

May 24, 2007

MONTHLY NEWS AND INFORMATION FROM THE FUND SECRETARY

Korshak Retiree Health Care Agreement

I am pleased to report that the four City pension Funds, the City of Chicago and the special intervening class have come to an *agreement in principal* Regarding an amendment to the Korshak Settlement Order that governs the operations of the city of Chicago Health Care Program for Annuitants.

Lawyers for the Funds, the City and the intervening class continue to finalize the language of this agreement that will require that an annual reconciliation between the actual health care costs to be shared among the City, the funds and the annuitants and the amounts paid as premiums by each annuitant class. This settlement agreement amendment also covers the circumstances surrounding the potential issuance of refunds to annuitants who may have overpaid.

We will keep all members advised of any further information as it becomes available.

Ende Menzer Walsh & Quinn Widow's and Orphans Assistance Fund

I am pleased to report to all members that the Internal Revenue Service has granted tax exempt 501(c)(3) charity status to this Fund established specifically to help our neediest widows and orphans. As Secretary, and on behalf of all the Trustees, I would like to extend the Board's gratitude to Fund Counsel Mary Patricia Burns and Fund Executive Director Ken Kaczmarz for their efforts which were donated. This tax exempt status will allow all members the opportunity to make tax deductible donations on behalf of our neediest members. Similarly, gifts made to the needy members will no longer be treated as taxable income to them.

We will notify all members when all of the administrative work concerning this account has been completed and it becomes operational.