

UNITE HERE NATIONAL RETIREMENT FUND

6 Blackstone Valley Place
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April 30, 2010

VIA REGULAR MAIL

U.S Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Avenue, NW
Washington, DC 20210

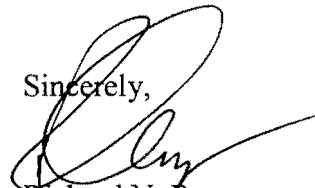
Re: UNITE HERE National Retirement Fund, EIN No. 13-6130178

To Whom It May Concern:

Enclosed please find one (1) copy of the Notice of Critical Status for the above referenced fund.

Please do not hesitate to contact me should you have any questions.

Sincerely,



Richard N. Rust
Fund Manager

Enclosure

**NOTICE OF CRITICAL STATUS
FOR
UNITE HERE NATIONAL RETIREMENT FUND**

This Notice is to inform you that on March 31, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the Trustees, that the UNITE HERE National Retirement Fund (the "Fund") is in critical status for the plan year beginning January 1, 2010. Federal Law requires that you receive this Notice.

This Notice is being sent to all of the Fund's participants, beneficiaries, the participating employers, associated unions (UNITE HERE, Workers United, Service Workers United and SEIU), the Pension Benefit Guaranty Corporation and the Department of Labor.

Critical Status

The Fund is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Fund's actuary determined that the sum of the Fund's normal cost and interest on the unfunded benefits for the current year exceeds the present value of all expected contributions for the year; the present value of vested benefits of inactive participants is greater than the present value of the vested benefits of active participants; and the Fund is projected to have an accumulated funding deficiency for the 2013 plan year (not taking into account any amortization extensions).

Rehabilitation Plan and Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the Fund. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. The Fund's rehabilitation plan includes a reduction in future benefit accruals and adjustable benefits. Any reductions of adjustable benefits will not reduce the level of your basic benefit payable at normal retirement age. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement dates are on or after June 1, 2010. But you should know that whether or not the Fund reduces adjustable benefits in the future, effective as of April 30, 2010, the Fund is not permitted to pay lump sum benefits in excess of \$5,000 (or any other payment in excess of the monthly amount paid under a single life annuity) while the Fund is in critical status.

Adjustable Benefits

The Fund offers the following adjustable benefits which may be eliminated as part of the rehabilitation plan the Fund adopted:

- Disability benefits (if not yet in pay status);
- Pre-retirement guaranteed death benefits; and
- Post-retirement guaranteed death benefits.

Employer Surcharge

The law requires that all contributing employers pay to the Fund a surcharge to help correct the Fund's financial situation. The amount of the surcharge is equal to a percentage of the amount an employer is otherwise required to contribute to the Fund under the applicable collective bargaining agreement. With some exceptions, a 5% surcharge is applicable in the initial critical year and a 10% surcharge is applicable for each succeeding plan year thereafter in which the Fund is in critical status.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office at 6 Blackstone Valley Place, Suite 302, Lincoln, RI 02865 (800) 452-4155. You have a right to receive a copy of the rehabilitation plan from the Fund.