

**HOTEL UNION
& HOTEL INDUSTRY
OF HAWAII
PENSION PLAN**



(As revised through September 1, 2012)

INTERNAL REVENUE SERVICE (EIN)

99-6024339

PLAN NO. 001

FOR INFORMATION YOU SHOULD CONTACT:

TRUST FUND OFFICE:

Benefit & Risk Management Services, Inc.
560 N. Nimitz Highway, Suite 209
Honolulu, Hawaii 96817

Telephone:

Oahu 523-0199
Neighbor Islands - (Toll free)
1-(866)-772-8989

Hours:

8:00 a.m. - 4:30 p.m. (Monday - Friday)

YOUR BOARD OF TRUSTEES

MANAGEMENT TRUSTEES

Kevin Gleason
Cyrus Oda
Julie Walker
Nona Tamanaha (Alternate)
Carla Thomas (Alternate)

LABOR TRUSTEES

Eric Gill
Daniel Kerwin
Hernando Tan
Ross Baniaga (Alternate)
Doryne Jardine (Alternate)
Bonifacio Sacayanan (Alternate)

INDEX

Page No.

Participating Employers at September 1, 2012	4
Introduction	6
A. How You Become a Participant (Member)	7
B. When You May Retire	8
C. How Service is Determined	9
D. If You Leave Service	17
E. How Much Benefit You Can Earn	20
F. How Your Benefits are Paid	24
G. If You Become Disabled	26
H. What Benefits are Paid After Your Death	29
I. Your Rights	31
J. Other Facts You Need to Know	33
K. Information Required Under ERISA	38

HOTEL UNION & HOTEL INDUSTRY OF HAWAII PENSION PLAN

PARTICIPATING EMPLOYERS

September 1, 2012

Ala Moana Hotel
Hana Ranch
UNITE H.E.R.E. Local 5
Hilton Hawaiian Village
Hyatt Regency Waikiki
Imperial Hawaii Resort
Royal Kona Resort Hotel
Kahala Hotel & Resort
Kyo-Ya Company
•Princess Kaiulani
•Royal Hawaiian
•Sheraton Moana Surfrider Hotel
•Sheraton Waikiki
Plaza Hotel
Ramada Plaza Waikiki
Sheraton Kauai
Sheraton Maui
Turtle Bay Resort
Waikiki Beach Marriott Resort
Waikiki Resort Hotel
Waikoloa Beach Resort Marriott

IMPORTANT: In some cases, the Employer may not be obligated to make pension contributions for new employees during the initial period of employment. Also, the Employer may not be obligated to contribute for bargaining unit employees in certain work classifications. For more information as to your status, contact the Trust Fund Office, 560 N. Nimitz Highway, Suite 209, Honolulu, Hawaii 96817.

PLAN CO-CONSULTANTS

Honolulu Actuarial Consultants, Inc.
Crews MacQuarrie & Associates, Inc.

LEGAL COUNSEL

Davis, Cowell & Bowe, LLP

CERTIFIED PUBLIC ACCOUNTANT

Lemke, Chinen and Tanaka, CPA, Inc.

CO-TRUSTEE

First Hawaiian Bank

TRUST FUND OFFICE

Benefit & Risk Management Services, Inc.
560 N. Nimitz Highway, Suite 209
Honolulu, Hawaii 96817
Telephone: Oahu 523-0199
Neighbor Islands Toll Free 1-866-722-8989

INTRODUCTION

This booklet has been prepared to explain the provisions of the Hotel Union & Hotel Industry of Hawaii Pension Plan.

Benefits under this Plan are provided from contributions paid by Hotel Employers in accordance with their collective bargaining agreements with UNITE HERE, Local 5 and by UNITE HERE, Local 5, AFL-CIO on behalf of its employees.

This booklet is based on the Plan's provisions in effect on September 1, 2012 and supersedes the booklet that was dated or effective in 2004. As such, this booklet may not be applicable to situations that occurred prior to September 1, 2012. If you have any questions as to your rights or benefits under this Plan, contact the Trust Fund Office.

You should read this booklet carefully to understand how this Plan works and how the rules apply to your case. Of course, all of your rights and benefits under this Plan are subject to the terms of the official Plan documents, and those documents shall govern in the event of any conflict with this booklet.

If you have any questions about this Plan or desire additional information, you should contact the Trust Fund Office at 523-0199 or neighbor islands may dial 1-(866)-772-8989 direct or write to the Trust Fund Office at 560 N. Nimitz Highway, Suite 209, Honolulu, Hawaii 96817.

Sincerely,

Your Board of Trustees

A. HOW YOU BECOME A PARTICIPANT (MEMBER)

1. Who is eligible to participate?

You are eligible to participate in the Pension Plan when you work for an Employer who is required to make contributions to the Plan on your behalf under a collective bargaining agreement with UNITE HERE, Local 5 and have attained your Participation Date.

2. When does participation in the Plan start?

The start of your Plan participation (Participation Date) depends on when you first become an Employee.

(a) On or After August 1, 1987.

If you started work for a contributing Employer on or after August 1, 1987, your participation starts on the first day of the month for which your Employer was required to make a contribution on your behalf provided you are 21 years of age or older. If you are under 21 years, your participation starts on the first day of the month in which you reach 21 years.

If you started work for a contributing Employer prior to August 1, 1987 but had not yet attained age 25 prior to August 1, 1987, your participation starts on the later to occur of August 1, 1987 or the first day of the month in which you reach 21 years.

(b) Between February 1, 1977 and August 1, 1987.

If you started work for a contributing Employer on or after February 1, 1977 but before August 1, 1987, your participation started on the first day of the month for which your Employer was required to make a contribution on your behalf provided you were 25 years of age or older. If you were under 25 years, your participation started on the first day of the month in which you reached 25 years.

(c) Between August 1, 1972 and February 1, 1977.

If you started work for a contributing Employer on or after August 1, 1972 but before February 1, 1977, your participation

started on the August 1 following the last to occur of your 30th birthday or your completion of 800 Hours of Covered Service in the previous Plan Year (August 1 to July 31). An Hour of Covered Service was defined as each hour of employment for which a contribution was required to be made to the Trust Fund on your behalf. It also included the first 90 days of certain approved leaves of absence during which you would normally have been scheduled to work.

(d) Prior to August 1, 1972.

If you started work for a contributing Employer on or after August 1, 1962 but before August 1, 1972, your participation started on the February 1, May 1, August 1 or November 1 following the last to occur of your 30th birthday, or your completion of at least 300 Hours of Covered Service in each of two Quarters in any 12-month period. Quarter means each three-month period commencing with the first day of each February, May, August and November.

Most permanent Employees on August 1, 1962 of the original participating hotels, who were at least 30 years old, became Participants on August 1, 1962. No one was a Participant before August 1, 1962.

(e) After a Break-in-Service.

If after you become a Participant you incur a One-Year Break in Service (see Question 10) your participation ceases unless you retire or you are eligible for a Vested Retirement Income (see Question 8). But you can again become a Participant if you return to work for an Employer who contributes to the Plan on your behalf and complete at least 400 Hours of Service (see Question 9) in a 12-month period. If you complete these 400 Hours of Service, your participation will be made retroactive to the first day of the month in which you returned to work for the Employer.

B. WHEN YOU MAY RETIRE

Unless you elect otherwise, unreduced benefits will be paid to you on your Normal Retirement Date.

3. What is your Normal Retirement Date?

Your Normal Retirement Date is the first day of the month after your 65th birthday, or your 65th birthday itself if it falls on the first day of the month. You may retire on or after your Normal Retirement Date with a Normal Retirement Benefit (see Question 16) if you are a Participant (see Question 2) when you reach your Normal Retirement Date.

4. May you retire earlier than age 65?

Yes, your Early Retirement Date may be the first day of any month you choose if you meet these requirements—

- (a) You have reached age 55 but not age 65, and
- (b) You have completed 10 Years of Vesting Service (see Question 7).

Your retirement benefits at your Early Retirement Date will, however, be less than they would be at age 65 (see Question 17).

C. HOW SERVICE IS DETERMINED

5. What types of service are there under the Plan?

The Plan recognizes:

- (a) Credited Service, which determines the amount of your benefits, and
- (b) Vesting Service, which determines your eligibility for certain benefits under the Plan.

6. What is Credited Service?

- (a) Credited Service - Effective Date.

Credited Service, which is used to determine the amount of your benefit, is based on your periods of work in Covered Service with an Employer. Covered Service is basically work in a classification covered by a collective bargaining agreement between the Union and your Employer. Hours worked in this type of employment are called Hours of Covered Service.

Your total Credited Service will consist of your Credited Past Service, if any, plus your Credited Future Service. The type of service you earn (past service or future service) depends on the “Effective Date” for your Employer. The Effective Date is the date on which your Employer was first required to begin making contributions to this Plan.

(b) Credited Past Service

Credited Past Service means your period of unbroken Covered Service prior to the date on which your Employer began making contributions to the Trust Fund (your Employer’s Effective Date) but after your twenty-fifth birthday.

You are entitled to Credited Past Service if:

- (1) A contribution was paid to the Trust Fund on your behalf for the month of your Employer’s Effective Date; or
- (2) You were on an Excused Absence¹ from Covered Service with an Employer between that Employer’s Effective Date and the

¹The Plan lists these Excused Absences for periods prior to August 1, 1976:

- (a) Leave of absence granted by an Employer, if he returns to Covered Service for that Employer at the end of such leave;
- (b) Physical or mental disability, for a period not to exceed five years, except that any period of absence due to physical or mental disability compensable under applicable workmen’s compensation laws shall be excused;
- (c) Absence due to pregnancy, not to exceed two years;
- (d) Military service under which he has reemployment rights under applicable laws of the United States or the State of Hawaii, if he complies with the requirements of such laws as to reemployment and is reemployed;
- (e) Service in the United States Merchant Marine during time of war, if he returns to Covered Service for an Employer within ninety days after his release from the Merchant Marine;
- (f) Employment by an Employer in a capacity not subject to collective bargaining between the Employer and the Union;
- (g) Employment with the Union if he returns to Covered Service for an Employer within 90 days after his release from such employment;
- (h) Any other reason which is set forth in regulations of the Trustees and which is uniformly applicable to all individuals similarly situated.

date contributions first became payable on your behalf by that Employer; or

- (3) You were actually in Covered Service with an Employer at some time during the year immediately preceding your Employer's Effective Date and you reentered Covered Service within one year from the date of your last employment; or
- (4) You were actually in Covered Service for an Employer at some time during the 25 month period immediately preceding your Employer's Effective Date and (a) you failed to continue in Covered Service through that Employer's Effective Date because of an illness or injury which continued through that date and (b) you would otherwise be entitled to 10 or more years of Credited Past Service. In these cases your Employer must certify in a manner acceptable to the Trustees that there had been no severance of employment as of the Employer's Effective Date. If these requirements are satisfied, you will become a Participant as of your Employer's Effective Date even though no contributions became payable on your behalf.

Your Credited Past Service will normally be counted from the first day of the month in which you were hired by your Employer. You will be given one-twelfth of a year's credit for each calendar month in which you had Covered Service.

NOTE: Credited Past Service due to Employers with Effective Dates on or after February 1, 1981 may be limited and/or restricted when necessary to protect the actuarial soundness of the Plan.

(c) Credited Future Service

Credited Future Service means unbroken Covered Service on and after your Employer's Effective Date (see Question 6(a)). If you were not eligible to participate on your Employer's Effective Date, Credited Future Service means Covered Service on and after the date when you became a Participant and for which contributions to the Fund are payable on your behalf.

Before August 1, 1972, you were credited with one quarter year of Credited Future Service for each three-month period beginning with the first day of each February, May, August, and November

in which you completed 300 or more Hours of Covered Service (see Question 6(a)).

On and after August 1, 1972 and prior to August 1, 1989, you received Credited Future Service in accordance with the following schedule:

<u>Hours of Covered Service in Plan Year (Aug. 1-Jul. 31)</u>	<u>Credited Future Service</u>
Less than 400 hours	None
400 to 799 hours	One Quarter
800 to 1,199 hours	Two Quarters
1,200 to 1,599 hours	Three Quarters
1,600 or more hours	One Year

On and after August 1, 1989, you receive Credited Future Service in accordance with the following schedule:

<u>Hours of Covered Service in Plan Year (Aug. 1-Jul. 31)</u>	<u>Credited Future Service</u>
Less than 400 hours	None
400 to 799 hours	One Quarter
800 to 1,199 hours	Two Quarters
1,200 to 1,599 hours	Three Quarters
1,600 to 2,399 hours	One Year
2,400 or more hours	One & One Half Years

NOTE: The August 1, 1989 schedule only applies to those persons who retire on or after December 1, 1989.

7. What is Vesting Service?

Vesting Service is used to determine your eligibility for certain benefits under the Plan.

Before August 1, 1976 a Year of Vesting Service was the same as a year of Credited Service (see Question 6).

On and after August 1, 1976, depending upon your age, you earn Vesting Service in each Plan Year (August 1 to July 31) based on the following schedule:

<u>Hours of Service</u>	<u>Vesting Service</u>
Less than 400	None
400 - 499	4/10 Year
500 - 599	5/10 Year
600 - 699	6/10 Year
700 - 799	7/10 Year
800 - 899	8/10 Year
900 - 999	9/10 Year
1,000 or more	1 Year

For the period from August 1, 1976 through July 31, 1987, you earned Vesting Service based on the above schedule only for Plan Years in which you were age 22 or older (including the Plan Year in which you attained age 22). However, for all persons who are credited with at least one Hour of Service on or after August 1, 1987, the minimum age was retroactively reduced from age 22 to age 18. This means that if you have earned an Hour of Service after July 31, 1987 you are earning Vesting Service based on the above schedule for all Plan Years in which you were age 18 or older (including the Plan Year in which you attained age 18).

If you earn at least one Hour of Service on or after August 1, 1999, you will become fully vested once you accrue at least 5 years of Vesting Service.

If you have not earned at least one Hour of Service on or after August 1, 1999 but have earned at least one Hour of Service after July 31, 1989, you are fully vested if you have accrued the following amounts of Vesting Service:

	<u>Vesting Service</u>
Bargaining Unit Employee	10 Years
Non-Bargaining Unit Employee	5 Years

Fully vested means that you can never lose your rights to a pension, even if you leave the industry. If you leave the industry after you are fully vested, you will be designated a Former Employee and are

eligible to receive a pension at age 65 or, if you meet the service requirements for Early Retirement (see Question 4), you may choose a reduced benefit at any time between age 55 and age 65.

You are also fully vested and eligible to receive a Normal Retirement Benefit when you reach age 65 regardless of the number of years of service if you are a Participant (see Question 2) when you attain age 65.

Before August 1, 1989 and after July 31, 1976, fully vested meant the completion of 10 or more years of Vesting Service or attainment of age 65 while still a Participant. Before August 1, 1976, fully vested meant either (i) the completion of 15 or more years of Credited Service, or (ii) the attainment of age 55 and completion of 10 or more years of Credited Service.

8. What is Vested Retirement Income?

Vested Retirement Income is the pension amount that you would receive at age 65 if you were to leave the industry after becoming fully vested. If you decide to retire and receive your Vested Retirement Income between the ages of 55 and 65, the amount of your Vested Retirement Income shall be reduced using the same reduction schedule that is used for Early Retirements (see Question 17).

The amount of your Vested Retirement Income at age 65 is equal to your accrued Credited Service multiplied by the retirement benefit level in effect on the date you last worked.

The retirement benefit levels and the period during which they are applicable are as follows:

August 1, 1962 - May 31, 1973	\$ 3.50
June 1, 1973 - January 31, 1977	\$ 5.00
February 1, 1977 - June 14, 1978	\$ 6.70
June 15, 1978 - May 31, 1979	\$ 7.42
June 1, 1979 - May 31, 1980	\$ 9.24
June 1, 1980 - December 31, 1981	\$10.00
January 1, 1982 - May 31, 1982	\$10.75
June 1, 1982 - July 31, 1983	\$11.50
August 1, 1983 - July 31, 1984	\$13.70
August 1, 1984 - July 31, 1985	\$14.53
August 1, 1985 - July 31, 1986	\$16.46

August 1, 1986 - July 31, 1987	\$18.42
August 1, 1987 - November 30, 1989	\$21.15
December 1, 1989 - December 31, 1993	\$22.50
January 1, 1994 - December 31, 1996	\$23.10
January 1, 1997 - July 31, 1997	\$24.20
August 1, 1997 - December 31, 1997	\$25.00
January 1, 1998 - July 31, 1998	\$26.32
August 1, 1998 - July 31, 1999	\$27.32
August 1, 1999 - July 31, 2005	\$28.32
August 1, 2005 - July 31, 2006	\$28.82
August 1, 2006 - July 31, 2007	\$30.56
August 1, 2007 - July 31, 2008	\$34.12
August 1, 2008 and thereafter	\$34.92

(Exceptions: If you suffered a Break in Service (see Question 10) between August 1, 1976 and July 31, 1979 your Vested Retirement Income will be based on the benefit level in effect on the date of your Break in Service as follows:

July 31, 1977	\$6.70
July 31, 1978	\$7.42
July 31, 1979	\$9.24

If you suffered a Break in Service after July 31, 1979, your Vested Retirement Income will be based on the benefit level in effect on May 8, 1980, which is \$9.24, or, if greater, the benefit level in effect on the date of your last compensable hour as indicated above.)

Example:

You suffer a Break in Service on July 31, 1979 and the date of your last compensable hour was April 1, 1979. Your Vested Retirement Income is based on the \$9.24 benefit level—the benefit level in effect on the date of your Break in Service.

Example:

You suffer a Break in Service on July 31, 1980 and the date of your last compensable hour was March 15, 1979. Your Vested Retirement Income is based on the \$9.24 benefit level—the benefit level in effect on May 8, 1980.

Example:

You suffer a Break in Service on July 31, 2009 and the date of your last compensable hour was June 30, 2008. Your Vested Retirement Income is based on the \$34.12 benefit level.

If you were eligible to retire and receive an Early or Normal Retirement Benefit at the time you suffered a Break in Service (see Question 10), your Vested Retirement Income shall be adjusted for any retiree increase (see Question 20) that has been adopted since your Break in Service.

9. What is an Hour of Service?

An Hour of Service is each hour for which you get paid because of your job. This includes paid periods of up to 501 hours of non-working time such as vacations, pregnancies, holidays, and sick leave hours. It also includes any hours for which back pay is awarded or agreed to by your Employer.

In addition, on and after August 1, 1987, solely for the purpose of determining whether a Break in Service has occurred in a Plan Year, you may be entitled to a maximum of 501 Hours of Service for a period of absence from work for “maternity or paternity” reasons. The amount of Hours of Service credited is the amount that would have been credited to you if you had not been on such an absence, or eight (8) hours per day of absence if the number of such hours cannot be determined. Under most situations, these special Hours of Service will be credited to the Plan Year next following the Plan Year in which the absence began. However, these Hours may be credited to the Plan Year in which the absence began if they are needed to avoid a Break in Service in that Plan Year. An absence for “maternity or paternity” reasons includes an absence from work (1) due to the pregnancy of an employee, (2) due to the birth of a child of an employee, (3) due to the placement of a child with an employee in connection with the adoption of the child by the employee, or (4) due to the caring of the child for a period of time beginning immediately after such birth or placement. You will not be credited with any hours under this provision unless the Trustees are notified of this absence in a timely manner and provided sufficient information to reasonably establish that the absence was for maternity or paternity reasons and the number of days for which there was such an absence.

D. IF YOU LEAVE SERVICE

10. What is a Break in Service?

Before August 1, 1976, a Break in Service occurred whenever you had no Covered Service at the end of any Plan Year (August 1 to July 31) unless you were on an Excused Absence (see Question 6(b)).

On and after August 1, 1976, a Break in Service occurs in any Plan Year during which you fail to earn at least 400 Hours of Service.

11. When can your Service be canceled?

A Break in Service before August 1, 1976 resulted in the cancellation of all Credited Service before that break, unless you were vested (see Question 7).

Since August 1, 1976, all your Years of Vesting Service and Credited Service will be canceled if, before you are vested (see Question 7), you incur a Permanent Break in Service.

Between August 1, 1976 and August 1, 1987, a Permanent Break in Service occurred when the number of consecutive yearly Breaks in Service equals or exceeds the number of Years of Vesting Service earned before the first of such consecutive yearly Breaks in Service.

Since August 1, 1987, a Permanent Break in Service occurs when the number of consecutive yearly Breaks in Service equals or exceeds the greater of five (5) or the number of Years of Vesting Service earned before the first of such consecutive yearly Breaks in Service.

Example:

You had three years of Vesting Service for Plan Years beginning in 1978, 1979, and 1980 and then fail to earn at least 400 Hours of Service in each of three consecutive Plan Years beginning in 1981, 1982, and 1983.

You lost all your Years of Vesting Service and any Credited Service you may have earned. If you return to Covered Service, you return as a new Employee.

Example:

You had three years of Vesting Service for Plan Years beginning in 2000, 2001 and 2002 and then fail to earn at least 400 Hours of Service in each of five consecutive Plan Years beginning in 2003, 2004, 2005, 2006 and 2007.

You lose all your Years of Vesting Service and any Credited Service you may have earned at the end of the 2007 Plan Year. If you return to Covered Service, you return as a new Employee.

12. What if you leave the bargaining unit and work for management?

You will not earn any Credited Service for management employment but, you may continue to earn Years of Vesting Service if you were in Covered Service with the same Employer immediately before or immediately after you took the non-bargaining unit job.

13. What happens if you leave Service for Military Service?

If you leave Service for military service and, after your military service, you are reemployed by your Employer on or after December 14, 1994 and within the time frame required under the Uniformed Services Employment and Reemployment Rights Act of 1994 and your Employer provides the Trust Fund Office with the required written notice within 30 days of your employment, you will be credited with the amount of Credited Service and Vesting Service that you would have otherwise earned under the Plan for employment with your Employer during your period of military service.

If you leave Service for military service and should die on or after January 1, 2007 while in military service, your survivors shall be entitled to any additional benefits (other than additional benefit accruals for your period of military service) provided by the Plan had you returned to Service under the Plan and then died.

If you are not reemployed by your Employer after your period of military service as described above, your status under the Plan will be determined based on the Credited Service and Vesting Service that you had earned prior to your military service.

14. What happens if you return to Covered Service after you became a Former Employee?

Unless you meet the special requirements described in the next paragraph below, your total benefits will be the sum of your accrued vested benefit when you became a Former Employee (see Question 7) plus any additional benefit you may earn based on your Credited Service on and after the date of your re-employment.

If you return to Covered Service after becoming a Former Employee and meet all of the requirements stated below, your benefits due to Credited Service earned prior to your Break(s) in Service will be determined as if you had not incurred your Break(s) in Service. This special rule applies to you if:

- (a) All of your Breaks in Service were incurred due to reasons beyond your control;
- (b) The number of such consecutive Breaks in Service does not exceed five (5) years; and
- (c) You accrue at least one (1) year of Credited Future Service after you reenter Covered Service.

For purposes of this paragraph, a Break in Service is considered to be incurred due to reasons beyond your control if it is attributable to: (1) natural disasters (e.g., hurricanes, earthquakes, etc.) and (2) complete or partial hotel closures for renovations not exceeding thirty-six months. (NOTE: Although this provision became effective on August 1, 1996, Breaks in Service that are attributable to Hurricane Iniki and the hotel renovations at the Sheraton Maui and the Kahala Hotel & Resort (formerly Kahala Hilton) are covered by this provision.)

15. What happens if you return to work after becoming a Pensioner?

If you are not receiving a Disability Retirement Benefit and re-enter Covered Service or are receiving a Disability Retirement Benefit and re-enter Covered Service after attaining age 65, your pension payments will be suspended one month for each month in which you have 40 or more Hours of Covered Service.

If your pension payments are suspended, you will be given a notice by certified mail during the first month of suspension which will explain

why your pension payments are suspended. You may contest the suspension in accordance with the claim procedures of the Plan.

If you later again retire, pension payments will resume no later than the first day of the third calendar month after the calendar month in which you are no longer employed, provided you so notify the Trustees. Your first payment after your re-employment will include the payment for that month plus any amounts withheld since you stopped working less any overpayments previously made to you. The offset for overpayment is limited to 100 percent (100%) of the amount due in the first month in which benefit payments resume and 25 percent (25%) of each monthly payment thereafter until all overpayments are fully recovered.

If you are a Pensioner, you must notify the Trustees of any employment and provide such reasonable information as the Trustees may request. About once each year, on a form prepared by the Trust Fund Office, you must either certify that you are unemployed or provide the Trust Fund Office with information to prove that you have not been working in the industry.

If you do not meet the above certification requirements, your pension payments may be withheld. When you finally meet this requirement, you will receive any pension payments which had been withheld from you.

You may request the Trust Fund Office to determine whether or not a job that you are considering would cause your pension payments to be suspended.

Your pension will be increased for Credited Service earned while re-employed, subject to the Plan's maximum of 35 years of Credited Service.

E. HOW MUCH BENEFIT YOU CAN EARN

The amount of your retirement benefit depends on your age and the number of years of Credited Service (see Question 6).

16. How much is your Normal Retirement Benefit?

As of August 1, 2008, if you retire on your Normal Retirement Date (see Question 3) and have not been designated a Former Employee (see Question 7), your monthly Normal Retirement Benefit will be equal to \$34.92 for each year of Credited Service up to a maximum of 35 years.

Example:

If you retire on your Normal Retirement Date with 240 months of Credited Past Service and 80 quarters of Credited Future Service, your monthly retirement benefit will be:

Past Service Benefit	=	240/12 x \$34.92	=	\$ 698.40
Future Service Benefit	=	60/4 x \$34.92	=	<u>\$ 523.80</u>
Total Retirement Benefit	=			<u>\$1,222.20</u>

17. What is your Early Retirement Benefit?

If you retire on your Early Retirement Date and have not been designated a Former Employee (see Question 7), you will have the following choices:

- (a) You may wait until age 65 to start receiving your pension payments. Your benefit at that time will be figured the same way as your Normal Retirement Benefit.
- (b) You may start receiving your pension as soon as you retire. The amount of your benefit will be reduced because you will be receiving payments for a longer period of time than if you waited until age 65 for payments to start.

Since June 1, 1979, the reduction of your accrued Normal Retirement Benefit will be in accordance with the Reduction Schedule below:

Reduction Schedule

1/2 of 1% for each month your Early Retirement Date precedes your Normal Retirement Date up to 60 months, and 3/10 of 1% for each month in excess of 60.

Example:

If you retire with 30 years of Credited Service at age 58, your monthly Normal Retirement Benefit, payable at age 65, would be:

$$30 \text{ years} \times \$34.92 = \$1,047.60$$

This amount is reduced by 60 (number of months between ages 60 and 65) \times 1/2 of 1% = 30.00%

and by 24 (number of months between ages 58 and 60) \times 3/10 of 1% = 7.20%;

$$\text{Total reduction} = 37.2\% \times \$1,047.60 = \$389.70$$

Therefore, your monthly Early Retirement Benefit = $\$1,047.60 - \$389.70 = \$657.90$.

- (c) If you and your spouse have rejected the Automatic Contingent Annuity Option (see Question 21), you may elect to receive a monthly benefit starting on your Early Retirement Date, but adjusted so that, as nearly as possible, your retirement benefit from the Plan, together with your primary Social Security benefit, will provide a level monthly income for life.

Example:

If you are retiring with 30 years of Credited Service at age 60, your monthly Early Retirement Benefit would be \$733.32; that is, your monthly Normal Retirement Benefit payable at age 65 of \$1,047.60, reduced by 30.0% for early retirement or $\$1,047.60 \times 70.0\% = \733.32 .

Assume that at age 62 you would be entitled to a monthly Social Security benefit of about \$600.00.

If you take this level income option, then your monthly payments will be:

	<u>From Age 60 to Age 62</u>	<u>After Age 62</u>
The Plan will pay	\$1,204.70	\$ 604.70
Social Security will pay	<u>-0-</u>	<u>600.00</u>
Total	<u>\$1,204.70</u>	<u>\$1,204.70</u>

18. What will your benefits be if you continue to work beyond your Normal Retirement Date?

If you continue to work for an Employer beyond your Normal Retirement Date (see Question 3) then, upon retirement, you will receive a benefit which is equal to the greater of:

- (a) Credited Service you had earned at the time of your termination times the benefit level in effect on your Postponed Retirement Date; or
- (b) Your Normal Retirement Benefit that you would have received if you had retired on your Normal Retirement Date plus an increase for any month between your Normal Retirement Date, or January 1, 1982 if later, and your actual date of retirement, in which you worked less than 40 Hours of Covered Service.

Your Postponed Retirement Date is the first day of the month following your last day of work.

19. Is there a maximum limit on your retirement benefit?

Yes. Under the Employee Retirement Income Security Act of 1974 (ERISA), there are established amounts of monthly income that can be provided by qualified retirement benefit plans. The maximums are relatively high and it is very unlikely that your benefits will reach such maximums. You will be advised if your individual benefit is restricted by ERISA limits.

20. Will there be any further increases in benefits after you retire?

The Plan currently provides that, when future benefit increases are made for Participants in active Service, all existing retirees who retired from active employment will receive one-half of such benefit

increases. This Plan provision is subject to amendment or termination by the Trustees (see Questions 40 and 41).

A retiree is considered to have retired from active employment if he retired or could have retired and received an Early or Normal Retirement Benefit prior to suffering a Break in Service (see Question 10).

F. HOW YOUR BENEFITS ARE PAID

Upon receipt by the Trustees from you of a written application (an application form may be obtained from the Trust Fund Office) and all other information or proof required to verify your eligibility for benefits, your Normal or Early Retirement Benefits (see Questions 16 and 17) will be paid to you each month for as long as you live and remain retired. These benefits will be paid in other ways if:

- (a) You are married at the time of your retirement and you and your spouse do not reject in writing the Automatic Contingent Annuity Option, or
- (b) You choose another form of benefit payment after you and your spouse reject the Automatic Contingent Annuity Option, or
- (c) The lump sum value of your monthly retirement benefit is less than \$5,000.

21. What is the Automatic Contingent Annuity Option?

ERISA requires that all married retirees have their benefit adjusted under a 50% Contingent Annuity unless both the retiree and his/her spouse elect otherwise in writing. Under this form the monthly benefit to which you would be entitled will be reduced during your lifetime so that if you die before your spouse, he or she will receive a lifetime benefit of 50% of your monthly benefit. The monthly benefit you will receive will be reduced because the Contingent Annuity benefit is payable over your life and your spouse's life instead of your life only. (NOTE: In general, you and your spouse must have been married to each other when the first retirement benefit payment becomes due and for a one-year period before your death. If you have been previously married, however, there are circumstances where your former spouse will be treated like a current spouse by the Plan (see Question 37 for further details).)

Bear in mind that this benefit is automatic for married members—it goes into effect without any action being taken by you. If you do not want this benefit, both you and your spouse must reject this benefit in writing within 180 days of the date benefits are to begin and must either sign the rejection form at the Trust Fund Office in front of the Plan’s representative or must have the signatures notarized.

Only if this benefit has been rejected in accordance with the above requirements will the Plan allow you to receive benefits under a different form. Upon a valid rejection, unless you elect to be covered by a different option, your monthly benefit will not be reduced and there will be no benefit continuation to your spouse.

If you are planning to retire within the next year, write to the Trust Fund Office and ask for a written description of how this benefit works and how it will affect you.

22. What other forms of benefit can you choose at retirement?

Since August 1, 2009, if you are married and you and your spouse have rejected the Automatic Contingent Annuity Option, you may elect to receive a Qualified Optional Joint and Survivor Annuity. Under this form you will receive a reduced monthly income while you and your spouse are both living with your spouse receiving 75% of that amount for life after your death.

If you are married and you and your spouse have rejected the Automatic Contingent Annuity Option, you may elect to receive a Husband-and-Wife “Pop-Up” Pension. Under this form you will receive a reduced monthly income while you and your spouse are both living with your spouse receiving 50% of that amount for life after your death. However, unlike the Automatic Contingent Annuity Option or Qualified Optional Joint and Survivor Annuity that remain reduced if your spouse should predecease you, you receive a “popped-up” benefit if your spouse should die before you. Your “popped-up” benefit would be equal to the amount that you would have received from the Plan if you and your spouse had rejected the Automatic Contingent Annuity Option and not selected an optional form of benefit. The reduction that is applied under this optional form is slightly greater than the reduction that would be applied under the Automatic Contingent Annuity Option.

If you are single or you are married and you and your spouse have rejected the Automatic Contingent Annuity Option, you may elect the regular Contingent Annuity Option provided under the Plan. Under this form you will receive a reduced monthly income for life with 50%, 66-2/3% or 100% of your monthly income going to your beneficiary after your death. You choose the person who is to receive the survivor's benefit—it can be your spouse or any other person. You also choose the percentage of your monthly income to be paid to your survivor. Once payments begin, neither of these decisions can be changed.

The amount of monthly income you receive under this form will depend on the ages of you and your survivor and the percentage of monthly income he or she is to receive. Ask the Trust Fund Office to figure your benefits and further explain this form of benefit before you make this choice.

23. What happens if the lump sum value of your retirement benefit is less than \$5,000?

If your retirement is effective on or after August 1, 1998 and the lump sum equivalent of your monthly retirement benefit is determined to be less than \$5,000, the Fund will pay you your retirement benefit in the form of a lump sum payment. Once this payment has been made, you will not receive any additional benefits from the Fund. (NOTE: If your retirement is effective prior to August 1, 1998, your retirement benefit will be paid in a lump sum payment if its value is less than \$3,500.)

G. IF YOU BECOME DISABLED

You may be entitled to a Disability Retirement Benefit from the Plan if you become totally disabled.

24. When are you entitled to a Disability Retirement Benefit?

Effective on and after January 1, 1993, you will be entitled to receive a Disability Retirement Benefit from this Plan if you meet all of the following requirements:

- (a) You become entitled to a Social Security Disability Pension under Title II of the Social Security Act.

- (b) On the date you first become entitled to your Social Security Disability Pension, you have attained age 55, completed 10 Years of Vesting Service and have earned at least two quarters of Credited Future Service during the two consecutive Plan Year period which immediately precedes the Plan Year in which you first become entitled to such Social Security Disability Pension.

If you meet all of the above requirements, your Disability Retirement Date will be the first day of the month in which you first become entitled to a Social Security Disability Pension.

Example:

You become entitled to a Social Security Disability Pension under Title II of that Act on August 1, 1995. On August 1, 1995, you were age 56, had earned a total of 12 Years of Vesting Service and during the two Plan Year period from August 1, 1993 through July 31, 1995, you had earned four Quarters of Future Service Credit. You are entitled to a Disability Retirement Benefit from this Plan and your Disability Retirement Date is August 1, 1995.

Example:

You become entitled to a Social Security Disability Pension under Title II of that Act on August 1, 1994. On August 1, 1994, you were age 54, had earned a total of 10 Years of Vesting Service and during the two Plan Year period from August 1, 1992 through July 31, 1994, you had earned three Quarters of Future Service Credit. Because your Social Security Disability Pension entitlement date is prior to your 55th birthday, you are not entitled to a Disability Retirement Benefit from this Plan.

25. How does one become entitled to a Social Security Disability Pension?

The determination as to whether you receive a Social Security Disability Pension is made by the Social Security Administration. You will need medical proof from your doctor, hospital, or clinic where you have had treatment showing that you are unable to do any sort of substantial work for pay because of physical or mental disability, and this disability has lasted, or can be expected to last, not less than 12 months. There are also other requirements, such as years of coverage under Social Security, which you must meet. There is a five

months waiting period after your disability begins before you can collect a Social Security Disability Pension.

26. When should you file for a Disability Retirement Benefit?

You should file an application for a Disability Retirement Benefit with the Trust Fund Office as soon as possible after you have quit working (normally the same time that you apply for a Social Security Disability Pension). You should do this in case there is a delay in the processing of your claim by the Social Security Administration.

27. How much is your Disability Retirement Benefit?

If you retire on a Disability Retirement Benefit, you will receive an amount that is equal to the greater of (a) 70% of your Normal Retirement Benefit, or (b) an amount calculated as if you retired on an Early Retirement Benefit.

Example:

You retire on your Disability Retirement Date with 30 years of Credited Service at age 58. Your Normal Retirement Benefit, payable at age 65 would be \$1,047.60. Because you are retiring on a Disability Retirement, you will receive the greater of

(a) \$733.32 (70% of the Normal Retirement Benefit), or

(b) \$657.90 (62.8% of the Normal Retirement Benefit—the Early Retirement Benefit).

Therefore, your Disability Retirement Benefit would be \$733.32.

28. How long will your Disability Retirement Benefits be paid?

Your Disability Retirement Benefit will be paid so long as you are receiving a Social Security Disability Pension.

When you reach age 65, your pension will be continued for life, even if you recover from your disability, provided you remain retired.

If you recover from your disability before age 65, you must report your loss of benefits to the Trust Fund Office within 21 days after the date you receive notice from the Social Security Administration of

such loss. Your benefit will, at that time, be automatically converted into the Early Retirement Benefit you would have received had you retired with an Early Retirement Benefit on your Disability Retirement Date. Your Early Retirement Benefit would then be subject to suspension if you return to work in Covered Service (see Question 15).

29. What if you die while receiving a Disability Retirement Benefit?

A lifetime 50% Contingent Annuity Benefit will be payable to your spouse (see Question 21) if

- (a) You and your spouse did not reject the Automatic Contingent Annuity Benefit, and
- (b) You were married to your spouse at the time of your retirement and for the one-year period before your death.

H. WHAT BENEFITS ARE PAID AFTER YOUR DEATH

30. What if you die before retirement?

Effective August 23, 1984, a pre-retirement death benefit will be paid to your spouse if you should die before you retire but after you become vested under the Plan. This pre-retirement death benefit will be determined as follows:

- (a) If you are younger than age 55 at the time of your death, the pre-retirement death benefit would be figured as if you survived until age 55, retired and then died the following day. This means that your accrued benefit would be reduced for early retirement at age 55 and for the 50% Contingent Annuity form. Your spouse would then receive a benefit from this Plan equal to 50% of this adjusted benefit beginning with the month following the month in which you would have attained age 55 (or the month you would have attained 55 if your birthday is on the first day of the month).
- (b) If you are age 55 or older at the time of your death, the pre-retirement death benefit payable to your spouse would be figured as if your retirement began on the date of your death. This means that your accrued benefit would be reduced for early retirement, if applicable, and for the 50% Contingent Annuity form. Your

spouse would then receive an amount equal to 50% of this adjusted benefit.

Example:

If you are covered by a pre-retirement death benefit, die at age 60 with 20 years of Credited Service, and your surviving spouse is age 56, the approximate monthly benefit paid to your spouse would be:

accrued benefit (20 years x \$34.92)	\$698.40
times 70.0% (reduction for Early Retirement - see Question 17)	\$488.88
times .8902 ³ (reduction for Contingent Annuity form)	\$435.22
spouse's benefit (1/2 of reduced benefit)	\$217.61

Example:

If you have worked under the Plan after August 22, 1984, die at age 45 with 15 years of Credited Service, and your surviving spouse is age 42, the approximate monthly benefit payable to your spouse beginning when you would have reached age 55 would be:

accrued benefit (15 years x \$34.92)	\$523.80
times 52.0% (reduction for Early Retirement - see Question 17)	\$272.38
times .9137 ³ (reduction for Contingent Annuity form)	\$248.88
spouse's benefit (1/2 of reduced benefit)	\$124.44

31. What if the lump sum value of the pre-retirement death benefit is less than \$5,000?

If the lump sum equivalent of the pre-retirement death benefit payable to your spouse is determined to be less than \$5,000, the Fund will pay your spouse his or her pre-retirement death benefit in the form of a lump sum payment. Once this payment has been made, your spouse will not receive any additional benefits from the Fund.

³This percentage is approximate and will vary with the age of both you and your spouse.

32. What if you die after retirement?

Any death benefits after retirement will depend on how you chose to have your benefits paid.

Thus, if you and your spouse reject the Automatic Contingent Annuity Option and did not elect the Qualified Optional Joint and Survivor Annuity, the Husband-and-Wife "Pop-Up" Pension or the regular Contingent Annuity Option with a named beneficiary, no death benefits of any kind will be payable.

I. YOUR RIGHTS

All members of the Plan have certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

33. What are your rights?

As a Participant in the Hotel Union & Hotel Industry of Hawaii Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants shall be entitled to:

(a) Receive Information About Your Plan and Benefits

- Examine, without charge, at the Plan Administrator's office and at other specified locations, such as worksites and union halls, 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 (formerly Pension and Welfare Benefits 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 twelve (12) months. The Plan must provide the statement free of charge.

(b) 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 employee benefit 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.

(c) 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 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 or a medical child support 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.

(d) Assistance with Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. 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, listed in your telephone directory 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.

J. OTHER FACTS YOU NEED TO KNOW

34. How may you lose your rights to a benefit?

There are circumstances which may result in loss or suspension of benefits for you or your beneficiary.

No benefits will be paid if any of the following occur:

- (a) you incur a Permanent Break in Service (see Question 11) and have all your Credited Service canceled;

- (b) you or your spouse do not file a written application for benefits with the Trustees (an application form may be obtained from the Trust Fund Office);
- (c) you are not vested, incur a Break-in-Service in the Plan Year prior to your Normal Retirement Date, and you do not again become a Participant under the Plan;
- (d) you die before retirement and while you are not covered by the pre-retirement death benefit provisions of the Plan (see Question 30);
- (e) you or your spouse fail to furnish the Trustees with information or proof required.

Retroactive benefit payments under the Plan are limited to a period that does not exceed 6 months prior to the date of your application. In order to avoid this loss, you should file your written application for benefits with the Trust Fund Office as soon as you believe that you are eligible and wish to begin your pension payments.

Your retirement benefits will be suspended for any month in which you return to Covered Service for 40 or more Hours of Covered Service (see Question 15).

35. Do you have to begin to draw your pension by a certain age?

Yes, in certain cases. All participants who attain age 70-1/2 after calendar year 1987 must begin to draw their pension by no later than the April 1 following the calendar year in which they attain age 70-1/2, even if they continue to work in Covered Service beyond that date.

36. Will Social Security benefits affect your retirement benefits?

No. Your retirement benefits under this Plan are in addition to benefits paid by Social Security.

37. What happens if your benefits under this Plan are subject to a qualified domestic relations order?

(a) Definition

A qualified domestic relations order (“QDRO”) is a judgment, decree or order (including approval of a property settlement agreement) which relates to the provision of child support, alimony payments, or marital property rights to a spouse, former spouse, child or other dependent of a participant, is made pursuant to a state domestic relations law (including community property laws), and meets a series of specific criteria set forth in both the Employee Retirement Income Security Act of 1974 and the Internal Revenue Code.

(b) Procedure

If the Plan Administrator receives an instrument that purports to be a qualified domestic relations order affecting your interest in the Plan, you will be notified, and you will be provided with a copy of the Plan's established procedure for determining whether or not the instrument constitutes a qualified domestic relations order.

Participants and beneficiaries can obtain, without charge, a copy of these procedures from the Plan Administrator.

(c) Effect of a Qualified Domestic Relations Order

A qualified domestic relations order creates rights in a person known as an “alternate payee.” The alternate payee may become entitled to any part of, or all of, your interest under the Plan. In addition, the order may grant to a former spouse the rights normally provided to a surviving spouse under the Plan, preventing a later spouse from having full spousal rights.

38. What is the claims procedure to obtain benefits from the Plan?

Claims for all benefits must be filed in writing on forms available from the Trust Fund Office.

If your claim for benefits is denied in whole or in part, a written notice will be sent to you. The notice will explain the reasons for the denial.

This denial notice will normally be sent to you within 90 days of the date your application is received by the Trust Fund Office, unless it is determined that special circumstances require an extension in the time for processing your application. You will be sent a written notice of extension (not to exceed 90 days from the end of the initial 90 day period) if an extension is required.

If, after you receive a denial notice, you disagree with the decision, you may appeal the decision by filing an appeal in writing with the Trust Fund Office within 60 days of receiving the decision, after which the Trustees will review the denial of the claim. If they believe it would be useful, they may hold a hearing at which you and your representative may appear. You will be given adequate advance notice of any hearing. The decision of the Trustees shall be in writing, will include specific reasons for the decision and references to those Plan provisions on which the decision is based, and will normally be sent to you within 60 days of your appeal (it may take up to 120 days if circumstances warrant it).

39. Are there any guarantees of your benefits?

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's maximum guarantee limit is \$35.75 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 than 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 the PBGC and the benefits it guarantees, ask your Plan Administrator or contact the PBGC's Technical Assistance Division, 1200 K Street, N.W., Suite 930, Washington, D.C. 20005-4026 or call 202-326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to 202-326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at <http://www.pbgc.gov>.

Your Employer may also be required to pay to the Trust Fund his "fair share" of the Fund's Unfunded Vested Liability if he should withdraw from the Plan.

40. Will the Plan ever be changed?

It is hoped that the Plan will continue in its present form, but the Trustees reserve the right to change, modify, or amend the Plan at any time.

Many provisions of the Plan are subject to provisions of ERISA and regulations issued under that law. Legal interpretation of the law continue to be issued. As a result of these interpretations, it may become necessary for the Plan to be modified.

This booklet will be updated from time to time to reflect any changes which may become necessary.

41. What about the future of the Plan?

It is expected that the Plan will continue indefinitely, however, the Board of Trustees reserves the right to terminate this Plan at anytime.

The Plan could also be terminated as a result of an agreement between the Employer and the Union. If the Plan is terminated, you will become 100% vested and all funds held in the Trust Fund, to the extent available, will be used to provide benefits to the Plan participants and beneficiaries. In no event would the termination of the Plan result in the reversion of any assets to any contributing Employer.

If at termination, the Plan's assets are insufficient to fully fund the benefits of all participants and beneficiaries, they may receive all or a portion of the balance of their benefits from the Pension Benefit Guarantee Corporation (see Question 39).

42. Who Has Discretionary Authority Over the Plan?

In carrying out their respective responsibilities under the Fund, the Board of Trustees, other Fund fiduciaries and individuals to whom responsibility for the administration of the Fund has been delegated, have discretionary authority to interpret the terms of the Fund and to determine eligibility and entitlement to Fund Benefits in accordance with the written terms of the Fund. Any interpretation or determination under such discretionary authority will be given full force and effect, unless it can be shown that the interpretation or determination was arbitrary and capricious.

K. INFORMATION REQUIRED UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974 (ERISA)

Name of Plan:

Hotel Union & Hotel Industry of Hawaii Pension Plan.

Plan Sponsor and Plan Administrator:

Board of Trustees of the
Hotel Union & Hotel Industry of Hawaii Pension Plan
560 N. Nimitz Highway, Suite 209
Honolulu, Hawaii 96817

Phone: Oahu 523-0199
 Neighbor Islands 1-(866)-772-8989

Participants and beneficiaries may receive from the Plan Administrator, upon written request, information as to whether a particular Employer is participating in the Plan, and if so, the Employer's address.

Identification Numbers:

Assigned by the Internal Revenue Service (EIN): 99-6024339

Assigned by the Plan Sponsor: Plan No. 001

Type of Plan:

The Plan is known as a “**defined benefit plan.**” This means that pension benefits are determined by a formula.

Type of Administration:

The Board of Trustees has engaged Benefit Risk Management, Inc. at 560 N. Nimitz Highway, Suite 209, Honolulu, Hawaii 96817 to serve as Contract Administrator for the Pension Trust Fund.

Agent for Legal Process:

Ms. Carla Jacobs
Benefit Risk Management, Inc.
560 N. Nimitz Highway, Suite 209
Honolulu, Hawaii 96817

Service of legal process may also be made upon a Plan Trustee or the Plan Administrator.

Fiscal Year:

The ending date of the Plan's fiscal year is July 31.

Funding Medium:

Your benefits are funded by contributions made by individual Employers under provisions of a collective bargaining agreement. These contributions and all investment earnings are held in a Trust Fund.

Collective Bargaining Agreement:

The Hotel Union & Hotel Industry of Hawaii Pension Trust Fund was first established, effective August 1, 1962, by the various Collective Bargaining Agreements between the hotels represented by the Council of Hawaii Hotels, other hotels, and the Hotel Employees and Restaurant Employees, Local 5, AFL-CIO. The collective bargaining agreements are available for examination by participants and beneficiaries and a copy may be obtained upon written request (see Question 33).

Name, Title and Address of Principal Place of Business of Each Trustee:

MANAGEMENT TRUSTEES:

Kevin Gleason

Director, West Coast
Labor Relations
Starwood Hotels & Resort
Worldwide, Inc.
125 Third Street
San Francisco, California 94103

Cyrus Oda

CFO/Treasurer
Kyo-ya Hotels & Resorts, L.P.
2255 Kalakaua Avenue
Honolulu, Hawaii 96815

Julie Walker

Director of Human Resources
Hilton Hawaiian Village
2005 Kalia Road
Honolulu, Hawaii 96815

LABOR TRUSTEES:

Eric Gill

Financial Secretary - Treasurer
UNITE H.E.R.E.,
Local 5, AFL-CIO
1516 S. King Street
Honolulu, Hawaii 96826

Daniel Kerwin

Lead Organizer
UNITE H.E.R.E.,
Local 5, AFL-CIO
1516 S. King Street
Honolulu, Hawaii 96826

Hernando Tan

President
UNITE H.E.R.E.,
Local 5, AFL-CIO
1516 S. King Street
Honolulu, Hawaii 96826

MANAGEMENT TRUSTEES:

Nona Tamanaha (Alternate)
Area Director of Human
Resources
Royal Hawaiian Hotel
2259 Kalakaua Avenue
Honolulu, Hawaii 96815

Carla Thomas (Alternate)
Director of Human Resources
Grand Hyatt Kauai
1571 Poipu Road
Koloa, Hawaii 96756

LABOR TRUSTEES:

Ross Baniaga (Alternate)
Comptroller
UNITE H.E.R.E.,
Local 5, AFL-CIO
1516 S. King Street
Honolulu, Hawaii 96826

Doryne Jardine (Alternate)
Member & Staff
Services Supervisor
UNITE, H.E.R.E.,
Local 5, AFL-CIO
1516 S. King Street
Honolulu, Hawaii 96826

Bonifacio Sacayanan (Alternate)
Income Auditor
Sheraton Waikiki
2525 Kalakaua Avenue
Honolulu, Hawaii 96815

