	$75	$1,305
2015	58	5	$330	0	$1,635
2016	59	5	$340	0	$1,975
2017	60	5	$350	0	$2,325
2018	61	5	$360	0	$2,685
2019	62	5	$370	0	$3,055
2020	63	5	$380	0	$3,435
2021	64	5	$390	0	$3,825

Her final retirement benefit is $3,825 per year. Assuming she elects a Life Annuity option she will receive $318.75 every month for the rest of her life.

Frozen Benefits

When you stop working in covered employment, your plan status changes from "active" to "inactive." Additionally, your floor benefit is "frozen" at the amount accumulated as of the last day of the *Plan Year* in which you last accumulated *Service Credit* from reported covered employment. In addition to the benefit rate, other plan provisions such as the benefit calculation formula, the *Service Credit* accumulation schedule and the *Vesting Service Credit* accumulation schedule are similarly "frozen." The variable benefit will continue to be adjusted to reflect asset performance until you retire and commence receipt of benefits.

If you are an "inactive vested" participant, and return to covered employment before retirement, your monthly pension at your actual retirement date would be calculated as follows:

Your "frozen" vested benefit amount when you first left the plan
Plus
Your benefit amount accumulated after your return to covered employment.

Early Retirement at Age 55

You are eligible for an early retirement pension if, when you retire, you meet both of the following conditions:

- 55 years of age or older; and
- You have accumulated ten or more years of Vesting Service.

If you retire early, your monthly pension payments will be smaller than they would be if you waited until your Normal Retirement Date to have payments begin.

Early Retirement Pension

If you retire before age 65, your pension is first calculated on the amount you would receive if you were retiring at age 65 and the amount is then reduced one-half of 1% (0.5%) for each month you retire before your 65th birthday. Your benefit is reduced to take into account that you are expected to receive benefits over a longer period of time. The following chart illustrates the percentage reduction:

IF YOUR AGE AT EARLY RETIREMENT IS:	THE PERCENT OF YOUR NORMAL PENSION IS:
64	94%
63	88%
62	82%
61	76%
60	70%
59	64%
58	58%
57	52%
56	46%
55	40%

Example calculating an early retirement benefit

John will retire in 2025 at the age of 62.

The first step is to determine John's normal retirement benefit payable at his normal retirement age (65). For this example we will assume the annual accrued benefit is $4,650 or a monthly benefit of $387.50.

The next step is to take John's total normal retirement monthly benefit and multiply it by the early retirement percentage that corresponds to his age. Since John is 62, the corresponding percentage is 82%:

$$\$387.50 \times 0.82 = \$317.75$$

Since John retired at age 62, his monthly benefit is $317.75.

What Happens to Your Pension Benefit if You Continue Working in Covered Employment After Age 65

If you continue work in covered employment after reaching age 65:

- Payment of your monthly pension benefit is delayed until you actually retire (except to the extent you are receiving in-service distributions permitted by the Plan); and

- You continue to accumulate *Service Credits* for a larger benefit that will be paid when you retire. However, the actuarial value of these Service Credits will be reduced (but not below zero) by the actuarial value of any in-service distributions you have received from the Plan.

- You will receive an actuarial adjustment to your benefit based on any delay in the receipt of your benefits.

The only way you can be certain the Trust Office has the correct information about when you stop working is for you to tell them.

Rules About Benefit Payments Starting after Age 70½

If you reach age 70½, you must begin receiving payment of your monthly pension no later than April 1 following the calendar year you reach age 70½.

During your 70^{th} year, the Trust Office will send you a pension application to be completed and returned. Whether you return the application or not, the plan will start payment of your normal retirement pension on the April 1 following the calendar year in which you reach age 70½. The amount of your pension will be based on:

- Your employer's contribution rate(s);

- The number of *Service Credits* you accumulated as of the end of the last *Plan Year*; and

- Your marital status, which determines if your pension will be paid in the single life payment method, the 50% or 100% spouse shared benefit payment method.

If you continue to work after age 70½, your benefit will be adjusted annually to account for the additional service you are earning reduced (but not below zero) by the actuarial value of any benefit payments.

DISABILITY BENEFITS

Eligibility for a Disability Benefit

For Participants incurring disabilities after January 1, 2012, the Plan provides disability benefits as long as certain conditions are met.

Age and Service

At the time of disability, you must have attained the age of 45 and been a Participant for 10 Plan Years. The benefit amount paid under disability will be reduced for early commencement prior to Normal Retirement Age. The reduction will be 3% per year benefits commence prior to attainment of Normal Retirement Age.

Continuing Medical Evidence Required

If you are under age 65 and receiving a disability pension, at least once a year the Trust Office will send you a letter requesting a copy of the most recent payment documentation from the Social Security Administration as proof of your continued disability. If you fail to send the copy of the Social Security documentation to the Trust Office by the specified due date, your monthly pension payment may be suspended until you do give the Trust Office proof of your continued disability.

Recovery from Disability

Payment of your disability pension will stop the first of the month following recovery. You may re-enter covered employment and start accumulating Service Credits toward your retirement pension again.

DEATH BENEFITS BEFORE RETIREMENT

If you die before you retire, your spouse may be eligible for a lifetime survivor pension. This section explains the death benefits available to your spouse or beneficiary, the eligibility requirements and amounts.

Spouse Survivor Benefit for Vested Participants Eligible for Early Retirement (age 55 or over)

The plan will provide a monthly survivor benefit to your surviving spouse if you meet the following requirements:

- You die before retirement; and
- As of the date of your death, you are married (to the same person) for at least one year.

The benefits paid to your surviving spouse are calculated as 50% of the amount you would have received if you had terminated on the day you died, retired on the earliest date you would have been eligible to retire, and selected the Life Annuity option.

Benefit payments to your surviving spouse start with the first day of the month following your death and continue for the rest of his or her lifetime. Payments stop when your spouse dies.

Example of a spouse survivor benefit calculation:

Pat died in 2021 at age 63. His wife is 63 years old.

1. Calculate Pat's normal retirement benefit	$287.50
2. Adjust his benefit for early retirement by multiplying his monthly benefit by the early retirement benefit factor (88%)	$287.50 x 88% = $253.00
3. Adjust his benefit for 50% for the spouse's share	$253.00 x 50% = $126.50

Pat's wife would receive a monthly benefit of $126.50 for the rest of her life. There is no reduction in this case for the 50% spouse survivor benefit as the death benefit is subsidized.

The Effect of Previous Marriages on Survivor Benefits

The rights of a previous spouse under a qualified domestic relation order may reduce or eliminate pre-retirement death benefits for the person to whom you are married to at the time you die.

Applying for Survivor Benefits

Your spouse must notify the Trust Office of your death and provide whatever documents are needed, in addition to the formal application for benefits, before any survivor benefits will be paid.

BENEFIT PAYMENT METHODS

This section explains the different payment methods offered to you by the plan for normal retirement (age 65) and early retirement.

The Plan has four payment methods: single life benefit for unmarried participants; the 5 year certain and continuous, the 50% spouse shared benefit for married participants, and the 100% spouse shared benefit for married participants.

If you are married your benefit will be paid as a 100% or 50% spouse shared benefit, unless your spouse consents, in writing before a notary public, that he or she is giving up his or her right to the spouse shared benefit. You will have 90 days before your annuity begins to waive the spouse shared benefit.

When you apply for your pension, you will receive personalized information about how much you would receive each month under each payment method.

Once you chose a payment method and you receive your first monthly payment, you cannot change your mind and request another payment method. Carefully consider your choices. The following paragraphs describe the benefit methods available to you.

Single Life Benefit

This payment method provides you with a monthly pension payment for your lifetime.

This payment method will provide a larger monthly payment than the 50% or 100% spouse shared benefit because it does not provide a continuing lifetime benefit to your spouse if he or she outlives you.

If you are not married when you apply for benefits, your pension must be paid as a single life benefit. If you are married, you may choose this benefit form only if you and your spouse waive, in writing, the Spouse Shared Benefit form.

50% Spouse Shared Benefit

This payment method provides you with a reduced monthly pension payment for your lifetime. If you die before your spouse, the Plan will pay a monthly pension to your spouse equal to 50% of the reduced monthly payment you were receiving before your death.

Because your spouse may receive continuing monthly payments if you die first, and your benefit will potentially be paid out over a longer period of time, the monthly payment is reduced. The amount of reduction depends upon the ages of you and your spouse.

Example of a 50% Spouse Shared Benefit

Susanna retired at age 65 with enough *Service Credit*s (past and future) to give her an accrued benefit of $1,500 per month. She is married at the time of retirement and her husband is 67. If they elect the 50% Spouse Shared benefit, the accrued benefit would be reduced as follows:

EMPLOYEE'S AGE	SPOUSE'S AGE	50% SPOUSE SHARED BENEFIT FACTOR	TOTAL MONTHLY PENSION BENEFIT	
			EMPLOYEE	SPOUSE SURVIVOR
65	67	92.87%	$1,393.05	$696.53

100% Spouse Shared Benefit

This payment method provides you with a reduced monthly pension payment for your lifetime. If you die before your spouse, the Plan will pay a monthly pension to your spouse equal to 100% of the reduced monthly payment you were receiving before your death.

Because your spouse may receive continuing monthly payments if you die first, and your benefit will potentially be paid out over a longer period of time, the monthly payment is reduced. The amount of reduction depends upon the ages of you and your spouse.

Example of a 100% Spouse Shared Benefit

Susanna retired at age 65 with enough *Service Credit*s (past and future) to give her an accrued benefit of $1,500 per month. She is married at the time of retirement and her husband is 67. If they elect the 100% Spouse Shared benefit, the accrued benefit would be reduced as follows:

EMPLOYEE'S AGE	SPOUSE'S AGE	100% SPOUSE SHARED BENEFIT FACTOR	TOTAL MONTHLY PENSION BENEFIT	
			EMPLOYEE	SPOUSE SURVIVOR
65	67	86.68%	$1,300.20	$1,300.20

5 Year Certain and Continuous

This payment method provides you with a reduced monthly pension payment for your lifetime. If you die before 5 years of payments are made, the plan will continue to make payments to your beneficiary or estate until a total of 60 monthly payments have been made.

Because there is a guarantee of 60 payments being made, the monthly payment is reduced. The amount of reduction depends upon your age at retirement.

Example of a 5 Year Certain and Continuous

Susanna retired at age 65 with enough *Service Credit*s (past and future) to give her an accrued benefit of $1,500 per month. If she elects to receive her benefit as a 5 Year Certain and Continuous option, the accrued benefit would be reduced as follows:

Employee's Age	5 Year Certain and Continuous Factor	Total Monthly Pension Benefit	
		Employee	Survivor (for remainder of 60 month period)
65	98.85%	$1,482.75	$1,482.75

Benefits Under $5,000 Paid Out

If the actuarial equivalent (the value) of any benefit is $5,000 or less, the Trustees may, in their sole and uniform discretion, pay the benefit in one lump sum with your (or your surviving spouse's) prior approval. (The $5,000 payout amount may increase if the payout limit is increased in Internal Revenue Code Section 411(a) (11).)

The Effect of Divorce on Your Benefits

If you are divorced before you retire and your ex-spouse has a right to part of your pension under an appropriate qualified domestic relations order, that claim will be honored. This may significantly reduce surviving spouse benefits for the person to whom you are married when you retire or die.

If you divorce after you retire and you are receiving the shared benefit payment method, your ex-spouse remains entitled to the survivor benefit, unless a qualified domestic relations order states otherwise.

Trustees Reliance on Your Statements

The Trustees may rely on your written representation that you are married or single. If your representation proves false, the Trustees may recover from you any excess benefits paid due to your misrepresentation.

BENEFIT APPLICATION FILING INSTRUCTIONS

This section tells you how to apply for benefits from this Plan.

Contact the Trust Office for an Application

When you are ready to apply for benefits, contact the Trust Office to receive an application. All requests for benefits must be submitted on the Trust Office's application forms. Additionally, you will be required to give the Trust Office supporting documents, such as copies of birth certificates, marriage licenses, Social Security disability awards (for a disability pension) etc. The Trust Office will let you know what documents they need when you apply.

No pension benefits (except for required payments tied to attainment of age 70-1/2) will be paid for any period before the date the Trust Office receives your signed application and you meet the requirements to retire under the plan. Remember that one of the requirements you must meet to qualify for a normal retirement pension is that you stop working within the industry in the Plan area. One of the requirements to be met in order to qualify for an early retirement pension is that you stop working within the industry, inside and outside, the Plan area.

When to Submit an Application and When Benefits Begin

You should contact the Trust Office at least 180 days before the date you want your pension to start. This will make it possible for the Trustees to process your application and be ready to pay benefits promptly on the first day of the month that you retire. You may file an application while you are still working.

Payment may start the first day of the month following the date the Trust Office receives your signed application. If you meet the requirements for benefit payment, your monthly pension will start the first day of the month following the later of:

- **For Normal Retirement Pension**, your 65th birthday or your application filing date.
- **For Early Retirement Pension,** your eligibility entitlement date or your application filing date.

Your Benefit Election Must Be Made No More Than 180 Days before Payment Begins

You and your spouse must submit your benefit application to the Trust Office no more than 180 days before your payments begin. You and your spouse can choose your payment method, or change it, at any time before the date your pension payments start. You have the right to a review period of at least 30 days to consider your options. You and your spouse may waive your right to this 30-day review; however, the plan must always give you at least seven days to make your choice of benefit payment methods.

Proof of Age

To receive a plan benefit, you must submit proof of age to the Trust Office. A birth certificate is the best proof. However, if you cannot obtain a birth certificate, you can provide other documents instead. The Trust Office will tell you what will be required. The same rules apply to a spouse who is entitled to a benefit from the plan.

Where to Get a Pension Application

You can obtain benefit application forms from the Trust office:

UNITE HERE! Workers and Hospitality Employers VDB Pension Trust
33 Harrison Avenue, Suite 500
Boston, MA 02111
617-451-0318

To receive a benefit, your application forms must be completed and returned to the Trust Office. If your application is not complete or lacks the required supporting documents, you will be notified of what is necessary to complete your application. Your application will be considered "filed" as soon as it is complete enough to permit processing.

IF YOUR APPLICATION FOR BENEFITS IS DENIED

If you apply for benefits and your application is denied, you may have your application reviewed again. This section outlines the review procedures.

Initial Adverse Benefit Determinations

Claims other than Disability Pension Claims

If your claim for benefits is denied in whole or in part for any reason, then within 90 days after this Plan receives your claim, this Plan will send you written notice of its decision, unless special circumstances require an extension, in which case the Plan will send you written notice of the decision no later than 180 days after the Plan receives your claim. If an extension is necessary, you will be given written notice of the extension before the expiration of the initial 90-day period, which shall indicate the special circumstances requiring the extension of time and the date by which the Plan expects to render the benefit determination.

The Plan's written notice of its decision will include the specific reason or reasons for the adverse benefit determination; reference to specific Plan provisions on which the determination is based; a description of any additional material or information necessary for you to complete your claim and explanation of why such material or information is necessary (if applicable); and a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act following an adverse benefit determination on review.

Disability Pension Claims

If your disability pension benefits are discontinued, for any reason, this Plan will send you written notice of its decision. The Plan's written notice of its decision regarding a disability pension claim will include the information described above in regard to non-disability pension claims. In addition, if an internal rule , guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination, the notice will provide either the specific rule, guideline, protocol, or other similar criterion, or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge upon request. Further, if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, the written notice shall contain an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided upon request.

Appeal of Adverse Benefit Determinations

If you are not satisfied with the reason or reasons why your claim was denied, then you may appeal to the Board of Trustees. To appeal, you must write to the Trustees within 60 days (180 days in the case of disability pension claims only) after you receive this Plan's initial adverse benefit determination.

Your correspondence (or your representative's correspondence) must include the following statement: "I AM WRITING IN ORDER TO APPEAL YOUR DECISION TO DENY ME BENEFITS. YOUR ADVERSE BENEFIT DETERMINATION WAS DATED ______, 20___." If this statement is not included, then the Trustees may not understand that you are making an appeal, as opposed to a general inquiry. If you have chosen someone to represent you in making your appeal, then your letter (or your representative's letter) must state that you have authorized him or her to represent you with respect to your appeal, and you must sign such statement. Otherwise, the Trustees may not be sure that you have actually authorized someone to represent you, and the Trustees do not want to communicate about your situation to someone unless they are sure he or she is your chosen representative.

You shall have the opportunity to submit written comments, documents, records and other information related to the claim for benefits. You shall also be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits. A document, record, or other information is relevant to a claim if it was relied upon in making the benefit determination; was submitted, considered, or generated in the course of making the benefit determination, without regard to whether such document, record, or other information was relied upon in making the benefit determination; demonstrates compliance with the administrative processes and safeguards required in making the benefit determination; or, in the case of disability pension claims only, constitutes a statement of policy or guidance with respect to the plan concerning the denied benefit, without regard to whether such advice or statement was relied upon in making the benefit determination. The review will take into account all comments, documents, records, and other information submitted by the claimant relating to the claim, without regard to whether such information was submitted or considered in the initial benefit determination.

In addition, with regard to disability claims: (1) the review will not afford deference to the initial adverse benefit determination and will be conducted by an appropriate named fiduciary of the plan who is neither the individual who made the adverse benefit determination nor the subordinate of such individual; (2) insofar as the adverse benefit determination is based on medical judgment, the Board will consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment; (3) such health care professional shall not be the individual, if any, who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of such individual; and (4) medical or vocational experts whose advice was obtained on behalf of the plan, without regard to whether the advice was relied upon in making the adverse benefit determination, will be identified.

Determination on Appeal

The Trustees at their next regularly scheduled meeting will make a determination of the appeal. However, if the appeal is received less than thirty (30) days before the meeting, the decision may be made at the second meeting following receipt of the request. If special circumstances require an extension of time for processing, then a decision may be made at the third meeting following the date the appeal is made. Before an extension of time commences, you will receive a written notice of the extension, describing the special circumstances requiring the extension. The Plan will notify you of the benefit determination not later than 5 days after the determination is made.

If your appeal is denied, the Plan's written notice of the Board's decision will include the specific reason or reasons for the adverse benefit determination; reference to specific Plan provisions on which the determination is based; a statement that the claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and a statement of your right to bring a civil action under Section 502(a) of the Employee Retirement Income Security Act.

In addition, for disability pension claims, if an internal rule, guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination, the notice will provide either the specific rule, guideline, protocol, or other similar criterion, or a statement that such rule, guideline, protocol, or other similar criterion was relied upon in making the adverse benefit determination and that a copy of such rule, guideline, protocol, or other criterion will be provided free of charge upon request. Further, if the adverse benefit determination is based on medical necessity or experimental treatment or similar exclusion or limit, the written notice shall contain an explanation of the scientific or clinical judgment for the determination, applying the terms of the Plan to the claimant's medical circumstances, or a statement that such explanation will be provided upon request.

The Trustees' final decision with respect to their review of your appeal shall be final and binding upon you, since the Trustees have the exclusive authority and discretion to determine all questions of eligibility and entitlement under this Plan. Nonetheless, if you disagree with the final decision of the Trustees with respect to your appeal, then you may start a legal action against this Plan. However, no legal action may be commenced or maintained against this Plan more than 180 days after the Plan Trustees' final decision on appeal is deposited in the mail to the Participant's or Beneficiary's last known address.

RETURNING TO WORK AFTER RETIREMENT - SUSPENSION OF PENSION BENEFITS

This section explains that if you start working after you retire, your benefits may be suspended until you retire again.

Suspension of Pension Benefit Payments

If you are under age 65, payment of your monthly pension, will be suspended for any month in which you are employed in "disqualifying employment."

If you are 65 or older, payment of your monthly pension will be suspended for any month in which you work 40 or more hours in "disqualifying employment."

For those who return to work before age 65, "disqualifying employment" means employment in the kind of work regularly performed by employees participating in the Fund. For those who return to work after age 65, "disqualifying employment" means all employment or self-employment in an industry covered by the Plan when your pension began, in the same geographic area (as defined in Federal regulations) covered by the Plan when your pension began, and in the same trade or craft in which you worked at any time under the Plan.

Asking for A Decision on Whether Employment is "Disqualifying Employment"

You may ask the Trust Office whether a particular employment will be disqualifying. The Trust Office will give you their decision in writing.

Your Responsibility to Notify the Trust Office if You Return To Work Before age 65

You must follow these procedures when you return to work and when you retire again.

When you return to work:

> You must notify the Trust Office, in writing, within 30 days after starting any work of a type that is, or may be, disqualifying, and cooperate with the reasonable requests by the Trustees regarding these provisions. If you have worked and you fail to give the Trust Office notice within 30 days, the Trustees may assume that you worked at least 40 hours in disqualifying employment during that month and any following month. Of course, if you are under age 65, any hours worked in disqualifying employment will result in suspension of your benefits as described above.

When you retire again:

> If your pension is suspended, you are required to notify the Trust Office when your disqualifying employment has ended. The Trustees will have the right to hold back benefit payments until your notice is filed with the Trust Office.

Procedure for Suspending Benefits

You will be notified by the Trust Office during the first month that your benefits are suspended. The notice will describe why your benefit payments are being suspended and will explain the suspension of benefit rules.

Your Right to a Review of the Suspension

You may appeal the Fund's decision to suspend your benefits. To do so, you must follow the Plan's appeal procedures. The same right of review will apply, under the same conditions, to a determination that employment you are considering will be disqualifying.

Resumption of Pension Benefit Payments

When you stop working in disqualifying employment, your monthly pension payments will resume no later than the third month after the last calendar month for which your benefit was suspended, provided you have notified the Trust Office according to the instructions above.

How the Fund Recovers Benefits That Should Have Been Suspended

When you have a "suspension" of benefits for a month, that means for that month you are not entitled to pension benefits. If you receive a pension for a month for which benefits should have been suspended, the overpayment will be recovered through deductions from future pension payments.

Overpayments that can be attributed to monthly pension payments made for any month or months for which you had disqualifying employment will be deducted from your monthly pension. A deduction from a monthly pension benefit for a month will not be more than 25% of the pension amount (before deduction), except for the first pension payment made after suspension (of which 100% can be recovered). If you die before the Fund has recovered the overpayments, deductions will be made from the benefits paid to your surviving spouse, subject to the 25% limitation on the rate of deduction.

CIRCUMSTANCES THAT MAY AFFECT YOUR BENEFITS

Future of the Plan

It is anticipated that the Plan will remain in effect indefinitely. However, the Trustees reserve the right to amend or terminate the Plan at any time. If termination occurs, the remaining assets of the Plan, after expenses, will be allocated in accordance with the provisions of ERISA. If the Plan terminates, your accrued benefits, to the extent funded, are nonforfeitable.

Pension Benefit Guaranty Corporation

Your pension benefits under this multiemployer Plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

The maximum benefit that the PBGC guarantees is set by law. Under the multiemployer program, the PBGC guarantee equals a participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC maximum guarantee limit is $33.75 per month times a participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers: (1) Normal and early retirement benefits; (2) disability benefits if you become disabled before the plan becomes insolvent; and (3) certain benefits for your survivors.

The PBGC guarantee generally does not cover: (1) Benefits greater than the maximum guaranteed amount set by law; (2) benefit increases and new benefits based on plan provisions that have been in place for fewer that 5 years at the earlier of: (i) The date the plan terminates or (ii) the time the plan becomes insolvent; (3) benefits that are not vested because you have not worked long enough; (4) benefits for which you have not met all of the requirements at the time the plan becomes insolvent; and (5) non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about this notice, you may contact Joey Mokos, Fund Administrator at 33 Harrison Ave., Suite 500, Boston, MA 02111 (telephone: 617-451-0318). For identification purposes, the official plan number is 026 and the plan sponsor's employer identification number or "EIN" is 45-4227067. For more information about the PBGC and benefit guarantees, go to PBGC's Web site, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242.)

Assignment of Benefits

Your interest in this Plan is not subject to assignment or alienation, whether voluntary or involuntary. Under most circumstances, your benefits are not subject to attachment or execution under any court order, unless they are in pay status. Your benefits also cannot be sold, assigned, or pledged to anyone, nor can they be security for a loan. However, these rules do not apply to a Qualified Domestic Relations Order ("QDRO").

A QDRO, as defined in Section 414(p) of the Internal Revenue Code, is a domestic relations order that states that another person, known as an "alternate payee," is entitled to a certain portion of your benefits from the Plan. After this Plan receives a domestic relations order, a copy of this Plan's procedures concerning such order will be forwarded to you, and to each alternate payee named in the order. This Plan will also send a copy of the order to this Plan's attorney, who will examine whether the order is a QDRO.

If the order is a QDRO, then this Plan will promptly notify and mail a copy of the order to you and to all of the alternate payees. The Plan will determine the dollar amount payable to each alternate payee, and will thereafter disburse the amount so payable when due. If there is a dispute as to whether the order is a QDRO, then any amounts which are payable before the dispute is resolved will be segregated into a separate account until a final determination is made. A copy of the Plan's QDRO procedures can be obtained, without charge, upon your request.

Tax Advice

Remember that not all state income tax laws are the same as federal income tax laws, so you should check the tax laws of your state. The Trust Office cannot give you income tax advice. You should obtain professional tax advice before arranging to receive a payment from the plan.

Recovery of Overpayments and Mistaken Payments

If the Fund pays benefits to you and later discovers that the amount of the benefit is incorrect or that you should not have received a benefit, the Fund has the right to change the amount of your benefit to the correct amount. In addition, the Trustees have the right to recover any overpayment or mistaken payment made to you or to anyone else. Whoever received the overpayment or mistaken payment must pay it back to the Fund with interest at 2% per month. If you do not pay the amounts you owe, the Trustees may decide to reduce other benefit payments or take legal or other action. You may be required to pay whatever it costs for the Fund to collect amounts you owe.

SUMMARY PLAN DESCRIPTION INFORMATION

The following supplements the information contained in other places in this booklet and is provided according to the requirements of the Employee Retirement Income Security Act of 1974 (ERISA).

Name of Plan

UNITE HERE! Workers and Hospitality Employers VDB Pension Trust

Identification Numbers

Federal Identification Number is 45-4227067

Plan Number is 026

Plan Sponsor

The Plan is sponsored by the Board of Trustees:

Board of Trustees
UNITE HERE! Workers and Hospitality Employers VDB Pension Trust
33 Harrison Avenue, Suite 500
Boston, MA 02111
617-451-0318

Plan Administrator

The Pension Fund is administered by a Board of Trustees made up of Employer Trustees and Union Trustees. The participating employers and the participating local unions are equally represented on the Board of Trustees. The business office address and telephone number of the Board of Trustees is:

Board of Trustees
UNITE HERE! Workers and Hospitality Employers VDB Pension Trust
33 Harrison Avenue, Suite 500
Boston, MA 02111
617-451-0318

Plan Interpretations and Determinations

The Board of Trustees is responsible for interpreting the Plan and for making determinations under the Plan. To carry out their responsibility, the Trustees have exclusive authority and full discretion:

- To determine whether an individual is eligible for any benefits under the Plan;
- To determine the amount of benefits, if any, an individual is entitled to from the Plan;
- To determine or find facts that are relevant to any claim for benefits from the Plan;
- To interpret all of the Plan's provisions;
- To interpret all the provisions of the Summary Plan Description;
- To interpret the provisions of trust agreement governing the operation of the Plan;

- To interpret all of the provisions of any other document or instrument involving or having impact upon the Plan; and
- To interpret all of the terms used in the Plan, the Summary Plan Description pages and in all of the other previously mentioned agreements, documents and instruments.

All interpretations and determinations made by the Trustees, or to the person they delegate these responsibilities:

- Will be final and binding upon any individual claiming benefits under the Plan and upon all employees, all employers, the union, and any party who has executed any agreements with the Trustees;
- Will be given deference in all courts of law, to the greatest extent allowed by applicable law; and,
- Will not be overturned or set aside by any court of law unless the court finds that the Trustees, or the designee, abused their discretion in making a determination or rendering an interpretation.

Type of Plan

This is a defined benefit pension plan.

Type of Administration and Method of Funding Benefits

The Plan is administered by the Joint Board of Trustees and their decisions in all matters concerning the Plan and trust fund are final. All Plan benefits are provided directly from the money in the Plan's trust fund.

Name and Address of Agent for Service of Process

The person designated as agent for purposes of accepting service of legal process on behalf of the plan is:

Joey Mokos, Fund Administrator
UNITE HERE! Workers and Hospitality Employers VDB Pension Trust
33 Harrison Avenue, Suite 500
Boston, MA 02111
617-451-0318

Service of legal process may also be made upon the Board of Trustees or upon any individual Trustee.

Collective Bargaining Agreements and Participation Agreements

Employers make contributions to the Plan trust fund to make it possible for you to participate in this Plan, as required by the collective bargaining agreements between participating employers and UNITE HERE Local 26 or by participation agreements between your employer and the

Plan. The names and address of participating employers and participating local unions are available at the Trust Office. Copies of the applicable collective bargaining agreements, and the names and address of participating employers and participating local unions, are also available to you upon written request.

Financing of the Plan

The amounts and due dates of employer contributions to the Pension Plan trust fund, and job classifications covered, are stated in the collective bargaining agreements. Unless you work in a job classification covered by a collective bargaining agreement or participation agreement, pension contributions cannot legally be made on your behalf. No contributions will be required or permitted from you or any other participating employee.

The employer contributions are received and held in the trust fund by the Board of Trustees for:

- Payment of benefits directly from the Pension Plan trust fund,
- Payment of administrative expenses, and
- Investment of Plan assets, with investment income an important part of financing the Plan.

Fiscal Year

The Plan's records are kept on a fiscal year basis; beginning each January 1 and ending the following December 31.

RIGHTS OF PARTICIPANTS

As a Participant in the Unite Here! Workers and Hospitality Employers VDB Pension Trust, you are entitled to certain rights and protection under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants will be entitled to:

Receive Information About Your Plan and Benefits

Examine, without charge, at the Trust Office, all documents governing the Plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.

Obtain, upon written request to the plan administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.

Receive a summary of the Plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan participants ERISA imposes duties upon the people who are responsible for the operation of the Plan. The people who operate your Plan, called "fiduciaries" of the Plan, have a duty to do so prudently and in the interest of you and other Plan participants and beneficiaries. No one, including your employer, your union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforce Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in Federal court. If it should happen that plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your Plan, you should contact the Trust Office. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, at JFK Federal Building, Room 3575, Boston, MA 02203, telephone (617) 565-9600, or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

For pension application forms, beneficiary forms or other pension information, contact:

Greater Boston Hotel Employees/Local 26 Trust Office
33 Harrison Ave., Suite 500
Boston, MA 02111
or call the number below.

Email your questions to

help@gbhetrust.org

or call:

(617) 451-0318

Phone hours for the Trust Funds office are
9 a.m.-5 p.m., Monday-Friday.