

TO: THE SACRAMENTO INDEPENDENT HOTEL, RESTAURANT AND TAVERN EMPLOYEES PENSION PLAN PARTICIPANTS

Important: Notice of Plan Merger

This is to notify you that the Sacramento Independent Hotel, Restaurant and Tavern Employees Pension Plan (“SIHRTE Pension Plan”) intends to join other west coast UNITE HERE pension plans to create a new merged fund.¹ We have set forth below some FAQs in order to answer questions you may have about the merger.

1. Why is the Plan merging?

Upon review of the financial impact of the merger and preliminary due diligence, the Board of Trustees of the SIHRTE Pension Plan has determined that this merger will be in the best interests of the participants for numerous reasons, including:

- With a broader, more geographically diverse and more secure contribution base covering employees in the gaming, hospitality, restaurant and food-service industries, the plan will be better positioned to weather economic downturns and financial crises.
- There will be significant administrative efficiencies derived from a larger merged plan which are expected to lower overall administrative costs.
- The larger merged fund will improve investment opportunities and provide potential savings in investment related expenses.

In general, overall plan costs will decrease and a larger plan with increased diversity, both in geography and the participating employer base, will be more financially stable.

2. What will the new plan be named?

The merged plan will be called the **Western UNITE HERE and Employers Pension Fund**.

¹ The funds that have voted to merge are: Sacramento Independent Hotel, Restaurant and Tavern Employees Pension Trust; San Diego UNITE-HERE Pension Fund; San Francisco Culinary Bartenders and Service Employees Pension Trust Fund; Southern Nevada Culinary and Bartenders Pension Trust; and UNITE HERE Northwest Pension Trust Fund. We understand that San Mateo Hotel Employees and Restaurant Employees Pension Trust Fund is still considering the merger.

3. When will the merger happen?

The merger is expected to become effective January 1, 2024. You will be notified if this date gets extended or if anything changes.

4. Who will represent the new merged fund?

The Board of Trustees of the merged fund will include nine Union Trustees and nine Management Trustees. The nine Union Trustees will be appointed by the local unions in the funds participating in the merger, including the Culinary Union Local 226 (Las Vegas), Bartenders Local 165 (Las Vegas), Local 2 (San Francisco), Local 8 (Seattle/Portland), Local 30 (San Diego), Local 49 (Sacramento) and the International Union. The nine Management Trustees will be appointed by employers in the gaming, hospitality, restaurant and food-service industries.

5. Will my benefits change or improve?

Now and through the merger, your benefits will remain the same, except that effective with the merger the SIHRTE Pension Plan may increase benefits. Once the merger is completed, the new Board of Trustees for the Western UNITE HERE and Employers Pension Fund and Trustees specifically representing your local plan will have the authority to improve benefits as feasible.

We believe a larger pension fund will be better positioned to improve benefits over time. With lower administrative costs and a more diverse employer base creating a more financially sound plan, more funds will be available to strengthen your pension benefits. Your Union and your Employer may take the opportunity in the future to bargain increased benefits.

6. Will the merger affect my earned benefit?

Absolutely not. The law does not allow a merger to cause a reduction to the benefits you have already earned.

7. Will the new fund have the same contact information?

Yes, the Plan will remain with its current administrator after the merger. In the future, the Board of Trustees of the new **Western UNITE HERE and Employers Pension Fund** may make changes to the administrative services for the new fund. In such case, you will be provided ample notice regarding any new contact information. As a reminder, the Plan's current office location and contact information is set forth below:

Location: **SIHRTE PENSION PLAN**
7180 Koll Center Parkway, Suite 200
Pleasanton, CA 94566

Mailing address: **SIHRTE PENSION PLAN**
c/o BeneSys Administrators
P.O. Box 1306
San Ramon, CA 94583
T: (925) 398-7044
F: (925) 462-0108

Please further note if you plan on retiring prior to the merger, continue to send your retirement application to the current administrator's address indicated above.

8. Do I need to do anything regarding the merger?

No. You do not need to take any actions regarding the merger at this time. We will provide further updates as necessary as the merger moves forward. In the meantime, you may continue to contact the same administrative office for the Plan (set forth above) for any questions or claim for benefits. Eventually a new Summary Plan Description (known also as the Plan rules) will be provided to you at a future time.