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As filed with the Securities and Exchange Commission on September 8, 2020

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

AMALGAMATED FINANCIAL CORP.

(Exact name of registrant as specified in its charter)

Delaware	6022	85-2757101
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S Employer Identification Number)

275 Seventh Ave.
New York, NY 10001
(212) 255-6200
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Keith Mestrich
President and Chief Executive Officer
Amalgamated Financial Corp.
275 Seventh Ave.
New York, NY 10001
(212) 255-6200
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:
Neil E. Grayson
Allie L. Nagy
Brittany M. McIntosh
Nelson Mullins Riley & Scarborough, LLP
2 W. Washington St., Suite 400
Greenville, South Carolina 29601
(864) 250-2235

Approximate date of commencement of proposed sale of the securities to the public: As soon as practicable after this registration statement becomes effective and upon consummation of the transactions described in the enclosed document.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller Reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) ☐
Exchange Act Rule 14d-1(d) (Cross-Border Third Party Tender Offer) ☐

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered(1)	Proposed maximum offering price per unit(2)	Proposed maximum aggregate offering price(2)	Amount of registration fee(3)
Common stock, par value $0.01 per share	34,339,325	$11.83	$406,234,214.75	$52,729.20

(1) Based on the approximate number of shares of common stock, par value $0.01 per share of Amalgamated Financial Corp. to be issued in respect of the same number of outstanding shares of Class A common stock, par value $0.01 of Amalgamated Bank, including shares issuable pursuant to equity awards to be assumed by Amalgamated Financial Corp. upon completion of the reorganization of Amalgamated Bank pursuant to a Plan of Acquisition. Each stockholder of Amalgamated Bank will receive one share of Amalgamated Financial Corp. common stock in exchange for each share of Amalgamated Bank Class A common stock.

(2) Estimated solely for the purpose of calculating the registration fee in accordance with Rules 457(c) and 457(f) under the Securities Act. The proposed maximum aggregate offering price was calculated by multiplying (i) 34,339,325 shares, the estimated maximum number of shares of Amalgamated Bank Class A common stock to be received by the Registrant, including 31,049,525 shares of Amalgamated Bank Class A common stock issued and outstanding, 2,507,435 shares of Class A common stock reserved for issuance upon the exercise of outstanding restricted stock unit awards or stock option awards, 782,365 shares of common stock reserved for issuance for future grants under benefit plans, by (ii) $11.83, the average of the high and low prices per share of Amalgamated Bank Class A common stock as reported on The Nasdaq Global Market on September 1, 2020.

(3) Calculated pursuant to Rule 457 of the Securities Act by multiplying the proposed maximum aggregate offering price of securities to be registered by .0001298.

This Registration Statement shall become effective in accordance with Section 8(a) of the Securities Act of 1933.

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THE INFORMATION HEREIN IS NOT COMPLETE AND MAY BE CHANGED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE U.S. SECURITIES AND EXCHANGE COMMISSION. WE MAY NOT COMPLETE THE REORGANIZATION AND ISSUE THESE SECURITIES UNTIL THE REGISTRATION STATEMENT IS EFFECTIVE. THIS PROSPECTUS IS NOT AN OFFER TO SELL THESE SECURITIES AND IT IS NOT SOLICITING AN OFFER TO BUY THESE SECURITIES, NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE IS NOT PERMITTED OR WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

SUBJECT TO COMPLETION,
DATED SEPTEMBER 8, 2020

AMALGAMATED BANK
275 Seventh Ave.
New York, NY 10001
(Proxy Statement)

AMALGAMATED FINANCIAL CORP.
275 Seventh Ave.
New York, NY 10001
(Prospectus)

REORGANIZATION PROPOSED
YOUR VOTE IS IMPORTANT

The board of directors of Amalgamated Bank, which we refer to as the Bank, we, us or our, is proposing a reorganization that, if approved by our state banking regulator and by our stockholders, will result in the Bank becoming a wholly owned subsidiary of a newly-organized bank holding company, Amalgamated Financial Corp., a Delaware public benefit corporation, which we refer to as the Holding Company or Amalgamated Financial, that will, in turn, be owned by the current stockholders of the Bank. The reorganization involves only a change in the form of ownership of Amalgamated Bank, and does not involve a sale of the Bank and it will not change your equity or voting interest in our operations relative to other stockholders. If the reorganization is completed, each outstanding share of Class A common stock of the Bank, which we refer to as Bank common stock, will be exchanged for one share of common stock of the Holding Company, which we refer to as Holding Company common stock or Amalgamated Financial common stock, all currently-outstanding options to purchase Bank common stock will be converted into substantially identical options to purchase a like number of shares of Holding Company common stock, and each outstanding award of Bank restricted stock units will be automatically converted into a substantially identical award of Holding Company restricted stock units.

Bank common stock is listed on The Nasdaq Global Market under the symbol “AMAL” and we expect that, following the reorganization, Holding Company common stock will be similarly listed.

The reorganization can only occur if the holders of two-thirds of the outstanding shares of Bank common stock approve it. The Bank is holding a special meeting of its stockholders on [•], 2020 for this purpose. At the special meeting, stockholders of the Bank will be asked to consider and vote on the proposed reorganization.

This document is both a proxy statement by which the board of directors of the Bank is soliciting proxies for use at the special meeting, and a prospectus relating to the shares of Holding Company common stock that Bank stockholders will receive in the reorganization if it is completed.

You should read the information under “RISK FACTORS” beginning on page 18 before you decide how to vote.

Our board of directors believes that the reorganization is in the best interests of the Bank and its stockholders, unanimously approved the reorganization, and unanimously recommends that you vote “FOR” approval of the reorganization.

THE SHARES OF HOLDING COMPANY COMMON STOCK TO BE ISSUED IN THE REORGANIZATION WILL NOT BE SAVINGS ACCOUNTS OR DEPOSITS, AND WILL NOT BE INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENT AGENCY.

NEITHER THE U.S. SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION OR REGULATORY BODY HAS APPROVED OR DISAPPROVED THE SECURITIES TO BE ISSUED IN THE REORGANIZATION, PASSED UPON THE ACCURACY OF THIS PROXY STATEMENT/PROSPECTUS OR DETERMINED IF THIS PROXY STATEMENT/PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

YOUR VOTE IS VERY IMPORTANT, regardless of how many shares you own. You have a number of ways to vote (mail-in proxy or on-line) in addition to voting by ballot if you are present in person at the meeting, and we encourage you to use them. Voting by the Internet is fast and convenient, and your vote is immediately confirmed and tabulated. You may also vote by completing, signing, dating and returning the accompanying proxy card in the enclosed return envelope. By using the Internet, you help us reduce postage and proxy tabulation costs. Your vote is important, and we appreciate the time and consideration that we are sure you will give it.

Very truly yours,

/s/ Lynne P. Fox
Lynne P. Fox, Chair of the Board of Directors

This proxy statement/prospectus is dated [●], 2020, and is first being mailed to the Bank's stockholders on or about [●], 2020.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS
TO BE HELD ON [•], 2020

To the Stockholders of Amalgamated Bank:

You are cordially invited to attend the special meeting of stockholders of Amalgamated Bank to be held at [•] a.m., Eastern Time, on [•], 2020 at our principal executive office located at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001, for the following purposes:

1. The approval of the reorganization of the Bank into a holding company form of ownership by approving a Plan of Acquisition, pursuant to which the Bank will become a wholly owned subsidiary of the Holding Company, a newly formed Delaware public benefit corporation, and each outstanding share of Class A common stock of the Bank, which we refer to as Bank common stock, will be exchanged for one share of common stock of the Holding Company, which we refer to as Holding Company common stock (we refer to this proposal as the reorganization proposal); and
2. The adjournment of the special meeting, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to constitute a quorum or to approve the reorganization proposal (we refer to this proposal as the adjournment proposal).

Only holders of record of Bank common stock as of [•], 2020 are entitled to notice of and to vote at the special meeting. Each share of Bank common stock entitles the holder to one vote on all matters voted on at the meeting. The enclosed proxy statement/prospectus provides you with detailed information regarding the business to be considered at the meeting. Your vote is important. We urge you to please vote your shares now whether or not you plan to attend the meeting. You may revoke your proxy at any time before the proxy is voted by following the procedures described in the enclosed proxy statement/prospectus.

Attendance Considerations. Although our informal policy is generally to have our board members be present in person at any meeting of stockholders, that is not a legal requirement. Given today's public health concerns, we are advising our directors not to attend the special meeting in person. We advise our stockholders to take into account the current health environment, the risks to your personal health and the health of others, and the advice of health authorities to use social distancing. We will be providing an alternative to physical attendance at the special meeting and will provide updates on our Investor Relations website at http://ir.amalgamatedbank.com/ under "News & Events." We encourage you to check this website prior to the date of the special meeting.

The proposed reorganization entitles you to dissent and demand payment for your shares of Bank common stock under Section 143-a of the New York Banking Law (if the reorganization proposal is adopted by our stockholders at the special meeting despite your dissent), but only if you fulfill the requirements of Section 6022 of the New York Banking Law (a copy of which is provided at Annex B to the accompanying proxy statement/prospectus), which require you to, among other things, submit a written objection to us before the vote of the stockholders at the special meeting. Please refer to the New York Banking Law for a complete description of the applicable requirements and restrictions regarding your dissenters' rights.

Our directors unanimously believe that the proposed reorganization is in the best interests of the Bank and its stockholders, and urge you to vote **FOR** the reorganization proposal.

By Order of the Board of Directors,

/s/ Lynne P. Fox
Lynne P. Fox, Chair of the Board of Directors

[•], 2020

WHERE YOU CAN FIND MORE INFORMATION

Bank Periodic Reports

The Bank is subject to the reporting and other information requirements of the Securities Exchange Act of 1934, as amended, which we refer to as the Exchange Act, and accordingly files reports, proxy statements and other business and financial information with the Federal Deposit Insurance Corporation, which we refer to as the FDIC. You may read and copy this information at the public reference facilities maintained by the FDIC, at the Public Reference Section, Room F-6043, 550 17th Street, N.W., Washington, DC 20429. You may also request copies of this information by telephone at (877) 275-3342 or by fax at (202) 898-3909.

The FDIC also maintains an Internet website that contains reports, proxy statements, and other information about issuers, such as the Bank, who file electronically with the FDIC. The address of the site is http://www.fdic.gov/efr/. The reports and other information filed by the Bank with the FDIC are also available at the Bank's website, free of charge, at http://www.amalgamatedbank.com, under Investor Relations. The web addresses of the FDIC and the Bank are included as inactive textual references only. Except as specifically incorporated by reference into this proxy statement/prospectus, information on those web sites is not part of this proxy statement/prospectus.

Holding Company Periodic Reports

The Holding Company is not currently subject to the reporting and information requirements of the Exchange Act. If the reorganization takes place, the Holding Company will become subject to the Exchange Act and will be required to file reports, proxy statements and other business and financial information with the U.S. Securities and Exchange Commission, which we refer to as the SEC, in the same manner and to the same extent as the Bank is currently required to file such reports, proxy statements and other business and financial information with the FDIC.

Holding Company Registration Statement

The Holding Company has filed with the SEC, a registration statement on Form S-4EF relating to the shares of Holding Company common stock that will be issued in the reorganization, of which this document forms a part. As permitted by SEC rules, this proxy statement/prospectus does not contain all of the information included in the registration statement or in the exhibits or schedules to the registration statement. You may obtain a free copy of the registration statement, including any amendments, schedules and exhibits at the address set forth below. Statements contained in this document as to the contents of any contract or other documents referred to in this document are not necessarily complete. In each case, you should refer to the copy of the applicable contract or other document filed as an exhibit to the registration statement. This document incorporates by reference documents that the Bank has previously filed under the Exchange Act, and that it may file through the date of the special meeting, with the FDIC. They contain important information about the Bank and its financial condition. For further information, please see the section entitled "Incorporation of Certain Documents by Reference." These documents are available without charge to you upon written or oral request to the Bank's principal executive office. The address and telephone number of such principal executive office is listed below.

Amalgamated Bank
275 Seventh Avenue
New York, New York 10001
Attention: Corporate Secretary
(212) 895-4490

To ensure timely delivery of any requested information, you must make any request no later than [•], 2020, which is five business days before the special meeting.

ABOUT THIS PROXY STATEMENT/PROSPECTUS

All references in this proxy statement/prospectus to “Amalgamated Financial” or the “Holding Company” refer to Amalgamated Financial Corp., a Delaware public benefit corporation and all references to “Amalgamated Bank” or the “Bank” refer to Amalgamated Bank, a New York state-chartered bank and trust company. All references in this proxy statement/prospectus to “Holding Company common stock” or “Amalgamated Financial common stock” refer to the common stock of Amalgamated Financial, par value $0.01 per share, and all references in this proxy statement/prospectus to “Bank common stock” refer to the Class A common stock of Amalgamated Bank, par value $0.01 per share. All references in this proxy statement/prospectus to “we,” “our” and “us” refer to the Bank, unless otherwise indicated or as the context requires.

This proxy statement/prospectus, which forms part of a registration statement on Form S-4EF filed with the SEC by Amalgamated Financial, constitutes a prospectus of Amalgamated Financial under Section 5 of the Securities Act of 1933, as amended, referred to as the Securities Act, with respect to the shares of Amalgamated Financial common stock to be offered to Bank stockholders in connection with the reorganization. This proxy statement/prospectus also constitutes a proxy statement for the Bank under Section 14(a) of the Exchange Act. It also constitutes a notice of meeting with respect to the Bank’s special meeting of stockholders.

No person has been authorized to give any information or make any representation about the reorganization, the Holding Company or the Bank that differs from, or adds to, the information in this proxy statement/prospectus or in documents that are publicly filed by the Holding Company with the SEC or by the Bank under the Exchange Act with the FDIC. We take no responsibility for, and provide no assurance as to the reliability of, any other information that others may give you. This document is dated [•], and you should assume that the information in this document is accurate only as of such date. You should assume that the information incorporated by reference into this document is accurate as of the date of such document. Neither the mailing of this proxy statement/prospectus to Bank stockholders nor the issuance of Holding Company common stock in the reorganization shall create any implication to the contrary.

This proxy statement/prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, any securities, or the solicitation of a proxy, in any jurisdiction in which or from any person to whom it is unlawful to make any such offer or solicitation in such jurisdiction.

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Annex A – Plan of Acquisition between Amalgamated Bank and Amalgamated Financial Corp.

Annex B – Dissenters' Rights Provisions of Section 6022 of the New York Banking Law

Annex C – Certificate of Incorporation of Amalgamated Financial Corp.

Annex D – Bylaws of Amalgamated Financial Corp.

QUESTIONS AND ANSWERS ABOUT THE SPECIAL MEETING

The following are answers to certain questions that you may have regarding the reorganization and the Bank's special meeting. We urge you to read carefully the remainder of this proxy statement/prospectus because the information in this section may not provide all the information that might be important to you in determining how to vote. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this proxy statement/prospectus.

Why am I receiving this document?

This document serves two purposes. First, it is a proxy statement by which the Bank's board of directors is soliciting proxies for use at a special meeting of stockholders of the Bank, which we refer to as the special meeting, to consider a proposed reorganization involving the formation of a holding company for the Bank. The reorganization would be effected by a Plan of Acquisition, which has been approved by the boards of directors of the Bank and the Holding Company and is being recommended to the stockholders of the Bank for their approval. A copy of the Plan of Acquisition is attached to this proxy statement/prospectus as Annex A and is incorporated by reference herein.

Second, this document is a prospectus relating to the shares of Holding Company common stock that Bank stockholders will receive if the proposed reorganization is completed.

What am I being asked to vote on?

The Bank is soliciting proxies from its stockholders with respect to the following proposals:

- a proposal to approve a proposed reorganization in which Amalgamated Financial will become a bank holding company of the Bank and will own all of the shares of the Bank; and
- a proposal to adjourn the special meeting, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to constitute a quorum or to approve the reorganization proposal.

When and where will the special meeting be held?

The special meeting will be held on [•], 2020, at [•] a.m. local time, at the Bank's principal executive office located at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001.

Who is entitled to vote at the special meeting?

All holders of Bank common stock who held shares at the close of business on [•], 2020, which we refer to as the record date, are entitled to receive notice of and to vote at the Bank special meeting, provided that such shares of Bank common stock remain outstanding on the date of the special meeting.

What constitutes a quorum at the special meeting?

Holders of a majority of the outstanding shares of Bank common stock as of the record date must be present at the meeting, either in person or by proxy, to hold the meeting and conduct business. This is called a quorum. In determining whether we have a quorum at the special meeting for purposes of all matters to be voted on, all votes "for" or "against" and all votes to "abstain" will be counted. When a brokerage firm votes its customers' unvoted shares on routine matters, these shares are counted for purposes of establishing a quorum to conduct business at the meeting. If a brokerage firm indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular matter, then those shares will be treated as "broker non-votes." Shares represented by broker non-votes will be counted in determining whether there is a quorum.

What vote is required to approve each proposal at the special meeting?

Reorganization proposal:

- Standard: Approval of the reorganization proposal requires the affirmative vote of two-thirds of the issued and outstanding shares of Bank common stock entitled to vote. Bank stockholders must approve the reorganization proposal in order for the reorganization to occur. If Bank stockholders fail to approve the reorganization proposal, the reorganization will not occur.
- Effect of abstentions and broker non-votes: If you fail to vote, mark "ABSTAIN" on your proxy card or fail to instruct your bank or broker how to vote with respect to the reorganization proposal, it will have the same effect as a vote "AGAINST" the proposal.

Adjournment proposal:

- Standard: Assuming a quorum is present, approval of the adjournment proposal requires the affirmative vote of a majority of the votes cast by the holders of shares of Bank common stock present in person or represented by proxy and entitled to vote at the special meeting. If the Bank's stockholders fail to approve the adjournment proposal, but approve the reorganization proposal, the reorganization may nonetheless occur.
- Effect of abstentions and broker non-votes: If you fail to vote, mark "ABSTAIN" on your proxy card or fail to instruct your bank or broker how to vote with respect to the adjournment proposal, you will be deemed not to have cast a vote with respect to the proposal and it will have no effect on the proposal.

Why do we need a bank holding company?

We believe that the bank holding company structure will help our overall organization to be more competitive. With the bank holding company structure, we believe that as the Bank continues to grow and prosper, we will more easily be able to engage in new lines of business and to buy other banks or branches of other banks if those opportunities arise. In addition, the holding company structure will permit the efficient use of debt to fund these types of activities. The reasons we believe a bank holding company is advantageous are explained more fully under "THE REORGANIZATION – Reasons for the reorganization" beginning on page 26.

Does this mean the Bank is being sold?

The Bank is not being sold and you are not being asked to relinquish your ownership interests in our organization. Rather, if the reorganization is completed, you will be entitled to receive one share of Holding Company common stock for every share of Bank common stock that you own, any outstanding options to purchase Bank common stock will be converted into substantially identical options to purchase a like number of shares of Holding Company common stock, and each outstanding award of Bank restricted stock units will be automatically converted into a substantially identical award of Holding Company restricted stock units.

What happens to the Bank if the reorganization is completed?

The Bank will continue to operate with all of its same directors, officers and employees and at the same locations. The only difference is that the Bank common stock will be owned by the Holding Company and you and other stockholders will own shares of the Holding Company rather than shares of the Bank.

If I do not want to be a stockholder of the Holding Company, can I continue to own Bank common stock?

No. However, if the reorganization is completed, you will be entitled to receive cash for your shares of Bank common stock if you exercise what are known as "dissenters' rights" and follow the procedures required by the New York Banking Law. These procedures and statutes are summarized under "DISSENTERS' RIGHTS" on page 30.

In addition to Bank stockholder approval, what other approvals are required?

We cannot complete the reorganization unless the New York State Department of Financial Services, which we refer to as the NYDFS, approves it. An application for approval of the reorganization of the Bank and the Holding Company has been filed with the NYDFS. Although we do not know of any reason why we would be unable to obtain this regulatory approval in a timely manner, we cannot be certain that we will obtain it, or when we will obtain it.

When will the reorganization be completed?

The reorganization will occur after we receive approval from the Bank's stockholders, the NYDFS and all of the other conditions have been satisfied or waived. Currently, we anticipate that the reorganization will be completed in the fourth quarter of 2020.

Will the Bank continue to have an annual stockholders' meeting?

Yes. However, if the reorganization is completed, Holding Company stockholders will have the right to elect the directors of the Holding Company, but will no longer have any right to elect the directors of the Bank. The Holding Company currently plans to hold annual stockholders' meetings in substantially the same fashion that the Bank has held such meetings historically.

What do I need to do now?

After carefully reading and considering the information contained in or incorporated by reference into this proxy statement/prospectus, including its annexes, please vote your shares as soon as possible so that your shares will be represented at the special meeting. Please follow the instructions set forth herein or on the enclosed proxy card or on the voting instruction form provided by your broker, bank or other nominee if your shares are held in the name of your broker, bank or other nominee.

What are the rules for voting and how do I vote?

As of the record date, we had [•] shares of Bank common stock outstanding and entitled to vote at the special meeting. Each share of Bank common stock entitles the holder to one vote on all matters voted on at the meeting. All of the shares of Bank common stock vote as a single class.

If you hold shares in your own name, you may vote by selecting any of the following options:

- *By Internet:* Go to *www.voteproxy.com* and follow the on-screen instructions.
- *By Mail:* Complete the proxy card, date and sign it, and return it in the postage-paid envelope provided.
- *Vote in Person:* If you choose to attend the meeting, you may vote in person at the meeting. We will distribute written ballots to any stockholder of record who wishes to vote at the meeting.

When the accompanying proxy is returned properly executed, the Bank common stock represented by it will be voted at the special meeting or any adjournment or postponement of the meeting in accordance with the instructions contained in the proxy card. Your internet vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card. If a proxy is returned without an indication as to how the shares of Bank common stock represented are to be voted with regard to a particular proposal, the Bank common stock represented by the proxy will be voted in accordance with the recommendation of the Bank's board of directors and, therefore, "FOR" the reorganization proposal and "FOR" the adjournment proposal. Voting results will be tabulated and certified by American Stock Transfer & Trust Company, LLC.

As of the date of this proxy statement/prospectus, we are not aware of any other matters to be presented or considered at the meeting, but your shares will be voted at the discretion of the proxies appointed by the Bank's board of directors on any of the following matters:

- any matter about which we did not receive written notice a reasonable time before we mailed these proxy materials to our stockholders; and
- matters incident to the conduct of the meeting.

If your shares are held in the name of a bank, broker or other holder of record, you are considered the beneficial owner of shares held in "street name," and you will receive instructions from such holder of record that you must follow for your shares to be voted. Please follow their instructions carefully. Also, please note that if you hold your shares in street name and you wish to vote in person at the special meeting, you must request a legal proxy or broker's proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the special meeting.

If you hold your shares in street name, your brokerage firm may vote your shares under certain circumstances. Brokerage firms have authority under stock exchange rules to vote their customers' unvoted shares only on certain "routine" matters. Because none of the proposals to be voted on at the special meeting are "routine" matters for which brokers may have discretionary authority to vote, we do not expect any broker non-votes at the special meeting. As a result, if you hold your shares of Bank common stock in "street name," your shares will not be represented and will not be voted on any matter unless you affirmatively instruct your bank, broker or other nominee how to vote your shares in one of the ways indicated by your bank, broker or other nominee. **It is therefore critical that you cast your vote by instructing your bank, broker or other nominee on how to vote.**

How can I revoke my proxy?

If you are a stockholder of record (i.e., you hold your shares directly instead of through a brokerage account) and you change your mind after you return your proxy, you may revoke it and change your vote at any time before the polls close at the meeting. You may do this by:

- timely delivering a signed written notice of revocation to the Corporate Secretary of the Bank;
- timely delivering a new, valid proxy bearing a later date either by mail or electronic vote over the Internet; or
- attending the special meeting and voting in person. Simply attending the special meeting without voting will not revoke any proxy that you have previously given or change your vote.

If you hold your shares through a brokerage account, you must contact your brokerage firm to revoke your proxy.

What do I do if I receive more than one proxy statement/prospectus or set of voting instructions?

Stockholders may receive more than one set of voting materials, including multiple copies of this proxy statement/prospectus and multiple proxy cards or voting instruction forms. For example, if you hold shares of Bank common stock in more than one brokerage account, you will receive a separate voting instruction form for each brokerage account in which you hold such shares. If you hold shares directly as a record holder and also in "street name" or otherwise through a nominee, you will receive more than one proxy statement/prospectus and/or set of voting instructions relating to the special meeting. These should each be voted and/or returned separately in order to ensure that all of your shares are voted.

Should I send in my stock certificates now?

No. You SHOULD NOT send in any stock certificates now. After the reorganization is complete, if you hold any physical certificates (i.e. your shares are not held in book-entry form), you will receive separate written instructions

for surrendering your shares of Bank common stock in exchange for Holding Company stock. In the meantime, you should retain your stock certificates because they are still valid. Please do not send in your stock certificates with your proxy card.

What is householding and how does it affect me?

The SEC permits companies to send a single set of proxy materials to any household at which two or more stockholders reside, unless contrary instructions have been received, but only if the applicable stockholders provide advance notice and follow certain procedures. In such cases, each stockholder continues to receive a separate notice of the meeting and proxy card. Certain brokerage firms may have instituted householding for beneficial owners of Bank common stock held through brokerage firms. If your family has multiple accounts holding Bank common stock, you may have already received a householding notification from your broker. Please contact your broker directly if you have any questions or require additional copies of this proxy statement/prospectus. The broker will arrange for delivery of a separate copy of this proxy statement/prospectus promptly upon your written or oral request. You may decide at any time to revoke your decision to household, and thereby receive multiple copies.

Whom should I contact for more information?

For more information regarding the proposed reorganization, call or write to:

Amalgamated Bank
275 Seventh Avenue
New York, New York 10001
Attention: Corporate Secretary
(212) 895-4490

SUMMARY

This summary highlights selected information included in this proxy statement/prospectus and does not contain all of the information that may be important to you. You should read this entire document and its annexes and the other documents to which we refer before you decide how to vote. In addition, we incorporate by reference important business and financial information about the Bank into this proxy statement/prospectus. See "Where You Can Find More Information" in the forepart of this proxy statement/prospectus and "Incorporation of Certain Documents by Reference" beginning on page 63. Numerous items in this summary include a page reference directing you to a more complete description of that item.

Parties to the Reorganization

Amalgamated Financial Corp.

Amalgamated Financial Corp. is a corporation organized in August 2020 as a Delaware public benefit corporation at the direction of the Bank's board of directors solely for the purpose of becoming a holding company for the Bank. For more information, see "INFORMATION ABOUT THE HOLDING COMPANY" on page 45.

Amalgamated Bank

Amalgamated Bank is a New York state-chartered commercial bank and a chartered trust company headquartered in New York, New York. The Bank provides a broad range of products and services to a target customer base that wants a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national and local labor unions, political organizations, foundations, and sustainability-focused, socially responsible businesses (we refer to these organizations on a collective basis as socially responsible organizations), as well as the members and stakeholders of these commercial customers. For more information, see "INFORMATION ABOUT THE BANK" on page 60.

Mailing Address and Principal Executive Office

The mailing address and principal executive office of each of the Bank and the Holding Company is 275 Seventh Avenue, New York, New York 10001 and the telephone number for each is (212) 255-6200.

Description of the Reorganization

If the reorganization is approved by the Bank's stockholders, and by the NYDFS—and assuming that you do not properly exercise your dissenters' rights—each share of Bank common stock you own will be automatically converted into the right to receive one share of Holding Company common stock. In addition, each outstanding stock option to purchase Bank common stock will be automatically converted into a substantially identical stock option to purchase Holding Company common stock and each outstanding award of Bank restricted stock units will be automatically converted into a substantially identical award of Holding Company restricted stock units. As a result, the Holding Company will be owned by the Bank's former stockholders (in the same proportion that they currently own the common stock of the Bank) and the Bank will become a wholly owned subsidiary of the Holding Company. The terms of the reorganization are set forth in the Plan of Acquisition, approved by the boards of directors of the Holding Company and the Bank, a copy of which is attached to this proxy statement/prospectus as Annex A, and are summarized under "THE REORGANIZATION" beginning on page 25.

Reasons for the Reorganization and Recommendation of the Bank's Board of Directors

Our board of directors believes that the formation of a holding company will benefit the Bank and its stockholders as a holding company provides many operational and strategic advantages over a stand-alone bank. Such advantages include the ability for the holding company to more readily expand its business and enter other markets and the greater flexibility that the holding company structure provides in meeting future capital needs, and, as a result, the ability of the Bank to compete more effectively with other banks that are held by bank holding companies. See "THE REORGANIZATION – Reasons for the Reorganization" beginning on page 26.

Approval of the reorganization requires the affirmative vote of two-thirds of the issued and outstanding shares of Bank common stock entitled to vote. As of the [•], 2020 record date, the Bank's directors and executive officers or their affiliates beneficially owned and were entitled to vote an aggregate of [•] shares of Bank common stock, representing approximately [•]% of the shares of Bank common stock outstanding on that date, and held options to purchase [•] shares of Bank common stock.

As of the record date, the Holding Company held no shares of Bank common stock, and its directors and executive officers or their affiliates beneficially held in the aggregate [•] shares of Bank common stock. The approval of the stockholders of the Holding Company is not required, pursuant to the applicable provisions of the Delaware General Corporation Law, which we refer to as the DGCL, to consummate reorganization and related share exchange.

For the foregoing reasons, the Bank's board of directors unanimously recommends that you vote your shares of Bank common stock FOR approval of the reorganization proposal.

Effect of the Reorganization

Immediately after the reorganization takes place, (1) assuming there are no dissenters, the Holding Company will have the same number of outstanding shares of common stock that the Bank had issued and outstanding immediately before the reorganization, and (2) unless you perfect and exercise your dissenters' rights, you will hold the same number of shares of Holding Company common stock that you held in the Bank immediately before the reorganization. Further, if applicable, you will hold options to acquire the same number of shares of Holding Company common stock that you held to acquire Bank common stock immediately before the reorganization and you will hold restricted stock units to acquire the same number of shares of Holding Company common stock that you held to acquire Bank common stock immediately before the reorganization.

Differences in Stockholder Rights

As stockholders of the Bank, your rights are governed by the provisions of New York Banking Law and the Bank's organization certificate and bylaws, but your rights as a stockholder of the Holding Company will be governed by the DGCL and the Holding Company's certificate of incorporation and bylaws. There are many similarities but several principal differences between your rights as a stockholder of the Bank and what your rights will be if the reorganization is approved and you become a stockholder of the Holding Company. These differences are a result of differences between the New York Banking Law and the DGCL, as well as differences between the Bank's and the Holding Company's respective organization documents. For a discussion of the differences in each entities' organizational documents, see "COMPARISON OF STOCKHOLDERS' RIGHTS" beginning on page 39.

Special Meeting

The special meeting will be held on [•], 2020, at [•] a.m., Eastern Time, at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001. Only Bank stockholders of record as of the close of business on [•], 2020 will be entitled to vote at the meeting. For more information, see "THE SPECIAL MEETING" on page 21.

Structure of the Reorganization

If the reorganization proposal is approved, the Holding Company will acquire all of the outstanding common stock of the Bank through a share exchange of its common stock with all of the existing stockholders of the Bank, which share exchange will be effected pursuant to the provisions of the New York Banking Law. Upon completion of the share exchange, the Bank common stock currently held by the Bank's stockholders will be automatically converted into the right to receive an equal amount of Holding Company common stock. As a result, the Bank's stockholders will become stockholders of the Holding Company, and the Bank will become a wholly-owned subsidiary of the Holding Company. See "THE REORGANIZATION – Structure" beginning on page 25.

Bank and Holding Company Management

The management of the Holding Company will be the same as the current management of the Bank. All 12 of the Bank's current directors have been appointed to the Holding Company's 12-member board of directors. Keith Mestrich is the Holding Company's President and Chief Executive Officer, Andrew LaBenne is the Holding Company's Chief Financial Officer, and Martin Murrell is the Holding Company's Chief Operating Officer. Messrs. Mestrich, LaBenne, and Murrell serve in the same capacities for the Bank. Finally, Lynne P. Fox is currently the Chair of the boards of directors of both the Holding Company and the Bank. For more information about the management of the Bank and the Holding Company, see "INFORMATION ABOUT THE HOLDING COMPANY – Management – Directors" and "Management – Executive Officers" beginning on pages 46 and 52, respectively.

Closing Date; Exchange of Stock Certificates; Conversion of Equity Awards

If the reorganization is approved at the special meeting, we will complete it as soon as possible after the date of the special meeting or, if later, as soon as we have obtained the necessary regulatory approval. Shortly after the closing date of the reorganization, we will provide you with instructions on how to tender your Bank stock certificates (if you hold any such certificates and your shares are not held in book-entry form) for exchange for Holding Company stock certificates. IF YOU HOLD ANY BANK STOCK CERTIFICATES, YOU SHOULD NOT SEND YOUR STOCK CERTIFICATES NOW. However, we recommend that you locate these certificates and keep them in a safe place so that you can promptly tender them when you are instructed to do so. If your shares of Bank common stock are held in book-entry form (no physical stock certificates), you will not be required to produce any stock certificates for exchange. If, in the sole determination of the Holding Company, any additional documentation providing proof of share ownership is necessary in any case, the Holding Company may require holders of Bank common stock to produce reasonable documentation providing proof of ownership.

If you hold stock options to purchase common stock of the Bank and/or Bank restricted stock units, then, if the reorganization is approved, we will notify you of the automatic conversion of your stock options and/or Bank restricted stock units into substantially identical stock options to purchase Holding Company common stock and/or Bank restricted stock units, as applicable, and the procedures, if any, you must follow to receive any new certificates or award agreements, if applicable.

Interest of Directors and Executive Officers in the Reorganization

The Bank's executive officers and directors who are also stockholders will participate in the reorganization in the same manner and to the same extent as all of the other stockholders of the Bank. All of our executive officers and directors will continue as executive officers and directors, as well as stockholders of the Holding Company if the reorganization is approved. As of the record date, the Bank's executive officers and directors collectively beneficially owned [•] shares or [•]% of the Bank's common stock.

Abandonment

The present intention is to use all reasonable efforts to obtain stockholder and regulatory approvals and satisfy the other conditions and to complete the reorganization as promptly as possible. However, the Bank and the Holding Company reserve the right to abandon the reorganization at any time and for any reason whatsoever, although they will only do so after the special meeting if the Bank fails to receive regulatory approval or if, in the opinion of the Bank's board of directors, the reorganization is no longer advisable. See "THE REORGANIZATION – Termination; Abandonment" beginning on page 28.

Regulatory Approval and Other Conditions Related to the Holding Company

Even if our stockholders approve the reorganization, we cannot complete it unless we receive the necessary approval from the NYDFS. We have filed an application with the NYDFS and expect such application to be approved after the special meeting, although we cannot predict when, or if, the application will be approved.

In connection with the reorganization, the Federal Reserve Bank of Philadelphia, which regulates our significant stockholder and existing bank holding company, Workers United and certain joint boards, locals or similar organizations authorized under the constitution of Workers United, has informed the Bank that it will not require a prior application to form a holding company, only an after-the-fact notice.

Dissenters' Rights

As a holder of Bank common stock, you have the right to dissent and demand payment for your shares under Section 143-a of the New York Banking Law (if the reorganization proposal is adopted by the Bank's stockholders at the special meeting despite your dissent), but only if you fulfill the requirements of Section 6022 of the New York Banking Law (a copy of which is provided as Annex B to this proxy statement/prospectus). See "DISSENTERS' RIGHTS" on page 30 and as Annex B to this proxy statement/prospectus for more information.

Material U.S. Federal Income Tax Consequences

We have structured the reorganization to qualify as a tax-free transaction. We have obtained an opinion from our legal counsel, Nelson Mullins Riley & Scarborough, LLP, to the effect that, as a result of the transaction contemplated by the reorganization, for federal income tax purposes:

- You will not be required to recognize any gain or loss for federal income tax purposes on the conversion of your Bank common stock into Holding Company common stock or the conversion of your Bank equity awards into Holding Company equity awards;
- Your income tax basis in your shares of Holding Company common stock will be the same as your basis in the shares of the Bank common stock you now hold; and
- Your holding period for shares of Holding Company common stock will include your holding period for the shares of Bank common stock, provided the shares of Bank common stock were held by you as a capital asset as of the time of the reorganization.

In addition, the reorganization will not result in the imposition of federal income tax on the Bank or the Holding Company.

If you exercise your dissenters' rights and receive cash for your Bank common stock instead of exchanging it for Holding Company common stock, as discussed below under "DISSENTERS' RIGHTS," you will be taxed on the cash you receive for your shares of Bank common stock to the extent it exceeds your tax basis in your Bank common stock.

You are urged to consult your tax advisor to determine the tax consequences to you under the federal tax laws, as well as any consequence under applicable state or local tax laws, given your own particular tax circumstances.

Accounting Treatment

The reorganization, if completed, will be accounted for as a reorganization under common control. Accounting Standards Codification 805-50-30-5 states that when accounting for a transfer of assets or exchange of shares between entities under common control, the entity that receives the net assets or the equity interest shall initially measure the recognized net assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity at the date of the transfer. Therefore, the reorganization will not result in a change in accounting recognition for the Bank, other than to recognize the new legal forms of equity. The accounting basis of assets and liabilities reflected in the consolidated financial statements of the Holding Company will be accounted for at the historical accounting basis of the Bank, which is in accordance with accounting principles generally accepted in the United States of America, which we refer to as GAAP.

Comparative Per Share Data

The following table sets forth historical per share information of the Bank and the Holding Company. The table also sets forth pro forma per share information after giving effect to the reorganization. You should not rely on this information as being indicative of the historical results that would have been achieved had the reorganization occurred on an earlier date or the future results that the Holding Company will experience in the event the reorganization is consummated. The historical per share data has been derived from and should be read in conjunction with the historical consolidated financial statements of the Bank and related notes included elsewhere in this proxy statement/prospectus.

	As of and for the Six Months Ended June 30, 2020		As of and for the Year Ended December 31, 2019	
	Bank Only	Pro Forma Holding Company	Bank Only	Pro Forma Holding Company
Net income (in thousands)	$ 19,919	$ 19,919	$ 47,202	$ 47,202
Per Common Share				
Basic earnings	$ 0.64	$ 0.64	$ 1.49	$ 1.49
Diluted earnings	0.64	0.64	1.47	1.47
Cash dividends paid	0.16	0.16	0.26	0.26
Book value	16.22	16.22	15.56	15.56
Dividend payout ratio	25%	25%	17%	17%

Market Information and Holders of Record

Bank common stock is listed on The Nasdaq Global Market under the symbol “AMAL.” As of August 31, 2020, the Bank had 31,049,525 shares of common stock outstanding and approximately 122 stockholders of record.

The following table presents the closing sale price per share of Bank common stock on September 3, 2020, the last trading day before the date the Plan of Acquisition was executed, and [•], 2020, the last practicable trading day prior to the date of this proxy statement/prospectus. The table also presents the equivalent value of the

exchange consideration per share of Bank common stock on those dates, calculated by multiplying the closing price of Bank common stock on those dates by the one-for-one exchange ratio.

Date	AMAL Closing Price	Equivalent Holding Company Per Share Value
September 3, 2020	$ 11.94	$ 11.94
[•], 2020	$[•]	$[•]

Dividend Policy

The Bank has paid a cash dividend to holders of its common stock quarterly since its initial public offering in August 2018. The Holding Company expects to continue paying a similar quarterly cash dividend on its common stock; however, any actual determination relating to the Holding Company dividend policy and the declaration of future dividends will be made, subject to applicable law and regulatory approvals, by the Holding Company's board of directors and will depend on a number of factors, including: (1) historical and projected financial condition, liquidity and results of operations, (2) capital levels and needs, (3) tax considerations, (4) any acquisitions or potential acquisitions, (5) statutory and regulatory prohibitions and other limitations, (6) the terms of any credit agreements or other borrowing arrangements that restrict our ability to pay cash dividends, (7) general economic conditions and (8) other factors deemed relevant by the Holding Company's board of directors. The Holding Company's board of directors may determine not to pay any cash dividends at any time.

The Holding Company's sole source of funds with which to pay dividends to its stockholders will be dividends it receives from the Bank. The Bank is subject to bank regulatory requirements that in some situations could affect its ability to pay dividends. The FDIC's prompt corrective action regulations prohibit depository institutions, such as the Bank, from making any "capital distribution," which includes any transaction that the FDIC determines, by order or regulation, to be "in substance a distribution of capital," unless the depository institution will continue to be at least adequately capitalized after the distribution is made. Pursuant to these provisions, it is possible that the FDIC would seek to prohibit the payment of dividends on the Bank's capital stock if the Bank failed to maintain a status of at least adequately capitalized. The New York Banking Law contains similar provisions. There can be no assurance that the Bank will pay any dividends to the Holding Company or that the Holding Company will pay any dividends to holders of its common stock, or as to the amount of any such dividends.

The Holding Company's ability to pay dividends to its stockholders may also be affected by both general corporate law considerations and policies of the Board of Governors of the Federal Reserve System (the "Federal Reserve") applicable to bank holding companies.

See "CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS" and "INFORMATION ABOUT THE HOLDING COMPANY – Additional Supervision and Regulation."

SELECTED HISTORICAL FINANCIAL DATA

The Bank

The Bank's summary consolidated financial data is presented below as of and for the six months ended June 30, 2020 and 2019 and as of and for the years ended December 31, 2016 through December 31, 2019. The summary consolidated financial data presented below as of or for the years ended December 31, 2016 through December 31, 2019 are derived from the Bank's audited consolidated financial statements, which were audited by KPMG LLP. The Bank's selected consolidated financial data as of and for the six months ended June 30, 2020 and 2019 have not been audited but, in the opinion of management, contain all adjustments (consisting of normal recurring adjustments) considered necessary for a fair presentation of the financial position and the results of operations and cash flows for such periods. The Bank's results for the six months ended June 30, 2020 are not necessarily indicative of its results of operations that may be expected for the year ending December 31, 2020. The following summary consolidated financial data should be read in conjunction with the Bank's consolidated financial statements and related notes as of and for the six months ended June 30, 2020 and 2019, the Bank's consolidated financial statements as of and for the years ended December 31, 2019 and 2018 and the "Management's Discussion and Analysis of Financial Condition and Results of Operations" incorporated by reference in this proxy statement/prospectus. Please see "Where You Can Find More Information" for the location of information incorporated by reference into this proxy statement/prospectus.

	As of and for the Six Months Ended June 30,		As of and for the Year Ended December 31,			
(In thousands)	2020	2019	2019	2018	2017	2016
Selected Operating Data:						
Interest income	$ 95,750	$ 92,302	$ 185,954	$ 163,964	$ 139,058	$ 126,653
Interest expense	6,623	9,673	19,317	14,219	17,761	23,300
Net interest income	89,127	82,629	166,637	149,745	121,297	103,353
Provision for (recovery of) loan losses	16,808	4,312	3,837	(260)	6,672	7,557
Net interest income after provision for loan losses	72,319	78,317	162,800	150,005	114,625	95,796
Non-interest income	17,789	13,766	29,201	28,318	27,370	31,790
Non-interest expense	63,339	62,450	127,827	128,003	122,274	116,890
Income before income taxes	26,769	29,633	64,174	50,320	19,721	10,696
Provision (benefit) for income taxes	6,850	7,634	16,972	5,666	13,613	137
Net income	$ 19,919	$ 21,999	$ 47,202	$ 44,654	$ 6,108	$ 10,559
Selected Financial Data:						
Total assets	$ 6,470,344	$ 4,937,826	$ 5,325,338	$ 4,685,489	$ 4,041,162	$ 4,042,499
Total cash and cash equivalents	587,961	105,889	122,538	80,845	116,459	140,635
Investment securities	1,945,673	1,380,114	1,517,474	1,179,251	952,960	1,183,820
Total net loans	3,637,982	3,218,244	3,438,767	3,210,636	2,779,913	2,509,085
Bank-owned life insurance	80,694	79,894	80,714	79,149	72,960	71,267
Total deposits	5,870,319	4,136,462	4,640,982	4,105,306	3,233,108	3,009,458
Borrowed funds	—	227,675	75,000	92,875	402,605	638,870
Total common stockholders' equity	503,568	474,810	490,410	439,237	343,934	340,976
Total stockholders' equity	503,702	474,944	490,544	439,371	344,068	341,110

(In thousands)	As of and for the Six Months Ended June 30, 2020	As of and for the Six Months Ended June 30, 2019	As of and for the Year Ended December 31, 2019	As of and for the Year Ended December 31, 2018	As of and for the Year Ended December 31, 2017	As of and for the Year Ended December 31, 2016
Selected Financial Ratios and Other Data (1):						
Earnings						
Basic	$ 0.64	$ 0.69	$ 1.49	$ 1.47	$ 0.21	$ 0.38
Diluted	0.64	0.68	1.47	1.46	0.21	0.38
Book value per common share (excluding minority interest)	16.22	14.89	15.56	13.82	12.26	12.15
Common shares outstanding	31,049,525	31,886,669	31,523,442	31,771,585	28,060,985	28,060,985
Weighted average common shares outstanding, basic	31,216,683	31,798,405	31,733,195	30,368,673	28,060,985	27,859,740
Weighted average common shares, outstanding diluted	31,345,192	32,279,342	32,205,248	30,633,270	28,060,985	27,859,740
(1) December 31, 2016 and 2017 balances effected for stock split that occurred on July 27, 2018						
Selected Performance Metrics:						
Return on average assets	0.70%	0.92%	0.96%	1.01%	0.15%	0.27%
Return on average equity	8.10%	9.73%	10.03%	11.38%	1.74%	3.02%
Loan yield	4.05%	4.43%	4.27%	4.27%	4.17%	4.19%
Securities yield	2.91%	3.35%	3.36%	3.01%	2.50%	2.30%
Deposit cost	0.26%	0.32%	0.35%	0.26%	0.24%	0.23%
Net interest margin	3.27%	3.66%	3.55%	3.56%	3.15%	2.79%
Efficiency ratio	59.24%	64.79%	65.27%	71.89%	82.25%	86.49%
Asset Quality Ratios:						
Nonaccrual loans to total loans	1.24%	0.49%	0.90%	0.74%	0.70%	1.47%
Nonperforming assets to total assets	1.15%	1.50%	1.25%	1.27%	2.20%	2.03%
Allowance for loan losses to nonaccrual loans	109%	209%	109%	156%	183%	96%
Allowance for loan losses to total loans	1.36%	1.01%	0.98%	1.15%	1.28%	1.40%
Annualized net charge-offs (recoveries) to average loans	0.04%	0.49%	0.22%	(0.05)%	0.24%	0.23%
Capital Ratios:						
Tier 1 leverage capital ratio	7.69%	9.04%	8.90%	8.88%	8.41%	8.23%
Tier 1 risk-based capital ratio	12.32%	13.57%	13.01%	13.22%	11.55%	11.61%
Total risk-based capital ratio	13.57%	14.67%	14.01%	14.46%	12.80%	12.87%
Common equity tier 1 capital ratio	12.32%	13.57%	13.01%	13.22%	11.39%	11.56%

The Holding Company Selected Historical Financial Data

The Holding Company has had limited operations since inception. The Holding Company will need to fund certain operational expenses, including legal and accounting costs related to the preparation and filing of its periodic reports with the SEC and various stockholder communications following the reorganization. Accordingly, the Bank expects to capitalize the holding company with $1,675,000 which will be paid from the retained earnings of the Bank. See THE REORGANIZATION – Expenses of the Reorganization beginning on page 29.

In management's opinion, presentation of Holding Company only historical financial data would be immaterial and of no meaningful value to an analysis of this transaction, and therefore has been omitted.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus, including certain of the information incorporated by reference into this proxy statement/prospectus, contains statements that are forward-looking within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Exchange Act. Forward-looking statements are not statements of historical fact and generally can be identified by the use of forward-looking terminology, such as "may," "will," "anticipate," "intend," "could," "should," "would," "believe," "project," "plan," "goal," "target," "potential," "proforma," "seek," "contemplate," "expect," "estimate," "continue," "anticipate" and "intend," or the negative thereof as well as other similar words and expressions of the future. These forward-looking statements include, among others, statements related to management's beliefs regarding the benefits of the holding company structure and the reorganization, including the timing of consummating the reorganization, statements regarding future dividend expectations, statements about the intent to become a financial holding company and other statements related to our future plans, objectives, strategies, projected growth, anticipated future financial performance, and management's long-term performance goals.

Forward-looking statements are subject to risks, uncertainties and assumptions that are difficult to predict as to timing, extent, likelihood and degree of occurrence, which could cause our actual results to differ materially from those anticipated in or by such statements. Potential risks and uncertainties include, but are not limited to, the following:

- the failure to complete the reorganization due to the failure of the Bank's stockholders to approve the reorganization proposal;
- failure to obtain the applicable regulatory approval for the reorganization on the expected terms and schedule;
- our ability to maintain our reputation;
- our ability to carry out our business strategy prudently, effectively and profitably;
- our ability to attract customers based on shared values or mission alignment;
- the impact of the outbreak of the novel coronavirus, or COVID-19, on our business, including the impact of the actions taken by governmental authorities to try and contain the virus or address the impact of the virus on the United States economy (including, without limitation, the Coronavirus Aid, Relief and Economic Security Act, or the CARES Act), and the resulting effect of these items on our operations, liquidity and capital position, and on the financial condition of our borrowers and other customers;
- impairment of investment securities, goodwill, other intangible assets or deferred tax assets;
- projections on loans, assets, deposits, liabilities, revenues, expenses, net income, capital expenditures, liquidity, dividends, capital structure or other financial items;
- inaccuracy of the assumptions and estimates we make in establishing our allowance for loan losses and other estimates, including future changes in the allowance for loan losses resulting from the future adoption and implementation of the new Current Expected Credit Loss ("CECL") methodology;
- our policies with respect to asset quality and loan charge-offs, including future changes in the allowance for loan losses resulting from the anticipated adoption and implementation of CECL;
- the composition of our loan portfolio and the potential deterioration in the financial condition of borrowers resulting in significant increases in loan losses, provisions for those losses that exceed our current allowance for loan losses and higher loan charge-offs;
- the availability of and access to capital, and our ability to allocate capital prudently, effectively and profitably;
- our ability to pay dividends;

- our ability to achieve organic loan and deposit growth and the composition of such growth;
- our ability to identify and effectively acquire potential acquisition or merger targets, including our ability to be seen as an acquirer of choice and our ability to obtain regulatory approval for any acquisition or merger and thereafter to successfully integrate any acquisition or merger target;
- time and effort necessary to resolve nonperforming assets;
- fluctuations in the values of our assets and liabilities and off-balance sheet exposures;
- general economic conditions (both generally and in our markets) may be less favorable than expected, which could result in, among other things, a deterioration in credit quality, a reduction in demand for credit and a decline in real estate values;
- the general decline in the real estate and lending markets, particularly in our market areas, including the effects of the enactment of or changes to rent-control and other similar regulations on multi-family housing;
- changes in the demand for our products and services;
- other financial institutions having greater financial resources and being able to develop or acquire products that enable them to compete more successfully than we can;
- restrictions or conditions imposed by our regulators on our operations or the operations of banks we acquire may make it more difficult for us to achieve our goals;
- legislative or regulatory changes, including changes in tax issues, accounting standards and compliance requirements, whether of general applicability or specific to us and our subsidiaries;
- the costs, effects and outcomes of litigation, regulatory proceedings, examinations, investigations, or similar matters, or adverse facts and developments related thereto;
- possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations;
- competitive pressures among depository and other financial institutions may increase significantly;
- adverse effects of failures by our vendors to provide agreed upon services in the manner and at the cost agreed, particularly our information technology vendors and those vendors performing a service on our behalf;
- changes in the interest rate environment may reduce margins or the volumes or values of the loans we make or have acquired;
- adverse changes in the bond and equity markets;
- cybersecurity risks, and the vulnerability of our network and online banking portals, and the systems of parties with whom we contract, to unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches that could adversely affect or disrupt our business and financial performance or reputation;
- our ability to attract and retain key personnel can be affected by the increased competition for experienced employees in the banking industry;
- the possibility of earthquakes and other natural disasters affecting the markets in which we operate;
- war or terrorist activities causing further deterioration in the economy or causing instability in credit markets;
- economic, governmental or other factors may affect the projected population, residential and commercial growth in the markets in which we operate; and
- descriptions of assumptions underlying or relating to any of the foregoing.

We caution readers that the foregoing list of factors is not exclusive, is not necessarily in order of importance and not to place undue reliance on forward-looking statements. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations. Additional factors that may cause actual results to differ materially from those contemplated by any forward-looking statements also may be found in the Bank's 2019 Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current Reports on Form 8-K filed with the FDIC and available at the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws.

RISK FACTORS

An investment in the Bank involves significant risks. These risks are described in the Bank's 2019 Annual Report on Form 10-K under "Item 1A. Risk Factors" and in our updates to those Risk Factors in our Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, which are incorporated by reference into this proxy statement/prospectus. See "Where You Can Find More Information" for information about how to obtain a copy of these documents. These risks derive primarily from the financial institutions industry, the nature of the way financial institutions operate, and the national economy, generally, and, more specifically, from the Bank's operations, financial condition, local markets, competition and similar factors. Risks and uncertainties not presently known to us, or that we currently believe to be immaterial, may also impair our business operations, our financial results and the value of our securities. Because, initially following the reorganization, the Bank will be the Holding Company's sole asset and represent the Holding Company's only operations and its sole source of income and profits, we believe that all of the risks of an investment directly in the Bank, as described in the above-referenced documents, will continue to apply in all material respects to an investment in the Holding Company.

The following Risk Factors summarizes some of the risks that we believe will become applicable if we complete the reorganization, and derive primarily from the future organizational structure of the Holding Company operating with the Bank as its subsidiary, as well as factors that result from differences in our governance structure and your rights as a stockholder that we have either been required or have chosen to implement in connection with the reorganization.

YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS AS WELL AS ALL OF THE OTHER INFORMATION IN THIS PROXY STATEMENT/PROSPECTUS BEFORE DECIDING HOW TO VOTE YOUR SHARES.

The Holding Company has the ability to incur debt and pledge its assets, including its stock in the Bank, to secure that debt.

While the Bank can incur debt, its ability to do so is limited and, significantly, it is not legally permitted to pledge its assets to secure its indebtedness except in very limited circumstances. In contrast, the legal limitations on the incurrence of debt by bank holding companies are much less restrictive and there are no regulatory restrictions on the Holding Company's ability to incur debt and pledge its assets to secure that debt. Absent special and unusual circumstances, a holder of indebtedness for borrowed money has rights that are superior to those of holders of common and preferred stock—interest must be paid to the lender before dividends can be paid to the stockholders, and loans must be paid off before any assets can be distributed to stockholders if the Holding Company were to liquidate. Furthermore, the Holding Company would have to service (make principal and interest payments) its indebtedness which could reduce the profitability of or result in net losses at the Holding Company on a consolidated basis even if the Bank were profitable. See "THE REORGANIZATION – Reasons for the Reorganization – Meeting Capital Needs" beginning on page 27.

The Holding Company will be subject to regulation which will increase the cost and expense of regulatory compliance and will therefore reduce the Holding Company's net income and may restrict its ability to engage in certain activities.

As a bank holding company under federal law, the Holding Company will be subject to regulation under the Bank Holding Company Act of 1956, as amended (the "BHC Act") and the examination and reporting requirements of the Federal Reserve. In addition to supervising and examining the Holding Company, the Federal Reserve, through its adoption of regulations implementing the BHC Act, places certain restrictions on the activities that are deemed permissible for bank holding companies to engage in. Changes in the number or scope of permissible activities could have an adverse effect on the Holding Company's ability to realize its strategic goals.

The Holding Company may be required to contribute capital or assets to the Bank that could otherwise be invested or deployed more profitably elsewhere.

Federal law and regulatory policy impose a number of obligations on bank holding companies that are designed to reduce potential loss exposure to the depositors of insured depository subsidiaries and to the FDIC's insurance fund. For example, the Federal Reserve requires a bank holding company to act as a source of financial and managerial strength to a subsidiary bank and to commit resources to support such subsidiary bank. Under the "source of strength" doctrine, the Federal Reserve may require a bank holding company to make capital injections into a troubled subsidiary bank and may charge the bank holding company with engaging in unsafe and unsound practices for failure to commit resources to such a subsidiary bank. In addition, the Dodd-Frank Act directs the federal bank regulators to require that all companies that directly or indirectly control an insured depository institution serve as a source of strength for the institution. Under these requirements, in the future, we could be required to provide financial assistance to our Bank if the Bank experiences financial distress.

The Federal Reserve has the ability to require the Holding Company to contribute capital to the Bank, even if the Holding Company would not ordinarily do so and even if such contribution is to the detriment of the Holding Company or its stockholders or requires the Holding Company to borrow funds. In the event of a bank holding company's bankruptcy, the bankruptcy trustee will assume any commitment by the holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank. Moreover, bankruptcy law provides that claims based on any such commitment will be entitled to a priority of payment over the claims of the holding company's general unsecured creditors, including the holders of its note obligations. Thus, any borrowing that must be done by the Holding Company in order to make the required capital injection becomes more difficult and expensive and will adversely impact the Holding Company's cash flows, financial condition, results of operations and prospects.

Applicable laws and regulations restrict both the ability of the Bank to pay dividends to the Holding Company, and the ability of the Holding Company to pay dividends to you.

The Holding Company will conduct substantially all its operations through the Bank, and, therefore, its ability to pay dividends will depend on the ability of the Bank to pay dividends to it. As is the case with all financial institutions, the profitability of the Bank is subject to, among other things, the fluctuating cost and availability of money, changes in interest rates, and in economic conditions in general. In addition, both the Holding Company and the Bank are limited by laws and regulations as to the amount of dividends they can pay, with or without regulatory approval. Federal banking regulators have indicated that banking organizations should generally pay dividends only if (a) the organization's net income available to holders of common stock over the past year has been sufficient to fully fund the dividends and (b) the prospective rate of earnings retention appears consistent with the organization's capital needs, asset quality and overall financial condition. The Holding Company and the Bank must also maintain specified capital ratios, including the common equity tier 1 capital conservation buffer of 2.5% to avoid becoming subject to dividend restrictions.

If the Bank is not permitted to pay cash dividends to the Holding Company, it is unlikely that the Holding Company would be able to pay cash dividends on its common stock. Moreover, holders of Holding Company common stock will be entitled to receive dividends only when, and if declared by its board of directors.

We may not be able to effectively implement the strategies that underlie our reasons for forming a bank holding company.

As discussed under "THE REORGANIZATION – Reasons for the Reorganization" beginning on page 26, we believe that the holding company structure will provide us with better opportunities to meet our capital needs and expand our business and markets through acquisitions; *however*, we cannot assure you that we will be able to do any of these things to the full extent we will be legally able to, on favorable terms or at all. If we are unable to implement our future strategies that we believe are enhanced by the holding company structure, the cost, effort

and expense of the reorganization could be greater than the benefits realized by the reorganization, and the increased costs of operating in the future under the holding company structure could affect our business and profitability.

We cannot assure you that the reorganization into a bank holding company structure will enable us to compete more effectively or operate more profitably than as a stand-alone bank.

Although we believe that our reasons for the reorganization and the enhanced opportunities we believe we will have under the holding company structure will strengthen our overall organization and improve long-term operating results and profits, we cannot assure you that this will happen. Among other things, we may not be accurately predicting or fully appreciating the effects of these enhanced opportunities and any difficulties we might face in implementing our strategies. Our strategies and expectations for future opportunities under the holding company structure could also be negatively impacted, or even outweighed, by external factors either within or outside of our control. We cannot assure you that we will be more (or even as) profitable or stronger (or even as strong) financially under the holding company structure than we could have been if the reorganization had not occurred and the Bank continued to operate under its historical stand-alone structure.

The Holding Company, like the Bank, may issue additional shares of common stock and set the terms of, and issue preferred stock, without stockholder approval that could result in dilution of an investor's investment.

The Bank's board of directors is currently able to authorize the issuance of additional shares of common stock and may also set the terms of, and issue preferred stock, without stockholder approval. Like the Bank, the board of directors of the Holding Company may also determine, from time to time, that there is a need to obtain additional capital through the issuance of additional shares of common stock and/or preferred stock. These issuances would likely dilute the ownership interests of Holding Company investors and may dilute the per share book value of the Holding Company's common stock. In addition, in the future, the Holding Company's board of directors may choose to designate one or more new series of preferred stock, with rights and preferences that are undetermined at this time. In general, dividends on any preferred stock that might be issued must be paid in full before you, as a holder of common stock, would receive any dividends on your Holding Company common stock, and holders of preferred stock would be paid out before you would receive anything if the Holding Company were liquidated.

Furthermore, under the terms of the Bank's 2019 Equity Incentive Plan, which we refer to as the Equity Plan, if the reorganization is consummated, the Equity Plan will be assumed by the Holding Company. The issuance of additional shares of Holding Company common stock under the Equity Plan will, therefore, further dilute each investor's ownership in the Holding Company.

As a result of the reorganization, you will become stockholders of a Delaware public benefit corporation and your rights as a stockholder will be governed by the Holding Company's organizational documents and Delaware law.

As a stockholder of the Bank, a New York state-chartered bank, your rights are governed by the Bank's organizational documents and New York banking laws. As a result of the completion of the reorganization, you will become a stockholder of the Holding Company, a Delaware public benefit corporation, and your rights as a stockholder of the Holding Company will be governed by the Holding Company's organizational documents and the DGCL, including Subchapter XV of the DGCL which applies to public benefit corporations. As a result, there will be differences between the rights you currently enjoy as a stockholder of the Bank and the rights you will have as a stockholder of the Holding Company. See "COMPARISON OF STOCKHOLDERS' RIGHTS" beginning on page 39.

THE SPECIAL MEETING

Date, Time and Place

The special meeting of Bank stockholders will be held on [•], 2020, at [•] a.m., Eastern Time, at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001. On or about [•], 2020, the Bank will commence mailing this proxy statement/prospectus and the enclosed form of proxy to its stockholders entitled to vote at the special meeting.

Purpose of the Special Meeting

At the special meeting, stockholders will be asked to vote on the following matters:

1. The approval of the reorganization of the Bank into a holding company form of ownership by approving a Plan of Acquisition, pursuant to which the Bank will become a wholly owned subsidiary of the Holding Company, a newly formed Delaware public benefit corporation, and each outstanding share of Bank common stock will be exchanged for one share of Holding Company common stock, which we refer to as the reorganization proposal; and
2. The adjournment of the special meeting, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to constitute a quorum or to approve the holding company reorganization, which we refer to as the adjournment proposal.

As of the date of this proxy statement/prospectus, we are not aware of any other matters that will be presented for consideration at the special meeting. If, however, other matters are properly presented, the persons named as proxies will vote the shares represented by properly executed proxies in accordance with their judgment with respect to those matters.

Recommendation of the Bank's Board of Directors

The Bank's board of directors recommends that you vote:

- **FOR** the reorganization proposal; and
- **FOR** the adjournment proposal.

Record Date; Stockholders Entitled to Vote

Only holders of record of Bank common stock as of [•], 2020 are entitled to notice of and to vote at the special meeting or any adjourned meeting.

As of the record date, we had [•] shares of Bank common stock outstanding and entitled to vote at the special meeting. Each share of Bank common stock entitles the holder to one vote on all matters voted on at the meeting. All of the shares of Bank common stock vote as a single class.

Voting of Proxies; Incomplete Proxies

If you hold shares in your own name, you may vote by selecting any of the following options:

- *By Internet:* Go to *www.voteproxy.com* and follow the on-screen instructions.
- *By Mail:* Complete the proxy card, date and sign it, and return it in the postage-paid envelope provided.
- *Vote in Person:* If you choose to attend the meeting, you may vote in person at the meeting. We will distribute written ballots to any stockholder of record who wishes to vote at the meeting.

When the accompanying proxy is returned properly executed, the Bank common stock represented by it will be voted at the special meeting or any adjournment or postponement of the meeting in accordance with the instructions contained in the proxy card. Your internet vote authorizes the named proxies to vote your shares in the same manner as if you had marked, signed and returned a proxy card. If a proxy is returned without an indication as to how the shares of Bank common stock represented are to be voted with regard to a particular proposal, the Bank common stock represented by the proxy will be voted in accordance with the recommendation of the Bank's board of directors and, therefore, "FOR" the reorganization proposal and "FOR" the adjournment proposal. Voting results will be tabulated and certified by American Stock Transfer & Trust Company, LLC.

As of the date of this proxy statement/prospectus, we are not aware of any other matters to be presented or considered at the meeting, but your shares will be voted at the discretion of the proxies appointed by the Bank's board of directors on any of the following matters:

- any matter about which we did not receive written notice a reasonable time before we mailed these proxy materials to our stockholders; and
- matters incident to the conduct of the meeting.

If your shares are held in the name of a bank, broker or other holder of record, you are considered the beneficial owner of shares held in "street name," and you will receive instructions from such holder of record that you must follow for your shares to be voted. Please follow their instructions carefully. Also, please note that if you hold your shares in street name and you wish to vote in person at the special meeting, you must request a legal proxy or broker's proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the special meeting.

If you hold your shares in street name, your brokerage firm may vote your shares under certain circumstances. Brokerage firms have authority under stock exchange rules to vote their customers' unvoted shares only on certain "routine" matters. Because none of the proposals to be voted on at the special meeting are "routine" matters for which brokers may have discretionary authority to vote, we do not expect any broker non-votes at the special meeting. As a result, if you hold your shares of Bank common stock in "street name," your shares will not be represented and will not be voted on any matter unless you affirmatively instruct your bank, broker or other nominee how to vote your shares in one of the ways indicated by your bank, broker or other nominee. **It is therefore critical that you cast your vote by instructing your bank, broker or other nominee on how to vote.**

Voting by the Bank's Directors and Executive Officers

As of the record date, Bank directors and executive officers, or their respective affiliates, all of whom have indicated their intent to vote **FOR** the reorganization, collectively beneficially own a total of [•] shares, or [•]%, of Bank common stock.

Quorum; Adjournment

Holders of a majority of the outstanding shares of Bank common stock as of the record date must be present at the meeting, either in person or by proxy, to hold the meeting and conduct business. This is called a quorum. In determining whether we have a quorum at the special meeting for purposes of all matters to be voted on, all votes "for" or "against" and all votes to "abstain" will be counted. When a brokerage firm votes its customers' unvoted shares on routine matters, these shares are counted for purposes of establishing a quorum to conduct business at the meeting. If a brokerage firm indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular matter, then those shares will be treated as "broker non-votes." Shares represented by broker non-votes will be counted in determining whether there is a quorum.

Under the New York Banking Law, your proxy will remain valid for eleven months from the date thereof and may be voted at the postponed or adjourned special meeting within that time period. You will still be able to

change or revoke your proxy until it is voted. No notice of an adjourned meeting need be given if the time and place of the adjourned meeting are announced at the special meeting unless, after the adjournment, a new record date is fixed for the adjourned meeting, in which case a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. At any adjourned meeting, all proxies will be voted in the same manner as they would have been voted at the original convening of the special meeting, except for any proxies that have been effectively revoked or withdrawn prior to the adjourned meeting.

Required Vote; Treatment of Abstentions and Failure to Vote

Reorganization proposal:

- Standard: Approval of the reorganization proposal requires the affirmative vote of two-thirds of the issued and outstanding shares of Bank common stock entitled to vote. Bank stockholders must approve the reorganization proposal in order for the reorganization to occur. If Bank stockholders fail to approve the reorganization proposal, the reorganization will not occur.
- Effect of abstentions and broker non-votes: If you fail to vote, mark “ABSTAIN” on your proxy card or fail to instruct your bank or broker how to vote with respect to the reorganization proposal, it will have the same effect as a vote “AGAINST” the proposal.

Adjournment proposal:

- Standard: Assuming a quorum is present, approval of the adjournment proposal requires the affirmative vote of a majority of the votes cast by the holders of shares of Bank common stock present in person or represented by proxy and entitled to vote at the special meeting. If the Bank’s stockholders fail to approve the adjournment proposal, but approve the reorganization proposal, the reorganization may nonetheless occur.
- Effect of abstentions and broker non-votes: If you fail to vote, mark “ABSTAIN” on your proxy card or fail to instruct your bank or broker how to vote with respect to the adjournment proposal, you will be deemed not to have cast a vote with respect to the proposal and it will have no effect on the proposal.

Revocability of Proxies and Changes to a Stockholder’s Vote

If you are a stockholder of record (i.e., you hold your shares directly instead of through a brokerage account) and you change your mind after you return your proxy, you may revoke it and change your vote at any time before the polls close at the meeting. You may do this by:

- timely delivering a signed written notice of revocation to the Corporate Secretary of the Bank;
- timely delivering a new, valid proxy bearing a later date either by mail or electronic vote over the Internet; or
- attending the special meeting and voting in person. Simply attending the special meeting without voting will not revoke any proxy that you have previously given or change your vote.

If you hold your shares through a brokerage account, you must contact your brokerage firm to revoke your proxy.

Solicitation of Proxies

We will pay for the cost of this proxy solicitation. The Bank will bear the expense of providing proxy materials. Our directors, officers and other employees, without additional compensation, may also solicit proxies personally or by telephone, facsimile or email on our behalf. We will request brokers and nominees who hold shares of Bank common stock in their names to furnish proxy materials to beneficial owners of shares. We may reimburse such brokers and nominees for their reasonable expenses in forwarding solicitation materials to such beneficial owners

Inspector of Elections

Under applicable law, a person, who is not an officer, director or employee of the Bank, must tabulate the votes and act as judge and inspector of elections. At the meeting, the voting results will be tabulated and certified by American Stock Transfer & Trust Company, LLC. An Inspector of Elections will sign an oath to faithfully execute with impartiality and in good faith the duties of inspector, which will include determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the presence of a quorum and the validity and effect of the proxies.

THE REORGANIZATION

The description of the Plan of Acquisition in this section and elsewhere in this proxy statement/prospectus is qualified in its entirety by reference to the complete text of such agreement, a copy of which is attached as Annex A and incorporated by reference into this proxy statement/prospectus. This summary may not contain all of the information about the Plan of Acquisition that may be important to you. You are urged to read the full text of the Plan of Acquisition carefully and in its entirety as it is the legal document governing the reorganization.

General

The following steps have already occurred in connection with the reorganization:

- The Holding Company has been incorporated as a Delaware public benefit corporation for the purpose of acquiring all of the Bank common stock and becoming a bank holding company;
- The boards of directors of both the Bank and the Holding Company have adopted and approved the Plan of Acquisition;
- The Bank has filed an application with the NYDFS to reorganize into a holding company structure; and
- The Federal Reserve Bank of Philadelphia, which regulates our significant stockholder and existing bank holding company, Workers United and certain joint boards, locals or similar organizations authorized under the constitution of Workers United, has informed the Bank that it will not require a prior application to form a holding company, only an after-the-fact notice.

Among other things, in order to complete the reorganization, the stockholders of the Bank must approve the reorganization on the terms set forth in the Plan of Acquisition attached hereto as Annex A by the affirmative vote of two-thirds of the outstanding Bank common stock, and the Bank must receive the required regulatory approval (see " —Conditions to Completion of the Reorganization," beginning on page 28 below).

Structure

If the reorganization is approved by the Bank's stockholders, then, upon receipt of the stockholders' approval and the approval of the NYDFS (whichever is later), the Holding Company will acquire all of the outstanding Bank common stock as follows:

1. The Bank will file the Plan of Acquisition with the NYDFS and the NYDFS will file the Plan of Acquisition in the office of the superintendent.
2. Upon completion of the reorganization, all of the outstanding shares of Bank common stock (except those to which dissenters' rights were properly exercised), will be automatically converted into the right to receive an equal number of shares of Holding Company common stock, and the Holding Company will then issue shares of Holding Company common stock to the existing stockholders of the Bank pursuant to exchange protocols established by the Holding Company. Stockholders of the Bank who hold physical certificates will be required to submit such certificates before certificates representing Holding Company common stock will be issued.
3. The Holding Company will issue stock options to purchase shares of Holding Company common stock to holders of stock options to acquire Bank common stock on a one-for-one basis. This conversion will take place automatically. Option holders who hold physical option agreements may be required to submit such agreement(s) or certificate(s) before agreement(s) or certificate(s) representing Holding Company stock options will be issued.
4. The Holding Company will issue Holding Company restricted stock units awards to holders of Bank restricted stock unit awards on a one-for-one basis. This conversion will take place automatically. Restricted Stock Unit holders who hold physical award agreements may be required to submit such agreement(s) before agreement(s) representing Holding Company restricted stock units will be issued.

5. The Holding Company will own all of the issued and outstanding shares of Bank common stock, which will, thereafter, be a wholly owned subsidiary of the Holding Company.

Reasons for the Reorganization

The Bank's board of directors recommends that stockholders vote **FOR** the reorganization because the board believes that a bank holding company structure will provide benefits to the stockholders and to its community by providing opportunities for the Bank to compete more effectively and to expand its services in type, in number, and in scope.

Public Benefit Corporation

The Bank is a certified B Corp, which is a certification provided by B Lab and is central to the Bank's core values. Certified B Corps are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The B Corp community works toward reduced inequality, lower levels of poverty, a healthier environment, stronger communities, and the creation of more high-quality jobs with dignity and purpose.

In April 2020, the Bank's stockholders voted to approve amendments to the Bank's Organization Certificate that were in line with Certified B Corp standards. To take the Bank's commitment to its core values and the B Corp standards one step further, with this reorganization, the Holding Company has elected benefit corporation status under Delaware law, thereby committing the Holding Company to a set of prescribed expanded fiduciary duties and related provisions. For more information, see ""DESCRIPTION OF AMALGAMATED FINANCIAL CORP. CAPITAL STOCK – *Delaware Public Benefit Corporation*" beginning on page 35.

Diversification

As a bank holding company. The bank holding company structure offers the ability to diversify the business of the holding company by creating or acquiring entities engaged in bank-related activities. Diversification into bank-related activities is governed by the BHC Act, and regulations of the Federal Reserve. However, the timing and extent of those activities will depend on many factors, including competitive and financial conditions existing in the future as well as the then financial condition of the Holding Company and the Bank.

As a financial holding company. Under the Gramm-Leach-Bliley Act of 1999, holding companies that meet certain qualifications may elect to become "financial holding companies" and, as a result, may engage in activities, and acquire companies engaged in activities, that are financial in nature or incidental to such financial activities. Financial holding companies are also permitted to engage in activities that are complementary to financial activities if the Federal Reserve determines that the activity does not pose a substantial risk to the safety and soundness of depository institutions or to the financial system in general. In order to qualify as a financial holding company, a holding company's subsidiary banks must be well managed, well capitalized, and have received at least a "satisfactory" rating on their most recent Community Reinvestment Act examination. We presently intend to seek designation as a financial holding company immediately following the completion of the reorganization although we may elect not to do so then or in the future.

Greater Legal Authority to Repurchase Shares

Under New York Banking Law, the Bank is prohibited from repurchasing its own stock, except if pre-approved by the NYDFS and two-thirds of the outstanding shares of the Bank's common stock. In contrast, Regulation Y generally requires a bank holding company to provide prior notice of any repurchase or redemption of equity securities in an amount that is in excess of 10% of the bank holding company's consolidated net worth in the preceding 12 months. However, exceptions are available where a bank holding company is well capitalized, well managed, and not subject to any unresolved supervisory issues.

In 2019, the Bank's board of directors and stockholders authorized a share repurchase program authorizing the repurchase of up to $25 million of the Bank's outstanding common stock, of which approximately $12.2 million remained authorized to be repurchased as of June 30, 2020. The share repurchase plan does not require the Bank to repurchase any specified number of shares and may be suspended or discontinued without prior notice. In response to the coronavirus pandemic, the Bank temporarily suspended its share repurchase program in the second quarter of 2020, consistent with its decisions to support its clients and communities through lending and other services. The Bank may reinstate the share repurchase program as soon as circumstances permit.

Expansion

After the reorganization, the Holding Company will be able to, and may, subject to regulatory approval, create new banks or acquire existing banks and operate them under charters separate from the Bank's charter (as opposed to merging them with the Bank). The Holding Company has no plans for such acquisitions at the present time.

Meeting Capital Needs

The Bank believes the reorganization will also provide greater flexibility in meeting its financing needs or the financing needs of other banks or corporations that the Holding Company may acquire in the future. The Holding Company could raise additional capital without risking the delay and uncertainty of seeking and obtaining stockholder approval by incurring indebtedness, including senior or subordinated debt or trust preferred securities. A bank holding company structure may provide more alternatives in the raising of funds required by the Bank, particularly under changing conditions in financial and monetary markets. Indeed, if a subsidiary of the holding company required additional capital, the holding company might raise that capital by relying on its own borrowing capacity reflecting all of its subsidiaries, thereby eliminating the need to sell additional equity capital. While the Bank is not presently in need of additional capital funds to meet the capital adequacy requirements of federal and state regulatory authorities, management believes that the added borrowing flexibility provided by a holding company structure is desirable. There can be no assurance, however, as to the method or type of financing arrangements that will be available to the Holding Company if the reorganization is approved.

Flexibility

The reorganization will, in the opinion of the Bank's board of directors, better prepare the organization for responding flexibly and efficiently to future changes in the laws and regulations governing banks and bank-related activities. Opportunities may arise for bank holding companies that are not available to banks. The bank holding company structure may prove valuable in taking advantage of any new opportunities in banking and bank-related fields that are made available by deregulation or otherwise.

Increased Anti-takeover Protections

Several provisions of the DGCL, commonly referred to as "anti-takeover" provisions, make it difficult for a third party to successfully complete an unsolicited takeover of a Delaware corporation. These, as well as provisions of the Holding Company's certificate of incorporation and bylaws will help enable the Holding Company and, therefore, the Bank, to continue under its current ownership and control. These anti-takeover provisions are discussed in more detail under "DESCRIPTION OF AMALGAMATED FINANCIAL CORP. CAPITAL STOCK – *Anti-takeover Effects*" beginning on page 34.

Recommendation of the Bank's Board of Directors

The Bank's board of directors unanimously recommends that holders of Bank common stock vote **FOR** approval of the reorganization.

Conditions to Completion of the Reorganization

The Plan of Acquisition, attached as Annex A to this proxy statement/prospectus, provides that the consummation of the reorganization is subject to certain conditions that have not yet been met, including, but not limited to, the following:

1. The reorganization must be approved by the holders of at least two-thirds of the outstanding shares of Bank common stock; and
2. The NYDFS must grant all required approvals for the consummation of the reorganization.

Additionally, the Holding Company and the Bank must receive an opinion from counsel to the effect that the reorganization will be a tax-free transaction for federal income tax purposes for the Holding Company, the Bank, and the Bank's stockholders.

Operation of the Bank following the Reorganization

Among other things, we plan to conduct the business of the Bank following the reorganization substantially unchanged from the manner in which it is now being conducted. Among other things:

- The Bank's name will not change;
- The Bank's office locations, hours of operation, and products and services offered will not be affected by the reorganization;
- The Bank will have the same management; no changes in the Bank's officers, directors or personnel will occur as a result of the reorganization;
- The Bank will continue to be subject to regulation and supervision, including examination, by the FDIC and the NYDFS, to the same extent as currently applicable; and
- The Bank will continue to prepare and file periodic Call Reports with the bank regulatory agencies.

Interest of Directors and Executive Officers in the Reorganization

The Bank's directors and executive officers who are also stockholders will participate in the reorganization in the same manner and to the same extent as all of the other stockholders of the Bank. All of our directors and executive officers will continue as directors and executive officers, as well as stockholders of the Holding Company if the reorganization is approved. As of the record date, Bank directors and executive officers, or their respective affiliates, all of whom have indicated their intent to vote **FOR** the reorganization, collectively beneficially own a total of [•] shares, or [•]%, of Bank common stock.

Closing Date

The closing of the reorganization will take place as soon as practicable after all conditions have been met and all approvals, consents and authorizations for the valid and lawful consummation of the reorganization have been obtained.

Termination; Abandonment

The reorganization may be terminated and abandoned by the Bank's board of directors, at its sole discretion, at any time prior to the closing date, if (1) the number of shares of Bank common stock that vote against the reorganization, or properly dissent from the reorganization, will make consummation of the reorganization unwise in the opinion of the Bank's board of directors, (2) any act, suit, proceeding or claim relating to the reorganization has been instituted or threatened before any court or administrative body, or (3) it determines that the reorganization is inadvisable.

Upon termination, the Plan of Acquisition will be deemed void and of no further force or effect. There will be no liability under or on account of the termination on the part of the parties, or the directors, officers, employees, agents or stockholders of any of them, and the Bank will pay the fees and expenses incurred by both parties in connection with the transactions contemplated in the reorganization.

Exchange of Share Certificates

On the closing date, the Bank's stockholders' right, title and interest in and to the shares of Bank common stock, without any action on their part, will automatically be converted into the right to receive an equal number of shares of Holding Company common stock. Following the closing of the reorganization, stockholders who hold their shares of Bank common stock in book-entry form will automatically hold their shares of Holding Company common stock in book-entry form.

For those stockholders who hold their Bank common stock in certificated form, the Holding Company will provide instructions as to how such stockholders should tender their Bank stock certificates, and the Holding Company will either convert such holdings to book-entry form, or will issue and deliver Holding Company stock certificates to such former Bank stockholders, at the election of the Holding Company's board of directors.

Expenses of the Reorganization

The Bank will bear all of the expenses of the reorganization, including filing fees, printing and mailing costs, accountants' fees and legal fees. We estimate that these reorganizational costs and expenses will be approximately $675,000 regardless of whether the reorganization is consummated. In addition, the Holding Company will need to fund certain operational expenses, including legal and accounting costs related to the preparation and filing of its periodic reports with the SEC and various stockholder communications following the reorganization. Accordingly, the Bank expects to capitalize the holding company with $1,675,000 which will be paid from the retained earnings of the Bank.

DISSENTERS' RIGHTS

The proposed reorganization of the Bank entitles you to dissent and demand payment for your shares of Bank common stock under Section 143-a of the New York Banking Law (if the reorganization proposal is adopted by the Bank's stockholders at the special meeting despite your dissent), but only if you fulfill the requirements of Section 6022 of the New York Banking Law (a copy of which is provided as Annex B to this proxy statement/prospectus), which require you to, among other things, submit a written objection to the Bank before the vote of the stockholders at the special meeting and not vote in favor of the reorganization proposal, either in person or by proxy, at the special meeting. You do not need to affirmatively vote against the proposal in order to maintain your right to demand payment for your shares of Bank common stock under the New York Banking Law.

Please refer to the New York Banking Law for a complete description of the applicable requirements and restrictions. Any stockholder who agrees to vote in favor of the reorganization proposal, and who does not revoke any proxy granting approval to vote in favor of such reorganization proposal before it is exercised, has effectively waived the right to dissent and to receive payment for their shares of Bank common stock under Section 143-a of the New York Banking Law.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES

The following is a summary description of the material anticipated federal income tax consequences of the reorganization generally applicable to the stockholders of the Bank. This summary is not intended to be a complete description of all of the federal income tax consequences of the reorganization. No information is provided with respect to the tax consequences of the reorganization under any other tax laws, including applicable state, local and foreign tax laws. In addition, the following discussion may not be applicable with respect to specific categories of stockholders, including but not limited to corporations, partnerships and trusts; dealers in securities; financial institutions; insurance companies or tax exempt organizations; persons who are not United States citizens or resident aliens or domestic entities; persons who are subject to alternative minimum tax; persons who acquired shares of Bank common stock by exercising employee stock options, the vesting of restricted stock units or otherwise as compensation; persons who do not hold their shares as capital assets; or persons who hold their shares as part of a straddle, conversion or hedging transaction, synthetic security or other integrated investment or risk reduction transaction.

No ruling has been or will be requested from the Internal Revenue Service with respect to the tax effects of the reorganization. The federal income tax laws are complex, and a stockholder's individual circumstances may affect the tax consequences to the stockholder.

The Bank and the Holding Company have received an opinion from Nelson Mullins Riley & Scarborough, LLP to the effect that, for federal income tax purposes:

- The reorganization will be treated as a reorganization within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended, which we refer to as the "Code."
- Neither the exchange of Bank common stock solely for Holding Company common stock nor the conversion of Bank equity awards into Holding Company equity awards in the reorganization will cause the recognition of gain or loss to the stockholders of the Bank.
- Neither the Bank nor the Holding Company will recognize gain or loss as a result of the reorganization.
- The aggregate federal income tax basis of Holding Company common stock received pursuant to the reorganization (including any fractional share deemed received and exchanged for cash) will be the same as the basis of shares of Bank common stock exchanged therefore, and the holding period of such Holding Company common stock (including any fractional share deemed received and exchanged for cash) will include the holding period of the Bank common stock exchanged therefor.
- A stockholder of the Bank who exercises dissenters' rights generally will recognize gain or loss equal to the difference between the amount of money received by such stockholder and the tax basis of such stockholder's Bank common stock. The tax opinion is based on customary assumptions and certain factual representations by the management of the Holding Company and the Bank.

We urge you to consult your own tax advisors as to the specific consequences to you of the reorganization under federal, state, local and foreign income and any other tax laws applicable in your particular circumstances.

ACCOUNTING TREATMENT

The reorganization, if completed, will be accounted for as a reorganization under common control. Accounting Standards Codification 805-50-30-5 states that when accounting for a transfer of assets or exchange of shares between entities under common control, the entity that receives the net assets or the equity interest shall initially measure the recognized net assets and liabilities transferred at their carrying amounts in the accounts of the transferring entity at the date of the transfer. Therefore, the reorganization will not result in a change in accounting recognition for the Bank, other than to recognize the new legal forms of equity. The accounting basis of assets and liabilities reflected in the consolidated financial statements of the Holding Company will be accounted for at the historical accounting basis of the Bank, which is in accordance with GAAP.

DESCRIPTION OF AMALGAMATED FINANCIAL CORP. CAPITAL STOCK

The following description includes summaries of the material terms of the Amalgamated Financial capital stock. Because it is a summary, it may not contain all the information that is important to you. For a complete description, reference is made to the more detailed provisions of, and the descriptions are qualified in their entirety by reference to, the Amalgamated Financial certificate of incorporation, and the Amalgamated Financial bylaws, copies of which are filed as Annex C and Annex D of this proxy statement/prospectus.

Please note that, with respect to any of the Amalgamated Financial shares held in book-entry form through The Depository Trust Company or any other share depositary, the depositary or its nominee will be the sole registered and legal owner of those shares, and references herein to any "stockholder" or "holder" of those shares means only the depositary or its nominee. Persons who hold beneficial interests in Amalgamated Financial shares through a depositary will not be registered or legal owners of those shares and will not be recognized as such for any purpose. For example, only the depositary or its nominee will be entitled to vote the shares held through it, and any dividends or other distributions to be paid, and any notices to be given, in respect of those shares will be paid or given only to the depositary or its nominee. Owners of beneficial interests in those shares will have to look solely to the depositary with respect to any benefits of share ownership, and any rights they may have with respect to those shares will be governed by the rules of the depositary, which are subject to change from time to time. Amalgamated Financial has no responsibility for those rules or their application to any interests held through the depositary.

General

The authorized capital stock of Amalgamated Financial consists of 70,000,000 shares of common stock, par value $0.01 per share, and 1,000,000 shares of preferred stock, par value $0.01 per share. No shares of either Amalgamated Financial common stock or preferred stock are currently outstanding. This summary of the material rights and features of Amalgamated Financial capital stock does not purport to be exhaustive and is qualified in its entirety by reference to the Amalgamated Financial certificate of incorporation and bylaws, and to applicable Delaware law.

Common Stock

Dividends. Subject to the rights and preferences of the holders of any outstanding shares of preferred stock, dividends may be declared and paid on Amalgamated Financial common stock only out of Amalgamated Financial's surplus (as defined and computed in accordance with the provisions of the DGCL) or if it has no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year. However, dividends may only be declared by the board of directors and the board's ability to declare dividends is subject to limitations under applicable law and regulation. For more information, see "INFORMATION ABOUT THE HOLDING COMPANY – Additional Supervision and Regulation–Dividends."

Liquidation or Dissolution. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of Amalgamated Financial, holders of common stock are entitled to share equally and ratably in Amalgamated Financial's assets, if any, remaining after the payment of all debts and liabilities and the liquidation preference of any outstanding preferred stock.

Voting Powers. Holders of Amalgamated Financial common stock are entitled to one vote per share on all matters on which the holders of common stock are entitled to vote. Under the Amalgamated Financial bylaws, a majority in voting power of the shares of Amalgamated Financial entitled to vote at a meeting, present in person or represented by proxy, will constitute a quorum to transact business. Once a quorum is present, except as otherwise provided by law, the certificate of incorporation, the bylaws or in respect of the election of directors, all matters to be voted on by Amalgamated Financial's stockholders must be approved by the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the matter.

In the case of an election of directors, where a quorum is present, a majority of the votes cast at a meeting of the stockholders by the holders of stock entitled to vote in the election will be sufficient to elect each director; *provided, however*, that if the number of nominees for director exceeds the number of directors to be elected, directors will be elected by a plurality of the votes of the shares represented in person or by proxy and entitled to vote in the election. No holders of Amalgamated Financial common stock are entitled to cumulative voting.

Preemptive or Other Rights. Generally, Amalgamated Financial common stockholders have no preemptive or subscription rights or other right to purchase, subscribe for or take any part of any shares of capital stock in Amalgamated Financial of any class or series whatsoever. The shares of common stock offered hereby, when issued and delivered in exchange for the shares of stock of the Bank, will be, fully paid and nonassessable. The rights, preferences, and privileges of common stockholders are subject to those of any classes or series of preferred stock that Amalgamated Financial may issue in the future.

Preferred Stock

Amalgamated Financial is authorized to issue “blank check” preferred stock, which may be issued in one or more series upon authorization of its board of directors. The board of directors is authorized to fix the designation of the series, the number of authorized shares of any series, the relative powers, preferences and rights and the qualifications, limitations and restrictions applicable to each series of preferred stock. The authorized shares of preferred stock are available for issuance without further action by the Amalgamated Financial stockholders, unless such action is required by applicable law or the rules of any stock exchange on which Amalgamated Financial securities may be listed.

Transfer Agent and Registrar

The transfer agent and registrar for Amalgamated Financial common stock is American Stock Transfer & Trust Company, LLC.

Listing and Trading

Amalgamated Financial common stock is not currently listed on any securities exchange. The Bank common stock is listed on The Nasdaq Global Market under the symbol “AMAL” and we expect that, following the reorganization, Amalgamated Financial common stock will be similarly listed. Amalgamated Financial intends to submit to The Nasdaq Stock Market the required documents to effect the reorganization with regard to Amalgamated Financial being listed on The Nasdaq Global Market.

Anti-takeover Effects

The provisions of Amalgamated Financial’s certificate of incorporation and bylaws and the DGCL summarized in the following paragraphs may have anti-takeover effects and may delay, defer, or prevent a tender offer or takeover attempt that a stockholder might consider to be in such stockholder’s best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders, and may make removal of management more difficult.

Authorized but Unissued Stock. Upon the affirmative vote of at least a majority of the entire board of directors, the authorized but unissued shares of common stock and “blank check” preferred stock will be available for future issuance without stockholder approval. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, and employee benefit plans. The existence of authorized but unissued and unreserved shares of common stock and preferred stock may enable the board of directors to issue shares to persons friendly to current management, which could render more difficult or discourage any attempt to obtain control of the company by means of a proxy contest, tender offer, merger or otherwise, and thereby protect the continuity of the company’s management.

Number of Directors and Vacancies. Amalgamated Financial's bylaws provide that the number of directors shall be fixed from time to time by resolution of at least a majority of the total number of directors Amalgamated Financial would have if there were no vacancies then in office, but there may not be fewer than seven nor more than 21 directors. The bylaws provide that all vacancies on the board of directors, including newly created directorships resulting from an increase in the authorized number of directors, may be filled by a majority of the remaining directors for the unexpired term.

Ability to Call a Special Meeting. Special meetings of Amalgamated Financial's stockholders may be called only (i) by a majority of the board of directors, the chair of the board of directors, any vice chair of the board of directors, the president or the chief executive officer; or (ii) by the secretary, following written demand to call a special meeting of the stockholders from stockholders of record who own at least two-thirds of all of the outstanding shares of common stock of Amalgamated Financial then entitled to vote on the matter or matters to be brought before the proposed special meeting. Any such stockholder demand must also be in the form set forth in, and contain the information required by, Amalgamated Financial's bylaws.

Stockholder Proposals. For any director nominations or any other business to be properly brought before an annual meeting by a stockholder, the stockholder must give written notice to the secretary of Amalgamated Financial (i) not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, in advance of the anniversary of the previous year's annual meeting if the meeting is to be held on a day that is not more than 30 days in advance of the anniversary of the previous year's annual meeting or not later than 60 days after the anniversary of the previous year's annual meeting; or (ii) with respect to any other annual meeting of stockholders, not earlier than the close of business on the 120th day prior to the annual meeting and not later than the close of business on the later of (A) the 90th day prior to the annual meeting and (B) the close of business on the 10th day following the first date of public disclosure of the date of such meeting. In the case of a special meeting, the stockholder's notice must be delivered to the secretary of Amalgamated Financial not earlier than the close of business on the 120th day prior to the date of the special meeting and not later than the close of business on the later of (1) the 90th day prior to such special meeting or (2) the 10th day following the day on which public announcement is first made of the date of the special meeting. Any such stockholder's notice must also be in the form set forth in, and contain the information required by, Amalgamated Financial's bylaws.

Business Combinations under Delaware Law. Amalgamated Financial has not elected to opt out of the applicability of Section 203 of the DGCL in its certificate of incorporation. Under Section 203 of the DGCL, subject to exceptions, Amalgamated Financial is prohibited from engaging in any business combination with any interested stockholder for a period of three years following the time that the stockholder became an interested stockholder. For this purpose, an "interested stockholder" generally includes current and certain former holders of 15% or more of Amalgamated Financial's outstanding stock. The provisions of Section 203 may encourage companies interested in acquiring Amalgamated Financial to negotiate in advance with its board of directors. These provisions may make it more difficult to accomplish transactions which stockholders may otherwise deem to be in their best interests.

Delaware Public Benefit Corporation

The emergence of benefit corporations signals a shift in thinking about the fiduciary duties of for-profit corporate directors. A benefit corporation indicates in its organizing documents a commitment to promoting one or more public benefits. In addition, benefit corporation directors have a fiduciary duty—established by statute—to consider a range of stakeholders when making decisions, including but not limited to the corporation's stockholders. Thus, while a benefit corporation is a for-profit entity, its directors are duty-bound to follow a "triple bottom line" approach to running the business—pursing profit, promoting one or more public benefits, and considering a range of stakeholders (including the environment) affected by the corporation's actions. Promoting a public benefit is not just an optional, or discretionary activity.

As a Delaware public benefit corporation, the relevant Delaware statute imposes a balancing test on Amalgamated Financial's directors. It requires the directors to manage the corporation in a manner that balances (i) the

stockholders' pecuniary interests, (ii) the interests of those materially affected by the corporation's conduct, and (iii) the public benefits identified in the corporation's certificate of incorporation. This tripartite balancing requirement means that the directors of a Delaware public benefit corporation must balance the pecuniary interests of its stockholders with the interests of other persons, entities or communities and the specific public benefits identified in the certificate of incorporation. In addition, Amalgamated Financial must, at least every two years, issue to stockholders a statement as to the corporation's promotion of (i) the public benefits identified in the certificate of incorporation and (ii) the best interests of those materially affected by the corporation's conduct. Amalgamated Financial's certificate of incorporation provides that its purpose includes creating a material positive impact on society and the environment, taken as a whole.

Indemnification of Directors, Officers, and Employees; Limitation on Liability

Amalgamated Financial's bylaws provide that it shall indemnify and hold harmless, to the fullest extent permitted by applicable law, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, or employee of Amalgamated Financial or, while a director, officer, or employee of Amalgamated Financial, is or was serving at the request of Amalgamated Financial as a director, officer, or employee of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such person. Notwithstanding the preceding sentence, Amalgamated Financial shall only be required to indemnify a person in connection with such a proceeding (or part thereof) commenced by such person if the commencement of such proceeding (or part thereof) by the person was authorized in the specific case by Amalgamated Financial's board of directors.

The foregoing right to indemnification includes the right to an advancement of expenses actually and reasonably incurred by a director, officer, or employee of Amalgamated Financial in defending any such proceeding in advance of its final disposition, upon receipt of an undertaking by or on behalf of such person to repay all amounts so advanced if it is ultimately determined by final adjudication from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses.

Amalgamated Financial's bylaws also provide that it may purchase and maintain insurance on behalf of any person who is or was a director, officer, or employee of Amalgamated Financial, or is or was serving at the request of Amalgamated Financial as a director, officer, or employee of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not Amalgamated Financial would have the power to indemnify him or her against such liability under the provisions of the DGCL.

In addition, Amalgamated Financial's certificate of incorporation provides that the liability of its directors to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director is eliminated or limited to the fullest extent permitted by applicable law, and that if applicable law is amended to authorize the further elimination or limitation of the liability of a director, then the liability of the director shall be eliminated or limited to the fullest extent permitted by applicable law, as so amended. Further, as a Delaware public benefit corporation, the DGCL permits, and Amalgamated Financial's certificate of incorporation provides, that any disinterested failure by a director to satisfy his or her fiduciary duties shall not, for the purposes of Sections 102(b)(7) and 145 of the DGCL, or for the purposes of any use of the term "good faith" in Amalgamated Financial's certificate of incorporation or bylaws in regard to the indemnification or advancement of expenses of officers, directors, and employees, constitute an act or omission not in good faith, or a breach of the duty of loyalty. Finally, the DGCL provides that Amalgamated Financial's director's decision implicating the requirement under the DGCL that a director of a public benefit corporation balance the stockholders' pecuniary interests, the best interests of those materially affected by Amalgamated Financial's conduct, and the public benefit identified in Amalgamated

Financial's certificate of incorporation will be deemed to satisfy such director's fiduciary duties to stockholders and Amalgamated Financial if such director's decision is both informed and disinterested and not such that no person of ordinary, sound judgment would approve.

Stockholder Vote on Fundamental Issues

As a public benefit corporation, Amalgamated Financial may not merge or consolidate with or into another entity if, as a result of such merger or consolidation, the shares in Amalgamated Financial would become, or be converted into or exchanged for the right to receive, shares or other equity interests in a domestic or foreign corporation that is not a public benefit corporation or similar entity unless such merger or consolidation is approved by the holders of two-thirds of the outstanding stock of Amalgamated Financial. Any other merger or consolidation, subject to certain exceptions contained in the DGCL, requires the approval of the holders of a majority of the outstanding stock of Amalgamated Financial.

Equity Incentive Plan

In 2019, the Bank's stockholders approved the Amalgamated Bank 2019 Equity Incentive Plan, which we refer to as the Equity Plan. If the reorganization is completed, the Holding Company will automatically assume the Equity Plan. Thereafter, each of the outstanding Bank restricted stock units issued under the Equity Plan will be converted to Holding Company restricted stock units, and will be governed by the same terms and conditions of the Equity Plan as they had been prior to the reorganization. The Holding Company will, thereafter, be able to grant future equity awards under the Equity Plan, in accordance with the terms of such plan, which are summarized below.

Administration. If the reorganization is completed, the Compensation Committee of the Holding Company will administer the Equity Plan, and determine eligibility for and the terms and conditions of awards, all in accordance with the Equity Plan. The Compensation Committee will have, among its powers, the power to construe and interpret the Equity Plan and all awards granted under the Equity Plan. The Compensation Committee may delegate to one or more officers of the Holding Company its power to make awards to non-officer employees, subject to maximum share and dollar limits to be specified by the Compensation Committee. Notwithstanding the foregoing, the Holding Company's full board of directors may choose to retain authority to act as the "Committee" with respect to certain awards made under the plan or with respect to certain powers, in which case references in the Equity Plan to the Committee shall be deemed to refer to the full board of directors.

Number of Shares Authorized. Under the Equity Plan, the number of shares originally authorized for issuance under the plan was 1,250,000 shares of common stock, 782,365 of which remained available for future grant at June 30, 2020. Generally, shares that have not been delivered because they were forfeited or cancelled or the award was settled in cash, and that have not been applied to pay taxes, may again be issued pursuant to new awards.

Eligibility. Employees, directors and consultants are eligible to receive awards. A non-employee director may not receive awards under the Equity Plan during any single fiscal year that, when combined with such director's cash fees (other than dividend equivalents paid on prior year's awards), exceed $500,000 in total value.

Types of Awards. The Equity Plan provides for the award of restricted stock and restricted stock units. Awards are memorialized in an award agreement and are subject to the conditions, restrictions and contingencies specified by the Compensation Committee in such agreement (and the Equity Plan).

- Restricted Stock. A restricted stock award is a grant of shares subject to restrictions specified by the Compensation Committee that generally lapse over time or upon satisfaction of specified performance criteria. Unless otherwise provided in the award agreement, a participant granted a restricted stock award has no stockholder rights, such as voting or cash dividend rights, until vesting of the restricted stock.

- Restricted Stock Unit Awards. A restricted stock unit represents the right to receive a grant of stock (or its cash value) upon vesting of the award. Vesting may be based on the lapse of time or satisfaction of specified performance criteria. Unless otherwise provided in the award agreement, a participant granted a restricted stock unit award has no stockholder rights, such as voting or cash dividend rights, until issuance of the stock.

Forfeiture & Transferability. Unless provided otherwise in the award agreement, all unvested awards are forfeited upon separation from service. Awards, including the vested portion thereof, may also be subject to certain forfeiture and clawback rights in the event the participant separates from service for cause, pursuant to a clawback policy that the Holding Company is required to adopt under applicable listing standards or law, in the event that the participant commits certain ethical violations or other bad risk behaviors, if the Bank experiences regulatory or capital issues, and as specified in the award agreement by the compensation committee. Awards are transferable only by will or by the laws of descent and distribution.

Change in Control. Unless the award agreement provides otherwise, upon a change in control, the Compensation Committee may arrange for the successor to assume or continue the Equity Plan or substitute similar awards and assume any reacquisition or repurchase rights, in which case if a participant involuntarily terminates service for reasons other than cause, death or disability or resigns for good reason (each, as defined in the Equity Plan) within one year following such change in control, the award will vest based on the Compensation Committee's determination of actual performance measured, and Performance Measures (as defined in the Equity Plan) adjusted, as of the most recently-completed fiscal quarter. If no such assumption/continuation or substitution occurs, then the Compensation Committee must accelerate the vesting of time-based awards and modify performance-based awards to vest based upon the compensation committee's determination of actual performance measured, and performance measures adjusted, and/or prorated targets as of immediately prior to such change in control. In both cases, if actual performance cannot be determined, prorated awards will be paid based on target achievement of performance measures and subject to proration. The Compensation Committee need not take the same action with respect to all awards.

Amendment & Termination. The Equity Plan terminates ten years after its March 7, 2019 effective date or its earlier termination by the board of directors or the date all authorized shares have been purchased or granted. If the reorganization is completed, the Holding Company's board of directors may at any time amend the Equity Plan, except that no amendment may materially impair an existing award without the participant's consent unless required by applicable law. Under The Nasdaq Stock Market rules, we must seek additional stockholder approval if we materially amend, as outlined in The Nasdaq Stock Market rules, the Equity Plan. In addition, if stockholder approval or regulatory approval is required by applicable law or rules, no amendment will be effective until such required stockholder approval or regulatory approval is obtained.

COMPARISON OF STOCKHOLDERS' RIGHTS

This section summarizes the principal similarities and differences between your rights as a stockholder of the Bank and what your rights will be as a stockholder of the Holding Company if the reorganization is completed. This discussion does not necessarily describe all of the similarities and differences that may be important to you and is qualified in its entirety by reference to the New York Banking Law and to the DGCL, as applicable, and the respective organization documents of the Bank and the Holding Company.

The differences in stockholder rights exist by virtue of the differences between the provisions of the New York Banking Law and the DGCL (many of which are imposed by law and cannot be changed), and by virtue of differences between the provisions of the organization documents of the Bank and the Holding Company (which are, generally, differences that we are choosing to implement to facilitate the operation of the organization under the holding company structure, and which we consider to be consistent with the reasons for the reorganization discussed herein).

	Bank	Holding Company
Amendment to Organization Certificate / Certificate of Incorporation	The Bank's organization certificate may be amended by the holders of a majority of all outstanding shares entitled to vote thereon.	Except for the provisions regarding (i) the Holding Company's purposes and powers, (ii) the Holding Company's board of directors, (iii) limitation of director liability, and (iv) the amendment of the certificate of incorporation, each of which require the affirmative vote of the holders of at least 66 and 2/3% of the voting power of the then-outstanding shares of capital stock of the Holding Company to amend, the Holding Company's certificate of incorporation may be amended, altered, changed or repealed upon (A) the board of directors adopting a resolution setting forth the amendment, declaring its advisability and either calling a special meeting of stockholders or directing that the amendment be considered at the next annual meeting of stockholders, followed by (B) the approval of such amendment by holders of a majority of the outstanding stock entitled to vote at such meeting.
Amendment to Bylaws	Generally, the Bank's bylaws may be amended or repealed by the board of directors or by vote of the holders of a majority of all outstanding shares entitled to vote thereon. If any bylaw regulating an impending election of directors is adopted, amended or repealed by the board, the notice of the next meeting of stockholders for election of directors must include the bylaw so adopted, amended or repealed, together with a concise statement of the changes made.	Except as otherwise expressly set forth in the bylaws or as would be inconsistent with applicable law, generally, the Holding Company's bylaws may be amended, altered, changed, or repealed, and new bylaws adopted, by the board of directors without the consent of the stockholders; *provided, however*, the stockholders also generally have the power to adopt, amend or repeal the bylaws by the affirmative vote of the holders of at least a majority of the voting power of the then-outstanding shares of capital stock of the Holding Company entitled to vote for the election of directors.

	Bank	Holding Company
Authorized Capital Stock	The Bank is authorized to issue 70,000,000 shares of Class A common stock, par value $0.01 per share, of which 31,049,525 shares were issued and outstanding as of August 31, 2020, 100,000 shares of Class B non-voting common stock, par value $0.01 per share, of which no shares were issued and outstanding as of the record date, and 1,000,000 shares of blank check preferred stock, par value $0.01 per share, of which no shares were issued and outstanding as of the record date.	The Holding Company is authorized to issue 70,000,000 shares of common stock, par value $0.01 per share, none of which were issued and outstanding as of the date of this proxy statement/prospectus, and 1,000,000 shares of blank check preferred stock $0.01 par value per share, none of which were issued and outstanding as of the date of this proxy statement/prospectus.
Preemptive Rights	The Bank's stockholders do not have preemptive rights.	The Holding Company's stockholders do not have preemptive rights.
Number and Classification of Directors	The Bank's bylaws provide that the number of directors may be fixed from time to time by a majority of the directors then in office, but may not consist of fewer than seven nor more than 21 members. The Bank currently has 12 directors. The Bank does not have a classified board	The Holding Company's bylaws provide that the board of directors will consist of not less than seven and not more than 21 directors as fixed from time to time by a majority of the total number of directors that the Holding Company would have if there were no vacancies. The Holding Company currently has 12 directors. The Holding Company does not have a classified board.
Election of Directors / Cumulative Voting	Generally, elections of Bank directors are determined by a majority of the votes cast, in person or by proxy, at a meeting of stockholders at which a quorum is present. In a contested election of directors, Bank directors are elected by a plurality of the votes cast by the holders of shares of stock present, in person or by proxy, at a meeting of stockholders at which a quorum is present. Stockholders of the Bank do not have cumulative voting rights.	The Holding Company's directors are elected by a majority of the votes cast at a meeting of the stockholders by the holders of stock entitled to vote in the election; *provided, however*, that if the number of nominees for director exceeds the number of directors to be elected, directors are elected by a plurality of the votes of the shares represented in person or by proxy at any meeting of stockholders held to elect directors and entitled to vote on the election of directors. Stockholders of the Holding Company do not have cumulative voting rights.
Removal of Directors	A director of the Bank may be removed for cause by a majority vote (i) the stockholders or (ii) the board of directors.	A director of the Holding Company may be removed with or without cause by the stockholders holding a majority of the shares then entitled to vote at an election of directors.
Vacancies on the Board of Directors	All vacancies on the Bank's board not exceeding one-third of the entire board may be filled by the vote of a majority of the	Any newly created Holding Company directorships resulting from an increase in the number of directors and any vacancies

	Bank	Holding Company
	remaining directors. All vacancies exceeding one-third of the entire board must be filled by the vote of a majority of stockholders entitled to vote thereon.	occurring in the board of directors may be filled by the affirmative vote of a majority of the remaining members of the board of directors. A director elected to fill a vacancy will hold office until the earlier of the expiration of the term of office of the director who he or she has replaced, a successor is duly elected and qualified, or such director's death, resignation or removal.
Stockholder Action Without Meeting	Any action required or permitted to be taken by the Bank's stockholders at a meeting may be taken without a meeting if a written consent describing the action to be taken is signed by all of the stockholders entitled to vote thereon.	Any action required or permitted to be taken by the stockholders of the Holding Company may be taken by written consent without a meeting but only if a consent in writing, setting forth the action to be taken, is signed by the holders of all outstanding shares of the Holding Company entitled to vote thereon.
Nomination of Director Candidates by Stockholders	Nominations for election to the board of directors may be made by or at the direction of the Bank's board of directors or the chair of the board or by any stockholder of the Bank who (i) was a stockholder of record at the time of giving of notice of the meeting at which directors are to be elected and at the time of such meeting, (ii) is entitled to vote at such meeting, and (iii) complies with the notice procedures set forth in the Bank's bylaws and described below in the row "Notice for Stockholder Proposals."	Holding Company director nominations must be (i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the board of directors or any committee thereof, (ii) otherwise properly brought before the meeting by or at the direction of the board of directors or any committee thereof, or (iii) otherwise properly brought before the meeting by a stockholder who is (A) a stockholder of record of the Holding Company at the time the notice of meeting is delivered, (B) entitled to vote at the meeting and (C) complies with the notice procedures set forth in the Holding Company's bylaws and described below in the row "Notice for Stockholder Proposals."
Notice for Stockholder Proposals	For any director nominations or any other business to be properly brought before the Bank's annual meeting by a stockholder, the stockholder must have given notice in writing to the president of the Bank not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting; *provided*, *however*, that if the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, the stockholder's notice	For any director nominations or any other business to be properly brought before an annual meeting by a stockholder, the stockholder must give written notice to the secretary of the Holding Company (i) not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, in advance of the anniversary of the previous year's annual meeting if the meeting is to be held on a day that is not more than 30 days in advance of the anniversary of the previous year's annual meeting or not later than 60 days after the

	Bank	Holding Company
	must be delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 120 days prior to the date of such annual meeting, then the 10th day following the day on which public announcement of the date of such meeting is first made by the Bank. In the case of a special meeting, the stockholder's notice must be delivered to the secretary of the Bank not earlier than the close of business on the later of the 90th day prior to the date of the special meeting or, if the first public announcement of the date of such special meeting is less than 100 days prior to the date of such special meeting, then the 10th day following the day on which public announcement is first made of the date of the special meeting. Any such stockholder's notice must also be in the form set forth in, and contain the information required by, the Bank's bylaws.	anniversary of the previous year's annual meeting; or (ii) with respect to any other annual meeting of stockholders, not earlier than the close of business on the 120th day prior to the annual meeting and not later than the close of business on the later of (A) the 90th day prior to the annual meeting and (B) the close of business on the 10th day following the first date of public disclosure of the date of such meeting. In the case of a special meeting, the stockholder's notice must be delivered to the secretary of the Holding Company not earlier than the close of business on the 120th day prior to the date of the special meeting and not later than the close of business on the later of (1) the 90th day prior to such special meeting or (2) the 10th day following the day on which public announcement is first made of the date of the special meeting. Any such stockholder's notice must also be in the form set forth in, and contain the information required by, the Holding Company's bylaws.
Calling Special Meetings of Stockholders	Special meetings of the Bank's stockholders may be held for any purpose, unless otherwise proscribed by statute, and may be called by the board of directors, the chair of the board of directors, any vice chair of the board of directors, or the president and must be called whenever requested in writing by two-thirds of the board or by holders of at least two-thirds of the outstanding shares of capital stock entitled to vote at the meeting requested to be called. Any such written request must state the purpose of the meeting to be called.	Special meetings of the Holding Company's stockholders may be called only (i) by a majority of the board of directors, the chair of the board of directors, any vice chair of the board of directors, the president or the chief executive officer; or (ii) by the secretary, following written demand to call a special meeting of the stockholders from stockholders of record who own at least two-thirds of all of the outstanding shares of common stock of the Holding Company then entitled to vote on the matter or matters to be brought before the proposed special meeting.
Indemnification of Directors, Officers, and Employees	The Bank is required by its bylaws to indemnify, to the fullest extent permitted by law, each person made or threatened to be made a party to any action or proceeding by reason of the fact that such person or such person's testator or intestate is or was a director, officer or employee of the Bank, or serves or served as a director, officer or employee of any other entity at the request of	The Holding Company's bylaws require the Holding Company to indemnify and hold harmless to the fullest extent permitted by law any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit, or proceeding, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, or

	Bank	Holding Company
	the Bank, against judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, incurred in connection with such action or proceeding or. The Bank also may advance expenses to any person entitled to indemnification in advance of the final disposition of the applicable proceeding if such person undertakes to repay any amount to the extent that the expenses so advanced exceeded the amount to which such person was entitled to be indemnified.	employee of the Holding Company or, while a director, officer, or employee of the Holding Company, is or was serving at the request of the Holding Company as a director, officer, or employee of another entity, against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such person. If such a proceeding is commenced by the person entitled to indemnification, the proceeding must be authorized by the board of directors in order for the person to be entitled to indemnification. The Holding Company is also required to pay the expenses (including attorneys' fees) actually and reasonably incurred by a person entitled to indemnification in defending any such proceeding in advance of its final disposition, upon receipt of an undertaking by or on behalf of such person to repay all amounts advanced if it shall ultimately be determined by final judicial decision that such person is not entitled to be indemnified for such expenses.
Limitation of Liability for Directors	Other than the right to indemnification described immediately above, the Bank's organization certificate and bylaws do not limit the liability of its directors.	The Holding Company's certificate of incorporation provides that the liability of a director of the Holding Company to the Holding Company or its stockholders for monetary damages for a breach of fiduciary duty as a director is eliminated or limited to the fullest extent permitted by law.
Stockholder Vote on Fundamental Issues	A plan of merger involving the Bank, pursuant to Section 601 of New York Banking Law, must generally be approved by the affirmative vote of the holders of at least two-thirds of the votes entitled to be cast on the plan regardless of the class or voting group to which the shares belong, and two-thirds of the votes entitled to be cast on the plan within each voting group entitled to vote as a separate voting group on the plan. However, if the Bank is the surviving entity in a merger, the Bank's stockholders only have the right to vote if (i) the total assets of the merging entity exceed 10% of the total assets of the Bank; (ii) the name or the number of authorized shares of the Bank changes; or (iii) any other change or amendment to the Bank's organization certificate or bylaws is made that requires stockholder approval.	As a public benefit corporation, the Holding Company may not merge or consolidate with or into another entity if, as a result of such merger or consolidation, the shares in the Holding Company would become, or be converted into or exchanged for the right to receive, shares or other equity interests in a domestic or foreign corporation that is not a public benefit corporation or similar entity unless such merger or consolidation is approved by the holders of two-thirds of the outstanding stock of the Holding Company.

	Bank	Holding Company
Consideration of Other Constituencies	The Bank's board of directors, committees of the board, and individual directors must consider the effects of any action or inaction upon: (i) the stockholders of the Bank; (ii) the employees and work force of the Bank, its subsidiaries, and its suppliers; (iii) the interests of its customers as beneficiaries of the purposes of the Bank to have a material positive impact on society and the environment; (iv) community and social factors, including those of each community in which offices or facilities of the Bank, its subsidiaries, or its suppliers are located; (v) the local and global environment; (vi) the short-term and long-term interests of the Bank, including benefits that may accrue to the Bank from its long-term plans and the possibility that these interests may be best served by the continued independence of the Bank; and (vii) the ability of the Bank to create a material positive impact on society and the environment, taken as a whole. In addition, a director of the Bank is not required to regard any interest, or the interests of any particular group affected by such action, including the stockholders, as a dominant or controlling interest or factor in discharging his or her duties, and in determining what is in the best interests of the Bank.	The Holding Company is a public benefit corporation as contemplated by subchapter XV of the DGCL. Thus, the Holding Company is intended to operate in a responsible and sustainable manner and to produce a public benefit or benefits. Additionally, the Holding Company is to be managed in a manner that balances the stockholders' pecuniary interests, the best interests of those materially affected by the Holding Company's conduct, and the public benefit identified in the Holding Company's certificate of incorporation. Delaware law expressly provides that a Holding Company director's decision implicating such balancing requirement will be deemed to satisfy such director's fiduciary duties to stockholders and the Holding Company if such director's decision is both informed and disinterested and not such that no person of ordinary, sound judgment would approve.

INFORMATION ABOUT THE HOLDING COMPANY

Incorporation

The Holding Company was incorporated as Amalgamated Financial Corp. as a public benefit corporation under the DGCL on August 25, 2020 at the direction of the Bank's board of directors. The Holding Company was formed to acquire the Bank's common stock and to engage in business as a bank holding company. Copies of the Holding Company's certificate of incorporation and bylaws are attached to this proxy statement/prospectus as Annex C and Annex D, respectively.

Business of the Holding Company

The Holding Company is currently a non-operating entity. Upon the completion of the reorganization, the Bank will become a wholly-owned subsidiary of the Holding Company, and each stockholder of the Bank will become a stockholder of the Holding Company with substantially the same proportional ownership interest therein as they presently hold in the Bank.

Immediately after consummation of the reorganization, it is expected that the Holding Company will not engage in any business activity other than to hold all of the stock of the Bank. The Holding Company does not presently have any arrangements or understandings regarding any acquisition or merger opportunities. It is anticipated, however, that the Holding Company in the future may pursue other investment opportunities, including possible diversification through acquisitions and mergers, although no such transaction is contemplated at this time.

Financial Information about the Holding Company

As of the date of this proxy statement/prospectus, the Holding Company has no assets and, because it has not yet issued stock, it has no stockholders' equity. The Holding Company has no operations and does not have any income, loss or cash flow from operations. Accordingly, there is no historical financial information presented in this proxy statement/prospectus regarding the Holding Company.

Upon consummation of the reorganization, the Holding Company's assets (on a parent-only basis) will consist solely of its investment in the common stock of the Bank, and, assuming no dissenters' rights are exercised, the Holding Company's stockholders' equity will equal the stockholders' equity of the Bank immediately prior to the reorganization.

Properties

The Holding Company is not initially expected to own or lease real or personal property. Instead, it intends to use the premises, equipment and furniture of the Bank without the direct payment of any rental fees to the Bank.

Legal proceedings

The Holding Company has not, since its incorporation, been a party to any legal proceedings.

Employees

At the present time, the Holding Company does not intend to employ any persons other than its unpaid executive officers, all of whom are employees of the Bank. It will use the management and support staff of the Bank from time to time. If the Holding Company acquires other institutions or pursues other lines of business, at such time it may hire additional employees.

Competition

It is expected that in the immediate future, the primary business of the Holding Company will be the ownership of the Bank's common stock. Therefore, the competitive conditions to be faced by the Holding Company will be the same as those faced by the Bank.

Management - Directors

Directors

The Holding Company's bylaws provide for not less than seven and not more than 21 directors as fixed from time to time by resolution of a majority of the total number of directors that the Holding Company would have if there were no vacancies.

Holding Company directors are elected at each annual stockholders' meeting for terms expiring at the next annual meeting of stockholders or until that director's successor is duly elected and qualified. This is the same structure currently in place at the Bank.

Information about the directors of the Holding Company, all of whom are currently directors of the Bank, is set forth below.

Lynne P. Fox ***Director***
Age 62

Lynne P. Fox has served as Chair of the Bank's board of directors since May 2016, and has been a member of the Bank's board of directors since February 2000. Ms. Fox is an attorney and is the elected President and Chair of the General Executive Board of Workers United, a position she has held since May 2016. Prior to that, she served as an Executive VP of Workers United from March 2009 to May 2016. She is also the elected Manager of the Philadelphia Joint Board of Workers United (and its predecessor labor organizations), a position she has held since December 1999. She is a Vice President of the Service Employees International Union. She is responsible for overseeing a $5 million budget, strategic planning, and for representing approximately 75,000 members in the U.S. and Canada. She has served as chief labor negotiator for over 100 collective bargaining agreements that, among other things, provide for health and pension benefits, and has responsibility for oversight of the investigation and processing of labor grievances. Ms. Fox serves as Chair of the Amalgamated Life Insurance Company, Chair of the Consolidated Retirement Fund, Chair of the Sidney Hillman Medical Center in Philadelphia, President of the Sidney Hillman Medical Center Apartments for the Elderly, Inc. in Philadelphia and is a board member of the Philadelphia Airport Advisory Board. She previously was the Chair of the Investment Committee of the National Retirement Fund from 2016 to 2018. She is President of the Philadelphia Jewish Labor Committee, and Chair of the John Fox Scholarship Fund in Philadelphia. She also served as a board member for the State Employee Retirement System in Pennsylvania from 2006 to 2011, which is a $28.3 billion fund. She also serves as Chair and trustee on various other insurance and employee benefit funds. Ms. Fox brings to the board an intimate understanding of the Bank's business, organization, and mission, as well as substantial leadership ability, board and management experience, all of which qualify her to serve on the board of directors.

Donald E. Bouffard Jr. ***Director***
Age 75

Donald E. Bouffard, Jr. has served on the Bank's board of directors since February 2012. Mr. Bouffard is a Certified Public Accountant who spent 34 years with Crowe LLP, a public accounting and consulting firm, until he retired in 2009. While at Crowe, he served as an external audit partner for 28 years in the Financial Institutions Group where he worked with more than 100 financial institution clients, both public and private, primarily serving as external auditor, but also providing services related to mergers and acquisitions, management succession planning, strategic

planning and SEC reporting. Mr. Bouffard served on Crowe's Executive Committee for ten years. He served on the board of directors and was Chair of the Audit Committee of Wilmington Savings Bank, Wilmington, Ohio, a private bank, from 2011 to 2019, and previously served on the board of directors of the Notre Dame National Monogram Club and was Chair of the Boland-Brennan-Riehle Committee, which oversees a $6 million scholarship fund for children of former Notre Dame athletes. Mr. Bouffard is a member of the American Institute of Certified Public Accountants, the Ohio Society of Certified Public Accountants, and he previously served as a member of the American Institute of Certified Public Accountants Savings and Loan Committee. Mr. Bouffard's leadership experience, accounting knowledge and business experience qualify him to serve on the board of directors and enhance his ability to contribute as a director.

Maryann Bruce ***Director***
Age 60

Maryann Bruce joined the Bank's board of directors in August 2018, after a greater than 30-year career in the financial services industry. In acknowledgment of her leadership and expertise, Ms. Bruce was honored by Directors & Boards as one of 20 accomplished female board members in Directors to Watch and by US Banker appearing on "The 25 Most Powerful Women in Banking" list. Formerly, she was an independent director of MBIA (NYSE: MBI) serving on the Audit & Compliance and Compensation & Governance Committees, an independent director and Chair of the Compensation Committee of Atlanta Life Financial Group, a private company, and a Trustee of both the Allianz Global Investors and PNC Funds. Since October 2007, Ms. Bruce has been President of Turnberry Advisory Group, a private consulting firm. From December 2008 to July 2010, she was President of Aquila Distributors, Inc., a subsidiary of Aquila Investment Management LLC, a boutique asset manager. Prior to that, from September 1999 to June 2007, she was President of Evergreen Investments Services, Inc., an investment management and diversified financial services business and subsidiary of Wachovia (now Wells Fargo and Company). Ms. Bruce is the Chair of the Board of Wrestle Like A Girl, the Nominating Committee Chair of the C200 Foundation, a women's executive leadership association, an advisory board member of RealBlocks, a FinTech company, and a founder of the National Association of Corporate Directors' Carolinas Chapter. Ms. Bruce earned the CERT Certificate in Cybersecurity Oversight from the Software Engineering Institute of Carnegie Mellon University, demonstrating her commitment to advanced cybersecurity literacy. Ms. Bruce's extensive executive leadership and deep corporate governance experience as well as her functional expertise in strategy, sales and distribution, marketing, product development, and risk management, as well as regulatory oversight, qualifies her to serve on the board of directors.

Patricia Diaz Dennis ***Director***
Age 73

Patricia Diaz Dennis joined the Bank's board of directors in August 2018. Ms. Diaz Dennis has decades of corporate experience, having served on the boards of CarrAmerica, Massachusetts Mutual Life Insurance Company, Citadel Communications Corporation, and Telemundo Group, among others. In 1995, she joined SBC Communications, Inc., the company that later became AT&T, as a Senior Vice President, serving in a variety of positions including General Counsel and Secretary of SBC West from May 2002 until August 2004, and Senior Vice President and Assistant General Counsel of AT&T from August 2004 until she retired in November 2008. Before joining SBC, Ms. Diaz Dennis was appointed by two Presidents and confirmed by the U.S. Senate to three federal government positions. President Ronald Reagan named her to the National Labor Relations Board in 1983, and appointed her a commissioner of the Federal Communications Commission three years later. After becoming partner and communications group practice chair of Jones, Day, Reavis & Pogue, Ms. Diaz Dennis returned to public service in 1992, when President George H. W. Bush appointed her Assistant Secretary of State for Human Rights and Humanitarian Affairs. From 1993 until 1995, Ms. Diaz Dennis served as special counsel for communications matters to the law firm of Sullivan & Cromwell. The former Chair of the National Board of Directors of the Girl Scouts of the USA, Ms. Diaz Dennis has also served on the World Bank Sanctions Board and the NPR Board of Directors. She is currently a director of Entravision Communications Corporation (NYSE: EVC) and U.S. Steel (NYSE: X), sits on the WGU Texas advisory board, Chairs The Global Fund Sanctions

Panel, and is Chair of the World Affairs Council of San Antonio. She is a member of the California, Texas, and District of Columbia bars, and is admitted to practice before the U.S. Supreme Court. Ms. Diaz Dennis' legal expertise, federal government public service, and substantial board service enhance her skills in corporate governance, compensation matters, risk management, compliance, internal controls, employment, legislative, regulatory, public policy and operational issues. Additionally, her National Labor Relations Board experience brings union relations insight and expertise to the board. These strengths, along with her record of demonstrated executive leadership and integrity provide valued insight and perspective to board deliberations and oversight of the Bank.

Robert C. Dinerstein ***Director***
Age 78

Robert C. Dinerstein has served on the Bank's board of directors since August 2011. Mr. Dinerstein is Chair of Veracity Worldwide, a strategic risk assessment firm that advises companies doing business in emerging markets, a position he has held since October 2009. Before that, he was Chair of Crossbow Ventures, Inc., a venture capital firm, from 2005 until 2010. He also was a shareholder and served as global co-chair of the financial institutions practice at Greenberg Traurig, LLP, a full-service international law firm, from October 2006 until August 2008. Before that, he was a senior executive with UBS AG's Investment Bank, having served as Vice Chair-Americas, Global General Counsel and as a member of its Board and Management Committee, with responsibility for all legal, compliance and regulatory matters. While at UBS, Mr. Dinerstein also served on the boards of two of the bank's international mutual funds and as a trustee of its U.S. pension plan. He also represented UBS on the Executive Committee of the Institute of International Bankers. Before joining UBS, Mr. Dinerstein was Executive Vice President and General Counsel of Shearson Lehman Brothers and was also Vice President and General Counsel of Citicorp's Investment Bank. He previously served on the Board of Medarex, Inc., a Nasdaq listed biopharmaceutical company, and was chairman of its Nominating and Governance Committee and a member of its Audit and Compensation Committees. He is a member of the Council on Foreign Relations, the advisory committee of the Export Import Bank of the United States, the New York Chapter of the National Association of Corporate Directors, and the boards of Sheltering Arms, a diversified social service organization, and the Connecticut Chapter of the Alzheimer's Association. He is also a former member of the Dean's Leadership Council of the Harvard Graduate School of Education and Chairman of Everybody Wins, a literacy and mentoring organization, a board member of the Red Cross of Greater New York and of Phipps Houses, a leading developer of affordable housing and a member of the Advisory Board of School of International and Public Affairs of Florida International University. Mr. Dinerstein brings to the board an overall institutional knowledge of the Bank's business, banking industry expertise, legal training and leadership experience, all of which qualify him to serve on the board of directors.

Mark A. Finser ***Director***
Age 60

Mark A. Finser was a founding member of New Resource Bank and served as its Chair until the Bank's acquisition of New Resource Bank in 2018. Mr. Finser started his career in social finance in 1984 as a founder of RSF Social Finance ("RSF"), an organization focused on developing innovative social finance tools to serve the unmet needs of clients and partners. He served as President and Chief Executive Officer of RSF until 2007, during which time he led the growth of the organization's assets to $120 million. In 2007, he transitioned to Chairman of the Board of Trustees of RSF and served in that role until 2018. As an active member of the social finance community, Mr. Finser has served on several boards, including B Lab, Yggdrasil Land Foundation, and Gaia Herbs. Mr. Finser also works with high net worth individuals and families to develop a strategy to align financial resources with personal values. As part of this work, Mr. Finser serves as an independent trustee for families and multigenerational beneficiaries. Mr. Finser's extensive business experience, including his experience as a bank director, and knowledge of the Bank's mission and markets that the Bank serves qualify him to serve on the board of directors and enhance his ability to contribute as a director.

Julie Kelly ***Director***
Age 53

Julie Kelly has served on the Bank's board of directors since April 2010. Ms. Kelly is the General Manager of the New York New Jersey Regional Joint Board of Workers United and an International Vice President and member of the General Executive Board of Workers United, positions she has held since 2010. She has worked in the labor movement since 1989 and has been with Workers United and its predecessor organizations in a number of capacities since 2000. Ms. Kelly is President of the New York New Jersey Regional Joint Board Holding Company, Inc., a director of Amalgamated Life Insurance Company, and a trustee of the Amalgamated National Health Fund, Amalgamated Retail Retirement Fund, Consolidated Retirement Fund, the National Retirement Fund and the Union Health Center. She also served as former President of the Clothing Workers Center, a historic organization that has provided a home for tens of thousands of ACTWU workers for over a century. During her tenure as a director for over ten years, Ms. Kelly has developed knowledge of the Bank's business, history, organization, mission, and executive management, which qualify her to serve on the board of directors and enhance her ability to contribute as a director.

Keith Mestrich ***President and Chief Executive Officer***
Age 53 ***Director***

Keith Mestrich has served as the Bank's President and Chief Executive Officer and on the Bank's board of directors since 2014. Mr. Mestrich has over three decades of experience in banking and financial management, many of those positions assisting our core constituencies in labor, nonprofits, political organizations and issue-advocacy campaigns. Mr. Mestrich joined the Bank in 2012 and directed our Washington, D.C. operation where he built its presence in the nation's capital. Since his appointment as President and Chief Executive Officer in 2014, the Bank returned to profitability, improved its credit quality, installed a new management team and significantly grew its core deposit base. Mr. Mestrich has spearheaded initiatives to underscore the Bank's mission, including support of a living wage (and raising our minimum wage to $20 per hour), acceptance of IDNYC as a primary form of ID, and certification of the Bank as a B Corporation. In 2018, Mr. Mestrich guided the Bank's acquisition of San Francisco-based New Resource Bank, creating the nation's leading socially responsible banks. Before joining the Bank, he served as the Chief Financial Officer and Deputy Chief of Staff for the Service Employee International Union from 2008 through 2012 and has extensive experience in the financial sector. Mr. Mestrich's experience in commercial and retail banking operations and management, credit administration, and product management provides the board of directors with significant expertise important to the oversight of the Bank and expansion into its target markets, all of which qualify him to serve on the board of directors.

John McDonagh ***Director***
Age 69

John McDonagh has served on the Bank's board of directors since January 2013. Mr. McDonagh retired from JPMorgan Chase Bank N.A. (together with its predecessor organizations, "JPM") in February 2011 as a Managing Director of JPM's Global Special Credit Group, having served in various credit capacities at JPM over a career spanning approximately 38 years, including as a division executive for Chase Real Estate Department and as a director for Chase Bank of Florida. In his final position at JPM, which he occupied from 1998 until his retirement, Mr. McDonagh was responsible for, among other things, the restructuring of large corporate credits, usually over $1.0 billion and involving borrowers in various industries. From 2009 until his retirement, Mr. McDonagh also served on JPM's bank-wide management Real Estate Committee. From 2003 through his retirement, he also served on the Management Committee responsible for reviewing the warehouse position of JPM's Commercial Mortgage Securitization Group. Before that, he served on JPM's Fund Performance Review Committee investigating performance of investments sold to pension funds from 1996 until 1998. Mr. McDonagh's extensive business and banking experience and knowledge of credit markets qualify him to serve on the board of directors and enhance his ability to contribute as a director.

Robert G. Romasco ***Director***
Age 72

Robert G. Romasco has served on the Bank's board since September 2014. Mr. Romasco served as President, and chief volunteer spokesperson, of AARP from 2012 until 2014, and served on AARP's board of directors from 2006 until 2014, where he served as AARP's Secretary-Treasurer; Chair of the board's Audit & Finance Committee; and Chair of the National Policy Council. Before that, Mr. Romasco served as Senior Vice President of customer, distribution, and new business development for QVC, Inc. from November 2005 until June 2006. Before joining QVC, he served as Executive Vice President and Chief Marketing Officer of CIGNA Corp. where he was responsible for driving marketing and distribution leverage across four independent business units. Before CIGNA Corp. and QVC, Mr. Romasco served as Chief Executive Officer of J.C. Penney Direct Marketing Services, a $1 billon insurance company serving the leading credit card firms; Senior Vice President of American Century Investments; Director of Strategic Customer Development for Corporate Decisions Inc.; and as Chief Financial Officer of Epsilon, a pioneer in the database marketing industry.
Mr. Romasco has served on the advisory board of the Eugene Bay Foundation, which makes grants to community-building organizations in Philadelphia. He served as an advisory board member of Eastwood, Inc., a privately held leader in direct marketed auto restoration components, from April 2005 until April 2019. Mr. Romasco's business experience provides him with an appreciation of markets that the Bank serves, and his leadership experiences provide him with insights regarding product management and retail marketing, each of which qualify him to serve on the board of directors.

Edgar Romney Sr. ***Director***
Age 77

Edgar Romney Sr. has served on the Bank's board of directors since July 1995. Mr. Romney Sr. briefly became President of Workers United upon its formation in March 2009 and has been its Secretary-Treasurer since July 2009. He is also a member of the General Executive Board of Workers United and Vice President of Service Employees International Union, positions he has held since September 2009. Mr. Romney Sr. joined the former International Ladies' Garment Workers' Union (ILGWU) in 1962 as a shipping clerk. He later became an Organizer and Business Agent with Local 99 ILGWU and, in 1976, was asked to serve as Director of Organization for the largest ILGWU affiliate – Local 23-25. Two years later, he was elected Assistant Manager of Local 23-25, and in 1983, became the local's Manager-Secretary and an ILGWU Vice President. Mr. Romney Sr. served as Manager-Secretary of Local 23-25 until 2004, when he became Manager of the New York Metropolitan Area Joint Board, formed by the consolidation of the five local unions that represent apparel workers in the New York area. In 1989, Mr. Romney Sr. was elected ILGWU Executive Vice President, becoming the first African-American to hold that position, and in 1995, he became Executive Vice President of UNITE – the union that grew out of the merger of the ILGWU and ACTWU. He was elected to the position of Secretary-Treasurer of UNITE in 2003. With the merger of UNITE and HERE in 2004, Mr. Romney Sr. became Executive Vice President of UNITE HERE, a position he held until the separation of UNITE and HERE in 2009.
Mr. Romney Sr. also served as Secretary-Treasurer of the Change to Win Coalition from September 2003 until 2009. He continues to serve on numerous boards of directors and is Co-Chair of the Garment Industry Day Care Center of Chinatown; National Secretary of the A. Philip Randolph Institute; Vice President of IndustriALL and the New York State AFL-CIO; Secretary Treasurer of the Garment Industry Development Corporation; and an executive board member of the New York City Central Labor Council and the Workmen's Circle. Mr. Romney Sr. is also a director of Amalgamated Life Insurance Company, a board member of the Sidney Hillman Foundation, and a trustee of each of the Consolidated Retirement Fund and the National Retirement Fund. Mr. Romney Sr. is the father of Mr. Romney Jr., who is an Executive Vice President and Northeast Regional Director of the Bank.
Mr. Romney Sr. brings to the board an intimate understanding of the Bank's business, mission and organization, as well as substantial leadership ability, all of which qualify him to serve on the board of directors.

Stephen R. Sleigh ***Director***
Age 64

Stephen R. Sleigh has served on the Bank's board of directors since March 2015. In March 2015, he started a consulting business, Sleigh Strategy LLC, to provide strategic advice aligning business and workforce interests. Mr. Sleigh previously was the Director of the International Association of Machinists National Pension Fund from April 2011 to March 2015, and was the Director of Strategic Resources for the International Association of Machinists, a position he held from September 1994 until September 2006. He also served as a Partner at The Yucaipa Companies, LLC from September 2006 until March 2011. Before that, he worked as Research Director of the International Brotherhood of Teamsters and Deputy Director of the Center for Labor-Management Policy Studies. Mr. Sleigh is a current member and past President of the Labor and Employment Relations Association. He has served as a director of the Baltimore Branch of the Federal Reserve Bank of Richmond, appointed by the Federal Reserve Board of Governors. Mr. Sleigh is the author of two books, On Deadline (1998) and Economic Restructuring and Emerging Patterns of Industrial Relations (1993). Mr. Sleigh serves as the director representative for the investment funds affiliated with The Yucaipa Companies, LLC, pursuant to such funds' contractual director nomination right. Mr. Sleigh brings to the board an overall institutional knowledge of the Bank's business, banking industry expertise, and leadership experience, all of which qualify him to serve on the board of directors.

Director Independence

Under the rules of The Nasdaq Stock Market, which will govern the Holding Company upon completion of the reorganization, independent directors must constitute a majority of a listed company's board of directors. A director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director.

The size of the Holding Company board is 12 members consisting of Mr. Mestrich (the President and Chief Executive Officer of the Holding Company and the Bank), Mr. Finser (the former chair of New Resource Bank's board of directors), five directors (Ms. Fox, Ms. Kelly, and Mr. Romney Sr. and two independent directors, Ms. Bruce and Ms. Diaz Dennis) designated by Workers United, the Bank's significant stockholder, one director designated by funds associated with The Yucaipa Companies (Mr. Sleigh), and the other four existing independent directors (Mr. Bouffard, Mr. Dinerstein, Mr. McDonagh, and Mr. Romasco).

The board of directors has evaluated the independence of each director based on the independence criteria under The Nasdaq Stock Market rules and has determined that each of Mr. Bouffard, Ms. Bruce, Ms. Diaz Dennis, Mr. Dinerstein, Mr. Finser, Mr. McDonagh, Mr. Romasco, and Mr. Sleigh is an independent director.

As part of this evaluation, the board of directors considered the current and prior relationships that each independent director has with the Holding Company and the Bank and all other facts and circumstances the board of directors deemed relevant in determining their independence, including the beneficial ownership of shares of the Holding Company's common stock by each independent director, after giving effect to the reorganization.

The Holding Company's board of directors determined that the following directors are not independent: Mr. Mestrich (the President and Chief Executive Officer of the Holding Company and the Bank), Ms. Fox, Ms. Kelly, and Mr. Romney Sr.

Committees of the Board of Directors

Pursuant to the Holding Company's bylaws, the Holding Company's board of directors may designate one or more committees, each committee to consist of one or more of the directors of the Holding Company. The Holding Company's board of directors may designate one or more directors as alternate members of any committee, who

may replace any absent or disqualified member at any meeting of the committee. If the reorganization is completed, the Holding Company will designate the committees of the board and each of these committees intends to establish written charters, which will be available on the Bank's website. It is anticipated that the functions of these committees will be substantially similar to the functions that are performed by the equivalent committees of the Bank.

Board Diversity

The Holding Company recognizes that a board made up of highly qualified directors from diverse backgrounds benefits from the contribution of different perspectives and experiences to board discussions and decisions, promoting better corporate governance. Therefore, the Holding Company intends for its governance and nominating committee to assess nominees based on merit, having regard to those competencies, expertise, skills, background and other qualities identified from time to time by the board as being important in fostering a diverse and inclusive, culture which solicits multiple perspectives and views. Such committee will ensure that diverse characteristics, including but not limited to gender, age, ethnicity, disability and sexual orientation, are included in any pool of candidates from which the Amalgamated board of director nominees are chosen.

Family Relationships

Edgar Romney Sr. one of the Holding Company directors, is the father of Edgar Romney Jr., an Executive Vice President, Northeast Regional Director of the Bank.

Management - Executive Officers

Executive Officers

Biographical information for each of the Holding Company's executive officers is provided below (other than Mr. Mestrich). Because Mr. Mestrich also serves on the Holding Company's board of directors, we have provided his biographical information above with the other directors.

Andrew LaBenne — ***Senior Executive Vice President and Chief Financial Officer***
Age 46

Andrew LaBenne has served as the Bank's Chief Financial Officer since April 2015, as a Senior Executive Vice President since April 2017, and as an Executive Vice President from April 2015 until April 2017. Before joining the Bank, he served as Chief Financial Officer of Business Banking for JPMorgan Chase & Co. from August 2013 until April 2015. From 1996 until July 2013, Mr. LaBenne spent 17 years at Capital One Financial in various positions in operations, marketing and finance, including as Chief Financial Officer of Retail Banking and Chief Financial Officer of Commercial Banking. While at Capital One Financial, he played a key role in growing the institution's banking franchise through acquisitions and organic growth. He holds a bachelor's degree in engineering from the University of Michigan and an M.B.A. from the University of Virginia.

Martin Murrell — ***Senior Executive Vice President and Chief Operating Officer***
Age 58

Martin Murrell has served as the Bank's Chief Operating Officer and as its Senior Executive Vice President, Consumer Banking since April 2017. He joined the Bank in its Washington D.C. office in April 2016 as an Executive Vice President and Head of Consumer Banking. Mr. Murrell has over 15 years of experience in the design, implementation and management of consumer digital financial services. From November 2007 until April 2016, Mr. Murrell held various positions at American Express, including Head of Direct Deposits—where he was responsible for launching and leading the personal savings direct deposit business, VP Strategic Planning Group, and Vice President of Enterprise Strategic Initiatives. Before his time at American Express, he was a

Vice President with Capital One Financial, where he launched its first online direct savings product, led an internal team focused on enhancing customer experience, and developed a number of secure consumer online payment systems. Mr. Murrell holds a Ph.D. in Nuclear Physics from The Queen's College, University of Oxford, and a bachelor's degree in Physics from the University of Durham.

Sam Brown — ***Executive Vice President, Director of Commercial Banking***
Age 39

Sam Brown joined the Bank as Executive Vice President, Business Development in December 2014. In December 2015, Mr. Brown became an Executive Vice President, Director of Commercial Banking. Prior to joining the Bank, Mr. Brown served as Director of the White House Business Council in the White House's Office of Public Engagement, a position he held from 2013 to 2014. As President Barack H. Obama's liaison to the private sector, Mr. Brown worked on economic policies to help America's working families and businesses succeed. Before leading the Business Council, Mr. Brown held various positions between 2007 and 2012 serving President Obama. Mr. Brown also served as the founding Chief Operating Officer of Organizing for Action and Finance Chief of Staff for the Obama-Biden 2012 campaign. Mr. Brown holds a bachelor's degree from University of Southern California.

Jason Darby — ***Executive Vice President and Chief Accounting Officer***
Age 48

Jason Darby has served as the Bank's Chief Accounting Officer and Controller and as Executive Vice President since February 2018, and previously served as the Bank's Controller and Senior Vice President from July 2015 until February 2018. Before that, he served as Managing Director of Commercial Business Banking for Capital One Financial from July 2012 until June 2015. From 1993 until June 2012, Mr. Darby was an Executive Vice President in charge of sales and marketing at Esquire Bank and, before that, he spent nine years at North Fork Bank/Capital One Financial in various positions in operations and finance. Additionally, Mr. Darby spent five years at KPMG LLP and two years at American Express. Mr. Darby is a licensed CPA in New York and holds a bachelor's degree in accounting from St. Bonaventure University as well as an M.B.A. from the University of Pittsburgh.

Mark Pappas — ***Executive Vice President and Chief Risk Officer***
Age 60

Mark Pappas joined the Bank in August 2015 as its Chief Audit Executive. In April 2018, the Bank appointed him as its Chief Risk Officer. Before joining the Bank, Mr. Pappas held various roles at Morgan Stanley in Internal Audit and Finance Risk executive leadership over an 11-year period from August of 2004 to July of 2015. During his tenure at Morgan Stanley, Mr. Pappas developed and implemented the global, firm-wide Sarbanes-Oxley compliance program. Before that, Mr. Pappas held senior audit leadership positions at international and national banks, including Credit Suisse, Standard Chartered, Bankers Trust and Credit Agricole. He is a past President of the Securities Industry & Financial Markets Association (SIFMA) Internal Auditors Division. Mr. Pappas is also a Certified Public Accountant and earned a Master of Business Administration degree in Finance from Fordham University and a Bachelor of Arts degree in Accounting and Information Systems from Queens College.

Arthur Prusan — ***Executive Vice President and Chief Credit Risk Officer***
Age 54

Arthur Prusan has served as the Bank's Chief Credit Risk Officer since April 2018. Before that, he served as the Bank's Senior Vice President, Head of Credit Operations, and as a Commercial & Industrial Senior Credit Officer from 2012 until April 2018. Before joining the Bank, Mr. Prusan served as Chief Administrative Officer for Global Business Services Americas at Deutsche Bank. Mr. Prusan began his career at GE Capital in 1989,

working in various business units where he led pricing and deal structuring for leases and loans. After his time at GE Capital, Mr. Prusan managed pricing and sales contracts at IPC, a telecom technology company that serves the financial services industry. Mr. Prusan has previously worked at Goldman Sachs and UBS in various finance, administrative, business management, and operations positions. Mr. Prusan earned his MBA from Northwestern Kellogg School of Management and his Bachelor of Arts in Applied Math and Economics from Yale University.

Sean Searby — ***Executive Vice President, Operations and Program Management***
Age 38

Sean Searby has served as the Bank's Executive Vice President, Operations and Program Management since 2020. Prior to that, he served as the Director of Product Management from 2018 to 2020, and as the Director of Product & Client Services within Commercial Banking from 2015 to 2018. Before joining the Bank, Mr. Searby worked in Global Transaction Banking at HSBC on the USD Clearing Team, providing foreign financial institutions and multinational corporations access to the USD market. Before HSBC, Mr. Searby was in the Strategic Planning Group at Cathay Bank. Earlier in his career, he held a number of positions in Operations and Cash Management.

Deborah Silodor — ***Executive Vice President and General Counsel***
Age 60

Deborah Silodor has served as the Bank's Executive Vice President and General Counsel since 2015. Before that she served as the Bank's Deputy General Counsel from February 2009 until January 2015, and as an Assistant General Counsel from June 2007 until February 2009. Before joining the Bank, she served as counsel in the law firm of Lowenstein Sandler in New Jersey from June 1999 until June 2007, where she specialized in commercial litigation. Earlier in her career, Ms. Silodor served as an enforcement attorney with the Office of Thrift Supervision. She holds a bachelor's degree in History from Georgetown University and a J.D. degree from New York University School of Law.

Principal Stockholders

As of the date of this proxy statement/prospectus, the Holding Company has not issued any stock. The principal stockholders of the Bank immediately prior to the reorganization will become the principal stockholders of the Holding Company immediately after the reorganization. For information on the beneficial ownership of Bank common stock by the directors, officers, and beneficial owners of more than 5% of the Bank, see the Bank's 2019 Annual Report on Form 10-K under Item 12 – Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters, which is attached as Exhibit 99.2 to the registration statement. The beneficial ownership information is accurate as of the date specified in the Bank's 2019 Annual Report on Form 10-K. In the reorganization, each of the persons identified in that section will receive exactly the same number of shares of Holding Company common stock as the number of shares of Bank common stock they currently own (and their outstanding Bank stock options and/or Bank restricted stock units, as applicable, will convert into Holding Company stock options and/or Holding Company restricted stock units on a one-for-one basis). If there are no dissenters' shares, then the percentages shown in the table in that section will remain the same following the reorganization, while if some of the Bank's stockholders do dissent and receive payment for their shares, the respective percentages will increase slightly.

Management Compensation

Director Compensation

The Bank currently compensates its non-employee directors for their service on the board of the Bank as discussed in the Bank's 2019 Annual Report on Form 10-K under Item 11 – Executive Compensation, which is attached as Exhibit 99.2 to the registration statement. All of the directors of the Holding Company are also directors of the

Bank. Following consummation of the reorganization, all non-employee directors of the Holding Company will receive the same compensation for service on the board of the Holding Company that they previously received for service on the board of the Bank, with no separate compensation for their service on the board of the Bank.

Compensation of Executive Officers

All of the executive officers of the Holding Company are also executive officers of the Bank. These individuals are compensated for their services as officers of the Bank (see the Bank's 2019 Annual Report on Form 10-K under Item 11 – Executive Compensation, which is attached as Exhibit 99.2 to the registration statement) and will not receive any additional compensation in respect of their executive officer positions with the Holding Company.

Dividends and Dividend Policy

Because the Holding Company is a newly organized corporation, it has not considered or adopted a formal dividend policy with respect to its common stock it will issue in the reorganization. It is expected, however, that the dividend policy of the Holding Company will be similar to that of the Bank. This policy will be reviewed on a regular basis. As a bank holding company, the Holding Company's ability to pay dividends will depend upon the dividends it receives from the Bank and on the earnings and profits which it may receive from any other activities in which the Holding Company may engage, either directly or through other subsidiaries. Initially, since the Holding Company may not have any other significant business activities, its ability to pay dividends will depend almost solely on dividends received from the Bank.

There are various Federal Reserve and New York State restrictions involved in the payment of dividends by the Bank or the Holding Company. For more information, see "—Additional Supervision and Regulation–Dividends".

Additional Supervision and Regulation

Following the reorganization, the Bank will continue to be subject to the same banking laws and regulations, and to supervision, regulation and examination by the NYDFS and the FDIC, as it has been before the reorganization. For a general summary of the material aspects of certain statutes and regulations applicable to the Bank, see the Bank's 2019 Annual Report on Form 10-K under Item 1. Business—Supervision and Regulation, which is attached as Exhibit 99.2 to the registration statement.

If we complete the reorganization, the Holding Company will own 100% of the outstanding capital stock of the Bank, and will be considered to be a bank holding company under the BHC Act. As a result, the Holding Company will be subject to the supervision, examination and reporting requirements of the Federal Reserve under the BHC Act and the regulations promulgated thereunder.

The following is a summary of the material aspects of certain statutes and regulations that will be applicable to the Holding Company. These summary descriptions are not complete, and you should refer to the full text of the statutes, regulations, and corresponding guidance for more information. These statutes and regulations are subject to change, and additional statutes, regulations, and corresponding guidance may be adopted. We are unable to predict these future changes or the effects, if any, that these changes could have on the Holding Company's business, revenues, and results of operations.

Permitted Activities

Under the BHC Act, a bank holding company is generally permitted to engage in, or acquire direct or indirect control of more than 5% of the voting shares of any company engaged in, the following activities:

- banking or managing or controlling banks;
- furnishing services to or performing services for our subsidiaries; and

- any activity that the Federal Reserve determines to be so closely related to banking as to be a proper incident to the business of banking.

Activities that the Federal Reserve has found to be so closely related to banking as to be a proper incident to the business of banking include:

- factoring accounts receivable;
- making, acquiring, brokering or servicing loans and usual related activities;
- leasing personal or real property;
- operating a non-bank depository institution, such as a savings association;
- trust company functions;
- financial and investment advisory activities;
- conducting discount securities brokerage activities;
- underwriting and dealing in government obligations and money market instruments;
- providing specified management consulting and counseling activities;
- performing selected data processing services and support services;
- acting as agent or broker in selling credit life insurance and other types of insurance in connection with credit transactions; and
- performing selected insurance underwriting activities.

As a bank holding company, the Holding Company can elect to be treated as a "financial holding company," which would allow it to engage in a broader array of activities. In summary, a financial holding company can engage in activities that are financial in nature or incidental or complimentary to financial activities, including insurance underwriting, sales and brokerage activities, providing financial and investment advisory services, underwriting services and limited merchant banking activities. We currently plan to seek designation as a financial holding company immediately following the completion of the reorganization. In order to elect financial holding company status, at the time of such election, each insured depository institution that the Holding Company controls must be well capitalized, well managed and have at least a satisfactory rating under the Community Reinvestment Act.

The Federal Reserve has the authority to order a bank holding company or its subsidiaries to terminate any of these activities or to terminate its ownership or control of any subsidiary when it has reasonable cause to believe that the bank holding company's continued ownership, activity or control constitutes a serious risk to the financial safety, soundness or stability of it or any of its bank subsidiaries.

Expansion Activities

The BHC Act requires a bank holding company to obtain the prior approval of the Federal Reserve before merging with another bank holding company, acquiring substantially all the assets of any bank or bank holding company, or acquiring directly or indirectly any ownership or control of more than 5% of the voting shares of any bank. A bank holding company is also prohibited from acquiring direct or indirect ownership or control of more than 5% of the voting shares of any company engaged in nonbanking activities, other than those determined by the Federal Reserve to be so closely related to banking as to be a proper incident to the business of banking.

Obligation of a Holding Company to its Subsidiary Banks

There are a number of obligations and restrictions imposed by law and regulatory policy on bank holding companies with regard to their depository institution subsidiaries that are designed to minimize potential loss to depositors and

to the FDIC insurance fund in the event that the depository institution becomes in danger of defaulting under its obligations to repay deposits. Under a policy of the Federal Reserve, a bank holding company is required to serve as a source of financial strength to its subsidiary depository institutions and to commit resources to support such institutions in circumstances where it might not do so absent such policy. Under the Federal Deposit Insurance Corporation Improvement Act of 1991, to avoid receivership of its insured depository institution subsidiary, a bank holding company is required to guarantee the compliance of any insured depository institution subsidiary that may become "undercapitalized" within the terms of any capital restoration plan filed by such subsidiary with its appropriate federal banking agency up to the lesser of (a) an amount equal to 5% of the institution's total assets at the time the institution became undercapitalized, or (b) the amount which is necessary (or would have been necessary) to bring the institution into compliance with all applicable capital standards as of the time the institution fails to comply with such capital restoration plan.

The Federal Reserve also has the authority under the BHC Act to require a bank holding company to terminate any activity or relinquish control of a nonbank subsidiary (other than a nonbank subsidiary of a bank) upon the Federal Reserve's determination that such activity or control constitutes a serious risk to the financial soundness or stability of any subsidiary depository institution of the bank holding company. Further, federal law grants federal bank regulatory authorities' additional discretion to require a bank holding company to divest itself of any bank or nonbank subsidiary if the agency determines that divestiture may aid the depository institution's financial condition.

In addition, the "cross guarantee" provisions of the Federal Deposit Insurance Act (the "FDIA") require insured depository institutions under common control to reimburse the FDIC for any loss suffered or reasonably anticipated by the FDIC as a result of the default of a commonly controlled insured depository institution or for any assistance provided by the FDIC to a commonly controlled insured depository institution in danger of default. The FDIC's claim for damages is superior to claims of stockholders of the insured depository institution or its holding company, but is subordinate to claims of depositors, secured creditors and holders of subordinated debt (other than affiliates) of the commonly controlled insured depository institutions.

The FDIA also provides that amounts received from the liquidation or other resolution of any insured depository institution by any receiver must be distributed (after payment of secured claims) to pay the deposit liabilities of the institution prior to payment of any other general or unsecured senior liability, subordinated liability, general creditor or stockholder. This provision would give depositors a preference over general and subordinated creditors and stockholders in the event a receiver is appointed to distribute the assets of the Bank.

Any capital loans by a bank holding company to any of its subsidiary banks are subordinate in right of payment to deposits and to certain other indebtedness of such subsidiary bank. In the event of a bank holding company's bankruptcy, any commitment by the bank holding company to a federal bank regulatory agency to maintain the capital of a subsidiary bank will be assumed by the bankruptcy trustee and entitled to a priority of payment.

Capital Requirements

The Federal Reserve will impose certain capital requirements on the Holding Company under the BHC Act, including a minimum leverage ratio and a minimum ratio of "qualifying" capital to risk-weighted assets. These requirements are essentially the same as those that apply to the Bank and are described in the Bank's 2019 Annual Report on Form 10-K under Item 1. Business—Supervision and Regulation—Capital and Related Requirements, which is attached as Exhibit 99.2 to the registration statement.

We are also able to raise capital for contribution to the Bank by issuing securities without having to receive regulatory approval, subject to compliance with federal and state securities laws.

Dividends

The Holding Company's ability to pay dividends to its stockholders may be affected by both general corporate law considerations and policies of the Federal Reserve applicable to bank holding companies. As a Delaware public benefit corporation, the Holding Company is subject to the limitations of the DGCL. The DGCL allows the Holding Company to pay dividends only out of its surplus (as defined and computed in accordance with the provisions of the DGCL) or if the Holding Company has no such surplus, out of its net profits for the fiscal year in which the dividend is declared and/or the preceding fiscal year.

As a general matter, the Federal Reserve has indicated that the board of directors of a bank holding company should eliminate, defer or significantly reduce dividends to stockholders if: (a) the company's net income available to stockholders for the past four quarters, net of dividends previously paid during that period, is not sufficient to fully fund the dividends; (b) the prospective rate of earnings retention is inconsistent with the company's capital needs and overall current and prospective financial condition; or (c) the company will not meet, or is in danger of not meeting, its minimum regulatory capital adequacy ratios. The Federal Reserve also possesses enforcement powers over bank holding companies and their non-bank subsidiaries to prevent or remedy actions that represent unsafe or unsound practices or violations of applicable statutes and regulations. Among these powers is the ability to proscribe the payment of dividends by banks and bank holding companies. In addition, under the Basel III capital rules, financial institutions that seek to pay dividends will have to maintain the 2.5% capital conservation buffer. See the Bank's 2019 Annual Report on Form 10-K under Item 1. Business—Supervision and Regulation—Capital and Related Requirements, which is attached as Exhibit 99.2 to the registration statement.

In addition, since the Holding Company is a legal entity separate and distinct from the Bank and does not conduct stand-alone operations, its ability to pay dividends depends on the ability of the Bank to pay dividends to it, which is also subject to regulatory restrictions as described in the Bank's 2019 Annual Report on Form 10-K under Item 1. Business—Supervision and Regulation—Payment of Dividends, which is attached as Exhibit 99.2 to the registration statement.

Restrictions on Affiliate Transactions

The Holding Company is a legal entity separate and distinct from the Bank and its other subsidiaries. Various legal limitations restrict the Bank from lending or otherwise supplying funds to the Holding Company or its non-bank subsidiaries. The Holding Company and the Bank are subject to Sections 23A and 23B of the Federal Reserve Act and Federal Reserve Regulation W.

Section 23A of the Federal Reserve Act places limits on the amount of loans or extensions of credit by a bank to any affiliate, including its holding company, and on a bank's investments in, or certain other transactions with, affiliates and on the amount of advances to third parties collateralized by the securities or obligations any of affiliates of the bank. Section 23A also applies to derivative transactions, repurchase agreements and securities lending and borrowing transactions that cause a bank to have credit exposure to an affiliate. The aggregate of all covered transactions is limited in amount, as to any one affiliate, to 10% of the Bank's capital and surplus and, as to all affiliates combined, to 20% of the Bank's capital and surplus. Furthermore, within the foregoing limitations as to amount, each covered transaction must meet specified collateral requirements. The Bank is forbidden to purchase low quality assets from an affiliate.

Section 23B of the Federal Reserve Act, among other things, prohibits a bank from engaging in certain transactions with certain affiliates unless the transactions are on terms and under circumstances, including credit standards, that are substantially the same, or at least as favorable to such bank or its subsidiaries, as those prevailing at the time for comparable transactions with or involving other nonaffiliated companies. If there are no comparable transactions, a bank's (or one of its subsidiaries') affiliate transaction must be on terms and under circumstances, including credit standards, that in good faith would be offered to, or would apply to, nonaffiliated companies. These requirements apply to all transactions subject to Section 23A as well as to certain other transactions.

The affiliates of a bank include any holding company of the bank, any other company under common control with the bank (including any company controlled by the same stockholders who control the bank), any subsidiary of the bank that is itself a bank, any company in which the majority of the directors or trustees also constitute a majority of the directors or trustees of the bank or holding company of the bank, any company sponsored and advised on a contractual basis by the bank or an affiliate, and any mutual fund advised by a bank or any of the bank's affiliates. Regulation W generally excludes all non-bank and non-savings association subsidiaries of banks from treatment as affiliates, except to the extent that the Federal Reserve Board decides to treat these subsidiaries as affiliates.

INFORMATION ABOUT THE BANK

Amalgamated Bank is New York state-chartered commercial bank and a chartered trust company headquartered in New York, New York. We provide a broad range of products and services to a target customer base that wants a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national and local labor unions, political organizations, foundations, and sustainability-focused, socially responsible businesses (we refer to these organizations on a collective basis as socially responsible organizations), as well as the members and stakeholders of these commercial customers.

As of June 30, 2020, our total assets were $6.5 billion, our total loans, net of deferred fees and allowance were $3.6 billion, our total deposits were $5.9 billion, and our stockholders' equity was $503.7 million. As of June 30, 2020, our trust business held $32.0 billion in assets under custody and $13.3 billion in assets under management. We completed an initial public offering of our Class A common stock in August 2018.

Business of the Bank

For information about the Bank's business, see Item 1. Business in the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein.

Properties

For information about the Bank's properties, see Item 2. Properties in the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein.

Legal Proceedings

For information about legal proceedings involving the Bank, see Item 3. Legal Proceedings in the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein.

Market for Bank Common Stock

For information about the market and market price for Bank common stock, and related information, see Item 5. Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities in the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein.

Financial and Related Information

For financial information about the Bank at and for the years ended December 31, 2019 and 2018, including the Bank's audited financial statements for those years, see the following sections of the Bank's 2019 Annual Report on Form 10-K for the year ended December 31, 2019, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein: Item 6. Selected Financial Data; Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations; Item 7A. Quantitative and Qualitative Disclosures About Market Risk; and Item 8. Financial Statements and Supplementary Data.

For financial information about the Bank at and for the three-month periods ended March 31, 2020 and 2019, including the Bank's unaudited financial statements for such periods, see the following sections of the Bank's Quarterly Report on Form 10-Q for the period ended March 31, 2020, which is attached as Exhibit 99.3 to the registration statement and is incorporated by reference herein: Item 1. Financial Statements; Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations; and Item 3. Quantitative and Qualitative Disclosures About Market Risk.

For financial information about the Bank at and for the six-month periods ended June 30, 2020 and 2019, including the Bank's unaudited financial statements for such periods, see the following sections of the Bank's Quarterly Report on Form 10-Q for the period ended June 30, 2020, which is attached as Exhibit 99.4 to the registration statement and is incorporated by reference herein: Item 1. Financial Statements; Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations; and Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Management and Corporate Governance Information

For information about the Bank's officers and directors, their compensation, share ownership, and relationships and transactions with the Bank, see the following sections of the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein: Item 10. Directors, Executive Officers and Corporate Governance; Item 11. Executive Compensation; Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters; and Item 13. Certain Relationships and Related Transactions, and Director Independence.

Other Information

Other information about the Bank can be found in the sections of the Bank's 2019 Annual Report on Form 10-K, which is attached as Exhibit 99.2 to the registration statement and is incorporated by reference herein, that are not specifically listed above.

EXPERTS

The consolidated financial statements of Amalgamated Bank and subsidiaries as of December 31, 2019 and 2018 and for the years ended December 31, 2019 and 2018, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2019, have been incorporated by reference herein and in the registration statement in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference herein, and upon the authority of this firm as experts in accounting and auditing.

LEGAL MATTERS

Certain legal matters in connection with the reorganization, including the validity of the Amalgamated Financial common stock to be issued in the reorganization will be passed upon for the Bank and the Holding Company by Nelson Mullins Riley & Scarborough, LLP, New York, New York.

STOCKHOLDER PROPOSALS

If the reorganization is completed, you will no longer be a stockholder of the Bank but you will be a stockholder of the Holding Company (unless you properly exercise your dissenters' rights, as described in this proxy statement/prospectus). Therefore, any proposal that a stockholder of the Holding Company wishes to have presented at the first annual meeting of the Holding Company that takes place after the reorganization, which will be held in 2021, must be submitted in accordance with its bylaws. We urge you to send all proposals of this kind by certified mail, return receipt requested, to the attention of Amalgamated Financial Corp., 275 Seventh Avenue, New York, New York 10001, Attention: Corporate Secretary. Any proposal for consideration by stockholders at the Holding Company's 2021 annual meeting must be delivered to or received by the Secretary not later than the following dates: (i) with respect to an annual meeting of stockholders, 90 days in advance of the anniversary of the previous year's annual meeting if the current year's meeting is to be held within 30 days prior to, on the anniversary date of, or after the anniversary of the previous year's annual meeting; and (ii) with respect to an annual meeting of

stockholders held at a time other than within the time periods set forth in the immediately preceding clause (i), not earlier than the close of business on the 120th day prior to the annual meeting and not later than the close of business on the later of: (1) the 90th day prior to the annual meeting and (2) the close of business on the tenth day following the first date of public disclosure of the date of such meeting. For more information about the information that must be included in your proposal, please refer to the Holding Company bylaws which are attached to this proxy statement/prospectus as Annex D.

INCORPORATION OF CERTAIN DOCUMENTS BY REFERENCE

The SEC allows us to incorporate by reference in this proxy statement/prospectus the information in other documents that we file under the Exchange Act, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this proxy statement/prospectus, and information that we file later under the Exchange Act that is incorporated by reference in this proxy/statement prospectus will automatically update and supersede information contained in documents filed earlier under the Exchange Act or contained in this proxy statement/prospectus. We incorporate by reference the following documents we have filed with the FDIC, which are also filed as exhibits to the registration statement on Form S-4EF, of which this proxy statement/prospectus is a part, and the future filings we make under Section 13(a), 13(c), 14, or 15(d) of the Exchange Act, after the date of this proxy statement/prospectus until the date we complete the holding company reorganization (in each case excluding any information furnished and not filed according to applicable rules, such as information furnished pursuant to Item 2.02 or Item 7.01 on any Current Report on Form 8-K):

- our Annual Report on Form 10-K for the year ended December 31, 2019;
- our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020;
- our Quarterly Report on Form 10-Q for the quarter ended June 30, 2020;
- our Current Reports on Form 8-K filed on April 7, 2020, April 27, 2020, May 1, 2020, and June 26, 2020; and
- the portions of our Definitive Proxy Statement on Schedule 14A, filed March 19, 2020, that are incorporated by reference into our Annual Report on Form 10-K for the fiscal year ended December 31, 2019.

You may request a copy of these filings, at no cost, by contacting us at the following address or telephone number:

Amalgamated Bank
275 Seventh Avenue
New York, New York 10001
Attention: Corporate Secretary
(212) 895-4490

To ensure timely delivery of any requested information, you must make any request no later than [•], 2020, which is five business days before the special meeting.

ANNEX A

PLAN OF ACQUISITION

PLAN OF ACQUISITION (the "***Reorganization Plan***"), dated as of September 4, 2020, is adopted and approved by Amalgamated Bank (the "***Bank***") and Amalgamated Financial Corp. (the "***Holding Company***").

RECITALS:

The parties acknowledge the following to be true and correct:

1. The Bank is a state bank duly organized under the laws of the State of New York and has its main office and place of business in New York City, New York. The Bank is authorized by its organization certificate to issue up to 70,000,000 shares of Class A common stock, par value $0.01 per share, 31,049,525 shares of which are issued and outstanding as of August 31, 2020 and up to 100,000 shares of Class B common stock, par value of $0.01, none of which are issued and outstanding. The Bank is also authorized by its organization certificate to issue up to 1,000,000 shares of preferred stock, par value of $0.01, none of which are issued and outstanding.

2. The Holding Company is a public benefit corporation duly organized under the laws of Delaware and has its main office and place of business in New York City, New York. As of the Effective Time of the Share Exchange (as such terms are defined below), the Holding Company will have authorized and unissued 70,000,000 shares of common stock of a par value $0.01 per share and 1,000,000 shares of preferred stock of a par value of $0.01. Prior to the Effective Time of the Share Exchange, the Holding Company will have no shares of common or preferred stock outstanding.

3. The Boards of Directors of the Bank and the Holding Company desire to establish a holding company structure pursuant to which the Bank will become a wholly-owned subsidiary of the Holding Company in accordance with Section 143-a of the New York Banking Law ("***Section 143-a***").

4. The Board of Directors of each of the Bank and the Holding Company has deemed advisable a share exchange transaction between the Bank and the Holding Company (the "***Share Exchange***") in order to establish the holding company structure and has approved this Reorganization Plan and authorized its execution.

In consideration of the foregoing premises, the Bank and the Holding Company adopt and approve this Reorganization Plan and prescribe the terms and conditions of the Share Exchange and the mode of carrying it into effect as follows:

ARTICLE I: The Acquiring Corporation

The name of the acquiring corporation is Amalgamated Financial Corp. The entity whose shares will be acquired is Amalgamated Bank.

ARTICLE II: Terms and Conditions of the Exchange

1. When the Share Exchange becomes effective, each issued and outstanding share of Class A common stock of the Bank shall be exchanged for one share of common stock of the Holding Company (the "***Reorganization Consideration***"). As a result of the Share Exchange, the Holding Company shall, in accordance with Section 143-a, become the owner for all purposes of all outstanding shares of the Bank's Class A common stock, with full and exclusive power to vote the same, to receive all dividends thereon and

to exercise all other rights of a record and beneficial owner thereof, and the Bank will continue in existence as a wholly-owned subsidiary of the Holding Company**.** All shares of the Bank's Class A common stock issued and outstanding immediately prior to the Effective Time shall continue as issued and outstanding shares immediately subsequent to the Effective Time, but the ownership of all such shares shall vest at the Effective Time in the Holding Company, in accordance with Section 143-a. The organization certificate, bylaws, corporate identity, charter, and officers and directors of the Bank will not be changed as a result of the Share Exchange. Consequently, as a result of the Share Exchange, each holder of one or more shares of the Bank's Class A common stock shall, in accordance with Section 143-a, become the owner of one share of the Holding Company's common stock for each share of the Bank's Class A common stock then held by such stockholder, with full and exclusive power to vote the same, to receive all dividends thereon and to exercise all of the rights of a record owner thereof; provided however, that each dissenting stockholder shall only be entitled to receive cash as is more specifically provided in Section 8 of this Reorganization Plan.

2. At the Effective Time, the Holding Company shall assume the stock options and all other employee benefit plans of the Bank. Each outstanding and unexercised stock option or other right to purchase, or security convertible into, securities in the Bank shall become a stock option, or right to purchase, or a security convertible into securities in the Holding Company on the basis of one share of Holding Company common stock for each share of Bank Class A common stock, issuable pursuant to any such stock option or stock purchase right or convertible security, on the same terms and conditions and at an exercise or conversion price per share equal to the exercise or conversion price per share applicable to any such Bank stock option, stock purchase right or other convertible security at the Effective Time. A number of shares of Holding Company common stock shall be reserved for issuance upon the exercise of stock options, stock purchase rights and convertible securities equal to the number of shares of Bank Class A common stock so reserved immediately prior to the Effective Time, or as otherwise deemed necessary to effect the purposes of the Share Exchange.

3. At the Effective Time, all outstanding awards of restricted stock units, if any, will convert into awards of restricted stock units of Holding Company common stock on substantially the same terms, restrictions and conditions as set forth in the applicable grant or award agreement.

4. Consummation of the Share Exchange is conditioned upon approval by the holders of two-thirds of the outstanding shares of the Bank as required by law, and upon the receipt of any required approvals from regulatory agencies, including the Superintendent of the New York State Department of Financial Services (the "***Superintendent***").

5. The Reorganization Plan shall be submitted to the stockholders of the Bank for approval at a meeting to be called and held in accordance with the applicable provisions of law and the organization certificate and bylaws of the Bank. The Bank and the Holding Company shall proceed expeditiously and cooperate fully in the procurement of any other consents and approvals and the taking of any other action, and the satisfaction of all other requirements prescribed by law or otherwise, necessary for consummation of the Share Exchange at the time provided herein.

6. Upon satisfaction of the requirements of law and the conditions contained in this Reorganization Plan, the Share Exchange shall become effective upon the filing of this Reorganization Plan, together with such certificates and the original of the approval of the Superintendent, in the office of the Superintendent (the "***Effective Time***").

7. The Bank shall pay all reasonable and necessary expenses associated with the transaction proposed herein.

8. Any stockholder of the Bank who is entitled to vote on this Reorganization Plan and does not vote in favor of the proposal in person or by proxy at the stockholder meeting called to approve the Reorganization Plan shall, subject to and by complying with Section 6022 of the New York Banking Law, have the right to receive payment of the fair value of such stockholder's shares and the other rights and benefits provided by such section.

ARTICLE III: Manner and Basis of Exchanging Shares

At the Effective Time:

1. Each share of Class A common stock of the Bank issued and outstanding immediately prior to the Effective Time shall, without any action on the part of the holder thereof, be converted into the right to receive one share of common stock of the Holding Company.

2. Each holder of Class A common stock of the Bank shall cease to be a stockholder of the Bank and the ownership of all shares of the issued and outstanding Class A common stock of the Bank shall thereupon automatically vest in the Holding Company as the acquiring corporation.

3. As of the Effective Time, until surrendered for exchange in accordance with this Reorganization Plan, each physical certificate theretofore representing Class A common stock of the Bank will be deemed to evidence the right to receive Holding Company common stock. However, stockholders who do not surrender their physical Bank stock certificates will not be issued certificates representing the shares of Holding Company common stock they may be entitled to receive and will not be paid dividends or other distributions. Any such dividends or distributions which such stockholders would otherwise receive will be held, without interest, for their accounts until surrender of their physical Bank stock certificates. The Holding Company shall not be obligated to deliver certificates (or evidence of shares of Holding Company common stock in book-entry form) of shares of Holding Company common stock to any former Bank stockholder until such stockholder surrenders his, her, or its physical Bank stock certificates.

4. From and after the Effective Time, any shares of Bank Class A common stock held for stockholders in book-entry form shall automatically be converted by the transfer agent of the Bank and the Holding Company to the same number of shares of Holding Company common stock.

5. After the Effective Time, the Bank's stockholders will be furnished instructions for surrendering their present physical stock certificates and for replacing any lost, stolen or destroyed.

ARTICLE IV: Termination

The Reorganization Plan may be terminated, in the sole discretion of the Bank's Board of Directors, at any time before the Effective Time if:

(1) the number of shares of Class A common stock of the Bank voted against the Share Exchange, or in respect of which written notice is given purporting to dissent from the Share Exchange, shall make consummation of the Share Exchange unwise in the opinion of the Bank's Board of Directors;

(2) any act, suit, proceeding or claim relating to the Share Exchange has been instituted or threatened before any court or administrative body; or

(3) the Bank's Board of Directors subsequently determines that the Share Exchange is inadvisable.

Upon termination by written notice as provided in this Article IV, this Reorganization Plan shall be void and of no further effect, and there shall be no liability by reason of this Reorganization Plan or the termination thereof on the part of either the Bank, the Holding Company, or the directors, officers, employees, agents or stockholders of either of them.

ARTICLE V: Miscellaneous

1. This Reorganization Plan may be amended by the Boards of Directors of the Bank and the Holding Company at any time prior to the Effective Time, notwithstanding approval of this Reorganization Plan by the stockholders of the Bank, provided that no such amendment shall (i) alter or change the amount or kind

of Reorganization Consideration to be received in exchange for the Bank's Class A common stock or (ii) waive any of the requirements for a bank holding company formation as set forth in the New York Banking Law.

2. This Reorganization Plan contains the entire agreement of the Bank and the Holding Company with respect to the transactions contemplated hereby. This Reorganization Plan may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

3. The terms and conditions of this Reorganization Plan shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

4. Nothing in this Reorganization Plan, express or implied, other than the right to receive the Reorganization Consideration, is intended to or shall confer upon any person other than the parties hereto any rights, benefits or remedies of any nature whatsoever under or by reason of this Reorganization Plan.

5. The section headings contained in this Reorganization Plan are solely for the purpose of reference, are not part of the agreement of the parties and shall not in any way affect the meaning or interpretation of this Reorganization Plan.

6. This Reorganization Plan shall be governed by and construed in accordance with the laws of the State of New York.

[*Signatures on Following Page*]

IN WITNESS WHEREOF, the Bank and the Holding Company have caused this Reorganization Plan to be executed and attested in counterparts by their duly authorized officers and directors, and their corporate seals to be hereunto affixed as of the day and year first above written.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer

AMALGAMATED FINANCIAL CORP.

By: /s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer

ANNEX B

Section 6022 of the New York Banking Law

§6022. Procedure to enforce stockholder's right to receive payment for shares. 1. A stockholder intending to enforce his right under a section of this chapter to receive payment for his shares if the proposed corporate action referred to therein is taken shall file with the corporation, before the meeting of stockholders at which the action is submitted to a vote, or at such meeting but before the vote, written objection to the action. The objection shall include a statement that he intends to demand payment for his shares if the action is taken. Such objection is not required from any stockholder to whom the corporation did not give notice of such meeting in accordance with this chapter or where the proposed action is authorized by written consent of stockholders without a meeting.

2. Within ten days after the stockholders' authorization date, which term as used in this section means the date on which the stockholders' vote authorizing such action *was* taken, or the date on which such consent without a meeting was obtained from the requisite stockholders, the corporation shall give written notice of such authorization or consent by registered mail to each stockholder who filed written objection or from whom written objection was not required, excepting any who voted for or consented in writing to the proposed action.

3. Within twenty days after the giving of notice to him, any stockholder to whom the corporation was required to give such notice and who elects to dissent shall file with the corporation a written notice of such election, stating his name and residence address, the number and classes of shares as to which he dissents and a demand for payment of the fair value of his shares.

4. A stockholder may not dissent as to less than all of the shares, held by him of record, that he owns beneficially. A nominee or fiduciary may not dissent on behalf of any beneficial owner as to less than all of the shares of such owner held of record by such nominee or fiduciary.

5. Upon filing a notice of election to dissent, the stockholder shall cease to have any of the rights of a stockholder except the right to be paid the fair value of his shares and any other rights under this section. Withdrawal of a notice of election shall require the written consent of the corporation. If a notice of election is withdrawn, or the proposed corporate action is abandoned or rescinded, or a court shall determine that the stockholder is not entitled to receive payment for his shares, or the stockholder shall otherwise lose his dissenter's rights, he shall not have the right to receive payment for his shares and he shall be reinstated to all his rights as a stockholder as of the filing of his notice of election, including any intervening preemptive rights and the right to payment of any intervening dividend or other distribution or, if any such rights have expired or any such dividend or distribution other than in cash has been completed, *in* lieu thereof, at the election of the corporation, the fair value thereof in cash as determined by the board as of the time of such expiration or completion, but without prejudice otherwise to any corporate proceedings that may have been taken in the interim.

6. At the time of filing the notice of election to dissent or within one month thereafter the stockholder shall submit the certificates representing his shares to the corporation, or to its transfer agent, which shall forthwith note conspicuously thereon that a notice of election has been filed and shall return the certificates to the stockholder or other person who submitted them on his behalf. Any stockholder who fails to submit his certificates for such notation as herein specified shall, at the option of the corporation exercised by written notice to him within forty-five days from the date of filing of such notice of election to dissent, lose his dissenter's rights unless a court, for good cause shown, shall otherwise direct. Upon transfer of a certificate bearing such notation, each new certificate issued therefor shall bear a similar notation together with the name of the original dissenting holder of the shares and a transferee shall acquire no rights in the corporation except those which the original dissenting stockholder had after filing his notice of election.

7. Within seven days after the expiration of the period within which stockholders may file their notices of election to dissent, or within seven days after the proposed corporate action is consummated, whichever is later,

the corporation or, in the case of a merger, the receiving corporation, shall make a written offer by registered mail to each stockholder who has filed such notice of election to pay for his shares at a specified price which the corporation considers to be their fair value. Such offer shall be made at the same price per share to all dissenting stockholders of the same *class*, or if divided into series, of the same series and shall be accompanied by a balance sheet of the corporation whose shares the dissenting stockholder holds as of the latest available date, which shall not be earlier than twelve months before the making of such offer, and a profit and loss statement or statements for not less than a twelve month period ended on the date of such balance sheet or, if the corporation was not in existence throughout such twelve month period, for the portion thereof during which it was in existence. If within thirty days after the making of such offer, the corporation making the offer and any stockholder agree upon the price to be paid for his shares, payment therefor shall be made within sixty days after the making of such offer upon the surrender of the certificates representing such shares.

8. The following procedure shall apply if the corporation fails to make such offer within such period of seven days, or if it makes the offer and any dissenting stockholder or stockholders fail to agree with it within the period of thirty days thereafter upon the price to be paid for their shares:

(a) The corporation or, in the case of a merger, the receiving corporation shall, within twenty days after the expiration of whichever is applicable of the two periods last mentioned, institute a special proceeding in the supreme court in the judicial district in which the office of the corporation *is* located to determine the rights of dissenting stockholders and to fix the fair value of their shares.

(b) If the corporation fails to institute such proceeding within such period of twenty days, any dissenting stockholder may institute such proceeding for the same purpose not later than thirty days after the expiration of such twenty day period. If such proceeding is not instituted within such thirty day period, all dissenter's rights shall be lost unless the supreme court, for good cause shown, shall otherwise direct.

(c) All dissenting stockholders, excepting those who, as provided in subdivision seven, have agreed with the corporation upon the price to be paid for their shares, shall be made parties to such proceeding, which shall have the effect of an action quasi in rem against their shares. The corporation shall serve a copy of the petition in such proceeding upon each dissenting stockholder who is a resident of this state in the manner provided by law for the service of a summons, and upon each nonresident dissenting stockholder either by registered mail and publication, or in such other manner as is permitted by law. The jurisdiction of the court shall be plenary and exclusive.

(d) The court shall determine whether each dissenting stockholder, as to whom the corporation requests the court to make such determination, is entitled to receive payment for his shares. If the corporation does not request any such determination or if the court finds that any dissenting stockholder *is* so entitled, it shall proceed to fix the value of the shares, which, for the purposes of this section, shall be the fair value as of the close of business on the day prior to the stockholders' authorization date, excluding any appreciation or depreciation directly or indirectly induced by such corporate action or its proposal. The court may, if it so elects, appoint an appraiser to receive evidence and recommend a decision on the question of fair value. Such appraiser shall have the power, authority and duties specified in the order appointing him, or any amendment thereof.

(e) The final order in the proceeding shall be entered against the corporation in favor of each dissenting stockholder who is a party to the proceeding and is entitled thereto for the value of his shares so determined.

(f) The final order shall include an allowance for interest at such rate as the court finds to be equitable, from the stockholders' authorization date to the date of payment. If the court finds that the refusal of any stockholder to accept the corporate offer of payment for his shares was arbitrary, vexatious or otherwise not in good faith, no interest shall be allowed to him.

(g) The costs and expenses of such proceeding shall be determined by the court and shall be assessed against the corporation, or, in the case of a merger, the receiving corporation, except that all or any part of such costs and expenses may be apportioned and *assessed*, as the court may determine, against any or all of the dissenting stockholders who are parties to the proceeding if the court finds that their refusal to accept the corporate offer

was arbitrary, vexatious or otherwise not in good faith. Such expenses shall include reasonable compensation for and the reasonable expenses of the appraiser, but shall exclude the fees and expenses of counsel for and experts employed by any party unless the court, in its discretion, awards such fees and expenses. In exercising such discretion, the court shall consider any of the following: (A) that the fair value of the shares as determined materially exceeds the amount which such corporation offered to pay; (B) that no offer was made by such corporation; and (C) that such corporation failed to institute the special proceeding within the period specified therefor.

(h) Within sixty days after final determination of the proceeding, the corporation or, in the case of a merger, the receiving corporation shall pay to each dissenting stockholder the amount found to be due him, upon surrender of the certificates representing his shares.

9. Shares acquired by the corporation upon the payment of the agreed value therefor or of the amount due under the final order, as provided in this section, shall be dealt with as provided in section five thousand fourteen, except that, in the case of a merger, they shall be disposed of as provided in the plan of merger or consolidation.

10. The enforcement by a stockholder of his right to receive payment for his shares in the manner provided herein shall exclude the enforcement by such stockholder of any other right to which he might otherwise be entitled by virtue of share ownership, except as provided in subdivision five, and except that this section shall not exclude the right of such stockholder to bring or maintain an appropriate action to obtain relief on the ground that such corporate action will be or is illegal or fraudulent as to him.

11. Except as otherwise expressly provided in this section, any notice to be given by a corporation to a stockholder under this section shall be given in the manner provided in section six thousand five.

ANNEX C

CERTIFICATE OF INCORPORATION OF AMALGAMATED FINANCIAL CORP. A PUBLIC BENEFIT CORPORATION

ARTICLE I
NAME

The name of the corporation is Amalgamated Financial Corp. (the "***Corporation***").

ARTICLE II
REGISTERED OFFICE AND AGENT

The address of the Corporation's registered office and the name and address of the registered agent for service of process required by the Delaware General Corporation Law (the "***DGCL***") to be maintained are as follows:

The Corporation Trust Company
1209 Orange St.
Wilmington, New Castle County, Delaware 19801

ARTICLE III
PURPOSES AND POWERS

The Corporation shall be a public benefit corporation as contemplated by subchapter XV of the DGCL or any successor provisions, that it is intended to operate in a responsible and sustainable manner and to produce a public benefit or benefits, and is to be managed in a manner that balances the stockholders pecuniary interests, the best interests of those materially affected by the corporation's conduct, and the public benefit or benefits identified in this certificate of incorporation. If the DGCL is amended to alter or further define the management and operation of public benefit corporations, then the Corporation shall be managed and operated in accordance with the DGCL, as so amended.

The purpose of the Corporation is to engage in any lawful act or activity for which corporations may be organized under the DGCL, and such purpose shall include creating a material positive impact on society and the environment, taken as a whole, from the business and operations of the Corporation. The Corporation shall be authorized to exercise and enjoy all powers, rights and privileges which corporations organized under the DGCL may have under the laws of the State of Delaware as in effect from time to time.

ARTICLE IV
CAPITAL STOCK

4.01 Designation and Amount. The aggregate number of shares which the Corporation shall have authority to issue is 71,000,000, consisting of (i) 70,000,000 shares of common stock, par value $0.01 per share (the "***Common Stock***"); and (ii) 1,000,000 shares of preferred stock, par value $0.01 per share (the "***Preferred Stock***"). The aggregate number of shares which the Corporation shall have authority to issue pursuant to this Section 4.01 (as well as the allocation between Common Stock and Preferred Stock) may be amended, altered, changed, increased, or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the Common Stock.

4.02 Common Stock.

(a) *Rights of the Common Stock*. Subject to the rights of any shares of Preferred Stock as set forth in a Certificate of Designations (as defined below), the board of directors of the Corporation (the "***Board***") may declare and pay dividends on the Common Stock out of the funds legally available therefor at such times and in such amounts as the Board may determine in its sole discretion. In the event of any voluntary or involuntary liquidation, dissolution, or winding up of the Corporation and subject to the rights of any shares of Preferred Stock as set forth in a Certificate of Designations, the remaining assets of the Corporation shall be distributed ratably among the holders of the Common Stock in proportion to the number of shares held by each such holder.

(b) *Voting*. Except as otherwise provided by applicable law, this Certificate of Incorporation (this "***Certificate***"), or any Certificate of Designations, all of the voting power of the Corporation shall be vested in the holders of Common Stock, and each holder of Common Stock shall have one vote for each share of Common Stock held by such holder on all matters to be voted upon by the stockholders.

(c) *No Preemptive Rights*. No holder of shares of Common Stock shall be entitled to preemptive or subscription rights.

4.03 Preferred Stock. The Board is expressly authorized to provide by resolution for the issuance from time to time and at any time shares of Preferred Stock in one or more series by filing a certificate (each, a "***Certificate of Designations***") pursuant to the DGCL setting forth such resolution, to establish by resolution from time to time the number of shares to be included in each such series, and to fix by resolution the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations and restrictions thereof. The authority of the Board with respect to each series shall include, but not be limited to, determination of the following:

(a) the designation of the series, which may be by distinguishing number, letter or title;

(b) the number of shares of the series, which number the Board may thereafter (except where otherwise provided in the Certificate of Designations) increase or decrease (but not below the number of shares thereof then outstanding), subject to the provisions of Section 4.01 of this Certificate;

(c) the amounts, dates, and rates at which dividends, if any, shall be payable, and the preferences, if any, of shares of the series in respect of dividends, and whether such dividends, if any, shall be cumulative or noncumulative;

(d) the redemption rights and price or prices, if any, for shares of the series;

(e) the terms and amount of any sinking fund, if any, provided for the purchase or redemption of shares of the series;

(f) the amounts payable on, and the preferences, if any, of shares of the series in the event of any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Corporation;

(g) whether the shares of the series shall be convertible into, or exchangeable, or redeemable for, shares of any other class or series, or any other security, of the Corporation or any other corporation and, if so, the specification of such other class or series or such other security, the conversion or exchange price or rate, any adjustments thereof, the date or dates at which such shares shall be convertible or exchangeable and all other terms and conditions upon which such conversion or exchange may be made;

(h) the voting rights, if any, of the holders of shares of the series generally or upon specified events; and

(i) any other rights, powers, and preferences of such shares as are permitted by law.

ARTICLE V
INCORPORATOR

The name and mailing address of the incorporator is as follows:

Deborah Silodor
Amalgamated Financial Corp.
275 Seventh Avenue
New York, New York 10001

ARTICLE VI
BOARD OF DIRECTORS

6.01 General Powers and Number. The business and affairs of the Corporation shall be managed by or under the direction of the Board. The number of directors of the Corporation shall be fixed from time to time pursuant to the Bylaws of the Corporation (the "***Bylaws***").

6.02 Written Ballot. The directors of the Corporation need not be elected by written ballot unless the Bylaws so require.

6.03 No Cumulative Voting. There shall be no cumulative voting in the election of directors.

ARTICLE VII
STOCKHOLDER ACTION

7.01 Action by Stockholder Consent in Lieu of a Meeting. Subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation may be taken by written consent without a meeting but only if a consent in writing, setting forth the action so taken, shall be signed by the holders of all outstanding shares of the Corporation entitled to vote thereon.

ARTICLE VIII
LIMITATION OF LIABILITY

8.01 Limitation of Director Liability. The liability of a director to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director shall be eliminated or limited to the fullest extent permitted by applicable law. Without limiting the effect of the preceding sentence, if applicable law is hereafter amended to authorize the further elimination or limitation of the liability of a director, then the liability of the director shall be eliminated or limited to the fullest extent permitted by applicable law, as so amended. Any disinterested failure to satisfy DGCL Section 365 shall not, for the purposes of Sections 102(b)(7) or 145 of the DGCL, or for the purposes of any use of the term "good faith" in this Certificate or the Bylaws in regard to the indemnification or advancement of expenses of officers, directors, employees and agents, constitute an act or omission not in good faith, or a breach of the duty of loyalty. Any repeal or modification of this Section 8.01 shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification.

8.02 Repeal or Modification. Any repeal or modification of this Article VIII shall be prospective only and shall not adversely affect any right or protection of, or any limitation of the liability of, a director of this Corporation existing at, or arising out of any facts, incidents, acts or omissions occurring prior to, the effective date of such repeal or modification (regardless of when any action, suit or proceeding, whether civil, criminal, administrative or investigative (or part thereof) relating to such facts, incidents, acts or omissions arises or is first threatened, commenced or completed).

ARTICLE IX
AMENDMENT OF CERTIFICATE OF INCORPORATION

Except as otherwise expressly provided in this Certificate, any provision contained in this Certificate may be amended, altered, changed or repealed in accordance with the DGCL. Notwithstanding the foregoing, and except as otherwise expressly provided in this Certificate, the affirmative vote of the holders of at least sixty-six and two-thirds percent (66⅔%) of the voting power of the then-outstanding shares of capital stock of the Corporation entitled to vote thereon shall be required to amend, alter, change or repeal, or to adopt any provision inconsistent with Article III, VI, VIII, or IX.

ARTICLE X
AMENDMENT OF BYLAWS

In furtherance and not in limitation of the powers conferred by the DGCL, subject to the next sentence, the Board is expressly authorized and empowered to adopt, amend and repeal the Bylaws, except as would be inconsistent with applicable law or the Bylaws. Except as otherwise expressly set forth in the Bylaws, the Bylaws may be amended, altered, changed, or repealed, and new bylaws adopted, by the Board without the consent of the stockholders; *provided*, *however*, the stockholders shall also have the power to adopt, amend or repeal the Bylaws by the affirmative vote of the holders of at least a majority of the voting power of the then-outstanding shares of capital stock of the Corporation entitled to vote generally in the election of directors, except to the extent the Bylaws require approval by a higher percentage.

[Signature Page Follows]

I, Deborah Silodor, being the incorporator, for the purpose of forming a corporation pursuant to the DGCL, do make this Certificate of Incorporation, hereby acknowledging, declaring, and certifying that the foregoing Certificate of Incorporation is my act and deed and that the facts herein stated are true, and have accordingly hereunto set my hand this 25th day of August, 2020.

Incorporator

By: /s/ Deborah Silodor
Name: Deborah Silodor

ANNEX D

BYLAWS

OF

AMALGAMATED FINANCIAL CORP.

Adopted by the Board of Directors on September 3, 2020

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BYLAWS OF AMALGAMATED FINANCIAL CORP.

ARTICLE I
OFFICES

Section 1.01 Registered Office. The registered office of Amalgamated Financial Corp. (the "***Corporation***"), a public benefit corporation under Delaware law, will be fixed in the Certificate of Incorporation of the Corporation (the "***Certificate of Incorporation***").

Section 1.02 Other Offices. The Corporation may have other offices, both within and without the State of Delaware, as the board of directors of the Corporation (the "***Board of Directors***") from time to time shall determine or the business of the Corporation may require.

ARTICLE II
MEETINGS OF THE STOCKHOLDERS

Section 2.01 Place of Meetings. All meetings of the stockholders shall be held at such place, if any, either within or without the State of Delaware, or by means of remote communication, as shall be designated from time to time by resolution of the Board of Directors and stated in the notice of meeting.

Section 2.02 Annual Meeting. The annual meeting of the stockholders for the election of directors and for the transaction of such other business as may properly come before the meeting in accordance with these bylaws shall be held at such date, time, and place, if any, as shall be determined by the Board of Directors and stated in the notice of the meeting.

Section 2.03 Special Meetings.

(a) **Purpose.** Special meetings of stockholders for any purpose or purposes shall be called only:

(i) by a majority of the Board of Directors, the Chair of the Board of Directors, any Vice Chair of the Board of Directors, the Chief Executive Officer or the President; or

(ii) by the Secretary, following receipt of one or more written demands to call a special meeting of the stockholders in accordance with, and subject to, this Section 2.03 from stockholders of record who own, in the aggregate, at least two-thirds of all of the outstanding shares of common stock of the Corporation then entitled to vote on the matter or matters to be brought before the proposed special meeting.

(b) **Notice.** A request to the Secretary shall be delivered to him or her at the Corporation's principal executive offices and signed by each stockholder, or a duly authorized agent of such stockholder, requesting the special meeting and shall set forth:

(i) a brief description of each matter of business desired to be brought before the special meeting;

(ii) the reasons for conducting such business at the special meeting;

(iii) the text of any proposal or business to be considered at the special meeting (including the text of any resolutions proposed to be considered and in the event that such business includes a proposal to amend these bylaws, the language of the proposed amendment); and

(iv) the information required in Section 2.12(b) of these bylaws (for stockholder nomination demands) or Section 2.12(c) of these bylaws (for all other stockholder proposal demands), as applicable.

(c) **Business.** Business transacted at a special meeting requested by stockholders shall be limited to the matters described in the special meeting request; *provided, however,* that nothing herein shall prohibit the Board of Directors from submitting matters to the stockholders at any special meeting requested by stockholders.

(d) **Time and Date.** A special meeting requested by stockholders shall be held at such date and time as may be fixed by the Board of Directors; *provided, however,* that the date of any such special meeting shall be not more than 90 days after the request to call the special meeting is received by the Secretary. Notwithstanding the foregoing, a special meeting requested by stockholders shall not be held if:

(i) the Board of Directors has called or calls for an annual or special meeting of the stockholders to be held within 90 days after the Secretary receives the request for the special meeting and the Board of Directors determines in good faith that the business of such meeting includes (among any other matters properly brought before the meeting) the business specified in the request;

(ii) the stated business to be brought before the special meeting is not a proper subject for stockholder action under applicable law;

(iii) an identical or substantially similar item (a "***Similar Item***") was presented at any meeting of stockholders held within 120 days prior to the receipt by the Secretary of the request for the special meeting (and, for purposes of this Section 2.03(d)(iii), the election of directors shall be deemed a Similar Item with respect to all items of business involving the election or removal of directors);

(iv) the special meeting request was made in a manner that involved a violation of Regulation 14A under the Securities Exchange Act of 1934 and the rules and regulations promulgated thereunder (the "***Exchange Act***"); or

(v) the written demand to call the special meeting does not comply with this Section 2.03.

(e) **Revocation.** A stockholder may revoke a request for a special meeting at any time by written revocation delivered to the Secretary at the Corporation's principal executive offices, and if, following such revocation, there are unrevoked requests from stockholders holding in the aggregate less than the requisite number of shares entitling the stockholders to request the calling of a special meeting, the Board of Directors, in its discretion, may cancel the special meeting.

Section 2.04 Adjournments. Any meeting of the stockholders, annual or special, may be adjourned from time to time to reconvene at the same or some other place, if any, and notice need not be given of any such adjourned meeting if the time, place, if any, thereof and the means of remote communication, if any, are announced at the meeting at which the adjournment is taken. At the adjourned meeting, the Corporation may transact any business which might have been transacted at the original meeting. If the adjournment is for more than 30 days, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting. If after the adjournment a new record date is fixed for stockholders entitled to vote at the adjourned meeting, the Board of Directors shall fix a new record date for notice of the adjourned meeting and shall give notice of the adjourned meeting to each stockholder of record entitled to vote at the adjourned meeting as of the record date fixed for notice of the adjourned meeting.

Section 2.05 Notice of Meetings. Notice of the place (if any), date, hour, the record date for determining the stockholders entitled to vote at the meeting (if such date is different from the record date for stockholders entitled to notice of the meeting), and means of remote communication, if any, of every meeting of stockholders shall be given by the Corporation not less than ten days nor more than 60 days before the meeting (unless a different time is specified by law) to every stockholder entitled to vote at the meeting as of the record date for determining the stockholders entitled to notice of the meeting. Notices of special meetings shall also specify the purpose or purposes for which the meeting has been called. Notices of meetings to stockholders may be given by mailing the same, addressed to the stockholder entitled thereto, at such stockholder's mailing address as it appears on the records of the corporation and such notice shall be deemed to be given when deposited in the U.S. mail, postage

prepaid. Without limiting the manner by which notices of meetings otherwise may be given effectively to stockholders, any such notice may be given by electronic transmission in the manner provided in Section 232 of the Delaware General Corporation Law ("***DGCL***"). Notice of any meeting need not be given to any stockholder who shall, either before or after the meeting, submit a waiver of notice or who shall attend such meeting, except when the stockholder attends for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Any stockholder so waiving notice of the meeting shall be bound by the proceedings of the meeting in all respects as if due notice thereof had been given.

Section 2.06 List of Stockholders. The Corporation shall prepare a complete list of the stockholders entitled to vote at any meeting of stockholders (*provided, however,* if the record date for determining the stockholders entitled to vote is less than ten days before the date of the meeting, the list shall reflect the stockholders entitled to vote as of the tenth day before the meeting date), arranged in alphabetical order, and showing the address of each stockholder and the number of shares of capital stock of the Corporation registered in the name of each stockholder at least ten days before any meeting of the stockholders. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting for a period of at least ten days before the meeting: (a) on a reasonably accessible electronic network, provided that the information required to gain access to such list was provided with the notice of the meeting; or (b) during ordinary business hours, at the principal place of business of the Corporation. If the meeting is to be held at a place, the list shall also be produced and kept at the time and place of the meeting the whole time thereof and may be inspected by any stockholder who is present. If the meeting is held solely by means of remote communication, the list shall also be open for inspection by any stockholder during the whole time of the meeting as provided by applicable law. Except as provided by applicable law, the stock ledger of the Corporation shall be the only evidence as to who are the stockholders entitled to examine the stock ledger and the list of stockholders or to vote in person or by proxy at any meeting of stockholders.

Section 2.07 Quorum. Unless otherwise required by law, the Certificate of Incorporation or these bylaws, at each meeting of the stockholders, a majority in voting power of the shares of the Corporation entitled to vote at the meeting, present in person or represented by proxy, shall constitute a quorum. If, however, such quorum shall not be present or represented at any meeting of the stockholders, the chair of the meeting or the stockholders entitled to vote at the meeting, present in person or represented by proxy, shall have power, by the affirmative vote of a majority in voting power thereof, to adjourn the meeting from time to time, in the manner provided in Section 2.04, until a quorum shall be present or represented. A quorum, once established, shall not be broken by the subsequent withdrawal of enough votes to leave less than a quorum. At any such adjourned meeting at which there is a quorum, any business may be transacted that might have been transacted at the meeting originally called.

Section 2.08 Organization. The Board of Directors may adopt by resolution such rules and regulations for the conduct of the meeting of the stockholders as it shall deem appropriate. At every meeting of the stockholders, the Chair of the Board, or in his or her absence or inability to act, the Chief Executive Officer, or, in his or her absence or inability to act, the officer or director whom the Board of Directors shall appoint, shall act as chair of, and preside at, the meeting. The Secretary or, in his or her absence or inability to act, the person whom the chair of the meeting shall appoint secretary of the meeting, shall act as secretary of the meeting and keep the minutes thereof. Except to the extent inconsistent with such rules and regulations as adopted by the Board of Directors, the chair of any meeting of the stockholders shall have the right and authority to prescribe such rules, regulations, and procedures and to do all such acts as, in the judgment of such chair, are appropriate for the proper conduct of the meeting. Such rules, regulations, or procedures, whether adopted by the Board of Directors or prescribed by the chair of the meeting, may include, without limitation, the following:

(a) the establishment of an agenda or order of business for the meeting;

(b) the determination of when the polls shall open and close for any given matter to be voted on at the meeting;

(c) rules and procedures for maintaining order at the meeting and the safety of those present;

(d) limitations on attendance at or participation in the meeting to stockholders of record of the corporation, their duly authorized and constituted proxies, or such other persons as the chair of the meeting shall determine;

(e) restrictions on entry to the meeting after the time fixed for the commencement thereof; and

(f) limitations on the time allotted to questions or comments by participants.

Section 2.09 Voting; Proxies.

(a) **General.** Unless otherwise required by law or provided in the Certificate of Incorporation, each stockholder shall be entitled to one vote, in person or by proxy, for each share of stock having voting power held by such stockholder.

(b) **Election of Directors.** The election of directors shall be by written ballot. If authorized by the Board of Directors, such requirement of a written ballot shall be satisfied by a ballot submitted by electronic transmission, provided that any such electronic transmission must either set forth or be submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder or proxy holder. Unless otherwise required by law, the Certificate of Incorporation, or these bylaws, the election of directors shall be decided by a majority of the votes cast at a meeting of the stockholders by the holders of stock entitled to vote in the election; *provided*, *however*, that, if the Secretary determines that the number of nominees for director exceeds the number of directors to be elected, directors shall be elected by a plurality of the votes of the shares represented in person or by proxy at any meeting of stockholders held to elect directors and entitled to vote on such election of directors. For purposes of this Section 2.09(b), a majority of the votes cast means that the number of shares voted "for" a nominee must exceed the votes cast "against" such nominee's election.

(c) **Other Matters.** Unless otherwise required by law, the Certificate of Incorporation, or these bylaws, any matter, other than the election of directors, brought before any meeting of stockholders shall be decided by the affirmative vote of the majority of shares present in person or represented by proxy at the meeting and entitled to vote on the matter.

(d) **Proxies.** Each stockholder entitled to vote at a meeting of stockholders may authorize another person or persons to act for such stockholder by proxy, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. Such authorization may be a document executed by the stockholder or his or her authorized officer, director, employee, or agent. To the extent permitted by law, a stockholder may authorize another person or persons to act for him or her as proxy by transmitting or authorizing the transmission of an electronic transmission to the person who will be the holder of the proxy or to a proxy solicitation firm, proxy support service organization, or like agent duly authorized by the person who will be the holder of the proxy to receive such transmission, provided that the electronic transmission either sets forth or is submitted with information from which it can be determined that the electronic transmission was authorized by the stockholder. A copy, facsimile transmission, or other reliable reproduction (including any electronic transmission) of the proxy authorized by this Section 2.09(d) may be substituted for or used in lieu of the original document for any and all purposes for which the original document could be used, provided that such copy, facsimile transmission, or other reproduction shall be a complete reproduction of the entire original document. A proxy shall be irrevocable if it states that it is irrevocable and if, and only as long as, it is coupled with an interest sufficient in law to support an irrevocable power. A stockholder may revoke any proxy that is not irrevocable by attending the meeting and voting in person or by delivering to the Secretary a revocation of the proxy or a new proxy bearing a later date.

Section 2.10 Inspectors at Meetings of Stockholders. In advance of any meeting of the stockholders, the Board of Directors shall, appoint one or more inspectors, who may be employees of the Corporation, to act at the

meeting or any adjournment thereof and make a written report thereof. The Board of Directors may designate one or more persons as alternate inspectors to replace any inspector who fails to act. If no inspector or alternate is able to act at a meeting, the person presiding at the meeting shall appoint one or more inspectors to act at the meeting. Each inspector, before entering upon the discharge of his or her duties, shall take and sign an oath faithfully to execute the duties of inspector with strict impartiality and according to the best of his or her ability. The inspector or inspectors may appoint or retain other persons or entities to assist the inspector or inspectors in the performance of their duties. In determining the validity and counting of proxies and ballots cast at any meeting of stockholders, the inspector or inspectors may consider such information as is permitted by applicable law. No person who is a candidate for office at an election may serve as an inspector at such election. When executing the duties of inspector, the inspector or inspectors shall:

(a) ascertain the number of shares outstanding and the voting power of each;

(b) determine the shares represented at the meeting and the validity of proxies and ballots;

(c) count all votes and ballots;

(d) determine and retain for a reasonable period a record of the disposition of any challenges made to any determination by the inspectors; and

(e) certify their determination of the number of shares represented at the meeting and their count of all votes and ballots.

Section 2.11 Fixing the Record Date.

(a) In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than 60 nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; *provided*, *however*, that the Board of Directors may fix a new record date for the determination of stockholders entitled to notice of or to vote at the adjourned meeting.

(b) In order that the Corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than 60 days prior to such action. If no record date is fixed, the record date for determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

Section 2.12 Advance Notice of Stockholder Nominations and Proposals.

(a) **Annual Meetings.** At a meeting of the stockholders, only such nominations of persons for the election of directors and such other business shall be conducted as shall have been properly brought before the meeting. To be properly brought before an annual meeting, nominations or such other business must be:

(i) specified in the notice of meeting (or any supplement thereto) given by or at the direction of the Board of Directors or any committee thereof;

(ii) otherwise properly brought before the meeting by or at the direction of the Board of Directors or any committee thereof; or

(iii) otherwise properly brought before an annual meeting by a stockholder who is a stockholder of record of the Corporation at the time such notice of meeting is delivered, who is entitled to vote at the meeting, and who complies with the notice procedures set forth in this Section 2.12.

In addition, any proposal of business (other than the nomination of persons for election to the Board of Directors) must be a proper matter for stockholder action. For business (including, but not limited to, director nominations) to be properly brought before an annual meeting by a stockholder pursuant to Section 2.12(a)(iii), the stockholder or stockholders of record intending to propose the business (the "***Proposing Stockholder***") must have given timely notice thereof pursuant to this Section 2.12(a), in writing to the Secretary even if such matter is already the subject of any notice to the stockholders or Public Disclosure from the Board of Directors. To be timely, a Proposing Stockholder's notice for an annual meeting must be delivered to the Secretary at the Corporation's principal executive offices: (x) not later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, in advance of the anniversary of the previous year's annual meeting if such meeting is to be held on a day which is not more than 30 days in advance of the anniversary of the previous year's annual meeting or not later than 60 days after the anniversary of the previous year's annual meeting; and (y) with respect to any other annual meeting of stockholders, including in the event that no annual meeting was held in the previous year, not earlier than the close of business on the 120th day prior to the annual meeting and not later than the close of business on the later of: (1) the 90th day prior to the annual meeting and (2) the close of business on the tenth day following the first date of Public Disclosure of the date of such meeting. In no event shall the Public Disclosure of an adjournment or postponement of an annual meeting commence a new notice time period (or extend any notice time period). For the purposes of this Section 2.12, "***Public Disclosure***" shall mean a disclosure made in a press release reported by a national news service or in a document filed by the Corporation with the Securities and Exchange Commission ("***SEC***") pursuant to Section 13, 14, or 15(d) of the Exchange Act.

(b) **Stockholder Nominations.** For the nomination of any person or persons for election to the Board of Directors pursuant to Section 2.12(a)(iii) or Section 2.12(d), a Proposing Stockholder's notice to the Secretary shall set forth or include:

(i) the name, age, business address, and residence address of each nominee proposed in such notice;

(ii) the principal occupation or employment of each such nominee;

(iii) the class and number of shares of capital stock of the Corporation which are owned of record and beneficially by each such nominee (if any);

(iv) such other information concerning each such nominee as would be required to be disclosed in a proxy statement soliciting proxies for the election of such nominee as a director in an election contest (even if an election contest is not involved) or that is otherwise required to be disclosed, under Section 14(a) of the Exchange Act;

(v) a written questionnaire with respect to the background and qualification of such proposed nominee (which questionnaire shall be provided by the Secretary upon written request) and a written statement and agreement executed by each such nominee acknowledging that such person:

(A) consents to being named in the Corporation's proxy statement as a nominee and to serving as a director if elected, and

(B) makes the following representations: (1) that the director nominee has read and agrees to adhere to the Corporation's Corporate Governance Principles, Code of Ethics and Business Conduct and any other of the Corporation's policies or guidelines applicable to directors, including with regard to securities trading, and (2) that the director nominee is not and will not become a party to any agreement, arrangement, or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "***Voting Commitment***") that has not

been disclosed to the Corporation or any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, and (3) that the director nominee is not and will not become a party to any agreement, arrangement, or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement, or indemnification ("***Compensation Arrangement***") that has not been disclosed to the Corporation in connection with such person's nomination for director or service as a director; and

(vi) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such Proposing Stockholder and the beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each nominee proposed, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the Proposing Stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant; and

(vii) as to the Proposing Stockholder and the beneficial owner, if any, on whose behalf the nomination or proposal is made:

(A) the name and address of the Proposing Stockholder as they appear on the Corporation's books and of the beneficial owner, if any,

(B) (1) the class or series and number of shares of the Corporation which are owned by the Proposing Stockholder (beneficially and of record) and owned by the beneficial owner, if any, as of the date of the Proposing Stockholder's notice, and a representation that the Proposing Stockholder will notify the Corporation in writing of the class and number of such shares owned of record and beneficially as of the record date for the meeting within five business days after the record date for such meeting, (2) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Corporation or with a value derived in whole or in part from the value of any class or series of shares of the Corporation, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Corporation or otherwise (a "***Derivative Instrument***") directly or indirectly owned beneficially by the Proposing Stockholder or such beneficial owner and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Corporation, (3) any proxy, contract, arrangement, understanding, or relationship pursuant to which the Proposing Stockholder or such beneficial owner has a right to vote any shares of any security of the Corporation, and (4) any rights to dividends on the shares of the Corporation owned beneficially by the Proposing Stockholder or such beneficial owner that are separated or separable from the underlying shares of the Corporation, and (5) any proportionate interest in shares of the Corporation or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which the Proposing Stockholder or such beneficial owner is a general partner or, directly or indirectly, beneficially owns an interest in a general partner,

(C) any performance-related fees (other than an asset-based fee) that the Proposing Stockholder or such beneficial owner, if any, is entitled to based on any increase or decrease in the value of shares of the Corporation or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of the Proposing Stockholder's or such beneficial owner's immediate family sharing the same household, and a representation that the Proposing Stockholder will notify the Corporation in writing of any such performance-related

fees in effect as of the record date for the meeting within five business days after the record date for such meeting,

(D) a description of any agreement, arrangement, or understanding with respect to such nomination between or among the Proposing Stockholder or the beneficial owner, if any, on whose behalf the nomination is being made and any of their affiliates or associates, and any others (including their names) acting in concert with any of the foregoing, and a representation that the Proposing Stockholder will notify the Corporation in writing of any such agreement, arrangement, or understanding in effect as of the record date for the meeting within five business days after the record date for such meeting,

(E) a description of any agreement, arrangement, or understanding (including any derivative or short positions, profit interests, options, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the Proposing Stockholder's notice by, or on behalf of, the Proposing Stockholder or the beneficial owner, if any, and any of their affiliates or associates, the effect or intent of which is to mitigate loss to, manage risk or benefit of share price changes for, or increase or decrease the voting power of such person or any of their affiliates or associates with respect to shares of stock of the Corporation, and a representation that the Proposing Stockholder will notify the Corporation in writing of any such agreement, arrangement, or understanding in effect as of the record date for the meeting within five business days after the record date for such meeting,

(F) a representation that the Proposing Stockholder is a holder of record of shares of the Corporation entitled to vote at the meeting and that the Proposing Stockholder (or a qualified representative thereof) intends to appear in person at the meeting,

(G) a representation whether the Proposing Stockholder intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of the Corporation's outstanding capital stock required to approve the nomination or business to be brought before the meeting, as applicable, and/or otherwise to solicit proxies from stockholders in support of the nominees whom the Proposing Stockholder proposes to nominate for election or reelection to the Board or the business that the Proposing Stockholder proposes to bring before the meeting, as applicable,

(H) to the extent known to the Proposing Stockholder or the beneficial owner, if any, the name(s) of any other stockholder(s) of the Corporation (whether holders of record of beneficial owners) that support the nominees whom the Proposing Stockholder proposes to nominate for election or reelection to the Board or the business that the Proposing Stockholder proposes to bring before the meeting, as applicable,

(I) a description of any pending or threatened legal proceeding in which the Proposing Stockholder or the beneficial owner, if any, is a party or participant involving the Corporation or any of its officers or directors, or any affiliate of the Corporation,

(J) a description of any other material relationship between the Proposing Stockholder or the beneficial owner, if any, on the one hand, and the Corporation, any affiliate of the Corporation or any principal competitor of the Corporation or its affiliates, on the other hand, and

(K) any other information relating to the Proposing Stockholder or the beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

The Corporation may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable stockholder's understanding of the independence, or

lack thereof, of such nominee. Any such update or supplement shall be delivered to the Secretary at the Corporation's principal executive offices no later than five business days after the request by the Corporation for subsequent information has been delivered to the Proposing Stockholder.

(c) **Other Stockholder Proposals.** For all business other than director nominations, a Proposing Stockholder's notice to the Secretary shall set forth as to each matter the Proposing Stockholder proposes to bring before the annual meeting:

(i) a brief description of the business desired to be brought before the annual meeting;

(ii) the reasons for conducting such business at the annual meeting;

(iii) the text of any proposal or business (including the text of any resolutions proposed for consideration and in the event that such business includes a proposal to amend these bylaws, the language of the proposed amendment);

(iv) any substantial interest (within the meaning of Item 5 of Schedule 14A under the Exchange Act) in such business of such stockholder and the beneficial owner (within the meaning of Section 13(d) of the Exchange Act), if any, on whose behalf the business is being proposed;

(v) a description of all agreements, arrangements, or understandings between or among such stockholder, the beneficial owner, if any, on whose behalf the proposal is being made, any of their affiliates or associates, and any other person or persons (including their names) in connection with the proposal of such business and any material interest of such stockholder, beneficial owner, or any of their affiliates or associates, in such business, including any anticipated benefit therefrom to such stockholder, beneficial owner, or their affiliates or associates; and

(vi) the information required by Section 2.12(b)(vii) above.

(d) **Special Meetings of Stockholders.** Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. Nominations of persons for election to the Board of Directors may be made at a special meeting of stockholders called by the Board of Directors at which directors are to be elected pursuant to the Corporation's notice of meeting:

(i) by or at the direction of the Board of Directors or any committee thereof; or

(ii) provided that the Board of Directors has determined that directors shall be elected at such meeting, by any stockholder of the Corporation who is a stockholder of record at the time the notice provided for in this Section 2.12(d) is delivered to the Secretary, who is entitled to vote at the meeting, and upon such election and who complies with the notice procedures set forth in this Section 2.12.

In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more directors to the Board of Directors, any such stockholder entitled to vote in such election of directors may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Corporation's notice of meeting, if such stockholder delivers a stockholder's notice that complies with the requirements of Section 2.12(b) to the Secretary at the principal executive offices of the Corporation not earlier than the close of business on the 120th day prior to such special meeting and not later than the close of business on the later of: (x) the 90th day prior to such special meeting; or (y) the tenth (10th) day following the date of the first Public Disclosure of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. In no event shall the Public Disclosure of an adjournment or postponement of a special meeting commence a new time period (or extend any notice time period).

(e) **Effect of Noncompliance.** Only such persons who are nominated in accordance with the procedures set forth in this Section 2.12 shall be eligible to be elected at any meeting of stockholders of the Corporation to serve as directors and only such other business shall be conducted at a meeting as shall be brought before the meeting in accordance with the procedures set forth in this Section 2.12. If any proposed

nomination was not made or proposed in compliance with this Section 2.12 or other business was not made or proposed in compliance with this Section 2.12, then except as otherwise required by law, the chair of the meeting shall have the power and duty to declare that such nomination shall be disregarded or that such proposed other business shall not be transacted. Notwithstanding anything in these bylaws to the contrary, unless otherwise required by law, if a Proposing Stockholder intending to propose business or make nominations at an annual meeting or propose a nomination at a special meeting pursuant to this Section 2.12 does not provide the information required under this Section 2.12 to the Corporation, including the updated information required by Section 2.12(b)(vii)(B)(1), 2.12(b)(vii)(C), 2.12(b)(vii)(D), and 2.12(b)(vii)(E) within five business days after the record date for such meeting or the Proposing Stockholder (or a qualified representative of the Proposing Stockholder) does not appear at the meeting to present the proposed business or nominations, such business or nominations shall not be considered, notwithstanding that proxies in respect of such business or nominations may have been received by the Corporation.

(f) **Rule 14a-8.** This Section 2.12 shall not apply to a proposal proposed to be made by a stockholder if the stockholder has notified the Corporation of the stockholder's intention to present the proposal at an annual or special meeting only pursuant to and in compliance with Rule 14a-8 under the Exchange Act and such proposal has been included in a proxy statement that has been prepared by the Corporation to solicit proxies for such meeting.

(g) **General.**

(i) A Proposing Stockholder giving a notice under this Section 2.12 shall update and supplement its notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.12 shall be true and correct as of the record date for notice of the meeting and as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the Secretary at the Corporation's principal executive offices not later than five business days after the record date for notice of the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten business days prior to the meeting or any adjournment or postponement thereof); provided, that this Section 2.12(g) shall not permit any Proposing Stockholder to change any proposed business or nominee (or add any proposed business or nominee), as the case may be.

(ii) Notwithstanding the foregoing provisions of this Section 2.12, all director nominations are subject to any required regulatory approval(s), and a proposed director will not be entitled to vote on any matter or otherwise take any action in the capacity of a director until all required regulatory approvals, if any, have been obtained.

Section 2.13 Action by Stockholder Consent in Lieu of a Meeting. Subject to the rights of the holders of any series of Preferred Stock, any action required or permitted to be taken by the stockholders of the Corporation may be taken by written consent without a meeting but only if a consent in writing, setting forth the action so taken, shall be signed by the holders of all outstanding shares of the Corporation entitled to vote thereon.

ARTICLE III
BOARD OF DIRECTORS

Section 3.01 General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors. The Board of Directors may adopt such rules and procedures, not inconsistent with the Certificate of Incorporation, these bylaws, or applicable law, as it may deem proper for the conduct of its meetings and the management of the Corporation.

Section 3.02 Number; Term of Office. The Board of Directors shall consist of not less than seven and not more than 21 directors as fixed from time to time by resolution of a majority of the total number of directors that the Corporation would have if there were no vacancies. Each director shall hold office until a successor is duly elected and qualified or until the director's earlier death, resignation, disqualification, or removal.

Section 3.03 Newly Created Directorships and Vacancies. Any newly created directorships resulting from an increase in the authorized number of directors and any vacancies occurring in the Board of Directors may be filled by the affirmative votes of a majority of the remaining members of the Board of Directors, although less than a quorum. A director so elected shall be elected to hold office until the earlier of the expiration of the term of office of the director whom he or she has replaced, a successor is duly elected and qualified, or the earlier of such director's death, resignation, or removal.

Section 3.04 Resignation. Any director may resign at any time by notice given in writing or by electronic transmission to the Corporation. Such resignation shall take effect at the date of receipt of such notice by the Corporation or at such later effective date or upon the happening of an event or events as is therein specified.

Section 3.05 Removal. Except as prohibited by applicable law or the Certificate of Incorporation, the stockholders holding a majority of the shares then entitled to vote at an election of directors may remove any director from office with or without cause.

Section 3.06 Fees and Expenses. Directors shall receive such reasonable fees for their services on the Board of Directors and any committee thereof and such reimbursement of their actual and reasonable expenses as may be fixed or determined by the Board of Directors.

Section 3.07 Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such times and at such places as may be determined from time to time by the Board of Directors.

Section 3.08 Special Meetings. Special meetings of the Board of Directors may be held at such times and at such places as may be determined by the Chair of the Board or the President on at least 48 hours' notice to each director given by one of the means specified in Section 3.11 hereof other than by mail or on at least three days' notice if given by mail. Special meetings shall be called by the Chair of the Board or the President in like manner and on like notice on the written request of any three or more directors. The notice need not state the purposes of the special meeting and, unless indicated in the notice thereof, any and all business may be transacted at a special meeting.

Section 3.09 Telephone Meetings. Board of Directors or Board of Directors committee meetings may be held by means of telephone conference or other communications equipment by means of which all persons participating in the meeting can hear each other and be heard. Participation by a director in a meeting pursuant to this Section 3.09 shall constitute presence in person at such meeting.

Section 3.10 Adjourned Meetings. A majority of the directors present at any meeting of the Board of Directors, including an adjourned meeting, whether or not a quorum is present, may adjourn and reconvene such meeting to another time and place. At least 24 hours' notice of any adjourned meeting of the Board of Directors shall be given to each director whether or not present at the time of the adjournment, if such notice shall be given by one of the means specified in Section 3.11 hereof other than by mail, or at least three days' notice if by mail. Any business may be transacted at an adjourned meeting that might have been transacted at the meeting as originally called.

Section 3.11 Notices. Subject to Section 3.08, Section 3.10, and Section 3.12 hereof, whenever notice is required to be given to any director by applicable law, the Certificate of Incorporation, or these bylaws, such notice shall be deemed given effectively if given in person or by telephone, mail addressed to such director at such director's address as it appears on the records of the Corporation, facsimile, e-mail, or by other means of electronic transmission.

Section 3.12 Waiver of Notice. Whenever notice to directors is required by applicable law, the Certificate of Incorporation, or these bylaws, a waiver thereof, in writing signed by, or by electronic transmission by, the director entitled to the notice, whether before or after such notice is required, shall be deemed equivalent to notice. Attendance by a director at a meeting shall constitute a waiver of notice of such meeting except when the director attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business on the ground that the meeting was not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special Board of Directors or committee meeting need be specified in any waiver of notice.

Section 3.13 Organization. At each regular or special meeting of the Board of Directors, the Chair of the Board or, in his or her absence, the lead independent director or, in his or her absence, another director or officer selected by the Board of Directors shall preside. The Secretary shall act as secretary at each meeting of the Board of Directors. If the Secretary is absent from any meeting of the Board of Directors, an assistant secretary of the Corporation shall perform the duties of secretary at such meeting; and in the absence from any such meeting of the Secretary and all assistant secretaries of the Corporation, the person presiding at the meeting may appoint any person to act as secretary of the meeting.

Section 3.14 Quorum of Directors. Except as otherwise provided by these bylaws, the Certificate of Incorporation, or required by applicable law, the presence of a majority of the total number of directors on the Board of Directors shall be necessary and sufficient to constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 3.15 Action by Majority Vote. Except as otherwise provided by these bylaws, the Certificate of Incorporation, or required by applicable law, the vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 3.16 Directors' Action Without Meeting. Unless otherwise restricted by the Certificate of Incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if all directors or members of such committee, as the case may be, consent thereto in writing or by electronic transmission.

Section 3.17 Chair of the Board. The Board of Directors shall annually elect one of its members to be the Chair of the Board and shall fill any vacancy in the position of Chair of the Board at such time and in such manner as the Board of Directors shall determine. Except as otherwise provided in these bylaws, the Chair of the Board shall preside at all meetings of the Board of Directors and of stockholders. The Chair of the Board shall perform such other duties and services as shall be assigned to or required of the Chair of the Board by the Board of Directors.

Section 3.18 Committees of the Board of Directors. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Any such committee, to the extent permitted by applicable law, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the Corporation and may authorize the seal of the Corporation to be affixed to all papers that may require it to the extent so authorized by the Board of Directors. Unless the Board of Directors provides otherwise, at all meetings of such committee, a majority of the then authorized members of the committee shall constitute a quorum for the transaction of business, and the vote of a majority of the members of the committee present at any meeting at which there is a quorum shall be the act of the committee. Each committee shall keep regular minutes of its meetings. Unless the Board of Directors provides otherwise, each committee designated by the Board of Directors may make, alter and repeal rules and procedures for the conduct of its business. In the absence of such rules and procedures each committee shall conduct its business in the same manner as the Board of Directors conducts its business pursuant to this Article III.

Section 3.19 Supermajority Approval for Termination of Pension Plan. Any decision by the Board of Directors to withdraw, in a complete or partial withdrawal, from the Consolidated Retirement Fund (the "***CRF***"), or to amend Amalgamated Bank's participation in the CRF in a manner materially detrimental to its participants, shall require approval by not less than two thirds of the disinterested Board members with such vote to be held at a Board of Directors meeting at which all Board members are given notice and an opportunity to participate in the discussion. In making such decision, the directors shall take into account each of the factors set forth in Section 7015(2) of the New York Banking Law and that Amalgamated Bank is committed, as part of its mission and marketing efforts, to progressive pay policies for its employees.

ARTICLE IV
OFFICERS

Section 4.01 Positions and Election. The officers of the Corporation shall be chosen by the Board of Directors and shall include a Chief Executive Officer, a President, a Chief Financial Officer, and a Secretary. The Board of Directors, in its discretion, may also elect one or more other officers including, without limitation, one or more individuals designated by the Board of Directors as an "executive officer" for purposes of the Securities and Exchange Commission's rules and regulations, one or more Vice Presidents (including Executive Vice Presidents, Senior Vice Presidents and Assistant Vice Presidents), a Treasurer, and such other officers, assistant or deputy officers and agents, as may be elected from time to time by or under the authority of the Board of Directors.

Section 4.02 Term. Each officer of the Corporation shall hold office until such officer's successor is elected and qualified or until such officer's earlier death, resignation, or removal. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors at any time with or without cause by the majority vote of the members of the Board of Directors then in office. The removal of an officer shall be without prejudice to his or her contract rights, if any. The election or appointment of an officer shall not of itself create contract rights. Any officer of the Corporation may resign at any time by giving notice of his or her resignation in writing, or by electronic transmission, to the President or the Secretary. Any such resignation shall take effect at the time specified therein or, if the time when it shall become effective shall not be specified therein, immediately upon its receipt. Unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Should any vacancy occur among the officers, the position shall be filled for the unexpired portion of the term by appointment made by the Board of Directors.

Section 4.03 Chief Executive Officer. The Chief Executive Officer shall, subject to the provisions of these bylaws and the control of the Board of Directors, have general supervision, direction, and control over the business of the Corporation and over its officers. The Chief Executive Officer shall perform all duties incident to the office of the Chief Executive Officer, and any other duties as may be from time to time assigned to the Chief Executive Officer by the Board of Directors, in each case subject to the control of the Board of Directors.

Section 4.04 President. The President shall report and be responsible to the Chief Executive Officer. The President shall have such powers and perform such duties as from time to time may be assigned or delegated to the President by the Board of Directors or the Chief Executive Officer or that are incident to the office of president.

Section 4.05 Vice Presidents. Each vice president of the Corporation shall have such powers and perform such duties as may be assigned to him or her from time to time by the Board of Directors, the Chief Executive Officer, or the President, or that are incident to the office of vice president.

Section 4.06 Secretary. The Secretary shall attend all sessions of the Board of Directors and all meetings of the stockholders and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for committees of the Board of Directors when required. He or she shall give, or cause

to be given, notice of all meetings of the stockholders and meetings of the Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors, the Chair of the Board, or the Chief Executive Officer. The Secretary shall keep in safe custody the seal of the Corporation and have authority to affix the seal to all documents requiring it and attest to the same.

Section 4.07 Chief Financial Officer. The Chief Financial Officer shall be the principal financial officer of the Corporation and shall have such powers and perform such duties as may be assigned by the Board of Directors, the Chair of the Board, or the Chief Executive Officer. The Chief Financial Officer shall have the custody of the Corporation's funds and securities, except as otherwise provided by the Board of Directors, and shall keep full and accurate accounts of receipts and disbursements in records belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors. The Chief Financial Officer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the Chief Executive Officer and the President and the directors, at the regular meetings of the Board of Directors, or whenever they may require it, an account of all his or her transactions as Chief Financial Officer and of the financial condition of the Corporation.

Section 4.08 Other Officers. Such other officers as the Board of Directors may choose shall perform such duties and have such powers as from time to time may be assigned to them by the Board of Directors. The Board of Directors may delegate to any other officer of the Corporation the power to choose such other officers and to prescribe their respective duties and powers.

Section 4.09 Duties of Officers May Be Delegated. In case any officer is absent, or for any other reason that the Board of Directors may deem sufficient, the Chief Executive Officer or the President or the Board of Directors may delegate for the time being the powers or duties of such officer to any other officer or to any director.

Section 4.10 Execution Authority. All contracts of the Corporation shall be executed on behalf of the Corporation by: (a) the Chief Executive Officer or the President; or (b) such other person as may be authorized by the Board of Directors, and, if required, the seal of the Corporation shall be thereto affixed to attested by the Secretary or an assistant secretary of the Corporation.

Section 4.11 Compensation. The compensation of the officers of the Corporation for their services as such officers shall be fixed from time to time by the Board of Directors and no officer shall be prevented from receiving compensation in his or her capacity as an officer by reason of the fact that he or she is also a director of the Corporation.

ARTICLE V
INDEMNIFICATION

Section 5.01 Indemnification. The Corporation shall indemnify and hold harmless to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit, or proceeding, whether civil, criminal, administrative, or investigative (a "***Proceeding***"), by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, or employee of the Corporation or, while a director, officer, or employee of the Corporation, is or was serving at the request of the Corporation as a director, officer, employee of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such person. Notwithstanding the preceding sentence, the Corporation shall be required to indemnify a person in connection with a Proceeding (or part thereof) commenced by such person only if the commencement of such Proceeding (or part thereof) by the person was authorized in the specific case by the Board of Directors.

Section 5.02 Advancement of Expenses. The Corporation shall pay the expenses (including attorneys' fees) actually and reasonably incurred by a director, officer, or employee of the Corporation in defending any Proceeding in advance of its final disposition, upon receipt of an undertaking by or on behalf of such person to repay all amounts advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that such person is not entitled to be indemnified for such expenses under this Section 5.02 or otherwise. Payment of such expenses actually and reasonably incurred by such person, may be made by the Corporation, subject to such terms and conditions as the general counsel of the Corporation in his or her discretion deems appropriate.

Section 5.03 Non-Exclusivity of Rights. The rights conferred on any person by this Article V will not be exclusive of any other right which such person may have or hereafter acquire under any statute, provision of the Certificate of Incorporation, these bylaws, agreement, vote of stockholders or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding office. The Corporation is specifically authorized to enter into individual contracts with any or all of its directors, officers, employees, or agents respecting indemnification and advances, to the fullest extent not prohibited by the DGCL.

Section 5.04 Other Indemnification. The Corporation's obligation, if any, to indemnify any person who was or is serving at its request as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity shall be reduced by any amount such person may collect as indemnification from such other corporation, partnership, joint venture, trust, enterprise, or nonprofit entity.

Section 5.05 Insurance. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee, or agent of the Corporation, or is or was serving at the request of Corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of the DGCL.

Section 5.06 Repeal, Amendment, or Modification. Any amendment, repeal, or modification of this Article V shall not adversely affect any right or protection hereunder of any person in respect of any act or omission occurring prior to the time of such repeal or modification.

ARTICLE VI
STOCK CERTIFICATES AND THEIR TRANSFER

Section 6.01 Certificates Representing Shares. The shares of stock of the Corporation shall be represented by certificates; provided that the Board of Directors may provide by resolution or resolutions that some or all of any class or series shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock. If shares are represented by certificates, such certificates shall be in the form, other than bearer form, approved by the Board of Directors. The certificates representing shares of stock shall be signed by, or in the name of, the Corporation by any two authorized officers of the Corporation. Any or all such signatures may be facsimiles. In case any officer, transfer agent, or registrar who has signed such a certificate ceases to be an officer, transfer agent, or registrar before such certificate has been issued, it may nevertheless be issued by the Corporation with the same effect as if the signatory were still such at the date of its issue.

Section 6.02 Transfers of Stock. Stock of the Corporation shall be transferable in the manner prescribed by law and in these bylaws. Transfers of stock shall be made on the books administered by or on behalf of the Corporation only by the direction of the registered holder thereof or such person's attorney, lawfully constituted in writing, and, in the case of certificated shares, upon the surrender to the Corporation or its transfer agent or other designated agent of the certificate thereof, which shall be cancelled before a new certificate or uncertificated shares shall be issued.

Section 6.03 Transfer Agents and Registrars. The Board of Directors may appoint, or authorize any officer or officers to appoint, one or more transfer agents and one or more registrars.

Section 6.04 Lost, Stolen, or Destroyed Certificates. The Board of Directors or the Secretary may direct a new certificate or uncertificated shares to be issued in place of any certificate theretofore issued by the Corporation alleged to have been lost, stolen, or destroyed upon the making of an affidavit of that fact by the owner of the allegedly lost, stolen, or destroyed certificate. When authorizing such issue of a new certificate or uncertificated shares, the Board of Directors or the Secretary may, in its discretion and as a condition precedent to the issuance thereof, require the owner of the lost, stolen, or destroyed certificate, or the owner's legal representative to give the Corporation a bond sufficient to indemnify it against any claim that may be made against the Corporation with respect to the certificate alleged to have been lost, stolen, or destroyed or the issuance of such new certificate or uncertificated shares.

Section 6.05 Public Benefit Corporation Notice. Any certificate representing shares of stock of the Corporation shall note conspicuously that that the Corporation is a public benefit corporation formed pursuant to Subchapter XV of the DGCL.

ARTICLE VII
GENERAL PROVISIONS

Section 7.01 Seal. The seal of the Corporation shall be in such form as shall be approved by the Board of Directors. The seal may be used by causing it or a facsimile thereof to be impressed or affixed or reproduced or otherwise, as may be prescribed by law or custom or by the Board of Directors.

Section 7.02 Fiscal Year. The fiscal year of the Corporation shall be fixed and shall begin on January 1 and end on December 31 of each year, unless thereafter changed by resolution of the Board of Directors.

Section 7.03 Checks, Notes, Drafts, Etc. All checks, notes, drafts, or other orders for the payment of money of the Corporation shall be signed, endorsed, or accepted in the name of the Corporation by such officer, officers, person, or persons as from time to time may be designated by the Board of Directors or by an officer or officers authorized by the Board of Directors to make such designation.

Section 7.04 Conflict with Applicable Law or Certificate of Incorporation. These bylaws are adopted subject to any applicable law and the Certificate of Incorporation. Whenever these bylaws may conflict with any applicable law or the Certificate of Incorporation, such conflict shall be resolved in favor of such law or the Certificate of Incorporation.

Section 7.05 Books and Records. Any records administered by or on behalf of the Corporation in the regular course of its business, including its stock ledger, books of account, and minute books, may be maintained on any information storage device, method, or one or more electronic networks or databases (including one or more distributed electronic networks or databases); provided that the records so kept can be converted into clearly legible paper form within a reasonable time, and, with respect to the stock ledger, the records so kept comply with Section 224 of the DGCL. The Corporation shall so convert any records so kept upon the request of any person entitled to inspect such records pursuant to applicable law.

Section 7.06 Distributions. The Board of Directors may from time to time authorize, and the Corporation may pay or distribute, dividends or other distributions on the outstanding shares of capital stock of the Corporation in such manner and upon such terms and conditions as are permitted by the Certificate of Incorporation and the DGCL.

ARTICLE VIII
PUBLIC BENEFIT CORPORATION PROVISIONS

Section 8.01 Stockholder Meeting Notice. The Corporation shall include in every notice of meeting of its stockholders a statement to the effect that it is a public benefit corporation under Subsection XV of the DGCL.

Section 8.02 Periodic Statements. The Corporation shall no less than biennially provide the stockholders with a statement as to the Corporation's promotion of the public benefit or public benefits identified in the Certificate of Incorporation and of the best interests of those materially affected by the Corporation's conduct. The statement shall include:

(a) The objectives the Board of Directors has established to promote such public benefit or public benefits and interests;

(b) The standards the Board of Directors has adopted to measure the Corporation's progress in promoting such public benefit or public benefits and interests;

(c) Objective factual information based on those standards regarding the Corporation's success in meeting the objectives for promoting such public benefit or public benefits and interests; and

(d) An assessment of the Corporation's success in meeting the objectives and promoting such public benefit or public benefits and interests.

ARTICLE IX
AMENDMENTS

Except for amending Article III, Section 3.19, which shall require a vote of two-thirds of the entire Board, these bylaws may be adopted, amended, or repealed or new bylaws adopted as provided in the Certificate of Incorporation.

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 20. Indemnification of Directors and Officers

The Holding Company's bylaws provide that the Holding Company shall indemnify and hold harmless, to the fullest extent permitted by applicable law, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director, officer, or employee of the Holding Company or, while a director, officer, or employee of the Holding Company, is or was serving at the request of the Holding Company as a director, officer, or employee of another corporation, partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses (including attorneys' fees) actually and reasonably incurred by such person. Notwithstanding the preceding sentence, the Holding Company shall only be required to indemnify a person in connection with such a proceeding (or part thereof) commenced by such person if the commencement of such proceeding (or part thereof) by the person was authorized in the specific case by the Holding Company's board of directors.

The foregoing right to indemnification includes the right to an advancement of expenses reasonably incurred by a director, officer, or employee of the Holding Company in defending any such proceeding in advance of its final disposition, upon receipt of an undertaking by or on behalf of such person to repay all amounts so advanced if it is ultimately determined by final adjudication from which there is no further right to appeal that such indemnitee is not entitled to be indemnified for such expenses.

The Holding Company's bylaws also provide that the Holding Company may purchase and maintain insurance on behalf of any person who is or was a director, officer, or employee of the Holding Company, or is or was serving at the request of the Holding Company as a director, officer, or employee of another corporation, partnership, joint venture, trust, enterprise, or nonprofit entity against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Holding Company would have the power to indemnify him or her against such liability under the provisions of the DGCL.

In addition, the Holding Company's certificate of incorporation provides that the liability of a director to the Holding Company or its stockholders for monetary damages for breach of fiduciary duty as a director is eliminated or limited to the fullest extent permitted by applicable law, and that if applicable law is amended to authorize the further elimination or limitation of the liability of a director, then the liability of the director shall be eliminated or limited to the fullest extent permitted by applicable law, as so amended. Further, as a Delaware public benefit corporation, the DGCL permits, and the Holding Company's certificate of incorporation provides, that any disinterested failure by a director to satisfy his or her fiduciary duties shall not, for the purposes of Sections 102(b)(7) and 145 of the DGCL, or for the purposes of any use of the term "good faith" in the Holding Company's certificate of incorporation or bylaws in regard to the indemnification or advancement of expenses of officers, directors, employees and agents, constitute an act or omission not in good faith, or a breach of the duty of loyalty. Finally, the DGCL provides that a Holding Company director's decision implicating the requirement under the DGCL that a director of a public benefit corporation balance the stockholders' pecuniary interests, the best interests of those materially affected by the Holding Company's conduct, and the public benefit identified in the Holding Company's certificate of incorporation will be deemed to satisfy such director's fiduciary duties to stockholders and the Holding Company if such director's decision is both informed and disinterested and not such that no person of ordinary, sound judgment would approve.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling the Holding Company pursuant to the provisions discussed above, the Holding Company has been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable.

Item 21. Exhibits and Financial Statement Schedules.

(a) Exhibits:

Exhibit Number	Description
2.1	Plan of Acquisition by and between Amalgamated Financial Corp. and Amalgamated Bank (included as Annex A to the Proxy Statement/Prospectus contained in this Registration Statement on Form S-4EF and incorporated herein by reference)
3.1	Certificate of Incorporation of Amalgamated Financial Corp. (included as Annex C to the Proxy Statement/Prospectus contained in this Registration Statement on Form S-4EF and incorporated herein by reference)
3.2	Bylaws of Amalgamated Financial Corp. (included as Annex D to the Proxy Statement/Prospectus contained in this Registration Statement on Form S-4EF and incorporated herein by reference)
4.1	Specimen stock certificate of Amalgamated Financial Corp. common stock**
4.2	Investor Rights Agreement by and between Amalgamated Bank and the Workers United Related Parties**,†
4.3	Registration Rights Agreement, dated April 11, 2012, by and among Amalgamated Bank and the Various Stockholders Party Thereto**
4.4	See Exhibits 3.1 and 3.2 for provisions of the Certificate of Incorporation and Bylaws of Amalgamated Financial Corp. defining rights of the holders of common stock of Amalgamated Financial Corp.
4.5	Long-Term Debt: currently no issuance of debt of the registrant exceeds 10% of the assets of the registrant and its subsidiaries on a consolidated basis
5.1	Opinion of Nelson Mullins Riley and Scarborough, LLP**
8.1	Opinion of Nelson Mullins Riley and Scarborough, LLP regarding certain U.S. federal income tax aspects of the reorganization**
10.1	Amended and Restated Employment Agreement, dated July 25, 2017, between Amalgamated Bank and Keith Mestrich*, **
10.2	Amendment, dated May 16, 2019, to the Amended and Restated Employment Agreement between Amalgamated Bank and Keith Mestrich*, **
10.3	Amendment, dated April 23, 2020, to the Amended and Restated Employment Agreement, as amended, between Amalgamated Bank and Keith Mestrich*, **
10.4	Change in Control Plan*, **
10.5	Collective Bargaining Agreement with Office and Professional Employees International Union, Local 153, AFL-CIO, dated March 11, 2020*,**
10.6	Amalgamated Bank Employee Stock Purchase Plan**
10.7	Independent Office Agreement with Local 32BJ SEIU*, **
10.8	Side Letter with the various Funds associated with The Yucaipa Companies, LLC*, **
10.9	Consolidated Retirement Plan, as amended and restated on January 1, 2015*, **
10.10	Amalgamated Bank 2017 Long Term Incentive Plan*, **
10.11	Amalgamated Bank Annual Incentive Plan*, **

Exhibit Number	Description
10.12	Form of Nonqualified Stock Option Agreement*, **
10.13	Amalgamated Bank 2019 Equity Incentive Plan*, **
10.14	Form of Award Agreement for Restricted Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive Plan*, **
10.15	Form of Award Agreement for Performance Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive*, **
10.16	Form of Revised Award Agreement for Performance Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive Plan*, **
16.1	Letter of KPMG LLP dated December 17, 2019 to the FDIC regarding statements included in the Current Report on Form 8-K filed with the FDIC December 17, 2019**
21.1	Subsidiaries of Amalgamated Financial Corp.**
23.1	Consent of KPMG LLP, independent registered public accounting firm**
23.2	Consent of Nelson Mullins Riley and Scarborough, LLP (included in Exhibit 5.1)**
24.1	Power of Attorney (included on signature page)**
99.1	Form of Proxy Card to be used by Amalgamated Bank**
99.2	Amalgamated Bank's Annual Report on Form 10-K for the year ended December 31, 2019**
99.3	Amalgamated Bank's Quarterly Report on Form 10-Q for the period ended March 31, 2020**
99.4	Amalgamated Bank's Quarterly Report on Form 10-Q for the period ended June 30, 2020**
99.5	Definitive Proxy Statement on Schedule 14A for Amalgamated Bank's 2020 Annual Meeting of Stockholders**
99.6	Definitive Additional Materials on Schedule 14A for Amalgamated Bank's 2020 Annual Meeting of Stockholders**
99.7	Amalgamated Bank's Current Report on Form 8-K filed on April 7, 2020**
99.8	Amalgamated Bank's Current Report on Form 8-K filed on April 27, 2020**
99.9	Amalgamated Bank's Current Report on Form 8-K filed on May 1, 2020**
99.10	Amalgamated Bank's Current Report on Form 8-K filed on June 26, 2020**

* Indicates a management compensatory plan or arrangement with Amalgamated Bank. Amalgamated Bank is an affiliate of the registrant and will become a wholly owned subsidiary of the registrant upon consummation of the reorganization transaction which is the subject of this registration statement.

** Filed herewith.

† Pursuant to Item 601(a)(5) of Regulation S-K, Amalgamated Financial Corp. agrees to furnish supplementally a copy of any omitted schedule or exhibit to the Investor Rights Agreement to the SEC upon request.

(b) Financial Statement Schedules:

All schedules for which provision is made in the applicable accounting regulations of the U.S. Securities and Exchange Commission have been omitted because they are not required, amounts which would otherwise be required to be shown with respect to any item are not material, are inapplicable or the required information has already been provided elsewhere or incorporated by reference in the registration statement.

(c) Report, Opinion or Appraisal. See the Exhibit Index under Item 21(a) of this registration statement.

Item 22. Undertakings.

The undersigned Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) to include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) to reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement (notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement); and

(iii) to include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser, each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424 (§230.424 of this chapter);

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(6) That prior to any public reoffering of the securities registered hereunder through use of a prospectus which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the Registrant undertakes that such reoffering prospectus will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(7) That every prospectus (i) that is filed pursuant to paragraph (6) above, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to this registration statement and will not be used until such amendment has become effective, and that, for purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(8) To respond to requests for information that is incorporated by reference into the prospectus pursuant to Items 4, 10(b), 11 or 13 of this form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(9) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in this registration statement when it became effective.

(10) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer, or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

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SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of New York, State of New York, on September 8, 2020.

AMALGAMATED FINANCIAL CORP.

By: /s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby makes, constitutes and appoints Keith Mestrich and Andrew LaBenne, and each of them, as such person's true and lawful attorney-in-fact and agent, with full powers of substitution and resubstitution, for such person and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Registration Statement (including any post-effective amendments thereto), and to file the same, with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully and to all intents and purposes as he or she might or could do in person, hereby ratifying and confirming all that said attorney-in-fact and agent, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities indicated below in the City of New York, State of New York, on September 8, 2020.

Signature	Title
/s/ Donald E. Bouffard, Jr. Donald E. Bouffard, Jr.	Director
/s/ Maryann Bruce Maryann Bruce	Director
/s/ Patricia Diaz Dennis Patricia Diaz Dennis	Director
/s/ Robert C. Dinerstein Robert C. Dinerstein	Director
/s/ Mark A. Finser Mark A. Finser	Director
/s/ Julie Kelly Julie Kelly	Director
/s/ John McDonagh John McDonagh	Director

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Signature	Title
/s/ Keith Mestrich Keith Mestrich	Director, President, & Chief Executive Officer (Principal Executive Officer)
/s/ Stephen R. Sleigh Stephen R. Sleigh	Director
/s/ Andrew LaBenne Andrew LaBenne	Chief Financial Officer (Principal Financial Officer)
/s/ Jason Darby Jason Darby	Chief Accounting Officer (Principal Accounting Officer)

NUMBER
C - __

AMALGAMATED FINANCIAL CORP.

SHARES
_____

AUTHORIZED CAPITAL STOCK
70,000,000 SHARES OF COMMON STOCK $0.01 PAR VALUE
AND 1,000,000 SHARES OF PREFERRED STOCK $0.01 PAR VALUE

THIS CERTIFIES THAT _____
is the owner of _____

FULLY PAID AND NON-ASSESSABLE SHARES OF
COMMON STOCK, $0.01 PAR VALUE, OF

AMALGAMATED FINANCIAL CORP.

A Delaware Public Benefit Corporation

(hereinafter called the "Corporation"). The shares represented by this certificate are transferable only on the stock transfer books of the Corporation by the holder of record hereof in person, or by his or her duly authorized attorney or legal representative, upon the surrender of this certificate properly endorsed. This certificate and the shares represented hereby are issued and shall be held subject to all the provisions contained in the Certificate of Incorporation of the Corporation, which is on file with the Secretary of State of the State of Delaware and its Bylaws (copies of which are on file at the Corporation's principal office), to all of the provisions the holder by acceptance hereof, assents.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be signed by its duly authorized officers and its corporate seal to be hereunto affixed.

Dated:_____

_____ PRESIDENT

_____ SECRETARY

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.

THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO THE PROVISIONS OF THE CERTIFICATE OF INCORPORATION OF THE CORPORATION (AS AMENDED FROM TIME TO TIME, THE "CERTIFICATE OF INCORPORATION"), A COPY OF WHICH IS ON FILE AT THE OFFICE OF THE SECRETARY OF STATE OF THE STATE OF DELAWARE AND AT THE PRINCIPAL OFFICE OF THE CORPORATION, AND THE BYLAWS OF THE CORPORATION (AS AMENDED FROM TIME TO TIME, THE "BYLAWS"), A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE CORPORATION. THE CERTIFICATE OF INCORPORATION SETS FORTH A FULL STATEMENT OF THE DESIGNATION, RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF THE SHARES OF EACH CLASS AUTHORIZED TO BE ISSUED. THE CORPORATION WILL FURNISH A COPY OF THE CERTIFICATE OF INCORPORATION AND BYLAWS WITHOUT CHARGE TO EACH REGISTERED HOLDER OF STOCK WHO SO REQUESTS. NO DIVIDENDS OF ANY AMOUNT ARE GUARANTEED BY THE CORPORATION.

THE FOLLOWING ABBREVIATIONS, WHEN USED IN THE INSCRIPTION ON THE FACE OF THIS CERTIFICATE, SHALL BE CONSTRUED AS THOUGH THEY WERE WRITTEN OUT IN FULL ACCORDING TO APPLICABLE LAWS OR REGULATIONS:

TEN COM	-	AS TENANTS IN COMMON	UGMA/(STATE) _____ CUSTODIAN _____
TEN ENT	-	AS TENANTS BY THE ENTIRETIES	(CUSTODIAN) (MINOR)
JTWROS	-	AS JOINT TENANTS WITH RIGHT OF SURVIVORSHIP AND NOT AS TENANTS IN COMMON	UNDER THE UNIFORM GIFT TO MINORS ACT (STATE)

Additional abbreviations may also be used though not in the above list.

For value received, _____ *hereby sell, assign and transfer unto*

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

_____

(PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____

_____ *shares*

represented by the within Certificate, and do hereby irrevocably constitute and appoint _____ Attorney
to transfer the said shares on the records of the within-named Corporation with full power of substitution in the premises.

Dated _____, *20*___

In Presence of

_____
Witness

_____
(SIGNATURE: THE SIGNATURE ON THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER)

Exhibit 4.2

INVESTOR RIGHTS AGREEMENT

dated as of August 13, 2018

by and among

AMALGAMATED BANK

and

THE WORKERS UNITED RELATED PARTIES PARTY HERETO

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Exhibit A List of the Workers United Related Parties

Exhibit B Form of Director Indemnification Agreement

Exhibit C Bylaws of the Bank

Exhibit D Charter of the Workers United Advisory Board

Schedule I Incumbent Directors

INVESTOR RIGHTS AGREEMENT

INVESTOR RIGHTS AGREEMENT (this "Agreement"), dated as of August 13, 2018 (the "Closing Date"), by and among Amalgamated Bank, a New York state-chartered non-member bank (the "Bank"), the entities listed on Exhibit A hereto (each, respectively, a "Workers United Related Party").

RECITALS:

WHEREAS, concurrent with the effective time of this Agreement, the Bank is consummating an initial public offering of 6,718,729 shares of the Bank's Class A Voting Common Stock, par value $0.01 per share (the "Class A Common Stock"), resulting in aggregate gross proceeds of One Hundred and Nineteen Million Seven Hundred and Sixty-One Thousand Three Hundred and Thirty-Nine and 00/100 U.S. dollars ($119,761,339) (the "IPO").

WHEREAS, the IPO constitutes "Qualifying Registration Event" as defined in the Investor Rights Agreement, dated as of April 11, 2012, by and among the Bank and the various stockholders party thereto (the "Existing Agreement") and, accordingly, the Existing Agreement will terminate pursuant to Section 6.3(e)(iii) thereof upon consummation of the IPO;

WHEREAS, the Bank and the Workers United Related Parties desire to provide herein for certain agreements with respect to the corporate governance, shareholdings and certain other matters relating to the Bank following the IPO.

NOW, **THEREFORE**, in consideration of the foregoing and the mutual covenants contained in this Agreement, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I

DEFINITIONS

1.1 Definitions.

(a) The following terms, as used herein, have the following meanings:

"Affiliate" means, with respect to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, such other Person, *provided* that no security holder of the Bank shall be deemed to be an Affiliate of any other security holder of the Bank or any of its Subsidiaries solely by reason of any investment in the Bank or its Subsidiaries. For purposes of this definition, "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of management or policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Applicable Regulator" means the Federal Reserve, the FDIC, the New York State Department of Financial Services, the Federal Trade Commission, the United States Department of Justice or any other federal, state, local or foreign regulatory agency or subdivision, related entity or instrumentality thereof having jurisdiction over any Person.

"Associate" (including its correlative meaning "Associated with") of a specified Person means any individual who is a current or former director, officer, employee or controlling equity holder of such specified Person, a member of the Immediate Family of such specified Person or of any director, officer or controlling equity holder of such specified Person, or currently a party to a contractual relationship with such specified Person pursuant to which such individual is entitled to receipt of material pecuniary consideration.

"Bank Securities" means (i) Class A Common Stock, (ii) securities convertible into or exercisable or exchangeable for Class A Common Stock, (iii) any other equity or equity-linked security issued by the Bank, including any preferred stock issued by the Bank, and (vi) options, warrants or other rights to acquire Common Stock, Preferred Stock or any other equity or equity-linked security issued by the Bank, including any preferred stock issued by the Bank.

"BHC Act" means the Bank Holding Company Act of 1956, as amended.

"Bylaws" means the bylaws of the Bank, as amended and restated from time to time.

"Board" means the board of directors of the Bank.

"Business Day" means, with respect to any act to be performed hereunder, each Monday, Tuesday, Wednesday, Thursday and Friday that is not a day on which banking institutions in New York, New York or other applicable places where such at is to occur are authorized or obligated by applicable law, regulation or executive order to close.

"Charter" means the organization certificate of the Bank, as amended or restated from time to time.

"Closing" means the closing of the IPO.

"Director" means, unless otherwise provided, a member of the Board.

"Exchange" means The Nasdaq Global Market.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"FDIC" means the Federal Deposit Insurance Corporation, or any successor agency or entity.

"Federal Reserve" means the Board of Governors of the Federal Reserve System, or any successor agency or entity.

"Federal Reserve Act" means the Federal Reserve Act of 1913, as amended.

"GAAP" shall mean U.S. generally accepted accounting principles, as in effect from time to time.

"Governmental Entity" means any court, administrative agency or commission or other governmental authority or instrumentality, whether federal, state, local or foreign, and any applicable industry self-regulatory organization.

"Immediate Family" means, with respect to any individual, such individual's spouse, lineal ancestors, lineal blood or adopted descendants and any trust for any of their benefit or any partnership or limited liability company in which only such Persons own equity interests

"Independent Nominee" means a person who is nominated for election to the Board, or is currently serving as a Director, and is "independent" in accordance with the rules of the Exchange and applicable Law.

"Law" means any applicable domestic (federal, state or local) or foreign law, statute, ordinance, license, rule, regulation, policy or guideline, order, demand, writ, injunction, decree or judgment of any Governmental Entity.

"Material Subsidiary" shall mean any Subsidiary of the Bank which (together with such Subsidiary's Subsidiaries) represents ten percent (10%) or more of the net income for the trailing four quarters or, on a book value basis, ten percent (10%) or more of the assets of the Bank and its Subsidiaries, taken as a whole.

"Permitted Transferee" shall mean any general or limited partner, member, stockholder, parallel investment fund, co-investment fund, successor investment fund or Affiliate of a Stockholder, or a trust the beneficiaries of which include only such general or limited partner, member, stockholder or Affiliate; *provided* that a Transfer or other disposition to the general or limited partners, members or stockholders of such Stockholder shall not be deemed to be a sale or other disposition to a Permitted Transferee unless the sale or other disposition is made on a pro rata basis to all such partners, members or stockholders; *provided further*, that in the case of a Stockholder who is a Workers United Related Party, "Permitted Transferee" shall include any other Workers United Related Party.

"Person" means any individual, firm, corporation, partnership, trust, incorporated or unincorporated association, joint venture, joint stock company, limited liability company, Governmental Entity or other entity of any kind, and shall include any successor (by merger or otherwise) of such entity.

"Pro Rata Portion" means, with respect to any Stockholder relative to any specified group of Stockholders at any time, (i) the total number of shares of Class A Common Stock held by such Stockholder at such time divided by (ii) the total number of shares of Class A Common Stock held by all members of such group at such time, and, in the case of each (i) and (ii), treating for these purposes any Bank Securities convertible into or exercisable or exchangeable for Class A Common Stock as shares of Class A Common Stock in an amount equal to the number of shares of Class A Common Stock into which such Bank Securities are then convertible.

"Qualifying Registration Event" has the meaning ascribed thereto in the Existing Agreement and the Registration Rights Agreement.

"Registration Rights Agreement" means that certain Registration Rights Agreement, dated as of April 11, 2012, by among the Bank and the stockholders named therein.

"SEC" means the U.S. Securities and Exchange Commission, or any successor agency or entity.

"Securities Act" means the Securities Act of 1933, as amended.

"Subsidiary" means, with respect to any Person, any corporation, partnership, joint venture, limited liability company or other entity (i) of which such Person or a subsidiary of such Person is a general partner or (ii) of which a majority of the voting securities or other voting interests, or a majority of the securities or other interests of which having by their terms ordinary voting power to elect a majority of the board of directors or Persons performing similar functions with respect to such entity, is directly or indirectly owned by such Person and/or one or more subsidiaries thereof .

"Subsidiary Securities" means any shares of capital stock or equity securities of any Subsidiary of the Bank, any options, warrants or other rights to acquire any shares of capital stock or equity securities of any Subsidiary of the Bank and any other securities convertible into or exercisable or exchangeable for (or entitling the holder thereof to subscribe for) any shares of capital stock or equity securities of any Subsidiary of the Bank.

"Transfer" means, with respect to the Bank Securities, (i) when used as a verb, to sell, assign, dispose of, exchange, pledge, encumber, hypothecate or otherwise transfer such Bank Securities or any participation or interest therein, or agree or commit to do any of the foregoing or enter into any hedging or other derivative transaction that has the effect of materially changing the economic benefits or risks of ownership of any Bank Securities and (ii) when used as a noun, sale, assignment, disposition, exchange, pledge, encumbrance, hypothecation, or other transfer of such Bank Securities or any participation or interest therein or any agreement or commitment to do any of the foregoing or the entry into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits or risks of ownership of any Bank Securities.

"Voting Securities" shall mean shares of Class A Common Stock and any other securities of the Bank entitled to vote together with the Class A Common Stock as a single class on all matters with respect to which the Class A Common Stock is entitled to vote (whether owned as of the date hereof or hereafter acquired).

"Workers United Related Parties" means Workers United and any joint boards, locals or similar organizations authorized under the constitution of Workers United and listed on Exhibit A hereto.

"WURP Nominee" means a director designated or to be designated by Workers United pursuant to this Agreement.

Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Agreement	Preamble
Bank	Preamble
Class A Common Stock	Recitals
Closing Date	Preamble
Demand Offering	3.2
Designated Committee	2.5(c)
Exercise Notice	3.1(c)
Existing Agreement	Recitals
FDIC Policy Statement	3.2
Investor Stockholder Nominee	Schedule I
IPO	Recitals
Issuance Notice	3.1(b)
Offering Expenses	3.6
Opinion of Counsel	4.4(f)
Piggyback Offering	3.3
Replacement WURP Nominee	2.3(c)
Suspension Notice	3.5(e)
Vacancy Event	2.3(c)
Volume Limitation	3.1(c)(i)
Workers United Related Party	6.6(b)
Workers United Related Party Nominees	2.2(b)(iii)

1.2 Other Definitional and Interpretative Provisions. The words "hereof," "herein" and "hereunder" and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement and the term "or" has, except where otherwise indicated, the inclusive meaning represented by the phrase "and/or." Whenever the words "include," "includes" or "including" are used in this Agreement, they shall be deemed to be followed by the words "without limitation" whether or not they are in fact followed by those words or words of like import. References to any agreement or contract, including this Agreement, mean such agreement or contract as amended, modified, extended or supplemented from time to time in accordance with the applicable provisions hereof and thereof. Unless otherwise specified, references in this Agreement to any Law or regulation include references to such Law or regulation as amended, modified or replaced from time to time and any Laws or regulations made pursuant to such Law or regulation; provided, that nothing in this Section 1.2 shall operate to increase the liability of any party beyond that which would have existed had this sentence in this Section 1.2 been omitted. References to any Person include the successors and permitted assigns of that Person. References from or through any date mean, unless otherwise specified, from and including or through and including, respectively. Any reference to "days" means calendar days unless Business Days are expressly specified. If any action under this Agreement is required to be done or taken on a day that is not a Business Day, then such action shall be required to be done or taken not on such day but on the first succeeding Business Day thereafter. References to one gender include all genders and references to the singular include the plural and vice versa. References to Articles, Sections, Exhibits and Schedules are to articles, sections, exhibits and schedules of this Agreement unless otherwise specified. All Exhibits and Schedules annexed hereto or referred to herein are hereby incorporated in and made a part of this Agreement as if set forth in full herein. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein, shall have the meaning as defined in this Agreement. The Table of Contents and the headings of Articles and Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part of this Agreement.

ARTICLE II

CORPORATE GOVERNANCE

2.1 Number of Directors and Board Chair. For so long as the Workers United Related Parties, together with their Affiliates and Permitted Transferees, collectively continue to hold a number of shares of Class A Common Stock that represents at least:

(a) Ten percent (10%) of the total voting power of all then-outstanding Voting Securities, the Bank and each of the Workers United Related Parties shall take all requisite corporate action within its control as is reasonably necessary to ensure that the number of Directors is fixed by the Bylaws at thirteen (13).

(b) Twenty percent (20%) of the total voting power of all then-outstanding Voting Securities, the Bank, and each of the Workers United Related Parties shall take all requisite corporate action within its control as is reasonably necessary to ensure that the Board Chair is a WURP Nominee.

2.2 Initial Composition of the Board.

(a) At and immediately following the Closing, the individuals set forth on Schedule I shall be the incumbent Directors.

(b) From and after the Closing, the Bank shall take all requisite corporation action with respect to the nomination of Directors for service on the Board, subject in each case, to satisfaction of all applicable legal and governance requirements regarding service as a Director, as follows:

(i) For so long as the Workers United Related Parties, together with their Affiliates and Permitted Transferees, collectively continue to hold a number of shares of Class A Common Stock that represents:

(A) at least twenty percent (20%) of the total voting power of all then-outstanding Voting Securities, five nominees shall be WURP Nominees; *provided, however,* that two of the five WURP Nominees shall each also be an Independent Nominee;

(B) between fifteen percent (15%) and nineteen and 9/10s percent (19.9%) of the total voting power of all then-outstanding Voting Securities, four nominees shall be WURP Nominees; *provided, however,* that two of the four WURP Nominees shall also be an Independent Nominee;

(C) between ten percent (10%) and fourteen and 9/10s percent (14.9%) of the total voting power of all then-outstanding Voting Securities, three nominees shall be WURP Nominees; *provided, however,* that one of the three WURP Nominees shall also be an Independent Nominee; and

(D) between five percent (5%) and nine and 9/10s percent (9.9%) of the total voting power of all then-outstanding Voting Securities, two nominees shall be WURP Nominees; *provided, however,* that one of the two WURP Nominees shall also be an Independent Nominee.

(ii) in each case and subject to the Board nomination rights of any other stockholder, the remaining nominees shall be designated by the Nominating and Governance Committee of the Board.

(c) Each of the WURP Nominees shall hold office until the earlier of (x) a Vacancy Event with respect to such WURP Nominee and (y) the election of a Replacement WURP Nominee in accordance with the provisions of Section 2.3 or the resignation of the WURP Nominee in accordance with Section 2.3(b).

(d) If, at any time, the Workers United Related Parties, together with their Affiliates and Permitted Transferees, shall no longer own at least the percentage of Voting Securities specified in subsection (b)(i)(A), (b)(i)(B), (b)(i)(C), or (b)(i)(D) above, then Workers United's right to designate the specified number of WURP Nominees shall be reduced accordingly and, upon the resignation or removal of a WURP Nominee in accordance with Section 2.3(b), and as soon as practicable after such resignation or removal, the Board of Directors shall elect an Independent Nominee to fill the vacancy thereby created.

(e) The Bank agrees to use commercially reasonable efforts to cause each individual nominated pursuant to and in accordance with this Section 2.2 to be elected to the Board (including but not limited to, (i) causing the Board to appoint such nominee to the Board, (ii) recommending such nominee to its stockholders at the Bank's annual meeting of stockholders and (iii) soliciting proxies for such nominee) in order to ensure that the composition of the Board is as contemplated by this Section 2.2.

(f) Workers United shall, and shall cause any WURP Nominee, promptly to provide to the Bank all information concerning a WURP Nominee that is reasonably necessary to submit any notice or application required by any Governmental Entity in connection with the appointment or election of such WURP Nominee to the Board; *provided, however,* that Workers United and the WURP Nominee shall not be required to furnish the Bank with any sensitive personal biographical or personal financial information of the WURP Nominee so long as Workers United or the WURP Nominee, as the case may be, will furnish directly to the applicable Governmental Entity such information and will confirm such submission in writing to the Bank.

2.3 Elections; Vacancy; Removal.

(a) Each Workers United Related Party agrees that, at any time it is entitled to vote for the election of Directors to the Board, it shall vote its Voting Securities entitled to vote for such Directors or execute proxies or written consents, as the case may be, and take all other actions reasonably necessary (including causing the Bank to call and hold a special stockholders meeting) in order to ensure that the composition of the Board is as contemplated in Section 2.2.

(b) If the number of WURP Nominees that Workers United is entitled to nominate pursuant to Section 2.2(b)(i) shall have decreased, then Workers United shall use its reasonable best efforts to cause one or more WURP Nominees to immediately resign from the Board in order to bring the number of WURP Nominees into compliance with Section 2.2(b)(i) based upon the then current percentage of total voting power of Voting Securities held by the Workers United Related Parties.

(c) The Workers United Related Parties shall have the exclusive right to nominate the replacement for a WURP Nominee (each, a "Replacement WURP Nominee") upon the death, disability, resignation, retirement, disqualification, removal or otherwise (each a "Vacancy Event") of such WURP Nominee (except vacancies arising pursuant to Section 2.3(b)). Subject to receipt of any necessary regulatory approvals, the Bank agrees to use its reasonable best efforts to cause any Replacement WURP Nominee to be elected to the Board as soon as practicable following the occurrence of a Vacancy Event with respect to a WURP Nominee (including, but not limited to, (i) causing the Board to elect such Replacement WURP Nominee to fill the vacancy resulting from such Vacancy Event, (ii) recommending that the stockholders vote in favor of such WURP Nominee at each subsequent annual meeting, and (iii) soliciting proxies for the election of such Replacement WURP Nominee).

(d) If as a result of a Vacancy Event, there shall exist or occur any vacancy on the Board (other than a Vacancy Event with respect to a WURP Nominee), (i) subject to receipt of any necessary regulatory approvals, the Bank shall take all action required to fill such vacancy resulting therefrom to the extent necessary to ensure that the composition of the Board shall be in accordance the terms of this Agreement and (ii) each Workers United Related Party shall take all necessary action (including voting its Voting Securities) to implement the actions referred to in clause (i).

2.4 Board Compensation. The Bank shall reimburse each WURP Nominee for his or her reasonable out-of-pocket expenses incurred by such WURP Nominee in connection with attending regular and special meetings of (i) the Board and any committee thereof and (ii) the board of directors of any Subsidiary of the Bank and any committee thereof.

2.5 Board Procedures. The Board shall follow the following procedures:

(a) Voting. Either (i) the approval by a vote of at least a majority of the entire Board or (ii) the written consent of all of the Directors shall be required for all actions requiring approval of the Board; *provided* that, if, at the time of the meeting for the taking of such vote or at the time of the taking of any such action by written consent, there is a vacancy on the Board and a Replacement WURP Nominee has been nominated to fill such vacancy pursuant to Section 2.3, the first order of business to be conducted at such meeting or pursuant to such consent shall be to fill such vacancy by appointing such Replacement WURP Nominee, provided that any required regulatory approvals shall have been obtained in order for such appointment to be effective. For the avoidance of doubt and unless otherwise required under Law, unanimous written consent of the Board shall only require the written consent of the Directors then in office; *provided* that if there is a vacancy with respect to a WURP Nominee, notice of any Board meeting (other than a regularly scheduled Board meeting) or action to be taken by written consent must be provided to Workers United at least ten (10) Business Days prior thereto and Workers United shall have the ability to nominate a Replacement WURP Nominee to fill such vacancy and, *provided* that any required regulatory approvals shall have been obtained, the first order of business to be conducted at such meeting or pursuant to such consent shall be to fill such vacancy by appointing such Replacement WURP Nominee prior to any other action or before such written consent of the Board shall be effective.

(b) Quorum. Except as otherwise required by Law, the presence of at least fifty percent (50%) of the entire Board is required for a quorum of the Board. Board members may be present by teleconference.

(c) Committees. The Board shall at all times have an Executive Committee, an Audit Committee, a Compensation Committee, a Nominating and Governance Committee, Credit/Enterprise Risk Committee and a Trust Committee (each, a "Designated Committee"). The composition of each committee shall be determined by the Board as a whole and shall comply with the guidance of Applicable Regulators, applicable Law and rules of the Exchange, *provided, however,* that:

(i) the Board Chair shall chair the Executive Committee and the other members of the Executive Committee shall be the Chief Executive Officer of the Bank and the chair of each Designated Committee;

(ii) for so long as Workers United is entitled under Section 2.2(b)(i) of this Agreement to designate two WURP Nominees who are also Independent Nominees:

(i) at least one such Independent Nominee shall be appointed to and serve on the Audit Committee;

(ii) at least one such Independent Nominee shall be appointed to serve on the Compensation Committee; and

(iii) at least one such Independent Nominee shall be appointed to serve on the Nominating and Governance Committee.

(iii) for so long as Workers United is entitled under Section 2.2(b)(i) of this Agreement to designate one WURP Nominee who is also an Independent Nominee, that Independent Nominee shall be appointed to at least two of the Designated Committees; and

(iv) a WURP Nominee shall chair the Trust Committee.

(d) Information for Directors. Each WURP Nominee shall have the right to receive from the Bank as promptly as reasonably practicable such information with respect to the Bank or any of its Subsidiaries as such WURP Nominee reasonably requests, including (i) as soon as practicable and, in any event, within sixty (60) days after the beginning of each fiscal year, the Bank's annual operating budget for such fiscal year, (ii) promptly following the preparation thereof, a copy of any revisions to the annual operating budget delivered pursuant to the preceding clause (i); and (iii) as soon as practicable, and in any event within twenty (20) days after the end of each month, the monthly management reporting packages of the Bank and, to the extent the following items are not included in the monthly management reporting packages, the unaudited consolidated balance sheet of the Bank and its Subsidiaries as at the end of such month and the related unaudited statement of operations and cash flow for such month, and for the portion of the fiscal year then ended, in each case prepared in accordance with GAAP consistently applied, setting forth in comparative form the figures for the corresponding month and portion of the previous fiscal year, and the figures for the corresponding month and portion of the then current fiscal year as in the Bank's annual operating budget. Subject to Sections 4.1 and 4.2, each WURP Nominee shall be allowed to share any information received pursuant to this Section 2.5(d) with the Workers United Related Parties and their Affiliates, to the fullest extent permitted under applicable Law.

(e) Insurance. The Bank shall maintain directors' and officers' liability insurance and fiduciary liability insurance with insurers of recognized financial responsibility in such amounts as the Board determines to be prudent and customary for the Bank's business and operations.

(f) Indemnification Agreements. Each WURP Nominee shall have the option to enter into an indemnification agreement with the Bank, substantially in the form attached as Exhibit B hereto.

2.6 Workers United Advisory Board. The Board shall establish and maintain a Workers United Advisory Board, the composition of which shall be determined by Workers United pursuant to the charter attached hereto as Exhibit D.

2.7 Subsidiaries. The Bank shall take, and shall cause its Material Subsidiaries to take, such actions to ensure that the provisions of the Material Subsidiaries' organizational documents applicable to corporate governance reflect the provisions of this Agreement and the Charter and Bylaws, except, in each case, as may be necessary to comply with applicable Law.

2.8 Other Documents and Agreements. As of the date of this Agreement, the Bylaws shall be as set forth on Exhibit C. Each Workers United Related Party shall vote, and shall use its best efforts to cause its Affiliates to vote, all of the total voting power of all then-outstanding Voting Securities owned by the Workers United Related Party and their Affiliates, as the case may be, or which either is entitled to vote, to ensure that the Charter and Bylaws do not at any time conflict with the provisions of this Agreement. No Workers United Related Party shall, and each Workers United Related Party shall cause its Affiliates not to, grant any proxy (other than to representatives of the Bank to vote in accordance with the recommendation of the Board) or enter into or agree to be bound by any voting trust or voting agreement with respect to any Voting Securities, nor shall any Workers United Related Party, and each Workers United Related Party shall cause its Affiliates not to, enter into any stockholder agreements or arrangements of any kind with any Person with respect to any Voting Securities on terms inconsistent with the provisions of this Agreement (whether or not such agreements and arrangements are with other Stockholders or with holders of Voting Securities that are not parties to this Agreement), including but not limited to agreements or arrangements with respect to the acquisition, disposition or voting of Voting Securities.

ARTICLE III

RIGHTS AND RESTRICTIONS WITH RESPECT TO POST-IPO SALES

3.1 Post-IPO Restrictions on Sales.

(a) On or before the date of this Agreement, each Workers United Related Party shall have entered into an agreement with the underwriters of the IPO pursuant to which they each agree not to sell or otherwise transfer shares of Class A Common Stock in any public or private transaction for 180 days following the Closing without the prior written consent of the underwriters.

(b) During the one-year period immediately following the Closing, each Workers United Related Party hereby agrees not to sell or otherwise transfer shares of Class A Common Stock in any public or private transaction without the prior written consent of the Bank.

(c) Subsequent to the one-year restriction period provided in Section 3.1(b), the Workers United Related Parties, together with their Affiliates and Permitted Transferees, shall be permitted to sell shares to the public (1) pursuant to Section 3.2 or 3.3 below or (2) if the following conditions are satisfied:

(i) the amount of Class A Common Stock to be sold falls within the volume limitations specified by Rule 144(e) promulgated under the Securities Act on sales of non-exempt securities by affiliates of an issuer (the "Volume Limitation"); *provided, however;* that the Workers United Related Parties may exceed the Volume Limitation with the consent of the Bank, which shall not be unreasonably withheld; and

(ii) the manner in which the Class A Common Stock is to be sold complies with the requirements specified by Rule 144(f) promulgated under the Securities Act on sales of non-exempt securities by affiliates of an issuer.

(d) Subsequent to the one-year restriction period provided in Section 3.1(b), the Workers United Related Parties, together with their Affiliates and Permitted Transferees, shall be permitted to sell shares in privately negotiated transactions if one of the following conditions is satisfied:

(i) immediately after such sale, the buyer is not an "affiliate" of the Bank as such term is defined by Rule 144(a)(1) promulgated under the Securities Act; or

(ii) immediately after such sale, the buyer is an "affiliate" of the Bank as such term is defined by Rule 144(a)(1) promulgated under the Securities Act and enters into an agreement with the Bank that imposes limitations on the ability of such buyer to sell the shares of Class A Common Stock purchased in such private transaction except in compliance with the restrictions imposed by Section 3.1(c) and (d) of this Agreement on the Workers United Related Parties.

3.2 Demand Offerings.

(a) At any time after six (6) months following the Closing, upon the written request of Workers United, Workers United may provide the Bank with notice of its intent to effect an underwritten public offering of all or part of the shares Class A Common Stock held by one or more of the Workers United Related Parties (a "Demand Offering"), which written request shall specify an investment banking firm of national reputation that has agreed to utilize commercially reasonable efforts to effect an underwritten offering of such Workers United Related Parties' Class A Common Stock. The Bank shall utilize commercially reasonable efforts to promptly, and in any event not later than thirty (30) days after receipt of such notice to prepare an offering circular for an offering of such Workers United Related Parties' shares of Class A Common Stock that is compliant with the FDIC's Statement of Policy Regarding Use of Offering Circulars in Connection with Public Distributions of Bank Securities (the "FDIC Policy Statement"). The Workers United Related Parties shall be limited to one Demand Offering in any 90-day period. A Demand Offering will not count as one of the permitted Demand Offerings if the conditions to closing specified in the underwriting agreement in customary form entered into in connection with the such Demand Offering are not satisfied or waived, except if the failure of such closing conditions to be satisfied is caused by any Workers United Related Party or the investment banking firm selected by Workers United is not able to sell all of the

Class A Common Stock requested to be included in such Demand Offering at a per share price acceptable to such Workers United Related Parties due to adverse market conditions. If the underwriter of the requested Demand Offering advises the Bank in writing (with a copy to Workers United) that in its opinion the number of shares of Class A Common Stock proposed to be included in any Demand Offering exceeds the number of securities which can be sold in such offering and/or that the number of shares of Class A Common Stock proposed to be included in any Demand Offering would adversely affect the price per share of the Class A Common Stock to be sold in such offering, the Bank shall include in such Demand Offering only the number of shares of Class A Common Stock which in the opinion of such underwriter can be so sold. If the number of shares which can be sold is less than the number of shares of Class A Common Stock proposed to be sold in the Demand Offering, the amount of Class A Common Stock to be so sold shall be allocated (i) first, pro rata among the such Workers United Related Parties desiring to participate in such Demand Offering on the basis of the amount of such Class A Common Stock initially proposed to be sold in the Demand Offering and (ii) second, to any other stockholders with registration rights, and (iii) third, to the Bank. The Bank shall not be obligated to effect any Demand Offering unless Workers United requests to effect the offering of Class A Common Stock having an anticipated aggregate offering price, net of any underwriting discounts or commissions, of at least fifty million dollars ($50,000,000). The Bank may postpone for up to one hundred twenty (120) calendar days the delivery of an offering circular for a Demand Offering if, based on the good faith judgment of the Board, such postponement is necessary in order to avoid premature disclosure of a material matter required, as determined by the Bank after consultation with outside counsel, to be otherwise disclosed in the offering circular that the Board has determined would not be in the best interest of the Bank to be disclosed at such time; *provided*, *however*, that the Bank shall not be entitled to so postpone unless it shall concurrently (A) require the suspension of sales in the open market by senior executives and/or directors of the Bank in accordance with the Bank's insider trading policy from time to time in effect and (B) itself refrain from any public offering and open market purchases during the postponement; and *provided*, *further*, however, that if the Bank postpones the delivery of an offering circular pursuant to this sentence, Workers United shall be entitled to withdraw such request and, if such request is withdrawn, such Demand Offering shall not count as a Demand Offering for purposes of the 90-day restriction period provided in Section 3.2(a). The Bank shall provide written notice to Workers United requesting such Demand Offering and all other Workers United Related Parties of (x) any postponement of the delivery of an offering circular pursuant to this Section 3.2 and (y) the Bank's decision to deliver an offering circular following such postponement.

3.3 Participation Rights in Underwritten Offerings.

(a) Whenever the Bank proposes to effect an underwritten offering of Class A Common Stock (a "Piggyback Offering"), either for its own account or for the account of one or more stockholders other than a Workers United Related Party, the Bank shall give prompt written notice (in any event within ten (10) calendar days after its receipt of notice of any exercise of Demand Offering rights) to all Workers United Related Parties of its intention to effect a Piggyback Offering, which notice the Workers United Related Parties shall keep confidential, and, subject to Sections 3.3(b) and 3.3(c), shall include in such Piggyback Offering on the same terms as the Bank and other Persons selling securities in connection with such Piggyback Offering, all shares of Class A Common Stock with respect to which the Bank has

received written requests for inclusion therein from a Workers United Related Party within fifteen (15) calendar days after the receipt by such Workers United Related Party of the Bank's notice. The Bank's notice shall specify, at a minimum, the number of shares of Class A Common Stock proposed to be offered and sold, the proposed date of commencing the Piggyback Offering , the proposed means of distribution, the proposed managing underwriter or underwriters (if any and if known) and a good faith estimate by the Bank of the proposed minimum offering price of the Class A Common Stock. The Bank may postpone a Piggyback Offering at any time in its sole discretion; *provided* that such postponement does not relieve the Bank of its obligations to pay offering expenses pursuant to Section 3.6. Each Workers United Related Party shall be permitted to withdraw all or part of its Class A Common Stock from a Piggyback Offering at any time prior to the closing of such Offering.

(b) If a Piggyback Offering is an underwritten primary Offering on behalf of the Bank, and the managing underwriters advise the Bank in writing that in their opinion the number of equity securities requested to be included in such Offering exceeds the number which can be sold in such offering and/or that the number of shares of Class A Common Stock proposed to be included in any such Offering would adversely affect the price per share of the Bank's equity securities to be sold in such offering, the Bank shall include in such Offering (i) first, the equity securities the Bank proposes to sell for its own account, and (ii) second, the shares of Class A Common Stock requested to be included in such Offering, pro rata among the Workers United Related Parties and any other stockholder seeking to exercise piggyback participation or registration rights on the basis of the number of shares requested to be registered by such Workers United Related Parties and such other stockholders.

(c) If any Piggyback Offering is an underwritten primary offering on behalf of the Bank, the Bank shall have the right to select the managing underwriter or underwriters to administer any such offering. In any other Piggyback Offering, the selling stockholder selling the largest number of shares shall have the right to select the managing underwriter or underwriters to administer such offering.

3.4 Holdback Agreements. In the event of an underwritten offering of Class A Common Stock by the Bank, each Workers United Related Party hereby agrees that, if requested by the applicable managing underwriter, it will not, without the prior written consent of the applicable managing underwriter, during the period commencing on the date of the final offering circular relating to such offering and ending on the date specified by the Bank and the managing underwriter (such period not to exceed one hundred and eighty (180) calendar days) except for such shares of Class A Common Stock as shall be included in such offering, (a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Class A Common Stock owned by such Workers United Related Party or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Class A Common Stock, whether any such transaction described is to be settled by delivery of the Class A Common Stock or other securities, in cash, or otherwise; *provided*, *however*, that the foregoing will apply only if the then named executive officers (or senior officers performing comparable functions) and directors of the Bank then holding securities of the Bank enter into similar agreements. The foregoing provisions of this Section 3.4 will not apply to the sale of any shares to an underwriter pursuant

to an underwriting agreement. Each Workers United Related Party further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Section 3.4; *provided*, that the named executive officers (or senior officers performing comparable functions) and directors of the Bank then holding securities of the Bank enter into similar agreements if requested by the underwriters or placement agent.

3.5 **Offering Procedures**.

(a) Whenever any Class A Common Stock is to be offered pursuant to Section 3.2 or 3.3 of this Agreement, the Bank shall use its reasonable best efforts to effect the offering and sale of such Class A Common Stock in accordance with the intended methods of disposition thereof, and pursuant thereto the Bank shall as expeditiously as possible:

(i) prepare and as soon as practicable (but in any event within thirty (30) calendar days after receipt of a request pursuant to Section 3.2 use commercially reasonable efforts to make available an offering circular consistent with the FDIC Policy Statement;

(ii) prepare supplements to such offering circular used in connection therewith as may be necessary to keep such offering circular compliant with the FDIC Policy Statement for such a period as is necessary to complete the disposition of the securities offered thereby (subject to Sections 3.2 of this Agreement) and comply with the provisions of the FDIC Policy Statement with respect to the disposition of all securities covered by such offering circular during such period in accordance with the intended methods of disposition set forth therein;

(iii) furnish to each seller of Class A Common Stock such number of copies of such offering circular, and each supplement thereto and such other documents as such seller may reasonably request in order to facilitate the disposition of the Class A Common Stock owned by such seller;

(iv) use its reasonable best efforts to qualify such Class A Common Stock under such other securities or "blue sky" laws of such jurisdictions as any seller and any underwriter(s) reasonably requests and do any and all other acts and things which may be reasonably requested by such seller or underwriter that is necessary or advisable to enable such seller aid any underwriter(s) to consummate the disposition in such jurisdictions of the Class A Common Stock owned by such seller (provided, that the Bank will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph (iv), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction);

(v) notify each seller of such Class A Common Stock, at any time when an offering circular relating thereto, of the occurrence of any event as a result of which the offering circular contains an untrue statement of a material fact or omits any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and, at the request of any such seller, the Bank shall promptly prepare a supplement to such offering circular so that, as thereafter delivered to the purchasers of such Class A Common Stock, such offering circular shall not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) in the case of an underwritten offering, enter into customary agreements (including underwriting agreements in customary form) and take such other reasonable and customary actions as deemed advisable by the underwriter(s) in order to expedite or facilitate the disposition of such Class A Common Stock (including, without limitation and to the extent reasonably customary, effecting a stock split or a combination of shares and making members of senior management of the Bank available to participate in, and cause them to cooperate with the underwriters in connection with, "road-show" and other customary marketing activities (including one-on-one meetings with prospective purchasers of the Class A Common Stock)) and cause to be delivered to the underwriters opinions of counsel to the Bank in customary form, covering such matters as are customarily covered by opinions for an underwritten public offering as the underwriters may request and addressed to the underwriters;

(vii) to the extent reasonably customary, make available, for inspection by any seller of Class A Common Stock, any underwriter participating in any disposition pursuant to such offering circular, and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Bank, and cause the Bank's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such offering;

(viii) use its reasonable best efforts to cause all such Class A Common Stock to be listed on each securities exchange or quotation system on which securities of the same class issued by the Bank are then listed, or if no such similar securities are then listed, on a national securities exchange selected by the Bank; provided that the Workers United Related Parties acknowledge that each national securities exchange has listing standards, which may operate to limit the entities of which securities may be listed on such exchange, or which classes or series of such securities may be so listed, on the basis of size, operations, corporate governance, authorized or issued capital stock, number of stockholders or securities outstanding or otherwise, and the Workers United Related Parties hereby acknowledge and agree that the Bank will not be required to alter or seek to alter its size, operations or other quantitative measures of business, or its issued capital stock or number of stockholders or securities outstanding, in order to meet or seek to meet the listing standards of any national securities exchange; provided, further, that the Bank will not be obligated to effect a listing on more than one securities exchange;

(ix) provide a transfer agent and registrar for all such Class A Common Stock not later than the closing date of the offering;

(x) cooperate with the holders of Class A Common Stock being offered pursuant to the offering circular to issue and deliver, or cause its transfer agent to issue and deliver, certificates (or shares in book-entry form) representing Class A Common Stock to be offered pursuant to the offering circular within a reasonable time after the delivery of certificates (or shares in book-entry form) representing the Class A Common Stock to the transfer agent or the Bank, as applicable, and enable such certificates (or shares in book-entry form) to be in such denominations or amounts as the Workers United Related Parties may reasonably request and registered in such names as the Workers United Related Parties may request;

(xi) if requested, cause to be delivered, immediately prior to the closing of the offering (and, in the case of an underwritten offering, at the time of delivery of any Class A Common Stock sold pursuant thereto), comfort letters from the Bank's independent certified public accountants addressed to each underwriter, if any, stating that such accountants are independent public accountants within the meaning of the Exchange Act and the applicable rules and regulations thereunder, and otherwise in customary form and covering such financial and accounting matters as are customarily covered by letters of the independent certified public accountants delivered in connection with primary or secondary underwritten public offerings, as the case may be;

(xii) promptly notify each seller of Class A Common Stock and the underwriter or underwriters, if any:

(1) when the offering circular has become available;

(2) of any written request by the FDIC for amendments or supplements to the offering circular or of any inquiry by the FDIC relating to the offering circular, with a copy of the same, and an oral or written summary of any such oral requests;

(3) of the notification to the Bank by the FDIC of its initiation or threat of any proceeding with respect to the issuance by the FDIC of any stop order suspending the offering, of the issuance by the FDIC of a notification of objection to the use of the offering circular; and

(4) of the receipt by the Bank of any notification or threat with respect to the suspension of the qualification of any Class A Common Stock for sale under the applicable securities or "blue sky" laws of any jurisdiction;

(xiii) use its reasonable best efforts to obtain the withdrawal of any order suspending the permissible use of the offering circular at the earliest possible moment; and

(xiv) provide a CUSIP number for the Class A Common Stock and take such other customary actions as shall be reasonably requested by Workers United Related Parties holding a majority of the shares of Class A Common Stock to be sold or the underwriters in order to expedite or facilitate the disposition of such Class A Common Stock.

(b) No offering circular (including any supplements thereto) shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading; *provided*, *however*, that the foregoing shall not apply, with respect to any Workers United Related Party, for an untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in reliance on and in conformity with written information furnished to the Bank by or on behalf of such Workers United Related Party specifically for use in such offering circular).

(c) The Bank will promptly respond to any and all comments received from the FDIC on any offering circular, with a view towards causing such offering circular or any supplement thereto to be cleared for use by the FDIC as soon as practicable.

(d) The Bank may require each seller of Class A Common Stock as to which any offering is being effected to furnish to the Bank any information regarding such seller and the distribution of such securities as the Bank may from time to time reasonably request in writing in order to comply with applicable securities laws and effect the offering of any Class A Common Stock pursuant to the terms hereof.

(e) Each seller of Class A Common Stock agrees by having its stock offered pursuant to this Agreement that, upon written notice from the Bank, after consultation with outside counsel, of the happening of any event as a result of which the offering circular contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (a "Suspension Notice"), such seller will forthwith discontinue disposition of Class A Common Stock until such seller is advised in writing by the Bank that the use of the offering circular may be resumed and is furnished with a supplemented offering circular as required by Section 3.5(a)(iii) hereof, and, if so directed by the Bank, such seller will deliver to the Bank (at the Bank's expense) all copies, other than permanent file copies then in such seller's possession, of the offering circular covering such Class A Common Stock current at the time of receipt of such notice; *provided*, *however*, that the Bank shall promptly use its reasonable best efforts to take such other action so as to obviate the need for a Suspension Notice as soon as reasonably practicable in the good faith judgment of the Bank and promptly deliver sufficient copies of such supplemented offering circular pursuant to Section 3.5(a)(iii) to such sellers to resume such disposition; and *provided further* that such postponement of sales of Class A Common Stock by the Workers United Related Parties shall not exceed ninety (90) calendar days in the aggregate in any one year. Each seller of Class A Common Stock further agrees by having its stock treated as Class A Common Stock hereunder that it shall maintain in confidence and not disclose the receipt of any Suspension Notice. If the Bank shall give any notice to suspend the disposition of Class A Common Stock pursuant to an offering circular, the Bank shall extend the period of time during which the Bank is required to maintain the offering circular current pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date such seller either is advised by the Bank that the use of the offering circular may be resumed or receives the copies of the supplemented or amended offering circular contemplated by Section 3.5(a)(iii). In any event, the Bank shall not deliver more than three Suspension Notices in any one year.

(f) If any such offering circular refers to any Workers United Related Party by name or otherwise as the holder of any securities of the Bank, then such Workers United Related Party shall have the right to require (i) the insertion therein of language, in form and substance reasonably satisfactory to such Workers United Related Party, to the effect that the holding by such Workers United Related Party of such securities does not necessarily make such holder a "controlling person" of the Bank within the meaning of the Securities Act and is not to be

construed as a recommendation by such Workers United Related Party of the investment quality of the Bank's securities covered thereby and that such holding does not imply that such Workers United Related Party will assist in meeting any future financial requirements of the Bank, or (ii) in the event that such reference to such Workers United Related Party by name or otherwise is not required by the FDIC Policy Statement or any similar federal statute then in force, the deletion of the reference to such Workers United Related Party.

(g) In connection with the preparation of each offering circular offering the Workers United Related Parties' Class A Common Stock, the Bank will give such Workers United Related Parties and the underwriters, if any, and their respective counsel and accountants, drafts of such offering circulars for their review and comment prior to distribution (with a reasonable period of time to review and comment prior to such filing).

3.6 **Registration Expenses**.

(a) All expenses incident to the Bank's performance of or compliance with Article III of this Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or "blue sky" laws, listing application fees, printing expenses, transfer agent's and registrar's fees, cost of distributing offering circulars in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Bank and all independent certified public accountants and other Persons retained by the Bank (all such expenses being herein called "Offering Expenses") (but not including any underwriting discounts or commissions or transfer taxes (if any) attributable to the sale of Class A Common Stock or fees and expenses of more than one counsel representing Workers United Related Parties (as set forth in Section 3.6(b)) shall be borne by the Bank. In addition, the Bank shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which they are to be listed.

(b) In connection with each offering initiated under this Article III, the Bank shall reimburse the Workers United Related Parties covered by such registration or sale for the reasonable fees and disbursements of one law firm chosen by the Workers United Related Parties included in such offering.

(c) The obligation of the Bank to bear the expenses described in Section 3.6(a) and to reimburse the Workers United Related Parties for the expenses described in Section 3.6(b) shall apply irrespective of whether any sales of Class A Common Stock by Workers United Related Parties ultimately take place; provided that the Bank's obligations under Section 3.6(b) shall not apply with respect to any Demand Offering that is withdrawn by Workers United (in which case the Workers United Parties whose shares of Class A Common Stock were proposed to be offered shall be solely responsible for the payment of any third-party out-of-pocket expenses of the Bank in connection with such offering).

3.7 **Indemnification**. Upon an underwritten offering of Class A Common Stock pursuant to Section 3.2 or 3.3 hereof:

(a) The Bank shall indemnify, to the fullest extent permitted by law, each Workers United Related Party, its officers, directors, employees and Affiliates and each Person who controls such Workers United Related Party (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including but not limited to reasonable legal fees and expenses) to which such Person may become subject, as incurred, insofar as such losses, claims, damages, liabilities and expenses arise out of or are based upon any untrue statement or alleged untrue statement of material fact contained in any offering circular under which such Class A Common Stock is offered and sold hereunder or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any offering circular or supplement to an Offering circular, in light of the circumstances under which they were made) not misleading or any violation by the Bank of the Exchange Act or applicable "blue sky" laws in respect of any such offering, except insofar and to the extent as the same are made in reliance and in conformity with information relating to such Workers United Related Party furnished in writing to the Bank by such Workers United Related Party expressly for use therein.

(b) In connection with any offering in which a Workers United Related Party proposes to sell Class A Common Stock, each such Workers United Related Party shall furnish to the Bank in writing such information and affidavits as the Bank reasonably requests for use in connection with any such offering circular (which shall be limited to the legal name and address of such selling stockholder and the number of shares of Class A Common Stock owned by such selling stockholder before and after the offering) and shall indemnify, to the fullest extent permitted by law, the Bank, its respective officers, employees, directors, Affiliates, and each Person who controls the Bank, as the case may be (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including but not limited to reasonable legal fees and expenses) to which such Person may become subject, as incurred, insofar as such losses, claims, damages, liabilities and expenses arise out of or are based upon any untrue statement or alleged untrue statement of material fact contained in such offering circular or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any offering circular or supplement to an offering circular, in light of the circumstances under which they were made) not misleading or any violation by such Workers United Related Party of the Exchange Act or applicable "blue sky" laws in respect of any such offering, but only to the extent that the same are made in reliance and in conformity with information relating to such Workers United Related Party furnished in writing to the Bank by such Workers United Related Party expressly for use therein; provided, however, that the obligation to indemnify shall be several, not joint and several, among such Workers United Related Parties and the liability of each such Workers United Related Party shall be several, not joint and several, among such Workers United Related Parties and the liability of each such Workers United Related Party shall be in proportion to and limited to the net amount received (after all underwriting discounts and commissions) by such Workers United Related Party from the sale of Class A Common Stock pursuant to such offering circular.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably

satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). The indemnifying party shall not enter into any settlement of the claims so assumed without the consent of the indemnified party (but such consent will not be unreasonably withheld); provided that the consent of the indemnified party will not be required if the settlement involves only the payment of money damages all of which are indemnifiable losses hereunder aid does not involve the imposition of any equitable remedy or admission of wrongdoing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such assumed claim, unless in the reasonable judgment of any indemnified party there may be one or more legal or equitable defenses available to such indemnified party which are in addition to or may conflict with those available to another indemnified party with respect to such claim. Failure to give prompt written notice shall not release the indemnifying party from its obligations hereunder except to the extent that the indemnifying party is actually and materially prejudiced by the failure promptly to give such notice.

(d) The indemnification provided for under Article III of this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of securities.

(e) If the indemnification provided for in or pursuant to this Section 3.7 is due in accordance with the terms hereof, but is held by a court to be unavailable or unenforceable in respect of any losses, claims, damages, liabilities or expenses referred to herein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified Person as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions which result in such losses, claims, damages, liabilities or expenses. The relative fault of the indemnifying party on the one hand and of the indemnified Person on the other shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party, and by such party's relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission. In no event shall the liability of any selling Workers United Related Party, except in the case of willful misconduct or fraud by such Workers United Related Party, be greater in amount than the amount of net proceeds (after underwriting discounts and commissions) received by such Workers United Related Party upon such sale or the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under Section 3.7(a) or 3.7(b) hereof had been available under the circumstances.

3.8 **Miscellaneous.**

(a) **No Inconsistent or More Favorable Agreements; Pari Passu Status of Rights Granted Hereunder**. None of the parties hereto shall enter into any agreement or other arrangement of any kind with any Person with respect to the sale of securities of the Bank which is inconsistent with the provisions of Article III of this Agreement. Except as set forth in the Registration Rights Agreement, the Bank has not provided, and shall not provide, demand offering rights of the type set forth in Section 3.2 or piggyback rights of the type set forth in Section 3.3 and that may be exercised prior to, or in priority to, the exercise of the corresponding registration rights by Workers United Related Parties under this Agreement pursuant to Section 3.2 or Section 3.3, as applicable; *provided*, *however*, that, for the avoidance of doubt, the foregoing clause will not restrict the Bank from entering into any agreement providing sales rights that may be exercised at substantially the same time as (or later than), or ranking substantially *pari passu* with (or junior to), with respect to priority of sales in a Demand Offering or a Piggyback Offering, the sale rights granted to the Workers United Related Parties under this Agreement. The Demand Offering and Piggyback Offering rights granted pursuant to Article III of this Agreement shall be interpreted as substantially *pari passu* with the Demand Registration and Piggyback Registration rights granted to the Stockholders party to the Registration Rights Agreement.

(b) **Post-Holding Company Formation Registration Rights**. It is acknowledged by the parties to this Agreement that, as of the date of this Agreement, shares of Class A Common Stock are securities of a depository institution and, accordingly, transfer of such securities is exempt from the registration requirements of the Securities Act. The Bank agrees that, in the event of a Holding Company Formation, to the extent necessary to ensure that shares of the Class A Common Stock are freely transferable pursuant to applicable laws and in order to expedite and facilitate the disposition by the Workers United Related Parties of such securities, for all purposes of this Agreement subsequent to the effectiveness of a Holding Company Formation, the terms “FDIC” and “FDIC Policy Statement” shall refer to the appropriate federal or state governmental authority and applicable Laws, respectively, and the provisions of this Agreement shall be interpreted under the regulations of any such governmental authority and under the applicable laws to give full effect to the intent and purposes of this Agreement.

(c) **Recapitalizations, Exchanges Affecting the Class A Common Stock**. The provisions of this Agreement shall apply, to the full extent set forth herein, with respect to the Class A Common Stock, to any and all shares of stock of the Bank or any successor or assign of the Bank (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for, or in substitution of shares of Class A Common Stock, by reason of a stock dividend, stock split, stock issuance, reverse stock split, combination, recapitalization, reclassification, merger, consolidation or otherwise. Upon the occurrence of any of such events, amounts hereunder shall be appropriately adjusted.

ARTICLE IV

CERTAIN COVENANTS AND AGREEMENTS

4.1 Confidentiality.

(a) Each Workers United Related Party will, and will use its best efforts to cause each of its respective Subsidiaries, Affiliates and representatives to, maintain in confidence and not use in any way other than in connection with evaluating and monitoring its investment in the Bank, any nonpublic or confidential proprietary information furnished to it by or on behalf of the Bank, or any of its Subsidiaries or any other Workers United Related Party or their respective Affiliates and representatives pursuant to this Agreement, except that such information may be disclosed:

(i) to such Workers United Related Party's directors, officers, employees, agents, general or limited partners, managers, members, fiduciaries, stockholders, representatives or Affiliates of any of the foregoing or to any financial institution providing credit to such Workers United Related Party or its Affiliates or to any financing source or potential financing source of such Workers United Related Party or its Affiliates; provided that such Workers United Related Party shall be responsible for any use or disclosure of such confidential information by such Persons that would constitute a breach of this Section 4.1;

(ii) to the extent required by applicable Law (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which a Workers United Related Party is subject, provided that such Workers United Related Party gives the Bank prompt notice of such request(s), to the extent practicable, so that the Bank may seek an appropriate protective order or similar relief (and the Workers United Related Party shall cooperate (at the expense of the Bank) with such efforts by the Bank, and shall in any event make only the minimum disclosure required by such Law);

(iii) to any Governmental Entity with jurisdiction over such Workers United Related Party or any of its Affiliates or any rating agency in connection with or relating to any securities of such Workers United Related Party or any of its Affiliates which are rated by such rating agency, as long as such Governmental Entity or rating agency is advised of the confidential nature of such information (and, in the case of a rating agency, expressly agrees to maintain the confidentiality of such information); or

(iv) by one Workers United Related Party (or Affiliate thereof) to another Workers United Related Party (or Affiliate thereof).

(b) All information provided under this Agreement shall be subject to this Section 4.1 and shall be deemed confidential; provided, however, that information shall not be deemed confidential if (i) at the time of disclosure, such information is generally available to the public (other than as a result of a disclosure directly by the recipient or any of its representatives in violation of this Section 4.1 or any other agreement by a Workers United Related Party or its Affiliates and its and their officers, directors, employees, attorneys, consultants, accountants and professional advisers prior to the execution of this Agreement), (ii) such information was available to the recipient on a non-confidential basis from a source that was not, at the time of disclosure, prohibited from disclosing such information to the recipient by a contractual, legal or fiduciary obligation, or (iii) such information is known to the recipient prior to or independently of its relationship with the party providing such information. Each Workers United Related Party shall be liable for breaches of this Section 4.1 by any Person to whom it has disclosed confidential information in accordance with clause (a)(i) above, unless such Person to whom it has disclosed confidential information has executed a confidentiality agreement with the Bank, pursuant to which such Person has agreed to keep such information confidential in accordance with this Section 4.1 or in accordance with other confidentiality restrictions with respect to such information that are at least as restrictive as those contained herein.

(c) Notwithstanding anything herein to the contrary, from time to time the Directors may receive certain highly confidential information regarding (i) the compensation of specific individuals (as opposed to general employee compensation information) by the Bank and/or the Bank Subsidiaries, (ii) the pricing of products and services of the Bank and/or the Bank Subsidiaries, or (iii) identifying or other similar information (e.g., names, addresses, tax identification numbers and contact information) related to customers of the Bank and/or the Bank Subsidiaries, in each case that is not provided directly to the Workers United Related Parties and is designated as "Directors Only" information by the Chief Executive Officer of the Bank. The Directors shall not disclose such information to any other Person (other than (x) as may be required by applicable Law, or (y) to their legal advisors for the purpose of seeking legal advice) unless they have first obtained the consent of the designating Chief Executive Officer, such consent not to be unreasonably withheld.

4.2 Information Rights.

(a) The Bank shall maintain, at its principal place of business, separate books of account for the Bank that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all income derived in connection with the operation of the Bank's business in accordance with GAAP consistently applied. Such books of account shall at all times be maintained at the principal place of business of the Bank and shall be open to inspection and examination at reasonable times and upon reasonable notice by each Workers United Related Party and its duly authorized representative for any purpose reasonably related to such Workers United Related Party's shareholdings in the Bank.

(b) At any time during which the Bank is not required to file annual, quarterly and periodic reports with the FDIC pursuant to Section 13 or 15(d) of the Exchange Act, the Bank will furnish to each Workers United Related Party, as soon as practicable, but in any event within one hundred twenty (120) calendar days after the end of each fiscal year of the Bank, (i) a consolidated balance sheet of the Bank and its Subsidiaries as of the end of such fiscal year and statements of operations, changes in capital and a statement of cash f lows for such fiscal year, such year-end financial reports to be prepared in accordance with GAAP consistently applied and audited and certified by independent public accountants of nationally recognized standing selected by the Bank, together with a comparison of the figures in such financial statements with the figures for the previous fiscal year and the figures in the Bank's annual operating budget and
(ii) any management letters or other similar correspondence from such accountants.

(c) At any time during which the Bank is not required to file annual, quarterly and periodic reports with the FDIC pursuant to Section 13 or 15(d) of the Exchange Act, the Bank will furnish to each Workers United Related Party, as soon as practicable, but in any event within forty-five (45) calendar days after the end of each of the first three (3) quarters of each fiscal year of the Bank, an unaudited consolidated balance sheet of the Bank and its Subsidiaries as of the end of such fiscal quarter and statements of operations, changes in capital and a statement of cash flows for such fiscal quarter, in each case prepared in accordance with GAAP consistently applied.

(d) On an ongoing basis, the Bank shall provide Workers United Related Parties with such business plans, projections and other financial and operating information reports (and any material revisions or updates to the foregoing) prepared by the Bank in the usual and ordinary course.

4.3 Affiliate Transactions. Except for cash dividends paid by any Bank Subsidiary to the extent necessary to maintain such Bank Subsidiary's qualification as a REIT under applicable law, the Bank shall not, and shall not permit any of its Subsidiaries to, sell, lease, Transfer or otherwise dispose of any of its properties or assets to, or purchase, lease or otherwise acquire any property or assets from, or enter into or make or amend any transaction, contract, agreement, understanding, loan, advance or guarantee with or for the benefit of, any Affiliate of the Bank (other than one or more of its Subsidiaries), any Workers United Related Party or any "associate" of any Workers United Related Party (within the meaning of Rule 12b-2 under the Exchange Act), unless such transaction is on terms that are no less favorable to the Bank or such Subsidiary than those that would have been obtained in a comparable transaction by the Bank or such Subsidiary with an unrelated Person and such transaction is approved by the Board (including a majority of Directors not interested in the transaction); provided that the foregoing shall not apply to the provision of ordinary course banking services to Affiliates of the Bank; provided, further, that any such transaction (including any referenced in the foregoing proviso) must comply with Sections 23A and 23B of the Federal Reserve Act and with the Federal Reserve Board's Regulation O and Regulation W, in each case as if the Bank were a "member bank" under the Federal Reserve Act and any applicable statements of policy of the Federal Reserve or the FDIC.

4.4 Transfers.

(a) Each Workers United Related Party agrees that it shall not Transfer any Bank Securities (or solicit any offers in respect of any Transfer of any Bank Securities), except (1) to a Permitted Transferee, (2) in any merger or other recapitalization or business combination transaction authorized and approved by the Board and the stockholders of the Bank in accordance with the Charter, the Bylaws, this Agreement and applicable Law, (3) pursuant to a sale of Bank Securities in accordance with Article III of this Agreement, (4) in the case of the Workers United Related Parties that are signatories to this Agreement, Transfers of Bank Securities owned by them as of the date of this Agreement to labor organization (including joint boards, locals, funds, trusts and similar organizations affiliated therewith) transferees in an amount that does not exceed, in the aggregate, 10% of the total shares of Class A Common Stock issued and outstanding at the time of such Transfer; *provided* that in the case of a Transfer of Bank Securities contemplated by clause (1) or (4), each transferee shall enter into a written agreement pursuant to which it shall agree to be bound by the provisions of this Agreement with respect to the Bank Securities so transferred. Any Transfer in violation of this Section 4.4 shall be null and void *ab initio*.

(b) In addition to meeting all of the other requirements of this Agreement, any proposed Transfer by a Workers United Related Party of Bank Securities shall satisfy the following conditions:

(i) the proposed Transfer will not violate the registration provisions of

applicable Law;

(ii) the proposed Transfer will not cause all or any portion of the assets of the Bank or the actions of the Board of Directors to become subject to Part 4 of Subtitle B of Title I of ERISA and/or Code Section 4975; and

(iii) the proposed Transfer will not cause the Bank to become a "commonly controlled insured depository institution" (as that term is defined and interpreted for purposes of 12 U.S.C. § 1815(e)) with respect to any insured depository institution that is not a direct or indirect Subsidiary of the Bank.

(c) The Board of Directors may require reasonable evidence as to the foregoing, including, without limitation, an Opinion of Counsel (other than, in the case of clause (i) above, in connection with a Transfer made in accordance with Section 3.1(c) or a Transfer by an Workers United Related Party to one or more Permitted Transferees for no consideration).

(d) The Bank shall promptly amend Exhibit A to reflect any Transfers made pursuant to and in accordance with this Agreement, including this Section 4.4.

(e) In addition to any other legend that may be required, all certificates or other instruments representing the Bank Securities owned by a Workers United Related Party will bear a legend substantially to the following effect:

(i) THE SECURITIES REPRESENTED BY THIS INSTRUMENT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR SECURITIES LAWS OF ANY STATE AND MAY NOT BE TRANSFERRED, SOLD, OFFERED, PLEDGED OR OTHERWISE DISPOSED OF EXCEPT WHILE A REGISTRATION STATEMENT RELATING THERETO IS IN EFFECT UNDER APPLICABLE LAWS OR PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER SUCH ACT OR SUCH LAWS.

(ii) THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO TRANSFER AND OTHER RESTRICTIONS SET FORTH IN AN INVESTOR RIGHTS AGREEMENT, DATED AS OF AUGUST 18, 2018, AS AMENDED FROM TIME TO TIME, COPIES OF WHICH ARE ON FILE WITH THE SECRETARY OF THE COMPANY, AND THIS SECURITY MAY NOT BE VOTED OR OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN COMPLIANCE THEREWITH.

(iii) THIS SECURITY IS NOT INSURED OR GUARANTEED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION.

(f) Upon the request of a Workers United Related Party, upon receipt by the Bank of an opinion of counsel reasonably satisfactory to the Bank (an "Opinion of Counsel") to the effect that such legend is no longer required under applicable Laws, the Bank shall promptly cause clause (i) of the legend to be removed from any certificate for any securities to be Transferred in accordance with the terms of this Agreement and clause (ii) of the legend shall be removed upon the expiration of such Transfer and other restrictions set forth in this Agreement.

ARTICLE V

MISCELLANEOUS

5.1 Binding Effect; Transfer.

(a) This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, successors, legal representatives and permitted assigns. Any Workers United Related Party that ceases to own beneficially any Bank Securities shall cease to be bound by the terms hereof (other than Sections 4.1, 5.2, 5.4, 5.7, 5.8, 5.9, 5.10, 5.11, and 5.14).

(b) Any Workers United Related Party may transfer all or a portion of its rights hereunder to any Permitted Transferee of such Workers United Related Party in connection with a Transfer by the Workers United Related Party of Bank Securities in accordance with the terms of this Agreement, other than in the case of a pro rata distribution by such Workers United Related Party or Permitted Transferee to its partners, stockholders or other investors who are not Affiliates of such Workers United Related Party or Permitted Transferee.

5.2 Notices. All notices, requests and other communications to any party shall be in writing and shall be delivered in Person, mailed by certified or registered mail, return receipt requested, or sent by facsimile transmission or by electronic mail so long as a receipt of such electronic mail is requested and received to the address and individual as identified on the signature page hereof. All notices, requests and other communications shall be deemed received on the date of receipt by the recipient thereof if received prior to 5:00 p.m. in the place of receipt on such Business Day in the place of receipt.

5.3 Waiver; Amendment; Termination.

(a) No provision of this Agreement may be amended, waived or otherwise modified except by an instrument in writing executed by each of the parties hereto. In addition, any party may waive any provision of this Agreement with respect to itself by an instrument in writing executed by such party, and no waiver by any party hereto of ay provision of the Agreement shall be effective unless so executed in writing by such party; provided that for purposes of any amendment or modification hereof or waiver of any provision hereunder, the Workers United Related Parties shall be deemed to be one party, and Workers United may take such action on behalf of the Workers United Related Parties. No consideration shall be offered or paid to any Workers United Related Party to amend or consent to a waiver or modification of any provision of this Agreement unless the other Workers United Related Parties are offered the same consideration on a pro rata basis (based on the number of Bank Securities held).

(b) No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by Law.

(c) This Agreement shall terminate automatically and immediately and be of no further force or effect upon the earliest to occur of the following:

(i) a single Person becoming the owner of all of the outstanding Voting Securities;

(ii) the receivership, bankruptcy, liquidation or dissolution of the Bank;

(iii) at such time as the Workers United Related Parties, together with their Affiliates and Permitted Transferees, collectively hold a number of Class A Common Stock that represents less than ten percent (10%) of the total voting power of all then-outstanding Voting Securities; or

(iv) the twentieth (20th) anniversary of the date of this Agreement.

5.4 Fees and Expenses. Except as otherwise provided herein, all out-of-pocket costs and expenses, including the fees and expenses of counsel, incurred in connection with this Agreement and the transactions contemplated hereby and all matters related hereto shall be paid by the party incurring such costs and expenses.

5.5 Regulatory Matters.

(a) Each Workers United Related Party acknowledges, represents, warrants and agrees that this Agreement (i) relates only to its interest in the Bank, (ii) will terminate in accordance with Section 5.3(c) of this Agreement, and (iii) does not create an association among the Workers United Related Parties to engage in activities other than through the Bank.

(b) Unless approved in advance by the affected Workers United Related Party and, in the case of clause (i) below only, the Bank, neither the Bank nor any other Workers United Related Party shall take any action, including the exercise of any right granted under this Agreement, that would cause any Workers United Related Party or any Affiliate of such Workers United Related Party to be required (i) to register as a bank holding company under the BHC Act with respect to the Bank or (ii) to file a notice under the Change in Bank Control Act of 1978 with respect to the Bank.

(c) No Workers United Related Party shall take, permit or allow any action that would cause the Bank or any other insured depository institution that is a direct or indirect Subsidiary of the Bank to become a “commonly controlled insured depository institution” (as that term is defined and interpreted for purposes of 12 U.S.C. § 1815(e), as may be amended or supplemented from time to time, and any successor thereto) with respect to any institution that is not a direct or indirect Subsidiary of the Bank.

(d) In the event that the Bank or any Workers United Related Party, as applicable, breaches its obligations under this Section 5.5 or believes that it is reasonably likely to breach such obligations, it shall immediately notify the other parties and shall cooperate in good faith with the affected other parties promptly to modify any ownership or other arrangements or take any other action, in each case as is necessary to cure or avoid such breach; provided that no such modification shall require any Workers United Related Party to increase or (other than the breaching Workers United Related Party) decrease its ownership interest in the Bank without the consent of such Workers United Related Party.

(e) Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 5.5 shall supersede and control with respect to any other provision of this Agreement that may conflict with or that may result in a breach of any of the provisions described in this Section 5.5, and the provisions of this Section 5.5 shall apply, *mutatis mutandis*, to all of the provisions of this Agreement to the extent necessary to cause such other provisions of this Agreement to comply with this Section 5.5.

(f) The Bank shall not reduce the aggregate size of the Board to less than thirteen (13) members (including seats that are temporarily vacant)**.**

5.6 Corporate Opportunities.

(a) Each Workers United Related Party and any of its Affiliates may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Bank or any Subsidiary thereof, and the Bank, any Subsidiary thereof, the Directors, the directors of any Subsidiary of the Bank and the other Workers United Related Parties shall have no rights by virtue of this Agreement in and to such ventures or the income or prof its derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Bank, shall not be deemed wrongful or improper.

(b) Except as otherwise provided below, no Workers United Related Party, any of its directors, principals, officers, members, limited or general partners, fiduciaries, managers, employees and/or other representatives or its or their Affiliates or Director designees shall be obligated to refer or present any particular business opportunity to the Bank or any Subsidiary thereof even if such opportunity is of a character that, if referred or presented to the Bank or any Subsidiary thereof, could be taken by the Bank or any Subsidiary thereof, and any such Workers United Related Party, Workers United Related Party or any of its or their Affiliates, respectively, shall have the right to take for its own account (individually or as a partner, investor, member, participant or fiduciary) or to recommend to others such particular opportunity.

(c) In the event that a Director of the Bank who is also a director, officer or employee of an Workers United Related Party or any of its Affiliates acquires knowledge of a potential transaction or other matter which may be a corporate or business opportunity for both the Bank and such Workers United Related Party, such Director of the Bank shall have fully satisfied and fulfilled the fiduciary duty of such Director to the Bank and its stockholders with respect to such corporate or other business opportunity, if such Director acts in a manner consistent with the following policy: A business or corporate opportunity offered to any person who is a Director but not an officer of the Bank and who is a director, officer, employee, partner, member or stockholder of an Workers United Related Party or any of its Affiliates shall belong to the Bank only if such opportunity is expressly offered to such person in his or her capacity as a Director of the Bank, and otherwise shall belong to such Workers United Related Party.

(d) Notwithstanding Sections 5.6(b) and (c), if a particular opportunity is expressly presented by a third party to a Director or, to the actual knowledge of such Director, to the Workers United Related Party appointing such Director or any Workers United Related Party Parties or Affiliates thereof, as an opportunity specifically for the Bank or any of the Bank Subsidiaries, such opportunity shall be presented to the Board, and if both (x) the Bank or any Bank Subsidiary, and (y) any such Director or, to the actual knowledge of such Director, the Workers United Related Party appointing such Director or an Affiliate thereof, pursues such opportunity, such Workers United Related Party and any Director appointed by such Workers United Related Party shall have no right to participate in any vote or consent or deliberations of the Board or the Workers United Related Parties, as the case may be, with respect to such opportunity.

(e) No act or omission by any Workers United Related Party or any of their Affiliates in accordance with this Section 5.6 shall be considered contrary to (i) any fiduciary duty that such Workers United Related Party, any Workers United Related Party or any of their Affiliates may owe to the Bank or any of its Subsidiaries or to any other stockholder by reason of such Workers United Related Party being a stockholder of the Bank, or (ii) any fiduciary duty of any Director of the Bank or of any of its Subsidiaries who is also a director, officer or employee of any Workers United Related Party or any of their Affiliates to the Bank or any of its Subsidiaries, or to any stockholder thereof.

5.7 Further Assurances. Each of the parties shall, and shall cause their respective Affiliates to, execute such documents and perform such further acts as may be reasonably required or desirable to carry out or to perform the provisions of this Agreement (including, in the case of the Bank, the approval and adoption of any and all organizational documents to effectuate the transactions contemplated herein).

5.8 Governing Law. This Agreement will be governed by and construed in accordance with the Laws of the State of New York applicable to contracts made and to be performed entirely within such State.

5.9 Jurisdiction. The parties hereby irrevocably and unconditionally agree that any suit, action or proceeding arising out of or relating to this Agreement or the transactions contemplated hereby shall be brought in the United States District Court for the Southern District of New York sitting in the borough of Manhattan, New York, New York, or, if that court does not have subject matter jurisdiction, in any New York State court located in The City and County of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by Law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Process in any such suit, action or proceeding may be served on any party

anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 5.2 shall be deemed effective service of process on such party. The parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the state and federal courts referred to above for any actions, suits or proceedings arising out of or relating to this Agreement and the transactions contemplated hereby.

5.10 WAIVER OF JURY TRIAL. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

5.11 Specific Enforcement. The parties hereto intend that each of the parties have the right to seek damages or specific performance in the event that any other party hereto fails to perform such party's obligations hereunder. Therefore, if any party shall institute any action or proceeding to enforce the provisions hereof, any party against whom such action or proceeding is brought hereby waives any claim or defense therein that the plaintiff party has an adequate remedy at law.

5.12 Benefits of Agreement. Nothing expressed by or mentioned in this Agreement is intended or shall be construed to give any Person other than the parties hereto and their respective successors and permitted assigns any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained, this Agreement and all conditions and provisions hereof being intended to be and being for the sole and exclusive benefit of the parties hereto and their respective successors and permitted assigns.

5.13 Counterparts; Effectiveness. For the convenience of the parties hereto, this Agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this Agreement may be delivered by facsimile, electronic mail (including pdf) or other transmission method and any counterpart so delivered shall be deemed as sufficient as if actual signature pages had been delivered.

5.14 Entire Agreement. This Agreement (including the Exhibits and Schedules hereto) and the documents referred to herein constitute the entire agreement, and supersede all other prior agreements, understandings, representations and warranties, both written and oral, among the parties, with respect to the subject matter hereof and thereof.

5.15 Severability. If any provision of this Agreement or the application thereof to any Person (including the officers and directors of the Workers United Related Parties or the Bank) or circumstance is determined by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions hereof, or the application of such provision to Persons or circumstances other than those as to which it has been held invalid or unenforceable, will remain in full force and effect and shall in no way be affected, impaired or invalidated thereby, so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such determination, the parties shall negotiate in good faith in an effort to agree upon a suitable and equitable substitute provision to effect the original intent of the parties.

5.16 Publicity. Subject to each party's disclosure obligations imposed by law or regulation, each of the parties hereto will cooperate with each other in the development and distribution of all news releases and other public information disclosures with respect to this Agreement and any of the transactions contemplated by this Agreement, and no party hereto will make any such news release or public disclosure without first consulting with the other parties hereto and receiving their consent (which shall not be unreasonably withheld, conditioned, or delayed), and each party shall coordinate with the others with respect to any such news release or public disclosure.

5.17 No Recourse. This Agreement may only be enforced against the named parties hereto. All claims or causes of action that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement may be made only against the entities that are expressly identified as parties hereto or that are subject to the terms hereof, and no past, present or future director, officer, employee, incorporator, member, manager, partner, stockholder, Affiliate, agent, attorney or representative of any of the Workers United Related Parties or any other party hereto (including any person negotiating or executing this Agreement on behalf of a party hereto) shall have any liability or obligation with respect to this Agreement or with respect to any claim or cause of action, whether in tort, contract or otherwise, that may arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement and the transactions contemplated hereby.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, this Agreement has been duly executed and delivered by the duly authorized officers of the parties hereto as of the date first herein above written.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Information for Notices:

Amalgamated Bank
275 Seventh Avenue
New York, NY 10001
Attn: Deborah Silodor
Facsimile: (212) 895-4726
Email: deborahsilodor@amalgamatedbank.com

CHICAGO & MIDWEST REGIONAL JOINT BOARD, WORKERS UNITED

By:	/s/ Naomi K. Hanshew
Name:	Naomi K. Hanshew
Title:	Manager, CMRJB

Information for notices:

Name:	Kathy Hanshew
Address:	C/O CMRJB 333 S. Ashland Ane Chicago, IL 60607
Fax:	(312) 738-9985
Email:	Khanshew@cmrjb.org

LAUNDRY, DISTRIBUTION & FOOD SERVICE JOINT BOARD, WORKERS UNITED

By: /s/ Alberto Arroyo
Name: Alberto Arroyo
Title: Co-Manager

By: /s/ Megan Chambers
Name: Megan Chambers
Title: Co-Manager

Information for notices:

Name: Alberto Arroyo
Address: 701 McCarter Hwy, Newark, NJ 07102
Fax: (973) 735-6465
Email: aarroyo@idfsunion.org

LOCAL 50, WORKERS UNITED

By: /s/ Christopher Duarte
Name: Christopher Duarte
Title: President

Information for notices:

Name: Local 50
Address: 527 S. Harbor Blvd. Anaheim, CA 92805
Fax: (714) 502-0870
Email: Chrisd@wulocal50.org

MID-ATLANTIC REGIONAL JOINT BOARD, WORKERS UNITED

By: /s/ Teresa Wood
Name: Teresa Wood
Title: Regional Director

Information for notices:

Name: Teresa Wood
Address: 5735 Industry Lane Bld.C
st. 101 Frederick, MD 21704
Fax: (410) 659-1790
Email: twood@marjb.org

NEW YORK-NEW JERSEY REGIONAL JOINT BOARD, WORKERS UNITED

By: /s/ Julie Kelly
Name: Julie Kelly
Title: General Manager

Information for notices:

Name: Julie Kelly
Address: 305 7th Ave, 7th Floor NY, NY 10001
Fax: (212) 475 - 6093
Email: jKelly@workersunitednynj.org

NEW YORK METROPOLITAN AREA JOINT BOARD, WORKERS UNITED

By: /s/ Edgar Romney
Name: Edgar Romney
Title: Manager Joint Board

Information for notices:

Name: NY Metropolitan Area JB.
Address: 5 Penn Plaza, 23rd Fl, NYC 10001
Fax: (212) 895-4720
Email: edgar.romney@workers-united.org

PENSYLVANIA JOINT BOARD, WORKERS UNITED

By: /s/ David Melman
Name: David Melman
Title: Manager, PA Joint Board, Workers United

Information for notices:

Name: David Melman
Address: 1017 Hamilton St., Allentown, PA 18101
Fax: (610) 433 6203
Email: Dmelman@pajabwu.org

PHILADELPHIA JOINT BOARD, WORKERS UNITED

By: /s/ Lynne P. Fox
Name: Lynne P. Fox
Title: Manager

Information for notices:

Name: Lynne P. Fox
Address: 225 22nd st. Philadelphia, PA 19103
Fax: (215) 751-0513
Email: lfox@pjbworkersunited.org

ROCHESTER REGIONAL JOINT BOARD FUND FOR THE FUTURE

By: /s/ Gary J. Bonadonna Jr.
Name: Gary J. Bonadonna Jr.
Title: Trustee

Information for notices:

Name: Gary J. Bonadonna Jr.
Address: 750 East Avenue, Rochester, NY 14607
Fax: (585) 473-2109
Email: gbonadonnajr@rrjb.org

ROCHESTER REGIONAL JOINT BOARD, WORKERS UNITED

By:	/s/ Gary J. Bonadonna Jr.
Name:	Gary J. Bonadonna Jr.
Title:	Manager

Information for notices:

Name:	Gary J. Bonadonna Jr.
Address:	750 East Ave, Rochester, NY 14607
Fax:	(585) 473-2109
Email:	gbonadonnajr@rrjb.org

SOUTHERN REGIONAL JOINT BOARD, WORKERS UNITED

By: /s/ Harris L. Raynor
Name: Harris L. Raynor
Title: Southern Region Director, Workers United

Information for notices:

Name: Harris L. Raynor
Address: 4405 Mall Blvd. #600 Union City, GA 30291
Fax: (770) 306 8939
Email: HLRaynor@bellsouth.net

WESTERN STATES REGIONAL JOINT BOARD, WORKERS UNITED

By: /s/ Maria Rivera
Name: Maria Rivera
Title: Regional Manager

Information for notices:

Name: Maria Rivera
Address: 920 S alvarado St. LA, CA 90006
Fax: (213) 385 2615
Email: mrivera@wsrjb.org

WORKERS UNITED CANADA COUNCIL

By: /s/ Barry Fowlie
Name: Barry Fowlie
Title: Director

Information for notices:

Name: Workers United Canada Council
Address: 2810 Skymark Ave. Unit 10A
Mississauga, ON L4W 5A6
Fax: (416) 510-0891
Email: bfowlie@workersunitedunion.ca

WORKERS UNITED

By: /s/ Edgar Romney
Name: Edgar Romney
Title: Secretary/Treasurer

Information for notices:

Name: Workers United
Address: 275 Seventh Ave, 6th FI, NYC 10001
Fax: (212) 895-4720
Email: edgar.romney@workers-united.org

EXHIBIT A

WORKERS UNITED RELATED PARTIES

WORKERS UNITED RELATED PARTIES:

Chicago & Midwest Regional Joint Board, Workers United
Laundry, Distribution & Food Service Joint Board, Workers United
Local 50, Workers United
Mid-Atlantic Regional Joint Board, Workers United
New York Metropolitan Area Joint Board, Workers United
New York-New Jersey Regional Joint Board, Workers United
Pennsylvania Joint Board, Workers United
Philadelphia Joint Board, Workers United
Rochester Regional Joint Board Fund for the Future
Rochester Regional Joint Board, Workers United
Southern Regional Joint Board, Workers United
Workers United Western States Regional Joint Board
Workers United Workers United Canada Council
Workers United

EXHIBIT B

FORM OF DIRECTOR INDEMNIFICATION AGREEMENT

AMALGAMATED BANK
FORM OF INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "Agreement"), dated as of [•], is made between Amalgamated Bank, a New York State banking corporation (the "Bank"), and [•] ("Indemnitee").

RECITALS

A. Indemnitee is willing to serve as a director of the Bank, and in such capacity Indemnitee will perform valuable services for the Bank.

B. The bylaws of the Bank (the "Bylaws") provide for the indemnification of members of its Board of Directors to the full extent permitted by the laws of the State of New York, including the New York Banking Law (the "Act").

C. The Act is not exclusive in the rights provided, and it contemplates that agreements may be entered into between the Bank and the members of its Board of Directors, as well as its officers, employees and/or agents with respect to the indemnification of such directors, officers, employees and/or agents

D. In order to induce Indemnitee to serve as a director of the Bank, the Bank has agreed to enter into this Agreement with Indemnitee.

AGREEMENT

In consideration of the recitals above, the mutual covenants and agreements herein contained, and Indemnitee's service as a director of the Bank after the date hereof, the parties to this Agreement agree as follows:

1. Indemnity of Indemnitee

1.1 Scope. If Indemnitee was or is made a party, or is threatened to be made a party, to or is otherwise involved (including, without limitation, as a witness) in any Proceeding (as defined below), subject to Section 5, the Bank agrees to and shall hold harmless and indemnify Indemnitee from and against any and all losses, claims, damages, liabilities or expenses (including attorneys' fees, judgments, fines, taxes or penalties, amounts paid in settlement and other expenses incurred in connection with such Proceeding), which are actually incurred by Indemnitee in connection with such Proceeding and are reasonably documented (collectively, "Damages") to the full extent permitted by law, notwithstanding that such indemnification is not specifically authorized by this Agreement, the Bank's Organization Certificate (the "Charter"), the Bylaws, the Act or otherwise. In the event of any change, after the date of this Agreement, in any applicable law, statute or rule regarding the right of a New York banking institution to indemnify a member of its Board of Directors, such change, to the extent that it would expand Indemnitee's rights hereunder, shall be within the purview of Indemnitee's rights and the Bank's obligations hereunder, and, to the extent that it would narrow Indemnitee's rights hereunder, shall be excluded from this Agreement.

1.2 Nonexclusivity. The indemnification provided by this Agreement shall not be deemed exclusive of any rights to which Indemnitee may be entitled under the Act, the Charter, the Bylaws, any agreement, any general or specific action of the Bank's Board of Directors, vote of stockholders or otherwise. To the extent that there is a conflict or inconsistency between the terms of this Agreement and the Charter or Bylaws, it is the intent of the parties hereto that the Indemnitee shall enjoy the greater benefits regardless of whether contained herein, in the Charter or in the Bylaws. No amendment or alteration of the Charter or Bylaws or any other agreement shall adversely affect the rights provided to Indemnitee under this Agreement.

1.3 Partial Indemnity. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Bank for some or a portion of Indemnitee's expenses incurred in any Proceeding, but not, however, for all of the total amount thereof, the Bank shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

1.4 Burden of Proof. In connection with any determination by the Board of Directors, any court or otherwise as to whether Indemnitee is entitled to be indemnified hereunder, the Board of Directors or court shall presume that Indemnitee has satisfied the applicable standard of conduct and is entitled to indemnification, and the burden of proof shall be on the Bank or its representative to establish that Indemnitee is not so entitled.

1.5 Reliance as Safe Harbor. Indemnitee shall be entitled to indemnification for any action or omission to act undertaken (i) in good faith reliance upon the records of the Bank, including its financial statements, or upon information, opinions, reports or statements furnished to Indemnitee by the officers or employees of the Bank or any of its subsidiaries in the course of their duties, or by committees of the Board of Directors, or (ii) on behalf of the Bank in furtherance of the interests of the Bank in good faith in reliance upon, and in accordance with, the advice of the Bank's legal counsel, accountants or other advisors, provided such legal counsel or accountants were selected with reasonable care by or on behalf of the Bank. In addition, the knowledge and/or rations, or failures to act, of any other director, officer, agent or employee of the Bank shall not be imputed to Indemnitee for purposes of determining the right to indemnity hereunder.

1.6 Definition of Proceeding. For purposes of this Agreement, "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative and whether formal or informal, in which Indemnitee is, was or becomes involved by reason of the fact that Indemnitee, or Indemnitee's testator or intestate, is or was a director of the Bank or that, being or having been such a director, Indemnitee is or was serving at the Bank's request as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise (collectively a "Related Company"), including service with respect to an employee benefit plan; provided, however, that, except with respect to an action to enforce the provisions of this Agreement, "Proceeding" shall not include any action, suit or proceeding instituted by or at the direction of Indemnitee unless such action, suit or proceeding is or was authorized by the Bank's Board of Directors.

1.7 Survival. The indemnification provided under this Agreement shall apply to any and all Proceedings, notwithstanding that Indemnitee has ceased to be a director of the Bank, or a director, officer, partner, trustee, employee or agent of a Related Company.

1.8 Liability Insurance. The Bank shall use its reasonable best efforts to purchase and maintain a policy or policies of insurance with reputable insurance companies with A.M . Best Financial Strength Ratings of "B+" or better, providing Indemnitee with coverage for any liability asserted against, or incurred by, Indemnitee or on Indemnitee's behalf by reason of the fact that Indemnitee is or was a director of the Bank or that, being or having been such a director, Indemnitee is or was serving at the Bank's request as a director, officer, partner, trustee, employee or agent of a Related Company, including service with respect to an employee benefit plan, whether or not the Bank would have the power to indemnify Indemnitee against such liability under the provisions of this Agreement. Such insurance policies shall have coverage terms and policy limits at least as favorable to Indemnitee as the insurance coverage provided to any other director or officer of the Bank. If the Bank has such insurance in effect at the time the Bank receives from Indemnitee any notice of the commencement of a Proceeding, the Bank shall give prompt notice of the commencement of such Proceeding to the relevant insurer in accordance with the procedures set forth in the policy. The Bank shall thereafter take all necessary or desirable action to cause any such insurer to pay, on behalf of Indemnitee, all amounts payable as a result of such Proceeding in accordance with the terms of such policy.

2. Expense Advances; Indemnification Procedure

2.1 Generally. Subject to Section 2.2 and Section 5, the right to indemnification of Damages conferred by Section 1 shall include the right to have the Bank pay any expenses of Indemnitee indemnifiable pursuant to Section 1.1 hereof as such expenses are incurred and in advance of such Proceeding's final disposition (such right is referred to hereinafter as an "Expense Advance"). The Indemnitee's right to an Expense Advance is absolute and shall not be subject to any condition that the Bank's Board of Directors shall not have determined that the Indemnitee is not entitled to be indemnified under applicable law. Requests of Indemnitee for advances shall be made in writing and shall provide a reasonable accounting for the expenses to be advanced by the Bank.

2.2 Conditions to Expense Advance. The Bank's obligation to provide an Expense Advance is subject to the following conditions:

2.2.1 Undertaking. If the Proceeding arose in connection with Indemnitee's service as a director of the Bank, then Indemnitee or his or her representative shall have executed and delivered to the Bank a written undertaking, which must be an unlimited general obligation, but shall be unsecured and interest-free and shall be accepted without reference to Indemnitee's financial ability to make repayment, by or on behalf of Indemnitee to repay all Expense Advances if and to the extent that it shall ultimately be determined by a final , unappealable decision rendered by a court having jurisdiction over the parties and the question that Indemnitee is not entitled to be indemnified by the Bank as authorized hereby.

2.2.2 Cooperation. Indemnitee shall give the Bank such information and cooperation as it may reasonably request and as shall be within Indemnitee's power.

2.2.3 Affirmation. Indemnitee shall furnish, upon request by the Bank and if required under applicable law, a written affirmation of Indemnitee's good faith belief that he or she has met the standard of conduct described in Section 7018 of the Act.

2.3 Indemnification Procedure. To obtain indemnification under this Agreement, Indemnitee shall submit to the Bank a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Bank shall, promptly upon receipt of such a request for indemnification, advise the Board in writing that Indemnitee has requested indemnification. Notwithstanding the foregoing, any failure of Indemnitee to provide such a request to the Bank, or to provide such a request in a timely fashion, shall not relieve the Bank of any liability that it may have to Indemnitee unless, and to the extent that, such failure actually and materially prejudices the interests of the Bank. Upon any such written request by Indemnitee for indemnification, a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case in the manner required by applicable law, including Section 7020 of the Act. Indemnitee shall reasonably cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary to such determination. Any written request pursuant to this Section 2.3 shall be directed to the General Counsel of the Bank at the address shown on the signature page of this Agreement (or such other address as the Bank shall designate in writing to Indemnitee pursuant to Section 10).

3. Priority

3.1 Bank Fully and Primarily Responsible. Given that certain Jointly Indemnifiable Claims may arise due to the relationship between the Fund Entities and the Bank, and the service of Indemnitee as a director of the Bank at the request of the Fund Entities, the Bank acknowledges and agrees that the Bank shall be fully and primarily responsible for the indemnification and advancement of expenses of Indemnitee in connection with any such Jointly Indemnifiable Claim, pursuant to and in accordance with the terms of this Agreement and applicable law, irrespective of any right of recovery Indemnitee may have from the Fund Entities or any of their respective Affiliates. Under no circumstances shall the Bank be entitled to any right of contribution by the Fund Entities or any of their Affiliates and no right of recovery Indemnitee may have from the Fund Entities or any of their respective Affiliates shall reduce or otherwise alter the rights of Indemnitee or the obligations of the Bank under this Agreement. In the event that any of the Fund Entities shall make any payment to the Indemnitee in respect of indemnification or advancement of expenses with respect to any Jointly Indemnifiable Claim, the Fund Entities making such payment shall be subrogated to the extent of such payment to all of the rights of recovery of the Indemnitee against the Bank under the terms of this Agreement, and the Indemnitee shall execute all papers reasonably required and shall do all things that may be reasonably necessary to secure such rights, including the execution of such documents as may be necessary to enable the Fund Entities effectively to bring suit to enforce such rights Each of the Fund Entities shall be third-party beneficiaries with respect to this Section 3, entitled to enforce this Section 3 against the Bank as though each of the Fund Entities were a party to this Agreement.

3.2 Definitions For purposes of this Section 3:

3.2.1 Affiliate. "Affiliate" shall mean, with respect to any person, any person directly or indirectly controlling, controlled by or under common control with, such other person. For purposes of this definition, (i) "control" (including, with correlative meanings, the terms "controlled by" and "under common control with") when used with respect to any person, means the possession, directly or indirectly, of the power to cause the direction of management and/or policies of such person, whether through the ownership of voting securities by contract or otherwise, and (ii) "person" has the meaning given to it in Section 3(a)(9) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or any successor statute and as used in Sections 13(d)(3) and 14(d)(2) of the Exchange Act.

3.2.2 Fund Entities. "Fund Entities" shall mean any corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other entity or enterprise (other than the Bank or any Related Company as to which Indemnitee has agreed, on behalf of the Bank or at the Bank's request, to serve as a director, officer, partner, trustee, employee or agent and which service is covered by this Agreement) from whom Indemnitee may be entitled to indemnification or advancement of expenses with respect to which, in whole or in part, the Bank may also have an indemnification or advancement obligation.

3.2.3 Jointly Indemnifiable Claims. "Jointly Indemnifiable Claim" shall mean any claim for which Indemnitee may be entitled to indemnification both from any Fund Entity, on the one hand, and the Bank, on the other hand, pursuant to applicable law, any indemnification agreement or the certificate of incorporation, bylaws, partnership agreement, operating agreement, certificate of formation, certificate of limited partnership or comparable organizational documents of the Bank or such Fund Entity.

4. Procedures for Enforcement

4.1 Enforcement. In the event that (i) a determination is made pursuant to Section 2.3 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) an Expense Advance is not made pursuant to Section 2.1 and 2.2 of this Agreement within 20 days after receipt by the Bank of a written request therefor, or (iii) payment of indemnification is not made within 20 days after any required determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled, for a period of one year after any such determination is made or receipt by the Bank of any such written request therefor, as the case may be, to an adjudication in a Chosen Court (as defined below) of Indemnitee's entitlement to such indemnification (an "Enforcement Action"). It shall be a defense to any such action that Indemnitee has not met the standards of conduct which make it permissible under the Act for the Bank to indemnify Indemnitee for the amount claimed; *provided, however,* that the Bank shall bear the burden of proof to establish that Indemnitee has not met the standards of conduct permissible under the Act.

4.2 Presumptions in Enforcement Action. In any Enforcement Action the following presumptions (and limitation on presumptions) shall apply:

(a) The Bank shall conclusively be presumed to have entered into this Agreement and assumed the obligations imposed on it hereunder in order to induce Indemnitee to serve as a director of the Bank;

(b) Neither (i) the failure of the Bank (including the Bank's Board of Directors, independent or special legal counsel or the Bank's stockholders) to have made a determination prior to the commencement of the Enforcement Action that indemnification of Indemnitee is proper in the circumstances nor (ii) an actual determination by the Bank, its Board of Directors, independent or special legal counsel or stockholders that Indemnitee is not entitled to indemnification shall be a defense to the Enforcement Action or create a presumption that Indemnitee is not entitled to indemnification hereunder; and

(c) If Indemnitee is or was serving as a director, officer, employee, trustee or agent of a corporation of which a majority of the shares entitled to vote in the election of its directors is held by the Bank or in an executive or management capacity in a partnership, joint venture, trust or other enterprise of which the Bank or a wholly-owned subsidiary of the Bank is a general partner or has a majority ownership, then such corporation, partnership, joint venture, trust or enterprise shall conclusively be deemed a Related Company and Indemnitee shall conclusively be deemed to be serving such Related Company at the request of the Bank.

4.3 Attorneys' Fees and Expenses for Enforcement Action. In the event Indemnitee is required to bring an Enforcement Action, the Bank shall indemnify and hold harmless Indemnitee against all of Indemnitee's fees and expenses in bringing and pursuing the Enforcement Action (including attorneys' fees at any stage, including on appeal), which fees and expenses are actually and reasonably incurred by Indemnitee in connection with such Enforcement Action and are reasonably documented; provided, however, that the Bank shall not be required to provide such indemnity for such attorneys' fees or expenses if a court of competent jurisdiction makes a final non-appealable determination that each of the material assertions made by Indemnitee in such Enforcement Action was not made in bad faith and were the result of active and deliberate dishonesty.

5. Limitations on Indemnity; Mutual Acknowledgment

5.1 Limitation on Indemnity. Notwithstanding anything herein to the contrary, no indemnity pursuant to this Agreement shall be provided by the Bank:

(a) For Damages that have been paid directly to Indemnitee by any other source (including an insurance carrier under a policy of officers' and directors' liability insurance maintained by the Bank) other than Fund Entities pursuant to Section 3;

(b) On account of Indemnitee's conduct which is has been determined by a non-appealable final adjudication to fall within one or more of the exclusions set forth in the Act;

(c) If a final decision by a court having jurisdiction in the matter shall determine that such indemnification is not lawful; or

(d) With regard to any judicial award if the Bank was not given a reasonable and timely opportunity, at its expense, to participate in the defense of such action which has resulted in actual material prejudice to the Bank; provided, however, that the Bank's liability hereunder shall not be excused if participation in the Proceeding by the Bank was not permitted by this Agreement.

5.2 Legal Limitation. Both the Bank and Indemnitee acknowledge that in certain instances, applicable law or regulation may prohibit the Bank from or limit the Bank in indemnifying its directors and officers, and/or the directors and officers of any Related Company under this Agreement or otherwise. The Indemnitee further acknowledges that regulatory approval may be, under applicable law or regulation, required in advance of, and as a condition to, any payment hereunder. To the extent that any such approval must be obtained by the Bank, the Bank shall take all actions reasonably necessary to obtain any such approval and to file all notices with respect to any indemnification payment required by Section 7022 of the Act or otherwise. Notwithstanding anything herein to the contrary, the Bank shall not be required to make any indemnification payment (including without limitation any Expense Advance) to the extent such payment is prohibited or limited pursuant to 12 U.S.C. § 1828(k) or by 12 C.F.R. Part 359 or Sections 7018—7023 of the Act and any such payment made shall be in compliance with requirements imposed pursuant to 12 U.S.C. § 1828(k) or by 12 C.F.R Part 359 or Sections 7018—7023 of the Act including, without limitation, any required agreements of Indemnitee.

6. Notification and Defense of Claim

6.1 Notification. Promptly after receipt by Indemnitee of notice of the commencement of any Proceeding, Indemnitee will , if a claim in respect thereof is to be made against the Bank under this Agreement, notify the Bank of the commencement thereof; but the omission to so notify the Bank will not relieve the Bank from any liability which it may have to Indemnitee under this Agreement unless and only to the extent that such omission can be shown to have actually and materially prejudiced the Bank's ability to defend the Proceeding. Notice to the Bank shall be directed to the General Counsel of the Bank at the address shown on the signature page of this Agreement (or such other address as the Bank shall designate in writing to Indemnitee pursuant to Section 10).

6.2 Defense of Claim. With respect to any Proceeding as to which Indemnitee seeks indemnification or reimbursement hereunder:

(a) The Bank may participate therein at its own expense;

(b) The Bank, by itself or jointly with any other indemnifying party similarly notified, may assume the defense thereof, with counsel reasonably satisfactory to Indemnitee. After notice from the Bank to Indemnitee of its election to assume the defense thereof, the Bank shall not be liable to Indemnitee under this Agreement for any legal or other expenses (other than reasonable costs of investigation) subsequently incurred by Indemnitee in connection with the defense thereof unless (i) the employment of counsel by Indemnitee has been authorized by the Bank, (ii) Indemnitee shall have reasonably concluded that there may be a conflict of interest between the Bank and Indemnitee in the conduct of the defense of such action, or (iii) the Bank shall not within 30 days, in fact, have employed counsel to assume the defense of such action, in

each of which cases the fees and expenses of counsel shall be at the expense of the Bank. The Bank shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Bank or as to which Indemnitee shall have made the conclusion provided for in clause (ii) above. For the avoidance of doubt, Indemnitee shall not be required to utilize counsel selected by or representing the Bank or any other Indemnitee without the express consent of Indemnitee, which consent may be withheld in his or her discretion;

(c) Subject to the Bank's compliance with its obligations under Section 2.1, the Bank shall not be liable to indemnify Indemnitee under this Agreement for any amounts paid in settlement of any Proceeding effected without its written consent;

(d) The Bank shall not settle any action or claim in any manner which would impose any penalty or limitation on Indemnitee without Indemnitee's written consent;

(e) Indemnitee shall give the Bank such information and cooperation as it may reasonably request and as shall be within Indemnitee's power;

(f) To the fullest extent permitted by applicable law, the Bank's assumption of the defense of a Proceeding pursuant to this Section 6 will constitute an irrevocable acknowledgement by the Bank that any expenses incurred by or for the account of Indemnitee that are payable by the Bank pursuant to Section 6.2(b) in connection therewith are indemnifiable by the Bank hereunder.

7. Subrogation

In the event of payment under this Agreement by or on behalf of the Bank, except as provided in Section 3, the Bank shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers that may be required and shall do all things that may be necessary to secure such rights, including without limitation, the execution of such documents as may be necessary to enable the Bank effectively to bring suit to enforce such rights The Bank shall pay or reimburse all expenses actually and reasonably incurred by Indemnitee in connection with such subrogation.

8. Severability

Nothing in this Agreement is intended to require or shall be construed as requiring the Bank to do or fail to do any act in violation of applicable law. The Bank's inability, pursuant to court order, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. The provisions of this Agreement shall be severable, as provided in this Section 8. If this Agreement or any portion hereof shall be invalidated on any ground by any court of competent jurisdiction, then the Bank shall nevertheless indemnify Indemnitee to the full extent permitted by any applicable portion of this Agreement that shall not have been invalidated, and the balance of this Agreement not so invalidated shall be enforceable in accordance with its terms.

9. Governing Law; Binding Effect; Amendment and Termination; Specific Performance

(a) This Agreement shall be interpreted and enforced in accordance with the laws of the State of New York.

(b) This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business and/or assets of the Bank), assigns, spouses, heirs, executors and personal and legal representatives. The Bank shall require and cause any successor(s) (whether directly or indirectly, whether in one or a series of transactions, and whether by purchase, merger, consolidation, or otherwise) to all or a significant portion of the business and/or assets of the Bank and/or its subsidiaries (on a consolidated basis) expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Bank would be required to perform if no such succession had taken place; *provided* that no such assumption shall relieve the Bank from its obligations hereunder and any obligations shall thereafter be joint and several. Except as provided in Section 3.1, nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Agreement to any persons other than the parties to it and their respective successors and assigns (including an estate of Indemnitee), nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any party hereto.

(c) No amendment, modification, termination or cancellation of this Agreement shall be effective unless in writing signed by both parties.

(d) The parties recognize that if any provision of this Agreement is violated by the parties hereto, Indemnitee may be without an adequate remedy at law. Accordingly, in the event of any such violation, Indemnitee shall be entitled, if Indemnitee so elects, to institute proceedings, either in law or at equity, to obtain damages, to obtain specific performance, to enjoin such violation, or to obtain any relief or any combination of the foregoing as Indemnitee may elect to pursue.

(e) The parties hereby irrevocably and unconditionally agree that any suit, action or proceeding arising out of or relating to this Agreement shall be brought in the United States District Court for the Southern District of New York sitting in the borough of Manhattan, New York, New York, or, if that court does not have subject matter jurisdiction, in any New York State court located in The City and County of New York (such courts, the "Chosen Courts"), and each of the parties hereby irrevocably consents to the jurisdiction of the Chosen Courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any Chosen Court or that any such suit, action or proceeding which is brought in any Chosen Court has been brought in an inconvenient form. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any Chosen Court. The parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the Chosen Courts for any actions, suits or proceedings arising out of or relating to this Agreement.

10. Miscellaneous

(a) All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed duly given (i) if delivered by hand and receipted for by the party addressee, on the date of such receipt, or (ii) if mailed by domestic certified or registered mail, postage prepaid, on the third business day after the date postmarked. Addresses for notice to either party are as shown on the signature page of this Agreement or as subsequently modified by written notice given pursuant to this Section 10.

(b) This Agreement may be executed in counterparts (including by facsimile or other electronic transmission), each of which shall constitute an original.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties have executed this Agreement on and as of the day and year first above written.

AMALGAMATED BANK

By: _____
Name:
Title:

INDEMNITEE

By: _____

Name:

Title:

EXHIBIT C

BYLAWS OF THE BANK

[Intentionally Omitted pursuant to Regulation S-K, Item 601(a)(5)]

EXHIBIT D

CHARTER OF THE WORKERS UNITED ADVISORY BOARD

[Intentionally Omitted pursuant to Regulation S-K, Item 601(a)(5)]

SCHEDULE I

INCUMBENT DIRECTORS

Name of Director	Type of Nominee
Lynne P. Fox	WURP Nominee
Edgar Romney, Sr.	WURP Nominee
Julie Kelly	WURP Nominee
Patricia Diaz Dennis	WURP Nominee(1)
Maryann Bruce	WURP Nominee(1)
Steve R. Sleigh	Investor Stockholder Nominee(2)
Stephen J. Toy	Investor Stockholder Nominee(2)
Keith Mestrich	N/A
Robert G. Romasco	N/A
Robert C. Dinerstein	N/A
John McDonagh	N/A
Mark A. Finser	N/A
Donald E. Bouffard, Jr.	N/A

(1) Indicates a WURP Nominee who is also an Independent Nominee.
(2) Indicates a Director designated pursuant to other contractual obligations of the Bank.

Exhibit 4.3

EXECUTION VERSION

REGISTRATION RIGHTS AGREEMENT

by and among

AMALGAMATED BANK

and

THE SHAREHOLDERS NAMED HEREIN

Dated as of April 11, 2012

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REGISTRATION RIGHTS AGREEMENT, dated as of April 11, 2012, by and among Amalgamated Bank, a New York state-chartered non-member bank (the "Bank"), and the Investor Shareholders listed on the signature pages of this Agreement (each a "Shareholder" and collectively, the "Shareholders").

WHEREAS, the Shareholders have purchased shares of the Bank's Class A Voting Common Stock, par value $10.00 per share (the "Class A Common Stock"); and

WHEREAS, concurrently herewith, the Bank, the Shareholders and certain other shareholders of the Bank are entering into an Investor Rights Agreement providing for certain agreements with respect to the corporate governance, shareholdings and certain other matters relating to the Bank (the "Investor Rights Agreement").

NOW THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained and other good and valid consideration, the receipt and sufficiency of which are hereby acknowledged, the parties to this Agreement hereby agree as follows:

1. Certain Definitions.

Capitalized terms used but not defined herein have the meanings set forth in the Investor Rights Agreement. In addition, the following terms shall have the following meanings:

"Affiliate" means, with respect to any Person, any Person directly or indirectly controlling, controlled by or under common control with, such other Person. For purposes of this definition, "control" (including, with correlative meanings, "controlling," "controlled by" and "under common control with") when used with respect to any Person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities, by contract or otherwise.

"Agreement" means this Registration Rights Agreement, including all amendments, modifications and supplements and any exhibits or schedules to any of the foregoing, and shall refer to this Registration Rights Agreement as the same may be in effect at the time such reference becomes operative.

"Bank" has the meaning set forth in the introductory paragraph.

"BHC Act" means the Bank Holding Company Act of 1956, as amended.

"Covered Shares" means (i) any shares of Class A Common Stock issued to the Shareholders pursuant to the Stock Purchase Agreements, including any Additional Shares or DTA Adjustment Shares (as defined therein), (ii) any shares of Class A Common Stock acquired by the Shareholders in addition to those referred to in clause (i) after the date of this Agreement and prior to the date of an Initial Public Offering and (iii) any other security into or for which the Class A Common Stock referred to in clause (i) or (ii) has been reclassified, converted, substituted or exchanged, including any security of New HoldCo issued in any Holding Company Formation pursuant to Section 2(i) below, and any security issued or issuable with respect thereto upon any stock dividend, split, merger, recapitalization or similar event.

"Demand Registration" has the meaning set forth in Section 2(a) hereof.

"Exchange Act" means the Securities Exchange Act of 1934, as amended.

"FDI Act" has the meaning set forth in Section 2(i) hereof.

"Governmental Entity" means any national, federal, state, municipal, local, territorial, foreign or other government or any department, commission, board, bureau, agency, regulatory authority or instrumentality thereof, or any court, judicial, administrative or arbitral body or public or private tribunal having supervisory or regulatory authority over the Bank or any Subsidiary of the Bank.

"Holder" means any holder of record of Registrable Common Stock and any transferees of such Registrable Common Stock from such Holders in accordance with the Investor Rights Agreement (if the Investor Rights Agreement has not earlier terminated). For purposes of this Agreement, the Bank may deem and treat the registered holder of Registrable Common Stock as the Holder and absolute owner thereof, and the Bank shall not be affected by any notice to the contrary.

"Holding Company Formation" has the meaning set forth in Section 2(i) hereof.

"Initial Public Offering" means the first underwritten public offering of the Class A Common Stock (or other equity securities of the Bank) to the general public through a registration statement filed with the SEC.

"Initiating Holder" has the meaning set forth in Section 2(a) hereof. For purposes of this Agreement, each group of two or more affiliated WL Ross Shareholders collectively making a request for a Demand Registration and two or more affiliated Yucaipa Shareholders collectively making a request for a Demand Registration shall be deemed to be one Initiating Holder.

"New HoldCo" means a newly-formed Delaware corporation that is formed in connection with any Holding Company Formation pursuant to Section 2(i) below.

"Other Holders" means, collectively, all Holders other than the Principal Holders.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, incorporated organization, association, corporation, institution, public benefit corporation, Governmental Entity or any other entity.

"Piggyback Registration" means (i) an Initial Public Offering where the Bank registers any of its common equity securities under the Securities Act for the account of the Bank and/or one or more shareholders of the Bank and the registration form to be used may be used for any registration of Registrable Common Stock, and (ii) any registration of the Bank's common equity securities under the Securities Act that is effected at any time following consummation of an Initial Public Offering, whether such registration is effected for the Bank's own account or for

the account of one or more shareholders of the Bank, and the registration form to be used may be used for any registration of Registrable Common Stock, other than any such registration incidental to the registration of any of the Bank's securities (x) on Form S-8 or in connection with any employee or director welfare, benefit or compensation plan, (y) on Form S-4 or solely in connection with an exchange offer or (z) solely in connection with a rights offering exclusively to existing holders of the Bank's common stock. For the avoidance of doubt, Piggyback Registration is governed by Section 3 herein and does not include any Demand Registration.

"Principal Holder" means any of the Investor Shareholders, and any assignee of an Investor Shareholder's Demand Registrations pursuant to Section 10(c).

"Prospectus" means the prospectus or prospectuses forming a part of, or deemed to form a part of, or included in, or deemed included in, any Registration Statement, as amended or supplemented by any prospectus supplement with respect to the terms of the offering of any portion of the Registrable Common Stock covered by such Registration Statement and by all other amendments and supplements to the prospectus, including post-effective amendments and all material incorporated by reference in such prospectus or prospectuses.

"Qualifying Registration Event" shall mean a firm commitment underwritten public offering of shares of Class A Common Stock (or any shares into which the Class A Common Stock is reclassified or for which the Class A Common Stock is converted, substituted or exchanged) for cash pursuant to a registration statement or registration statements (other than on Form S-4, S-8 or a comparable form) under the Securities Act (i) pursuant to which there is established a listing on a national securities exchange for the Class A Common Stock (or any shares into which the Class A Common Stock is reclassified or for which the Class A Common Stock is converted, substituted or exchanged), and (ii) with aggregate gross proceeds of at least seventy-five million U.S. dollars ($75,000,000.00) (net of any underwriting discount or other underwriting fees, commissions or expenses).

"Registrable Common Stock" means the Covered Shares; provided, however, that Registrable Common Stock shall not include (i) any securities sold by a Person to the public either pursuant to a Registration Statement or Rule 144 under the Securities Act, (ii) in the case of Other Holders only, any securities which may be sold without restriction or limitation pursuant to the last sentence of Rule 144(b)(1)(i) under the Securities Act or (iii) any securities that have ceased to be outstanding. "Registration Expenses" has the meaning set forth in Section 6(a) hereof.

"Registration Statement" means any registration statement of the Bank providing for the registration of, and the sale by holders of, any Registrable Common Stock pursuant to the provisions of this Agreement, including the Prospectus, amendments and supplements to such Registration Statement, including post-effective amendments, all exhibits and all materials incorporated by reference in such Registration Statement.

"SEC" means the Securities and Exchange Commission.

"Securities Act" means the Securities Act of 1933, as amended.

"Shelf Option" has the meaning set forth in Section 2(a) hereof.

"Shelf Registration Statement" has the meaning set forth in Section 2(a) hereof.

"Stock Purchase Agreements" mean securities purchase agreements, dated as of September 23, 2011, as amended on April 10, 2012, with each of the Investor Shareholders.

"Suspension Notice" has the meaning set forth in Section 5(e) hereof.

"underwritten registration" or "underwritten offering" means a registration in which securities of the Bank are sold to one or more underwriters (as defined in Section 2(a)(11) of the Securities Act) for resale to the public.

2. Demand Registrations.

(a) Right to Request Registration. Subject to Section 2(d), at any time after the earlier of (i) the date that is thirty (30) months from the date of the Closing and (ii) six (6) months after the occurrence of an Initial Public Offering, upon the written request of any Principal Holder (the "Initiating Holder"), such Initiating Holder may request that the Bank effect the registration under the Securities Act of all or part of the Registrable Common Stock held by such Initiating Holder (a "Demand Registration"), which written request shall specify the intended method or methods of disposition of such Registrable Common Stock. The Bank shall use its reasonable best efforts to promptly, and in any event (1) in the case of a Demand Registration that is an Initial Public Offering, not later than six (6) months after receipt of such request, or (2) in the case of any other Demand Registration, not later than thirty (30) days after receipt of such request, file a registration statement on any applicable form that is then available to (and as determined by, subject to good faith consultation with the Initiating Holder) the Bank under the Securities Act, and to cause such registration statement to be declared effective as promptly as practicable after receipt of such request. In connection with any Demand Registration, the Initiating Holder thereof may elect that the Bank effect such registration by filing a registration statement under the Securities Act (a "Shelf Registration Statement") which provides for the sale by the Initiating Holder of its Registrable Common Stock from time to time on a delayed or continuous basis pursuant to Rule 415 under the Securities Act, which registration statement shall provide for the disposition of Registrable Common Stock pursuant to such distribution methods as the Initiating Holder set forth in the written request therefor (the "Shelf Option"); provided, that the Bank is eligible to register securities on a delayed or continuous basis pursuant to Rule 415 under the Securities Act. Each request for registration shall specify the approximate number of shares of Registrable Common Stock requested to be registered. Upon the receipt of a request for a Demand Registration, the Bank promptly shall give written notice of such proposed Demand Registration and the intended method of disposition stated in the request for such Demand Registration to all Holders other than the Initiating Holder and, subject to the terms of this Agreement, shall include in such Demand Registration (and in all related registrations and qualifications under state "blue sky" laws or in compliance with other registration requirements and in any related underwriting) all Registrable Common Stock of the Holders with respect to which the Bank has received written requests for inclusion therein (which requests, to be effective, shall contain a consent to the intended method of disposition included in the request for such Demand Registration) within fifteen (15) calendar days after the delivery of such notice.

(b) Number of Demand Registrations. Subject to the provisions of Section 2(a), the Principal Holders shall be entitled to request an aggregate of six (6) Demand Registrations (allocated three (3) to each of the WL Ross Shareholders (collectively) and the Yucaipa Shareholders (collectively)). The Principal Holders will have the right to make only two (2) requests for Demand Registration within any twelve (12) month period; provided that a request will not be deemed to constitute a request for purposes of the foregoing limitation if such request is withdrawn pursuant to Section 2(d) or is not counted as one of the permitted Demand Registrations pursuant to the following sentence. A registration will not count as one of the permitted Demand Registrations (i) if the registration statement thereto does not become effective, (ii) if the registration statement thereto has not remained effective until the earlier of the time when all Registrable Common Stock included therein by the Initiating Holder is sold or the end of the period described in Section 2(f) or (h), as the case may be, (iii) if, after it has become effective, such registration statement becomes subject to any stop order, injunction or other order or requirement of the SEC or other Governmental Entity for any reason during the period described in Section 2(f) or (h), as the case may be, unless such order or requirement is lifted and the registration statement becomes effective, (iv) if the conditions to closing specified in the purchase agreement or underwriting agreement entered into in connection with the offering and sale of Registrable Common Stock under such registration statement are not satisfied or waived, except if the failure of such closing conditions to be satisfied is caused by the Initiating Holder, or (v) if the Initiating Holder is not able to register and sell at least 50% of the Registrable Common Stock requested to be included by such Initiating Holder in such Demand Registration, other than by reason of such Initiating Holder withdrawing its request or terminating the offering.

(c) Priority on Demand Registrations. If the managing underwriters of the requested Demand Registration advise the Bank in writing (with a copy to the Holders demanding to participate in such registration) that in their opinion the number of shares of Registrable Common Stock proposed to be included in any such registration exceeds the number of securities which can be sold in such offering and/or that the number of shares of Registrable Common Stock proposed to be included in any such registration would adversely affect the price per share of the Registrable Common Stock to be sold in such offering, the Bank shall include in such registration only the number of shares of Registrable Common Stock which in the opinion of such managing underwriters can be so sold. If the number of shares which can be sold is less than the number of shares of Registrable Common Stock proposed to be registered, the amount of Registrable Common Stock to be so sold shall be allocated (i) first, pro rata among the Principal Holders desiring to participate in such registration on the basis of the amount of such Registrable Common Stock initially proposed to be registered by such Principal Holders, (ii) second, pro rata among the Other Holders of Registrable Common Stock desiring to participate in such registration on the basis of the amount of such Registrable Common Stock initially proposed to be registered by such Other Holders and (iii) third, to the Bank.

(d) Restrictions on Demand Registrations. The Bank shall not be obligated to effect any Demand Registration unless the Initiating Holder, together with all other Holders, requests to effect the registration of Registrable Common Stock having an anticipated aggregate offering price, net of any underwriting discounts or commissions, of at least ten million dollars ($10,000,000). The Bank shall not be obligated to effect any Demand Registration within ninety (90) calendar days after the effective date of a previous Demand Registration or a previous registration under which the Initiating Holder had piggyback rights pursuant to Section 3 hereof. In addition, the Bank shall not be obligated to effect any Demand Registration if the Bank has previously received a Demand Registration from another Holder or Holders, or the Bank or the holding company formed in the Holding Company Formation has filed a registration statement pursuant to Section 2(i), and in either case, the effectiveness of the applicable registration statement is still pending and being diligently pursued by the Bank. The Bank may postpone for up to one hundred twenty (120) calendar days the filing or the effectiveness of a Registration Statement for a Demand Registration if, based on the good faith judgment of the Bank's board of directors, such postponement is necessary in order to avoid premature disclosure of a material matter required, as determined by the Bank after consultation with outside counsel, to be otherwise disclosed in the Prospectus that the board has determined would not be in the best interest of the Bank to be disclosed at such time; provided, however, that the Bank shall not be entitled to so postpone unless it shall (A) concurrently request the suspension of sales by other security holders under registration statements covering Bank securities held by such other security holders, (B) in accordance with the Bank's policies from time to time in effect, forbid purchases and sales in the open market by senior executives of the Bank, and (C) itself refrain from any public offering and open market purchases during the postponement; and provided, further, however, that if the Bank postpones the filing or effectiveness of a Registration Statement pursuant to this sentence, the Initiating Holder requesting the related Demand Registration shall be entitled to withdraw such request and, if such request is withdrawn, such Demand Registration shall not count as one of the permitted Demand Registrations. The Bank shall provide written notice to the Initiating Holder requesting such Demand Registration and all other Holders of (x) any postponement of the filing or effectiveness of a Registration Statement pursuant to this Section 2(d), (y) the Bank's decision to file or seek effectiveness of such Registration Statement following such postponement and (z) the effectiveness of such Registration Statement.

(e) Selection of Underwriters. If any of the Registrable Common Stock covered by a Demand Registration is to be sold in an underwritten offering, the Initiating Holder shall have the right to select the managing underwriter(s) to administer the offering subject to the approval of the Bank, which will not be unreasonably withheld; provided that the Bank shall have the right to appoint a co-manager reasonably acceptable to the Initiating Holder.

(f) Effective Period of Demand Registrations. After any Demand Registration filed pursuant to this Agreement has become effective, the Bank shall use its reasonable best efforts to keep such Demand Registration effective for a period equal to one hundred eighty (180) calendar days from the date on which the SEC declares such Demand Registration effective (or if such Demand Registration is not effective during any period within such one hundred eighty (180) calendar days or if disposition of Registrable Common Stock is suspended in the circumstances described in Section 5(e)), such one hundred eighty (180) -day period shall be extended by the number of days during such period when such Demand Registration is not effective or is suspended as provided in Section 5(e), or such shorter period which shall terminate when all of the Registrable Common Stock covered by such Demand Registration has been sold pursuant to such Demand Registration.

(g) Registration Statement Form. Demand Registrations shall be on such appropriate registration form of the SEC as shall be selected by the Bank, subject to good faith consultation with the Initiating Holder.

(h) Shelf Option. If the Initiating Holder elects the Shelf Option, the Bank agrees to use its reasonable best efforts to keep the Shelf Registration Statement continuously effective and usable for the resale of the Registrable Common Stock registered thereunder for a period ending on the first date on which all the Registrable Common Stock covered by such Shelf Registration Statement shall have been sold pursuant to such Shelf Registration Statement.

(i) Qualifying Registration Event. The Bank agrees to file (or cause any newly-formed holding company of the Bank to file) a registration statement on the appropriate form with the SEC with respect to a Qualifying Registration Event not later than thirty (30) months after the date of this Agreement, and to use reasonable best efforts to complete (or to cause any newly-formed holding company of the Bank to complete), such Qualifying Registration Event as promptly as practicable thereafter. In connection with such Qualifying Registration Event, the Board shall consult with its financial advisor and/or proposed underwriters for the offering contemplated by such Qualifying Registration Event with respect to the formation of a new holding company as the optimal means for effecting the offering, and the Bank and the Shareholders shall use commercially reasonable efforts to form a Delaware corporation as the new holding company of the Bank, to effect an exchange of Bank Securities for securities in the new holding company having substantially equivalent rights and privileges as those of the Bank Securities so exchanged, and to enter into agreements providing for arrangements with respect to the governance of the new holding company that are substantially equivalent to the governance and other arrangements set forth in the Charter, Bylaws and Transaction Documents (collectively, the "Holding Company Formation"), including using commercially reasonable efforts to obtain all requisite regulatory approvals for the Holding Company Formation, provided that in no event shall the parties be required to effect the Holding Company Formation to the extent that doing so (1) would result in any Principal Holder or any of its Affiliates being deemed to control the Bank for purposes of the BHC Act or the Federal Deposit Insurance Act (the "FDI Act") or being required to register as a bank holding company, (2) would be reasonably likely to result in any labor union (including any joint boards, locals, funds, trusts or similar organizations affiliated with any such union) that owns shares issued by the Bank losing the exemption from Section 4 of the BHC Act provided at 12 U.S.C. 1843(c)(i) with respect to its investment in the Bank or (3) would result in any diminution or adverse change to the governance and other rights of any Principal Holder under the Charter, Bylaws or Transaction Documents; provided, further, that any time period within which the Bank is required to file a registration statement or effect a registration pursuant to the terms of this Section 2(i) shall be tolled until any regulatory approval required to effect the Holding Company Formation has been obtained (so long as the Bank shall use its commercially reasonable efforts to obtain such approval as promptly as practicable). The Bank shall (or shall cause any newly formed holding company to) issue and sell such number of securities in the Qualifying Registration Event as is requested by the managing underwriters if they determine such issuance and sale to be reasonably necessary for the successful marketing of the Qualifying Registration Event; provided that the Bank (or such newly formed holding company) shall not be obligated to issue and sell securities in such Qualifying Registration Event to the extent, and solely to the extent, such issuance and sale would result in one or more labor organizations (including joint boards, locals, funds, trusts and similar organizations affiliated

therewith) collectively ceasing to own in the aggregate a majority of the outstanding shares of Class A Common Stock (or any shares into which the Class A Common Stock is reclassified or for which the Class A Common Stock is converted, substituted, or exchanged) after giving effect to such issuance and sale (provided, such labor organization(s) (including joint boards, locals, funds, trusts and similar organizations affiliated therewith) collectively own in the aggregate, at the time of the Qualifying Registration Event, at least a majority of the outstanding shares of Class A Common Stock (or any shares into which the Class A Common Stock is reclassified or for which the Class A Common Stock is converted, substituted, or exchanged).

3. Piggyback Registrations.

(a) Right to Piggyback. Whenever the Bank proposes to effect a Piggyback Registration, the Bank shall give prompt written notice (in any event within ten (10) calendar days after its receipt of notice of any exercise of other demand registration rights) to all Holders of its intention to effect such a registration, which notice the Holders shall keep confidential, and, subject to Sections 3(b) and 3(c), shall include in such registration on the same terms as the Bank and other Persons selling securities in connection with such registration all Registrable Common Stock with respect to which the Bank has received written requests for inclusion therein from a Holder within fifteen (15) calendar days after the receipt by such Holder of the Bank's notice. The Bank's notice shall specify, at a minimum, the number of equity securities proposed to be registered, the proposed date of filing of such registration statement with the SEC, the proposed means of distribution, the proposed managing underwriter or underwriters (if any and if known) and a good faith estimate by the Bank of the proposed minimum offering price of such equity securities. The Bank may postpone or withdraw the filing or the effectiveness of a Piggyback Registration initiated by the Bank at any time in its sole discretion; provided that such postponement or withdrawal does not relieve the Bank of its obligations to pay registration expenses pursuant to Section 6. Each Holder shall be permitted to withdraw all or part of such Holder's Registrable Common Stock from a Piggyback Registration at any time prior to the effectiveness of such registration.

(b) Priority on Primary Registrations. If a Piggyback Registration is an underwritten primary registration on behalf of the Bank, and the managing underwriters advise the Bank in writing that in their opinion the number of equity securities requested to be included in such registration exceeds the number which can be sold in such offering and/or that the number of shares of Registrable Common Stock proposed to be included in any such registration would adversely affect the price per share of the Bank's equity securities to be sold in such offering, the Bank shall include in such registration (i) first, the equity securities the Bank proposes to sell, and (ii) second, the equity securities requested to be included in such registration (including the Registrable Common Stock requested to be included therein), pro rata among the holders of such equity securities on the basis of the number of shares requested to be registered by such holders.

(c) Priority on Secondary Registrations. If a Piggyback Registration is an underwritten secondary registration on behalf of a holder of the Bank's equity securities (other than a Demand Registration hereunder), and the managing underwriters advise the Bank in writing that in their opinion the number of equity securities requested to be included in such registration exceeds the number which can be sold in such offering and/or that the number of shares of Registrable Common Stock proposed to be included in any such registration would

adversely affect the price per share of the Bank's equity securities to be sold in such offering, the Bank shall include in such registration the equity securities requested to be included therein (including the Registrable Common Stock requested to be included in such registration), pro rata among the holders of such equity securities on the basis of the number of shares requested to be registered by such holders.

(d) Selection of Underwriters. If any Piggyback Registration is an underwritten primary offering on behalf of the Bank, the Bank shall have the right to select the managing underwriter or underwriters to administer any such offering.

4. Holdback Agreements. In the event of a registration by the Bank involving the offering and sale by the Bank of equity securities, each Holder hereby agrees that, if requested by the applicable managing underwriter or placement agent, it will not, without the prior written consent of the applicable managing underwriter or placement agent, during the period commencing on the date of the final prospectus relating to such registration and ending on the date specified by the Bank and the managing underwriter or placement agent (such period not to exceed one hundred and eighty (180) calendar days; provided, that if the Bank releases or proposes to release an earnings or other public release within fifteen (15) calendar days of the last day of such period, then in each such case such period may be extended upon the request of the managing underwriter for an additional period of up to fifteen (15) calendar days from the date of the issuance of such earnings or other public release (each such fifteen- (15-) calendar day period being further subject to any amendment to the rules and regulations promulgated by the Financial Industry Regulatory Authority or by the SEC)), except for such equity securities as shall be included in such registration, (a) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right, or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any Class A Common Stock owned by such Holder or (b) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such Class A Common Stock, whether any such transaction described is to be settled by delivery of the Class A Common Stock or other securities, in cash, or otherwise; provided, however, that the foregoing will apply only if the then named executive officers (or senior officers performing comparable functions) and directors of the Bank then holding securities of the Bank enter into similar agreements. The foregoing provisions of this Section 4 will not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters or placement agent in connection with such registration that are consistent with this Section 4; provided, that the named executive officers (or senior officers performing comparable functions) and directors of the Bank then holding securities of the Bank enter into similar agreements if requested by the underwriters or placement agent.

5. Registration Procedures. (a) Subject to the penultimate sentence of Section 3(a) (in the case of a Piggyback Registration), whenever any Registrable Common Stock is to be registered pursuant to Section 2 or 3 of this Agreement, the Bank shall use its reasonable best efforts to effect the registration and the sale of such Registrable Common Stock in accordance with the intended methods of disposition thereof as indicated in the applicable request for a Demand Registration, and pursuant thereto the Bank shall as expeditiously as possible:

(i) prepare and as soon as practicable (but in any event within ninety (90) calendar days after receipt of a request pursuant to Section 2(a)) file with the SEC a Registration Statement with respect to such Registrable Common Stock and use its reasonable best efforts to cause such Registration Statement to become effective as soon as practicable thereafter;

(ii) prepare and file with the SEC such amendments and supplements to such Registration Statement and the Prospectus used in connection therewith as may be necessary to keep such Registration Statement effective for such a period as is necessary to complete the disposition of the securities covered by such Registration Statement (subject to Sections 2(f) and (h) of this Agreement) and comply with the provisions of the Securities Act with respect to the disposition of all securities covered by such Registration Statement during such period in accordance with the intended methods of disposition set forth in such Registration Statement;

(iii) furnish to each seller of Registrable Common Stock such number of copies of such Registration Statement, and each amendment and supplement thereto, the Prospectus included in such Registration Statement (including each preliminary Prospectus) or filed under Rule 424 of the Securities Act with the SEC and such other documents as such seller may reasonably request in order to facilitate the disposition of the Registrable Common Stock owned by such seller;

(iv) use its reasonable best efforts to register or qualify such Registrable Common Stock under such other securities or "blue sky" laws of such jurisdictions as any seller and any underwriter(s) reasonably requests and do any and all other acts and things which may be reasonably requested by such seller or underwriter that is necessary or advisable to enable such seller and any underwriter(s) to consummate the disposition in such jurisdictions of the Registrable Common Stock owned by such seller (provided, that the Bank will not be required to (A) qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this subparagraph (iv), (B) subject itself to taxation in any such jurisdiction or (C) consent to general service of process in any such jurisdiction);

(v) notify each seller of such Registrable Common Stock, at any time when a Prospectus relating thereto is required to be delivered under the Securities Act, of the occurrence of any event as a result of which the Prospectus included in such Registration Statement or filed under Rule 424 of the Securities Act with the SEC contains an untrue statement of a material fact or omits any fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, and, at the request of any such seller, the Bank shall promptly prepare a supplement or amendment to such Prospectus so that, as thereafter delivered to the purchasers of such Registrable Common Stock, such Prospectus shall not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(vi) in the case of an underwritten offering, enter into customary agreements (including underwriting agreements in customary form) and take such other reasonable and customary actions as deemed advisable by the underwriter(s) in order to expedite or facilitate the disposition of such Registrable Common Stock (including, without limitation and to the extent reasonably customary, effecting a stock split or a combination of shares and making members of senior management of the Bank available to participate in, and cause them to cooperate with the underwriters in connection with, "road-show" and other customary marketing activities (including one-on-one meetings with prospective purchasers of the Registrable Common Stock)) and cause to be delivered to the underwriters opinions of counsel to the Bank in customary form, covering such matters as are customarily covered by opinions for an underwritten public offering as the underwriters may request and addressed to the underwriters;

(vii) to the extent reasonably customary, make available, for inspection by any seller of Registrable Common Stock, any underwriter participating in any disposition pursuant to such Registration Statement, and any attorney, accountant or other agent retained by any such seller or underwriter, all financial and other records, pertinent corporate documents and properties of the Bank, and cause the Bank's officers, directors, employees and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant or agent in connection with such Registration Statement;

(viii) use its reasonable best efforts to cause all such Registrable Common Stock to be listed on each securities exchange or quotation system on which securities of the same class issued by the Bank are then listed, or if no such similar securities are then listed, on a national securities exchange selected by the Bank; provided that the Holders acknowledge that each national securities exchange has listing standards, which may operate to limit the entities of which securities may be listed on such exchange, or which classes or series of such securities may be so listed, on the basis of size, operations, corporate governance, authorized or issued capital stock, number of shareholders or securities outstanding or otherwise, and the Holders hereby acknowledge and agree that the Bank will not be required to alter or seek to alter its size, operations or other quantitative measures of business, or its issued capital stock or number of shareholders or securities outstanding, in order to meet or seek to meet the listing standards of any national securities exchange; provided, further, that the Bank will not be obligated to effect a listing on more than one securities exchange;

(ix) provide a transfer agent and registrar for all such Registrable Common Stock not later than the effective date of such Registration Statement;

(x) cooperate with the Holders of Registrable Common Stock being offered pursuant to the Registration Statement to issue and deliver, or cause its transfer agent to issue and deliver, certificates (or shares in book-entry form) representing Registrable Common Stock to be offered pursuant to the Registration Statement within a reasonable time after the delivery of certificates (or shares in book-entry form) representing the Registrable Common Stock to the transfer agent or the Bank, as applicable, and enable such certificates (or shares in book-entry form) to be in such denominations or amounts as the Holders may reasonably request and registered in such names as the Holders may request;

(xi) if requested, cause to be delivered, immediately prior to the effectiveness of the Registration Statement (and, in the case of an underwritten offering, at the time of delivery of any Registrable Common Stock sold pursuant thereto), comfort letters from the Bank's independent certified public accountants addressed to each underwriter, if any, stating that such accountants are independent public accountants within the meaning of the Securities Act and the applicable rules and regulations adopted by the SEC thereunder, and otherwise in customary form and covering such financial and accounting matters as are customarily covered by letters of the independent certified public accountants delivered in connection with primary or secondary underwritten public offerings, as the case may be;

(xii) make generally available to its shareholders a consolidated earnings statement (which need not be audited) for at least the 12 months beginning after the effective date of a Registration Statement as soon as reasonably practicable after the end of such period, which earnings statement shall satisfy the requirements of an earnings statement under Section 11(a) of the Securities Act;

(xiii) promptly notify each seller of Registrable Common Stock and the underwriter or underwriters, if any:

(1) when the Registration Statement, any pre-effective amendment, the Prospectus or any Prospectus supplement or post-effective amendment to the Registration Statement has been filed and, with respect to the Registration Statement or any post-effective amendment, when the same has become effective;

(2) of any written request by the SEC for amendments or supplements to the Registration Statement or Prospectus or of any inquiry by the SEC relating to the Registration Statement, with a copy of the same, and an oral or written summary of any such oral requests;

(3) of the notification to the Bank by the SEC of its initiation or threat of any proceeding with respect to the issuance by the SEC of any stop order suspending the effectiveness of the Registration Statement, of the issuance by the SEC of a notification of objection to the use of the form on which the Registration Statement has been filed, and of the happening of any event that causes the Bank to become an "ineligible issuer," as defined in Rule 405 of the Securities Act; and

(4) of the receipt by the Bank of any notification or threat with respect to the suspension of the qualification of any Registrable Common Stock for sale under the applicable securities or "blue sky" laws of any jurisdiction;

(xiv) use its reasonable best efforts to obtain the withdrawal of any order suspending the effectiveness of the Registration Statement at the earliest possible moment; and

(xv) provide a CUSIP number for the Class A Common Stock and take such other customary actions as shall be reasonably requested by Holders holding a majority of the shares of Registrable Common Stock to be sold or the underwriters in order to expedite or facilitate the disposition of such Registrable Common Stock.

(b) No Registration Statement (including any amendments thereto and Prospectuses contained therein) shall contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement to a Prospectus, in light of the circumstances under which they were made) not misleading; provided, however, that the foregoing shall not apply, with respect to any Holder, for an untrue statement or alleged untrue statement of a material fact or omission or alleged omission of a material fact made in reliance on and in conformity with written information furnished to the Bank by or on behalf of such Holder specifically for use in such Registration Statement).

(c) The Bank will promptly respond to any and all comments received from the SEC on any Registration Statement, with a view towards causing such Registration Statement or any amendment thereto to be declared effective by the SEC as soon as practicable and shall file an acceleration request as soon as practicable following the resolution or clearance of all SEC comments or, if applicable, following notification by the SEC that any such Registration Statement or any amendment thereto will not be subject to review.

(d) The Bank may require each seller of Registrable Common Stock as to which any registration is being effected to furnish to the Bank any information regarding such seller and the distribution of such securities as the Bank may from time to time reasonably request in writing in order to comply with applicable securities laws and effect the registration of any Registrable Common Stock pursuant to the terms hereof.

(e) Each seller of Registrable Common Stock agrees by having its stock treated as Registrable Common Stock hereunder that, upon written notice from the Bank, after consultation with outside counsel, of the happening of any event as a result of which the Prospectus included in such Registration Statement contains an untrue statement of a material fact or omits any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading (a "Suspension Notice"), such seller will forthwith discontinue disposition of Registrable Common Stock until such seller is advised in writing by the Bank that the use of the Prospectus may be resumed and is furnished with a supplemented or amended Prospectus as required by Section 5(a)(iii) hereof, and, if so directed by the Bank, such seller will deliver to the Bank (at the Bank's expense) all copies, other than permanent file copies then in such seller's possession, of the Prospectus covering such Registrable Common Stock current at the time of receipt of such notice; provided, however, that the Bank shall promptly use its reasonable best efforts to file a post effective amendment or take such other action so as to obviate the need for a Suspension Notice as soon as reasonably practicable in the good faith judgment of the Bank and promptly after filing such amendment (and in any event within 48

hours of such filing) deliver sufficient copies of such supplemented or amended Prospectuses pursuant to Section 5(a)(iii) to such sellers to resume such disposition; and provided further that such postponement of sales of Registrable Common Stock by the Holders shall not exceed ninety (90) calendar days in the aggregate in any one year. Each seller of Registrable Common Stock further agrees by having its stock treated as Registrable Common Stock hereunder that it shall maintain in confidence and not disclose the receipt of any Suspension Notice. If the Bank shall give any notice to suspend the disposition of Registrable Common Stock pursuant to a Prospectus, the Bank shall extend the period of time during which the Bank is required to maintain the Registration Statement effective pursuant to this Agreement by the number of days during the period from and including the date of the giving of such notice to and including the date such seller either is advised by the Bank that the use of the Prospectus may be resumed or receives the copies of the supplemented or amended Prospectus contemplated by Section 5(a)(iii). In any event, the Bank shall not deliver more than three Suspension Notices in any one year.

(f) If any such Registration Statement refers to any Holder by name or otherwise as the holder of any securities of the Bank, then such Holder shall have the right to require (i) the insertion therein of language, in form and substance reasonably satisfactory to such Holder, to the effect that the holding by such Holder of such securities does not necessarily make such holder a "controlling person" of the Bank within the meaning of the Securities Act and is not to be construed as a recommendation by such Holder of the investment quality of the Bank's securities covered thereby and that such holding does not imply that such Holder will assist in meeting any future financial requirements of the Bank, or (ii) in the event that such reference to such Holder by name or otherwise is not required by the SEC or Securities Act or any similar federal statute then in force, the deletion of the reference to such Holder.

(g) In connection with the preparation and filing of each Registration Statement registering the Holders' Registrable Common Stock under the Securities Act, the Bank will give such Holders and the underwriters, if any, and their respective counsel and accountants, drafts of such Registration Statement for their review and comment prior to filing (with a reasonable period of time to review and comment prior to such filing).

6. Registration Expenses. (a) All expenses incident to the Bank's performance of or compliance with this Agreement, including, without limitation, all registration and filing fees, fees and expenses of compliance with securities or "blue sky" laws, listing application fees, printing expenses, transfer agent's and registrar's fees, cost of distributing Prospectuses in preliminary and final form as well as any supplements thereto, and fees and disbursements of counsel for the Bank and all independent certified public accountants and other Persons retained by the Bank (all such expenses being herein called "Registration Expenses") (but not including any underwriting discounts or commissions or transfer taxes (if any) attributable to the sale of Registrable Common Stock or fees and expenses of more than one counsel representing the Holders of Registrable Common Stock (as set forth in Section 6(b)) shall be borne by the Bank. In addition, the Bank shall pay its internal expenses (including, without limitation, all salaries and expenses of its officers and employees performing legal or accounting duties), the expense of any annual audit or quarterly review, the expense of any liability insurance and the expenses and fees for listing the securities to be registered on each securities exchange on which they are to be listed.

(b) In connection with each registration initiated hereunder, the Bank shall reimburse the Holders covered by such registration or sale for the reasonable fees and disbursements, not to exceed $25,000, of one law firm chosen by the Initiating Holder or if the registration relates to an Initial Public Offering, if any, or to the extent there is no Initiating Holder, one law firm chosen by Holders representing a majority of the number of shares of Registrable Common Stock included in such registration or sale.

(c) The obligation of the Bank to bear the expenses described in Section 6(a) and to reimburse the Holders for the expenses described in Section 6(b) shall apply irrespective of whether any sales of Registrable Common Stock ultimately take place; provided that the Bank's obligations under Section 6(b) shall not apply with respect to any Demand Registration that is withdrawn by the Initiating Holder(s) (in which case such Initiating Holder(s) shall be solely responsible for the payment thereof).

7. Indemnification. Upon the registration of Registrable Common Stock pursuant to Section 2 or 3 hereof:

(a) The Bank shall indemnify, to the fullest extent permitted by law, each Holder, its officers, directors, employees and Affiliates and each Person who controls such Holder (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including but not limited to reasonable legal fees and expenses) to which such Person may become subject, as incurred, insofar as such losses, claims, damages, liabilities and expenses arise out of or are based upon any untrue statement or alleged untrue statement of material fact contained in any Registration Statement under which such Registrable Common Stock is to be registered under the Securities Act or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement to a Prospectus, in light of the circumstances under which they were made) not misleading or any violation by the Bank of the Securities Act, the Exchange Act or applicable "blue sky" laws in respect of any such registration, except insofar and to the extent as the same are made in reliance and in conformity with information relating to such Holder furnished in writing to the Bank by such Holder expressly for use therein.

(b) In connection with any Registration Statement in which a Holder of Registrable Common Stock is participating, each such Holder shall furnish to the Bank in writing such information and affidavits as the Bank reasonably requests for use in connection with any such Registration Statement and shall indemnify, to the fullest extent permitted by law, the Bank, New HoldCo, their respective officers, employees, directors, Affiliates, and each Person who controls the Bank or New HoldCo, as the case may be (within the meaning of the Securities Act) against all losses, claims, damages, liabilities and expenses (including but not limited to reasonable legal fees and expenses) to which such Person may become subject, as incurred, insofar as such losses, claims, damages, liabilities and expenses arise out of or are based upon any untrue statement or alleged untrue statement of material fact contained in such Registration Statement or any omission or alleged omission of a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or supplement to a Prospectus, in light of the circumstances under which they were made) not misleading or any violation by such Holder of the Securities Act, the Exchange Act or applicable "blue sky" laws in respect of any such registration, but only to the extent that the same are made in reliance and

in conformity with information relating to such Holder furnished in writing to the Bank by such Holder expressly for use therein; provided, however, that the obligation to indemnify shall be several, not joint and several, among such Holders and the liability of each such Holder shall be in proportion to and limited to the net amount received (after all underwriting discounts and commissions) by such Holder from the sale of Registrable Common Stock pursuant to such Registration Statement.

(c) Any Person entitled to indemnification hereunder shall (i) give prompt written notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) unless in such indemnified party's reasonable judgment a conflict of interest between such indemnified and indemnifying parties may exist with respect to such claim, permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party. If such defense is assumed, the indemnifying party shall not be subject to any liability for any settlement made by the indemnified party without its consent (but such consent will not be unreasonably withheld). The indemnifying party shall not enter into any settlement of the claims so assumed without the consent of the indemnified party (but such consent will not be unreasonably withheld); provided that the consent of the indemnified party will not be required if the settlement involves only the payment of money damages all of which are indemnifiable losses hereunder and does not involve the imposition of any equitable remedy or admission of wrongdoing. An indemnifying party who is not entitled to, or elects not to, assume the defense of a claim shall not be obligated to pay the fees and expenses of more than one counsel for all parties indemnified by such indemnifying party with respect to such assumed claim, unless in the reasonable judgment of any indemnified party there may be one or more legal or equitable defenses available to such indemnified party which are in addition to or may conflict with those available to another indemnified party with respect to such claim. Failure to give prompt written notice shall not release the indemnifying party from its obligations hereunder except to the extent that the indemnifying party is actually and materially prejudiced by the failure promptly to give such notice.

(d) The indemnification provided for under this Agreement shall remain in full force and effect regardless of any investigation made by or on behalf of the indemnified party or any officer, director or controlling Person of such indemnified party and shall survive the transfer of securities.

(e) If the indemnification provided for in or pursuant to this Section 7 is due in accordance with the terms hereof, but is held by a court to be unavailable or unenforceable in respect of any losses, claims, damages, liabilities or expenses referred to herein, then each applicable indemnifying party, in lieu of indemnifying such indemnified party, shall contribute to the amount paid or payable by such indemnified Person as a result of such losses, claims, damages, liabilities or expenses in such proportion as is appropriate to reflect the relative fault of the indemnifying party on the one hand and of the indemnified party on the other in connection with the statements or omissions which result in such losses, claims, damages, liabilities or expenses. The relative fault of the indemnifying party on the one hand and of the indemnified Person on the other shall be determined by reference to, among other things, whether the untrue statement or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by the indemnifying party or by the indemnified party, and by such party's relative intent, knowledge, access to information and

opportunity to correct or prevent such statement or omission. In no event shall the liability of any selling Holder, except in the case of willful misconduct or fraud by such Holder, be greater in amount than the amount of net proceeds (after underwriting discounts and commissions) received by such Holder upon such sale or the amount for which such indemnifying party would have been obligated to pay by way of indemnification if the indemnification provided for under Section 7(a) or 7(b) hereof had been available under the circumstances.

8. Participation in Underwritten Registrations. No Person may participate in any registration hereunder which is underwritten unless such Person (a) agrees to sell such Person's securities on the basis provided in any underwriting arrangements approved by the Person or Persons entitled hereunder to approve such arrangements and (b) completes and executes all customary questionnaires, powers of attorney, indemnities, underwriting agreements and other documents required under the terms of such underwriting arrangements.

9. Rule 144. The Bank covenants that if it becomes subject to the reporting requirements of the Exchange Act, (A) it will file in a timely manner the reports required to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted by the SEC thereunder, and (B) it will take such further action as any Holder may reasonably request to make available adequate current public information with respect to the Bank meeting the current public information requirements of Rule 144(c) under the Securities Act, to the extent required to enable such Holder to sell Registrable Common Stock without registration under the Securities Act within the limitation of the exemptions provided by (i) Rule 144 under the Securities Act, as such Rule may be amended from time to time, or (ii) any similar rule or regulation hereafter adopted by the SEC.

10. Miscellaneous.

(a) Notices. Any notice, request, instruction or other document to be given hereunder by any party to the other will be in writing and will be deemed to have been duly given (a) on the date of delivery if delivered personally or by telecopy or facsimile, upon confirmation of receipt, (b) on the first business day following the date of dispatch if delivered by a recognized next-day courier service, or (c) on the third business day following the date of mailing if delivered by registered or certified mail, return receipt requested, postage prepaid. All notices hereunder shall be delivered as follows:

(i) If to the Bank:

Amalgamated Bank
275 Seventh Avenue
New York, NY 10001
Attn: Edward Grebow
Facsimile: (212) 895-4721

with copies, that shall not constitute notice, to:

Amalgamated Bank
275 Seventh Avenue
New York, NY 10001
Attn: Lawrence D. Fruchtman
Facsimile: (212) 895-4726

and:

Sullivan & Cromwell LLP
125 Broad Street
New York, NY 10004
Attn: H. Rodgin Cohen and C. Andrew Gerlach
Facsimile: (212) 291-9299

(ii) if to any Investor Shareholder, to the address(es) set forth in the Investor Rights Agreement with respect to such Shareholder;

With copies, that shall not constitute notice, to:

For any WL Ross Shareholder:

Skadden, Arps, Slate, Meagher & Flom LLP
4 Times Square
New York, NY 10036
Attn: David C. Ingles
Facsimile: (917) 777-2697

For any Yucaipa Shareholder:

Munger, Tolles & Olson LLP
355 South Grand Avenue
Los Angeles, CA 90017
Attn: Robert B. Knauss and Jay M. Fujitani
Facsimile: (213) 687-3702

(iii) if to a transferee Holder, to the address of such Holder set forth in the transfer documentation provided to the Bank; or, in each case, at such other address as such party may specify by written notice to the others.

(b) No Waivers. No failure or delay by any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein provided shall be cumulative and not exclusive of any rights or remedies provided by law. No waiver of any party to this Agreement will be effective unless it is in a writing signed by a duly authorized officer of the waiving party that makes express reference to the provision or provisions subject to such waiver.

(c) Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, it being understood that the indemnified parties referred to in Section 7 are intended third party beneficiaries hereof. No party hereto may assign this Agreement or any of its rights, interests or obligations hereunder without the prior written consent of the other parties; except that (i) the Holders may, upon written notice to the Bank, assign any or all of their rights hereunder in connection with a sale or other transfer of its Registrable Common Stock in compliance with the Investor Rights Agreement so long as any such transferee agrees in writing to be bound (in an instrument reasonably satisfactory to the Bank) by and subject to all the terms and conditions of this Agreement, except that if a Principal Holder assigns one or more Demand Registrations to which such Principal Holder is entitled, such transferee shall be entitled to be a Principal Holder for purposes of the exercise of such Demand Registrations (provided that any such Principal Holder assigning any of its Demand Registrations shall give prompt written notice thereof to the Bank) and shall be an Other Holder and not a Principal Holder for all other purposes; provided that any such assignment shall not relieve any Holder of its obligations or liabilities hereunder; and (ii) upon the completion of any Holding Company Formation pursuant to Section 2(i) hereof, the Bank shall cause New HoldCo to assume all of its rights and obligations hereunder. If the Bank is not the registering entity in an Initial Public Offering, it shall cause the registering entity to assume all of its obligations under this Agreement prior to commencement of such Initial Public Offering. Any purported assignment in contravention hereof shall be null and void.

(d) Governing Law. This Agreement will be governed by and construed in accordance with the laws of the State of New York applicable to contracts made and to be performed entirely within such State.

(e) Jurisdiction. The parties hereto irrevocably and unconditionally agree that any suit or proceeding arising out of or relating to this Agreement and the transactions contemplated hereby will be tried exclusively in the U.S. District Court for the Southern District of New York or, if that court does not have subject matter jurisdiction, in any state court located in The City and County of New York, and each of the parties hereby irrevocably consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection that it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient form. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court. Without limiting the foregoing, each party agrees that service of process on such party as provided in Section 10(a) shall be deemed effective service of process on such party.

(f) Waiver of Jury Trial. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATED TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY.

(g) Counterparts; Effectiveness. For the convenience of the parties hereto, this Agreement may be executed in any number of separate counterparts, each such counterpart being deemed to be an original instrument, and all such counterparts will together constitute the same agreement. Executed signature pages to this Agreement may be delivered by facsimile, electronic mail (including pdf) or other transmission method and any counterpart so delivered shall be deemed as sufficient as if actual signature pages had been delivered.

(h) Entire Agreement. This Agreement and the other documents referred to herein (including the Stock Purchase Agreements and the Investor Rights Agreement) contain the entire agreement among the parties hereto with respect to the subject matter hereof and supersede and replace all other prior agreements, written or oral, among the parties hereto with respect to the subject matter hereof.

(i) Captions. The headings and other captions in this Agreement are for convenience and reference only and shall not be used in interpreting, construing or enforcing any provision of this Agreement.

(j) Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction or other authority to be invalid, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected, impaired or invalidated so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any party. Upon such a determination, the parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby be consummated as originally contemplated to the fullest extent possible.

(k) Amendments. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions hereof may not be given without the prior written consent of the Bank and the holders of a majority of the shares of Registrable Common Stock; provided, however, that each such amendment, modification, supplement or waiver shall always also require the prior written consent of each Principal Holder, as long as such Principal Holder holds 5% or more of the shares of Class A Common Stock (or any shares into which the Class A Common Stock is reclassified or for which the Class A Common Stock is converted, substituted, or exchanged) outstanding at such time; provided, further, that no amendment, modification, supplement or waiver may adversely affect the rights of a Principal Holder hereunder that are in addition to those of the Other Holders without such Principal Holder's written consent; and provided, further, that without a Holder's written consent no such amendment, modification, supplement or waiver shall affect adversely such Holder's rights hereunder in a discriminatory manner inconsistent with its adverse effects on rights of Other Holders hereunder (other than as reflected by the different number of shares held by such Holder), it being agreed that amendment of this proviso without a Holder's consent shall be deemed to affect adversely such Holder's rights hereunder in a discriminatory manner inconsistent with its adverse effects on rights of Other Holders hereunder. This Agreement cannot be changed, modified, discharged or terminated by oral agreement.

(l) Aggregation of Stock. All Registrable Common Stock held by or acquired by any Affiliated Persons will be aggregated together for the purpose of determining the availability of any rights under this Agreement.

(m) Equitable Relief. The parties hereto agree that legal remedies may be inadequate to enforce the provisions of this Agreement and that equitable relief, including specific performance and injunctive relief, may be used to enforce the provisions of this Agreement; provided, however, that the Holders will not have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as a result of any controversy with respect to Section 2 or 3.

(n) No Inconsistent or More Favorable Agreements. None of the parties hereto shall enter into any agreement or other arrangement of any kind with any Person with respect to the registration of securities of the Bank which is inconsistent with the provisions of this Agreement. The Bank has not provided, and shall not provide, demand registration rights of the type set forth in Section 2 or piggyback registration rights of the type set forth in Section 3 and that may be exercised prior to, or in priority to, the exercise of the corresponding registration rights by Holders under this Agreement pursuant to Section 2 or Section 3, as applicable; provided, however, that, for the avoidance of doubt, the foregoing clause will not restrict the Bank from entering into any agreement providing registration rights that may be exercised at substantially the same time as (or later than), or ranking substantially *pari passu* with (or junior to), with respect to priority of registration on demand or piggyback registrations, the registration rights granted to Holders under this Agreement.

(o) Pre-Holding Company Formation Registration Rights. It is acknowledged by the parties to this Agreement that, as of the date of this Agreement, the Registrable Common Stock are securities of a depository institution and, accordingly, transfer of such securities is exempt from the registration requirements of the Securities Act. The Bank agrees that, prior to the effective date of the Holding Company Formation, to the extent necessary to ensure that the Registrable Common Stock is freely transferable pursuant to applicable laws and in order to expedite and facilitate the disposition by the Holders of such securities, for all purposes of this

Agreement prior to the effectiveness of the Holding Company Formation, the terms “SEC” and “Securities Act” shall refer to the appropriate federal or state governmental authority and applicable laws, respectively, and the provisions of this Agreement shall be interpreted under the regulations of any such governmental authority and under the applicable laws to give full effect to the intent and purposes of this Agreement.

(p) Recapitalizations, Exchanges Affecting the Registrable Common Stock. The provisions of this Agreement shall apply, to the full extent set forth herein, with respect to the Registrable Common Stock, to any and all shares of stock of the Bank or any successor or assign of the Bank (whether by merger, consolidation, sale of assets or otherwise) which may be issued in respect of, in exchange for, or in substitution of the Registrable Common Stock, by reason of a stock dividend, stock split, stock issuance, reverse stock split, combination, recapitalization, reclassification, merger, consolidation or otherwise. Upon the occurrence of any of such events, amounts hereunder shall be appropriately adjusted.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Registration Rights Agreement has been duly executed by each of the parties hereto as of the date first written above.

AMALGAMATED BANK

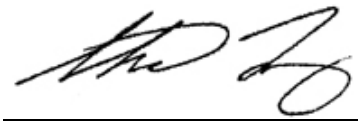
By: /s/ EDWARD GREBOW
Name: EDWARD GREBOW
Title: PRESIDENT & CEO

WLR RECOVERY FUND 1V, L.P.

By: WLR Recovery Associates IV LLC
Its: General Partner

By: WL Ross Group, L.P.
Its: Managing Member

By: El Vedado LLC
Its: General Partner

By: 

Name:
Title:

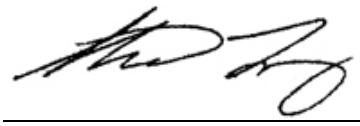
[Signature Page to Registration Rights Agreement]

WLR IV PARALLEL ESC, L.P.

By: WLR Recovery Associates IV LLC
Its: Attorney-in-fact

By: WL Ross Group, L.P.
Its: Managing Member

By: El Vedado LLC
Its: General Partnei

By: 

Name:
Title:

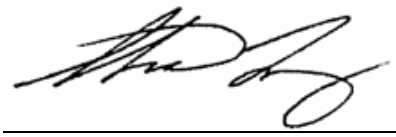
[Signature. Page to Registration Rights Agreement]

WLR RECOVERY FUND V, L.P.

By: WLR Recovery Associates V LLC
Its: General Partner

By: WL Ross Group, L.P.
Its: Managing Member

By: El Vedado LLC
Its: General Partner

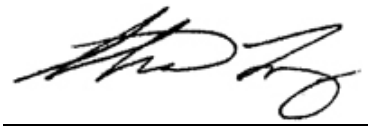
By: 
Name:
Title:

WLR V PARALLEL ESC, L.P.

By: WLR Recovery Associates V LLC
Its: Attorney-in-fact

By: WL Ross Group, L.P.
Its: Managing Member

By: El Vedado LLC
Its: General Partner

By: 

Name:
Title:

[Signature Page to Registration Rights Agreement]

YUCAIPA CORPORATE INITIATIVES FUND II, L.P.

By: Yucaipa Corporate Initiatives Fund II, LLC, General Partner

By: /s/ Robert P. Bermingham
Name: Robert P. Bermingham
Title: Vice President

[Signature Page to Registration Rights Agreement]

YUCAIPA CORPORATE INITIATIVES (PARALLEL) FUND II, L.P.

By: Yucaipa Corporate Initiatives Fund II, LLC,
GeneraPartner

By: /s/ Robert P. Bermingham
Name: Robert P. Bermingham
Title: Vice President

[Signature Page to Registration Rights Agreement]

Exhibit 5.1

NELSON MULLINS RILEY & SCARBOROUGH LLP
ATTORNEYS AND COUNSELORS AT LAW

280 Park Avenue | 15th Floor West
New York, NY 10017
T 646.428.2600 F 646.428.2610
nelsonmullins.com

September 8, 2020

Amalgamated Financial Corp.
275 Seventh Ave.
New York, New York 10001

Re: Registration Statement on Form S-4EF

Ladies and Gentlemen:

We have acted as counsel to Amalgamated Financial Corp., a Delaware public benefit corporation (the "***Company***"), in connection with certain matters arising under Delaware law relating to the Registration Statement on Form S-4EF (the "***Registration Statement***") filed by the Company with the U.S. Securities and Exchange Commission under the Securities Act of 1933, as amended (the "***Act***"), relating to the registration of 34,339,325 shares (the "***Shares***") of the Company's common stock, par value $0.01 per share, which may be issued in connection with the Plan of Acquisition between the Company and Amalgamated Bank, a New York state-chartered bank and trust company (the "***Bank***"), dated as of September 4, 2020 (the "***Acquisition Agreement***"), pursuant to which the Bank will become a subsidiary of the Company. This opinion is furnished pursuant to the requirement of Item 601(b)(5) of Regulation S-K under the Act.

In connection with this opinion letter, we have examined originals or copies, certified or otherwise identified to our satisfaction, of (i) the Registration Statement, including the proxy statement of the Bank and the prospectus of the Company contained therein, (ii) the Acquisition Agreement, (iii) the Certificate of Incorporation of the Company attached as Annex C to the proxy statement/prospectus contained in the Registration Statement, (iv) the Bylaws of the Company attached as Annex D to the proxy statement/prospectus contained in the Registration Statement, (v) resolutions adopted by the Company's board of directors, and (vi) other such records, agreements and documents as we have deemed relevant or necessary as the basis for the opinion hereinafter expressed.

As to certain factual matters relevant to this opinion letter, we have relied conclusively upon the representations and warranties made in the Acquisition Agreement by the parties thereto, upon representations of officers of the Company, and originals or copies, certified or otherwise identified to our satisfaction, of such other records, agreements, documents and instruments, including certificates or comparable documents of the Company and of public officials, as we have deemed appropriate as a basis for the opinion hereinafter set forth. Except to the extent expressly set forth herein, we have made no independent investigations with regard to matters of fact, and, accordingly, we do not express any opinion as to matters that might have been disclosed by independent verification.

Furthermore, in rendering this opinion, we have assumed that the Company and the Bank will each comply with their respective covenants set forth in the Acquisition Agreement, the valid receipt of the Bank stockholder vote required under the New York Banking Law to approve the Acquisition Agreement, and the satisfaction of all closing conditions in the Acquisition Agreement. We have also assumed, without verification, the genuineness of all signatures, the authenticity of all documents submitted to us as originals, the conformity of copies submitted to us with the original documents to which such copies relate and the legal capacity of all individuals executing any of the foregoing documents.

Based on and subject to the foregoing and to the additional qualifications set forth below, it is our opinion that, when the Registration Statement has become effective under the Act and the Shares have been duly issued and delivered as provided in the Acquisition Agreement, as contemplated by the Registration Statement, the Shares will be validly issued, fully paid and nonassessable.

We are expressing no opinion as to any obligations that parties other than the Company may have under or in respect of the Shares, or as to the effect that their performance of such obligations may have upon any of the matters referred to above.

We hereby consent to the reference to our firm in the Registration Statement under the heading “Legal Matters” and to the filing of this opinion as an exhibit to the Registration Statement. The consent shall not be deemed to be an admission that this firm is within the category of persons whose consent is required under Section 7 of the Act or the regulations promulgated pursuant to the Act. This opinion is provided for use in connection with the Registration Statement and may not be relied upon for any other purpose or in connection with any other matters.

Our opinion expressed above is subject to the qualification that we express no opinion as to the applicability of, compliance with, or effect of any laws other than the Delaware General Corporation Law (including the statutory provisions, all applicable provisions of the Constitution of Delaware and reported judicial decisions interpreting those laws). We express no opinion with respect to the federal laws of the United States of America or the securities or “blue sky” laws of any state, including the securities laws of the State of Delaware.

This opinion is limited to the specific issues addressed herein, and no opinion may be inferred or implied beyond that expressly stated herein. We assume no obligation to revise or supplement this opinion should the Delaware General Corporation Law be changed by legislative action, judicial decision or otherwise.

Very truly yours,

/s/ NELSON MULLINS RILEY & SCARBOROUGH LLP

NELSON MULLINS RILEY & SCARBOROUGH LLP
ATTORNEYS AND COUNSELORS AT LAW

280 Park Avenue | 15th Floor West
New York, NY 10017
T 646.428.2600 F 646.428.2610
nelsonmullins.com

September 8, 2020

Amalgamated Financial Corp.
275 Seventh Ave.
New York, New York 10001

Re: Plan of Acquisition under which Amalgamated Bank will become a wholly-owned subsidiary of Amalgamated Financial Corp.

Ladies and Gentlemen:

We have acted as counsel to Amalgamated Financial Corp., a Delaware corporation (the "***Company***"), in connection with a proposed share exchange (the "***Reorganization***") in which, among other things, the stockholders of Amalgamated Bank, a New York state-chartered bank and trust company (the "***Bank***"), will exchange their shares of Class A common stock, par value $0.01, of the Bank for shares of common stock, par value $0.01, of the Company. As a result of the Reorganization, the Bank will become a wholly-owned subsidiary of the Company pursuant to the terms of and as described in that certain Plan of Acquisition (the "***Acquisition Agreement***") dated as of September 4, 2020 by and between the Company and the Bank, as described in the Registration Statement on Form S-4EF (the "***Registration Statement***") filed by the Company with the U.S. Securities and Exchange Commission (the "***Commission***") under the Securities Act of 1933, as amended (the "***Act***") on the date hereof and to which this opinion is an exhibit. At your request, in connection with the filing by the Company of the Registration Statement, which includes the proxy statement of the Bank and the prospectus of the Company (the "***Proxy Statement/Prospectus***"), we are rendering our opinion concerning certain federal income tax consequences of the Reorganization.

With respect to factual matters, we have relied upon the Acquisition Agreement, including, without limitation, the representations and warranties of the parties set forth therein, and upon certain statements and representations made to us in certificates of officers of the Company and the Bank, in each case without independent verification of the accuracy or completeness thereof. With your consent, we have relied on the accuracy and completeness of the statements and representations described in the preceding sentence, and have assumed that such statements and representations are true, complete an accurate and will remain true, complete and accurate at all times up to and including as of the consummation of the Reorganization. We have also assumed that any representation or statement made on which we have relied which is qualified "to the

knowledge" of the party making such statement or representation, or which is otherwise similarly qualified, is correct and complete without such qualification. With respect to any matter as to which a person or entity making a representation or statement described in this paragraph has represented or stated that such person or entity either is not a party to, or does not have, or is not aware of, any plan or intention, understanding or agreement with respect to certain matters of fact, we have assumed that there is in fact no such plan, intention, understanding or agreement with respect to such matters.

For purposes of this opinion letter, we have assumed, with your permission, that (1) the shares of the Bank's Class A common stock constitute capital assets in the hands of each holder thereof, (2) the Acquisition Agreement is enforceable against each of the parties thereto, (3) the Reorganization will be consummated according to the Acquisition Agreement, and (4) the Reorganization will be reported by the Company and the Bank on their respective federal income tax returns in a manner consistent with the opinion set forth herein.

Our opinion is based on the Internal Revenue Code of 1986, as amended (the "***Code***"), Treasury regulations issued thereunder, Internal Revenue Service pronouncements and judicial decisions, all as in effect on the date hereof. These authorities are subject to change and any such change may be applied retroactively, and we can provide no assurance as to the effect that any change may have on the opinion that we have expressed below. An opinion of counsel is not binding on the Internal Revenue Service or the courts, and there can be no assurance that the Internal Revenue Service or a court would not take a contrary position with respect to the conclusion set forth below.

Based on the foregoing, and subject to the assumptions, limitations and qualifications set forth herein, we are of the opinion that:

(1) The Reorganization will be treated as a reorganization within the meaning of Section 368(a) of the Code.

(2) Neither the exchange of Bank Class A common stock solely for Company common stock nor the conversion of Bank equity awards into Company equity awards in the Reorganization will cause the recognition of gain or loss to the stockholders of the Bank.

(3) Neither the Bank nor the Company will recognize gain or loss as a result of the Reorganization.

(4) The aggregate federal income tax basis of the Company common stock received pursuant to the Acquisition Agreement will be the same as the aggregate federal income tax basis of shares of Bank Class A common stock exchanged therefor, and the holding period of such Company common stock will include the holding period of Bank Class A common stock exchanged therefor.

(5) A Bank stockholder who exercises dissenters' rights generally will recognize gain or loss equal to the difference between the amount of money received by such stockholder and the federal income tax basis of such stockholder's Bank Class A common stock.

The opinions expressed herein are based upon our interpretation of existing legal authorities, and no assurance can be given that such interpretations would be followed if the exchange of shares contemplated by the Reorganization became the subject of administrative or judicial proceedings. Statements of opinion herein are opinions only and should not be interpreted as guarantees of the current status of the law, nor should they be accepted as a guarantee that a court of law or administrative agency will concur in such statement.

We express our opinion herein only as to those matters specifically set forth above and no opinion should be inferred as to the tax consequences of the Reorganization under any state, local or foreign law, or with respect to other areas of United States federal taxation. We do not express any opinion herein concerning any law other than the federal income tax law of the United States.

This opinion has been prepared for the Company and the Bank in connection with the Registration Statement. The use of this opinion is limited to the Company, the Bank and the Bank's stockholders. It may not be relied upon in any manner or for any purpose by any other person or entity without our prior written consent. We hereby consent to the filing of this opinion as Exhibit 8.1 to the Registration Statement and to the references to our firm name therein. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933, as amended, or the rules and regulations of the Commission thereunder. The opinions expressed herein are given as of the date hereof and apply only to the Reorganization. We disclaim any undertaking to advise you of any subsequent changes of the facts stated or assumed herein or any subsequent changes in applicable law.

Very truly yours,

/s/ NELSON MULLINS RILEY & SCARBOROUGH, LLP

Exhibit 10.1

Execution Copy

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") dated July 25, 2017, by and between Amalgamated Bank (the "Company") and Keith Mestrich (the "Executive") (each a "Party" and together, the "Parties").

WHEREAS, the Company currently employs the Executive as President and Chief Executive Officer of the Company pursuant to an Employment Agreement dated as of October 1, 2014 (the "Prior Agreement"); and

WHEREAS, the Parties wish to establish the terms of the Executive's continued employment with the Company as President and Chief Executive Officer effective as of July 1, 2017 (the "Effective Date").

NOW, THEREFORE, in consideration of the mutual promises and conditions herein set forth, the Parties agree as follows:

1. Employment and Acceptance. The Company shall continue to employ the Executive, and the Executive shall accept such employment, subject to the terms of this Agreement, on the Effective Date.

2. Term. Subject to earlier termination pursuant to Section 5 of this Agreement, this Agreement and the employment relationship hereunder shall continue from the Effective Date until June 30, 2020 (such date the "Term Date"); provided that, unless the Parties otherwise agree in writing, the Executive may provide a written notice to the Company at least thirty (30) days prior to the Term Date to extend this Agreement and the employment relationship hereunder until September 30, 2020 (such date, the "Term Extension Date," and the period from the Term Date through the Term Extension Date, the "Extension Period"). As used in this Agreement, the "Term" shall refer to the period beginning on the Effective Date and ending on the Term Date or the Term Extension Date, as applicable, or, if earlier, on the date the Executive's employment terminates in accordance with Section 5 below.

3. Title and Duties.

3.1 Title. The Executive shall serve in the capacity of President and Chief Executive Officer of the Company and shall report to the Board of Directors of the Company (the "Board"). The Executive shall be classified as an employee exempt from overtime pay pursuant to the executive exemption under federal and state overtime laws.

3.2 Duties. The Executive shall have such authority and responsibilities and shall perform such executive duties customarily performed by the President and Chief Executive Officer of a commercial bank and shall have such other powers and duties as may from time to time be prescribed by the Board, provided that such duties are consistent with the Executive's position or other positions that he may hold from time to time. Without limiting the generality of the foregoing, the Executive shall be charged with the administration of the operations of the Company, including general supervision of the policies of the Company and general and active management of the business of the Company. The Executive agrees that during the Term he

shall devote his entire working time to the performance of his duties under this Agreement and shall not work for anyone else; provided, however, that the Company acknowledges that the Executive may serve on such corporate, civic or charitable boards or committees as have been or in the future are disclosed to, and not objected to by, the Board, such approval not to be unreasonably withheld, and manage the Executive's personal investments, so long as any such activities do not, individually or in the aggregate, materially interfere with the performance of the Executive's duties hereunder.

3.3 Location. The Executive's principal place of performance of his duties hereunder shall be at the Company's principal office located in New York, New York, subject to reasonable travel requirements on behalf of the Company.

4. Compensation and Benefits.

4.1 Base Salary. During the Term, the Company shall pay to the Executive a base salary ("Base Salary") at the applicable annual rate set forth in the table below, paid in accordance with the Company's payroll practice for all employees, which payroll practices the Company reserves the right to modify at any time.

Period	Annual Rate of Base Salary
Effective Date through June 30, 2018	$ 670,000
July 1, 2018 through June 30, 2019	$ 695,000
July 1, 2019 through the Term Date, and if applicable, the Extension Period	$ 720,000

4.2 Bonuses – Incentive Compensation. During the Term, subject to Section 8.15 of this Agreement, the Executive shall be eligible for incentive compensation to be paid to him by the Company as follows:

(a) The Executive shall be eligible to receive an annual bonus (each an "Annual Bonus") for each fiscal year of the Company during the Term targeted at the applicable percentage of Base Salary (as determined on July 1 of each fiscal year in accordance with Section 4.1) set forth in the table below (the "Annual Bonus Target"), based on the achievement of multiple specific annual quantitative and qualitative performance metrics established by the Board (or a committee thereof), in consultation with the Executive, for such fiscal year.

Fiscal Year	Annual Bonus Target (percentage of Base Salary)
2017	64.2%
2018	65.5%
2019 and thereafter	66.7%

(b) The Executive also shall be entitled to incentive compensation pursuant to the Company's long term incentive plans adopted by the Board in each year of the Term; provided that, the Executive shall not be entitled to receive any grant of incentive compensation during the Extension Period. The aggregate potential value of any annual long

term incentive awards granted to the Executive shall be an amount equal to the sum of (i) 100% of Base Salary in effect at the time, minus (ii) $120,000. Notwithstanding anything to the contrary set forth herein, the Executive's participation in any such long term incentive plan shall be governed by the terms of such plan, specifically including its vesting and exercise provisions.

4.3 Participation in Employee Benefit Plans. During the Term, the Executive shall be entitled to participate in all of the applicable employee benefit plans and perquisite programs of the Company, which are generally available to other senior executives of the Company, on the same terms as such other senior executives (except as set forth in Section 4.2). The Company may at any time or from time to time amend, modify, suspend or terminate any employee benefit plan, program or arrangement for any reason without the Executive's consent if such amendment, modification, suspension or termination is consistent with the amendment, modification, suspension or termination for other senior executives of the Company.

4.4 Expense Reimbursement. During the Term, the Executive shall be entitled to receive reimbursement for all appropriate business expenses incurred by him in connection with his duties under this Agreement in accordance with the policies of the Company as in effect from time to time, subject to the Company's requirements with respect to reporting and documentation of such expenses.

4.5 Attorney's Fees. Subject to the Executive's execution and delivery of this Agreement, upon presentation of appropriate documentation thereof, the Company shall reimburse the Executive for his reasonable, out -of-pocket, third-party, documented fees and expenses of counsel incurred in connection with the negotiation, review and execution of the Agreement, up to a maximum of $17,500.

5. Termination of Employment.

5.1 Termination upon the Term Date or the Term Extension Date, By the Company for Cause or due to Poor Performance, by the Executive without Good Reason, or Due to Executive's Death or Disability. If the Executive's employment terminates upon the Term Date or the Term Extension Date, as applicable, or if during the Term: (i) the Company terminates the Executive's employment with the Company for Cause upon written notice; (ii) the Company terminates the Executive's employment with the Company due to the Executive's Poor Performance upon written notice; (iii) the Executive terminates employment without Good Reason upon forty-five (45) days' advance written notice (which notice period the Company may shorten in its sole discretion and which shall not be deemed a termination without Cause); (iv) the Company terminates the Executive's employment with the Company by reason of the Executive's Disability upon written notice, or (v) the Executive's employment terminates upon the Executive's death, the Executive (or following the Executive's death, his estate) shall be entitled to receive the following:

(a) the Executive's accrued but unpaid Base Salary through the date of termination and any employee benefits that the Executive is entitled to receive pursuant to the employee benefit plans of the Company (other than any severance plans) in accordance with the terms of such employee benefit plans; and

(b) expenses reimbursable under Section 4.4 above incurred but not yet reimbursed to the Executive to the date of termination (the items under Sections 5.1(a) and 5.1(b) collectively, the "Accrued Benefits").

(c) As used in this Agreement, the following terms shall have the meanings set forth below:

(i) "Cause" means, (A) the Executive's conviction of a felony or any crime involving dishonesty or theft; (B) the Executive's conduct in connection with his employment duties or responsibilities that is fraudulent, unlawful or grossly negligent; (C) the Executive's willful misconduct; (D) the Executive's willful contravention of specific lawful directions related to a material duty or responsibility which is directed to be undertaken from the Board; (E) the Executive's material breach of the Executive's obligations under this Agreement, including, but not limited to breach of the Executive's restrictive covenants set forth in Section 6 hereof; (F) any acts of dishonesty by the Executive resulting or intending to result in personal gain or enrichment at the expense of the Company, its subsidiaries or affiliates; or (G) the Executive's willful failure to comply with a material policy of the Company, its subsidiaries or affiliates; provided that, that the Executive shall have fifteen (15) days after receipt of notice from the Company in writing specifying the deficiency to cure the deficiency, to the extent curable, that would result in Cause; provided, further, that the Company shall have ninety (90) days from the occurrence of the event that constitutes Cause to provide notice to the Executive that the Company intends to terminate the Executive's employment for Cause.

(ii) "Change in Control" means the consummation of a transaction or a series of related transactions resulting in any of the following events: (i) one person or group (other than Workers United) becomes the beneficial owner, directly or indirectly, of more than 50% of the combined voting power of the then issued and outstanding securities of the Company, or (ii) the sale, transfer or other disposition of all or substantially all of the business and assets of the Company, whether by sale of assets, merger or otherwise (determined on a consolidated basis), to one person or group (other than Workers United). Notwithstanding the foregoing, a transaction shall not be considered to be a "Change in Control" if, for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), such transaction does not constitute a "change in control event," as defined under Treasury Regulation Section 1.409A-3(i)(5)(i).

(iii) "Disability" means that, as a result of a permanent physical or mental injury or illness, the Executive has been unable to perform the essential functions of his job with or without reasonable accommodation for (a) 60 consecutive days or (b) a period of 150 days in any 12-month period.

(iv) "Good Reason" means, without the Executive's written consent: (A) a reduction in the Executive's Base Salary; (B) subject to Section 5.3 of this Agreement, a substantial diminution in the Executive's duties or responsibilities; (C) the Company's breach of any material covenant or obligation under this Agreement; or (D) relocation of the Executive's principal work location to a location outside of New York county; provided that, that the Company shall have thirty (30) days after receipt of notice from the Executive in writing specifying the deficiency to cure the deficiency, to the extent curable, that would result in Good Reason; provided, further, that the Executive shall have ninety (90) days from the occurrence of the event that constitutes Good Reason to provide notice to the Company that the Executive intends to resign for Good Reason.

(v) "Poor Performance" means, the Executive's continued failure to substantially perform his duties hereunder in a satisfactory manner after a written demand for substantial performance from the Board is delivered to him, which specifically identifies the nature of such failure, and which failure, if curable, is not cured by him within a reasonable period (not less than ten (10) days and not to exceed thirty (30) days) as determined by the Board.

5.2 By the Company Without Cause, or by the Executive with Good Reason. If at any time during the Term, the Company terminates the Executive's employment without Cause other than due to Poor Performance or Disability, or the Executive terminates his employment upon notice (except as described in the definition of Good Reason) with Good Reason other than following the occurrence of an event that could reasonably be expected to result in a termination of his employment by the Company for Cause or during a period when circumstances exist that could reasonably be expected to result in a termination of his employment by the Company due to Poor Performance, the Executive shall be entitled to receive:

(a) the Accrued Benefits; and

(b) beginning on the 60th day after such termination of employment, but only if the Executive has executed and not revoked within the revocation period a valid release agreement in a form reasonably acceptable to the Company, a severance payment in an amount equal to the sum of (i) (x) eighteen (18) months of the Executive's Base Salary in effect on the date of such termination, minus (y) $180,000, and (ii) an amount equal to the Annual Target Bonus in effect for the fiscal year in which the date of such termination occurs, payable in equal monthly installments for a period of eighteen (18) months; provided that, if (A) such termination occurs within twelve (12) months following a Change in Control or (B) the Company terminates the Executive's employment without Cause other than due to Poor Performance or Disability within ninety (90) days' prior to a Change in Control and the Executive reasonably demonstrates that such termination was at the request of the eventual acquirer in connection with such Change in Control, such severance payment shall be in an amount equal to the sum of (i) (x) twenty-four (24) months of the Executive's Base Salary in effect on the date of such termination, minus (y) $240,000, and (ii) an amount equal to two (2) times the Annual Target Bonus in effect for the fiscal year in which the date of such termination occurs, payable in equal monthly installments for a period of twenty-four (24) months. Payments that would otherwise have been owed to the Executive prior to the 60th day after termination of employment shall be made to the Executive on the 60th day after such termination of employment.

5.3 Duties prior to Termination. During the Extension Period (if applicable) or at any time following a notice of termination of the Executive's employment hereunder from either Party and prior to the applicable date of termination, the Company may (a) require the Executive to continue to perform the Executive's duties hereunder on the Company's behalf, (b) limit or impose reasonable restrictions on the Executive's activities as it deems necessary, or (c) modify the Executive's authorities, responsibilities and/or duties (including as provided in Section 3.2 of this Agreement) without such action constituting a violation of this Agreement or Good Reason.

5.4 Continued Employment Beyond the Expiration of the Term. Unless the Parties otherwise agree in writing, continuation of the Executive's employment with the Company beyond the expiration of the Term shall be deemed an employment at will and shall not be deemed to extend any of the provisions of this Agreement and the Executive's employment may thereafter be terminated at will by either the Executive or the Company; provided, that any provisions of this Agreement that contemplate performance following the expiration of the Term shall survive any termination of this Agreement or the termination of the Executive's employment hereunder, including, without limitation, Sections 6, 7 and 8.12 of this Agreement.

5.5 Removal from any Boards and Position. If the Executive's employment terminates for any reason, the Executive shall be deemed to resign (a) if a member, from the Board or boards of directors to which he has been appointed or nominated to by or on behalf of the Company and (b) from any position with the Company and its subsidiaries and affiliates.

5.6 Put Right. Within ninety (90) days following a termination of the Executive's employment for any reason other than a termination by the Company for Cause, the Executive shall have the right (the "Put Right") to sell to the Company, the common stock of the Company (the "Common Stock") acquired by the Executive during the period of his employment with the Company for a per share amount equal to either (a) if as of the date of the termination of the Executive's employment the Company's equity is not publicly traded, the tangible book value of such shares as of the date of the termination of the Executive's employment, or (b) if as of the date of the termination of the Executive's employment the Company's equity is publicly traded, the per share closing price on the date such purchase is consummated; provided that, the Executive shall not have the right to exercise the Put Right if the Company is prohibited from satisfying the Put Right (i) by applicable law or (ii) by the terms of any agreement to which the Company is then a party. As a condition to the Company's obligation to purchase the Executive's Common Stock pursuant to the Put Right, the Executive shall be required to represent and warrant that the Executive has good and marketable title to all such shares of Common Stock subject to the purchase, free and clear of all liens, encumbrances and defects. The purchase of Common Stock by the Company pursuant to the Executive's exercise of the Put Right shall be paid in cash; provided however that to the extent the amount to be paid upon exercise of the Put Right exceeds $1,000,000, such excess may, at the discretion of the Board, be paid either (x) in cash, or (y) under a note issued by the Company with principal payments made in no more than three (3) equal annual installments and bearing interest, payable annually, at the lowest interest rate required to avoid imputed interest.

6. Restrictions and Obligations of the Executive.

6.1 Confidentiality. (a) During the course of the Executive's employment by the Company, the Executive has had and shall continue to have access to certain trade secrets and confidential information relating to the Company, its subsidiaries and affiliates (the

"Protected Parties") which is not readily available from sources outside the Company. The confidential and proprietary information and, in any material respect, trade secrets of the Protected Parties are among their most valuable assets, including but not limited to, their customer, supplier and vendor lists, databases, competitive strategies, computer programs, frameworks, or models, their marketing programs, their sales, financial, marketing, training and technical information, and any other information, whether communicated orally, electronically, in writing or in other tangible forms concerning how the Protected Parties create, develop, acquire or maintain their products and marketing plans, target their potential customers and operate their businesses. The Protected Parties invested, and continue to invest, considerable amounts of time and money in their process, technology, know-how, obtaining and developing the goodwill of their customers, their other external relationships, their data systems and data bases, and all the information described above (hereinafter collectively referred to as "Confidential Information"), and any misappropriation or unauthorized disclosure of Confidential Information in any form would irreparably harm the Protected Parties. The Executive acknowledges that such Confidential Information constitutes valuable, highly confidential, special and unique property of the Protected Parties. The Executive shall hold in a fiduciary capacity for the benefit of the Protected Parties all Confidential Information relating to the Protected Parties and their businesses, which shall have been obtained by the Executive during the Executive's employment by the Company and which shall not be or become public knowledge (other than by acts by the Executive or representatives of the Executive in violation of this Agreement). During the period the Executive is employed by the Company and at any time thereafter, the Executive shall not disclose any Confidential Information, directly or indirectly, to any person or entity for any reason or purpose whatsoever, nor shall the Executive use it in any way, except (i) in the course of the Executive's employment with, and for the benefit of, the Protected Parties, (ii) to enforce any rights or defend any claims hereunder or under any other agreement to which the Executive is a party with any Protected Party, provided that such disclosure is relevant to the enforcement of such rights or defense of such claims and is only disclosed in the formal proceedings related thereto, (iii) when required to do so by a court of law, by any governmental agency having supervisory authority over the business of any of the Protected Parties or by any administrative or legislative body (including a committee thereof) with jurisdiction to order him to divulge, disclose or make accessible such information, provided that, to the extent permitted by law, the Executive shall give prompt written notice to the Company of such requirement, disclose no more information than is so required, and cooperate with any attempts by the Company to obtain a protective order or similar treatment, (iv) as to such Confidential Information that becomes generally known to the public without his violation of this Section 6.1(a) or (v) to the Executive's spouse, attorney, and/or his personal tax and financial advisors as reasonably necessary or appropriate to advance the Executive's tax, financial and other personal planning (each an "Exempt Person"), provided, however, that any disclosure or use of Confidential Information by an Exempt Person other than the exceptions set forth in (i)-(iv) above shall be deemed to be a breach of this Section 6.1(a) by the Executive. The Executive shall take all reasonable steps to safeguard the Confidential Information and to protect it against disclosure, misuse, espionage, loss and theft. The Executive understands and agrees that the Executive shall acquire no rights to any such Confidential Information.

(b) All files, records, documents, drawings, specifications, data, computer programs, evaluation mechanisms and analytics and similar items relating thereto or to the Business (for the purposes of this Agreement, "Business" shall be as defined in Section 6.4

hereof), as well as all customer lists, specific customer information, compilations of product research and marketing techniques of any of the Protected Parties, whether prepared by the Executive or otherwise coming into the Executive's possession, shall remain the exclusive property of the Protected Parties.

(c) It is understood that while employed by the Company, the Executive shall promptly disclose to it, and assign to it the Executive's interest in any invention, improvement or discovery made or conceived by the Executive, either alone or jointly with others, which arises out of the Executive's employment. At the Company's request and expense, the Executive shall assist the Company during the period of the Executive's employment by the Company and thereafter (but subject to reasonable notice and taking into account the Executive's schedule) in connection with any controversy or legal proceeding relating to such invention, improvement or discovery and in obtaining domestic and foreign patent or other protection covering the same.

(d) The Executive understands that nothing contained in this Agreement limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Securities and Exchange Commission or any other federal, state or local governmental agency or commission (each, a "Government Agency"). The Executive further understands that this Agreement does not limit the Executive's ability to communicate with any Government Agency, including to report possible violations of federal law or regulation or making other disclosures that are protected under the whistleblower provisions of federal law or regulation, or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

(e) This Agreement does not limit the Executive's right to receive an award for information provided to any Government Agency. The Executive will not be criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made (x) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (y) solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

6.2 Cooperation. During the period the Executive is employed by the Company and thereafter, the Executive shall cooperate with any investigation or inquiry by the Company or any governmental or regulatory agency or body that relates to the operations of a Protected Party during the period of the Executive's employment by the Company; provided that any such cooperation shall take into account the Executive's then current business and other obligations.

6.3 Non-Solicitation or Hire. During the period the Executive is employed by the Company and for a period following the termination of the Executive's employment for any reason equal to the longer of either (a) one (1) year following the Executive's termination of employment and (b) the applicable period during which the severance payments are scheduled to be paid pursuant to Section 5.2(b) (such longer period, the "Restricted Period"), the Executive shall not (i) directly or indirectly solicit, attempt to solicit or induce (x) any party who is a

customer of a Protected Party, who was a customer of a Protected Party at any time during the twelve (12) month period immediately prior to the date the Executive's employment terminates or who was a prospective customer that has been identified and targeted by a Protected Party immediately prior to the date the Executive's employment terminates, for the purpose of marketing, selling or providing to any such party any services or products offered by or available from a Protected Party on the date the Executive's employment terminates, or (y) any supplier or prospective supplier to a Protected Party as of the date the Executive's employment terminates to terminate, reduce or alter negatively its relationship with the Protected Party or in any manner interfere with any agreement or contract between the Protected Party and such supplier or (ii) hire any current employee of a Protected Party (a "Current Employee") or any person who was an employee of a Protected Party during the twelve (12) month period immediately prior to the date the Executive's employment terminates (a "Former Employee") or directly or indirectly solicit or induce a Current or Former Employee to terminate such employee's employment relationship with a Protected Party in order, in either case, to enter into a similar relationship with the Executive, or any other person or any entity.

6.4 Non-Competition. During the Restricted Period, the Executive shall not, without the Company's prior written consent, whether individually, as a director, manager, member, stockholder, partner, owner, employee, consultant or agent of any business, or in any other capacity, other than on behalf of a Protected Party, organize, establish, own, operate, manage, control, engage in, participate in, invest in, permit his name to be used by, act as a consultant or advisor to, render services for (alone or in association with any person, firm, corporation or business organization), or otherwise engage in the business of providing financial products or services to Taft-Hartley employee benefit plans, labor unions, employee benefit plans associated with labor unions in any manner, or other entities associated or affiliated with labor unions (the "Business"). Notwithstanding the foregoing, nothing in this Agreement shall prevent the Executive from (a) owning for passive investment purposes not intended to circumvent this Agreement, less than 1 percent (1%) of the publicly traded common equity securities of any company engaged in the Business (so long as the Executive has no power to manage, operate, advise, consult with or control the competing enterprise and no power, alone or in conjunction with other affiliated parties, to select a director, manager, general partner, or similar governing official of the competing enterprise other than in connection with the normal and customary voting powers afforded the Executive in connection with any permissible equity ownership) or (b) being employed by or otherwise associated with (including as a director) an organization or entity of which a subsidiary, division, segment, unit, etc. is engaged in the Business (a "Competing Division"), including in a position to which employees of the Competing Division report, directly or indirectly, provided that the Executive has no direct responsibilities with such Competing Division other than having general responsibility for the operation of such Competing Division. For the avoidance of doubt, the Executive may be an officer of a bank or investment advisor or a union or related organization that engages in the Business, provided that the Executive is not directly employed in, or working in, the Competing Division.

6.5 Property. The Executive acknowledges that all originals and copies of materials, records and documents generated by him or coming into his possession during his employment by the Company (prior to or during the Term) are the sole property of the Company ("Company Property"). During the period the Executive is employed by the Company, and at all

times thereafter, the Executive shall not remove, or cause to be removed, from the premises of the Company, copies of any record, file, memorandum, document, computer related information or equipment, or any other item relating to the business of the Company, except in furtherance of his duties under this Agreement. When the Executive's employment with the Company terminates, or upon request of the Company at any time, the Executive shall promptly deliver to the Company all copies of Company Property in his possession or control.

6.6 Nondisparagement. The Executive agrees that he shall not, during the period the Executive is employed by the Company and at any time thereafter, publish or communicate to any person or entity any Disparaging remarks, comments or statements concerning the Company and its directors, officers, shareholders, employees, agents, attorneys, successors and assigns and the Company agrees that during the period the Executive is employed by the Company and at any time thereafter, it shall not, and it shall use its reasonable efforts to cause its directors and officers not to, publish or communicate to any person or entity any Disparaging remarks, comments or statements concerning the Executive; provided, however, that nothing contained in this Section 6.6 shall preclude either Party from providing truthful testimony in connection with a valid subpoena, court order, regulatory request, other legal proceeding, or as may be required by law. "Disparaging" remarks, comments or statements are those that impugn the character, honesty, integrity or morality of the individual or entity being disparaged.

6.7 Reasonableness of Covenants. The Parties agree that the duration and area for which the covenants set forth in this Section 6 apply are reasonable. In the event that any arbitrator or court of competent jurisdiction determines that the time period or the area or both are unreasonable and any such covenant is to that extent unenforceable, the Company and the Executive agree that such covenant shall remain in full force and effect for the greatest time period and in the greatest area that would not render it unenforceable and that each covenant set forth in this Section 6 shall remain enforceable notwithstanding a determination by a court of competent jurisdiction that another covenant set forth in this Section 6 is unenforceable.

7. Remedies; Specific Performance. The Parties acknowledge and agree that the Executive's breach or threatened breach of any of the restrictions set forth in Section 6 or the Company's breach or threatened breach of the restrictions set forth in Section 6.6 shall result in irreparable and continuing damage to the Protected Parties or the Executive for which there may be no adequate remedy at law and that the Protected Parties or the Executive shall be entitled to seek equitable relief, including specific performance and injunctive relief as remedies for any such breach or threatened or attempted breach, without requiring the posting of a bond. The Parties hereby consent to the grant of an injunction (temporary or otherwise) against the other Party or the entry of any other court order against the other party prohibiting and enjoining him or it from violating, or directing him or it to comply with any provision of Section 6. The Parties also agree that such remedies shall be in addition to any and all remedies, including damages, available to the Protected Parties or the Executive for such breaches or threatened or attempted breaches.

8. Other Provisions.

8.1 Notices. Any notice or other communication required or which may be given hereunder shall be in writing and shall be delivered personally, sent by facsimile transmission or sent by certified, registered or express mail, postage prepaid or overnight mail and shall be deemed given when so delivered personally, or sent by facsimile transmission or, if mailed, four (4) business days after the date of mailing or one (1) business day after overnight mail, addressed to such party at the address set forth below or such other address as may hereafter be designated in writing by the addressee as follows:

(a) If the Company, to:

Amalgamated Bank
275 Seventh Avenue
New York, New York 10001
Attention: Chairman of the Board
Telephone: (212) 255-6200
Fax: (212) 895-4721

With a copy to:

Amalgamated Bank
275 Seventh Avenue
New York, New York 10001
Attention: General Counsel
Telephone: (212) 895 4431

(b) If the Executive, to the Executive's home address reflected in the Company's records.

8.2 Entire Agreement. This Agreement contains the entire agreement between the Parties with respect to the subject matter hereof and, supersedes all prior agreements, written or oral, with respect thereto, including, without limitation, the Prior Agreement.

8.3 Representations and Warranties. The Executive represents and warrants that he is not a party to or subject to any restrictive covenants, legal restrictions or other agreements in favor of any entity or person which could preclude, inhibit, impair or limit the Executive's ability to perform his obligations under this Agreement, including, but not limited to, non-competition agreements, non-solicitation agreements or confidentiality agreements. The Company represents and warrants that (i) it has full corporate power and authority to execute and deliver this Agreement and to perform its obligations contemplated hereunder, (ii) it has taken all corporate action necessary to authorize the execution and performance of this Agreement, (iii) it has obtained all required regulatory or other consents as may be necessary or appropriate to permit it to enter into this Agreement and (iv) this Agreement has been duly executed and delivered by it and, assuming due authorization, execution, and delivery of this Agreement by the Executive, is the legal, valid and binding obligation of the Company enforceable against the Company in accordance with its terms.

8.4 Waiver and Amendments. This Agreement may be amended, modified, superseded, canceled, renewed or extended, and the terms and conditions hereof may be waived, only by a written instrument signed by the Parties or, in the case of a waiver, by the party waiving compliance. No delay on the part of any party in exercising any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any waiver on the part of any right, power or privilege hereunder, nor any single or partial exercise of any right, power or privilege hereunder, preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

8.5 Governing Law, Dispute Resolution and Venue.

(a) This Agreement shall be governed and construed in accordance with the laws of New York applicable to agreements made and to be performed entirely within such state, without regard to conflicts of laws principles, unless superseded by federal law.

(b) Any controversy or claim arising out of or relating to this Agreement or the breach hereof or otherwise arising out of the Executive's employment or the termination of that employment (including, without limitation, any claims of unlawful employment discrimination whether based on age or otherwise) shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("AAA") in New York, New York in accordance with the Employment Dispute Resolution Rules of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators, except that the arbitrator shall apply the law as established by decisions of the U.S. Supreme Court, the Court of Appeals for the Second Circuit and the U.S. District Court for the Southern District of New York in deciding the merits of claims and defenses under federal law (including without limitation any federal antidiscrimination law). The Company and the Executive specifically agree that the arbitrator may award injunctive relief. In the event that any person or entity other than the Executive or the Company may be a party with regard to any such controversy or claim, such controversy or claim shall be submitted to arbitration subject to such other person or entity's agreement. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties covenant that they shall participate in the arbitration in good faith. Each party to any arbitration proceeding shall bear its

or his own costs and expenses in connection therewith, except as permitted by law or otherwise ordered by the arbitrator in such proceeding. Notwithstanding the foregoing, this Section 8.5 shall not preclude any party hereto from pursuing a court action pursuant to Section 7 or otherwise for the sole purpose of obtaining a temporary restraining order or a preliminary injunction.

8.6 Assignability by the Company and the Executive. This Agreement, and the rights and obligations hereunder, may not be assigned by the Company or the Executive without written consent signed by the other party; provided that the Company may assign this Agreement to any successor that continues the business of the Company, including any person or entity that acquires all or substantially all of the assets of the Company.

8.7 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which shall constitute one and the same instrument.

8.8 Headings. The headings in this Agreement are for convenience of reference only and shall not limit or otherwise affect the meaning of terms contained herein.

8.9 Severability. If any term, provision, covenant or restriction of this Agreement, or any part thereof, is held by a court of competent jurisdiction of any foreign, federal, state, county or local government or any other governmental, regulatory or administrative agency or authority to be invalid, void, unenforceable or against public policy for any reason, the remainder of the terms, provisions, covenants and restrictions of this Agreement shall remain in full force and effect and shall in no way be affected or impaired or invalidated. The Executive acknowledges that the restrictive covenants contained in Section 6 are a condition of this Agreement and are reasonable and valid in temporal scope and in all other respects.

8.10 Judicial Modification. If any court determines that any of the covenants in Section 6, or any part of any of them, is invalid or unenforceable, the remainder of such covenants and parts thereof shall not thereby be affected and shall be given full effect, without regard to the invalid portion. If any court determines that any of such covenants, or any part thereof, is invalid or unenforceable because of the geographic or temporal scope of such provision, the parties shall reduce such scope to the minimum extent necessary to make such covenants valid and enforceable.

8.11 Tax Withholding. The Company or other payor is authorized to withhold from any benefit provided or payment due hereunder, the amount of withholding taxes due any federal, state or local authority in respect of such benefit or payment and to take such other action as may be necessary in the opinion of the Board to satisfy all obligations for the payment of such withholding taxes.

8.12 Indemnification and Insurance. The Executive shall be indemnified in accordance with the Company's certificate of incorporation, by-laws, and policies and to the fullest extent permitted by, and in accordance with, applicable state law. The Company agrees that it shall promptly move to ensure that the Executive is insured under the Company's Directors' and Officers' liability insurance policy (including Side A coverage). Subject to the requirements of applicable law, the Company shall indemnify the Executive on a current basis and to the extent the Company acquires insurance to cover all or part of the Company's indemnification obligations, the Company shall ensure that amounts paid in respect of such insurance are paid on a current basis.

8.13 Section 409A. This Agreement is intended to comply with Code Section 409A to the extent subject thereto and shall be interpreted and administered in compliance therewith. Any term used in this Agreement which is defined in Code Section 409A or the regulations promulgated thereunder (the "Regulations") shall have the meaning set forth therein unless otherwise specifically defined herein. Any obligations to pay nonqualified deferred compensation (within the meaning of Code Section 409A) under this Agreement that arise in connection with the Executive's "termination of employment," "termination" or other similar references shall only be triggered if the termination of employment or termination qualifies as a "separation from service" within the meaning of §1.409A-l(h) of the Regulations. Notwithstanding any other provision of this Agreement, if at the time of the termination of the Executive's employment, the Executive is a "specified employee," as defined in Code Section 409A or the Regulations, and any payments upon such termination under this Agreement hereof shall result in additional tax or interest to the Executive under Code Section 409A, he shall not be entitled to receive such payments until the date which is six (6) months after the termination of the Executive's employment for any reason or, if earlier, the date of the Executive's death. Each amount to be paid or benefit to be provided to the Executive under this Agreement that constitutes deferred compensation subject to Code Section 409A shall be construed as a separate identified payment for purposes of Code Section 409A. If any expense reimbursement by the Executive under this Agreement is determined to be "deferred compensation" within the meaning of Code Section 409A, including, without limitation any reimbursement under Section 4.4, then the reimbursement shall be made to the Executive as soon as practicable after submission for the reimbursement, but no later than December 31 of the year following the year during which such expense was incurred. In addition, if any provision of this Agreement would subject the Executive to any additional tax or interest under Code Section 409A, then the Company shall reform such provision; provided that the Company shall (x) maintain, to the maximum extent practicable, the original intent of the applicable provision without subjecting the Executive to such additional tax or interest and (y) not incur any additional compensation expense as a result of such reformation.

8.14 Golden Parachute Provisions.

(a) Anything in this Agreement to the contrary notwithstanding, the Company shall not be obligated to make any payment hereunder that would be prohibited as a "golden parachute payment" or "indemnification payment" under Section 18(k) of the Federal Deposit Insurance Act.

(b) If any payment or benefit to the Executive under this Agreement or otherwise would be a "golden parachute payment" or "indemnification payment" within the meaning of Section 18(k) of the Federal Deposit Insurance Act, such payment or benefit shall not be made unless permitted under applicable law. The Company shall use best efforts promptly to apply to the appropriate federal banking agency for a determination that any golden parachute payment is permissible.

(c) The provisions of this Agreement are subject to and shall be interpreted to be consistent with Applicable Law, which terms control over the terms of this Agreement in the event of a conflict between Applicable Law and this Agreement. Notwithstanding anything herein to the contrary, no payment or benefit shall be paid or provided to the Executive or be vested or accrued if any such payment or benefit, vesting or accrual would violate Applicable Law and, to the extent any such payment or benefit that has been paid, provided, vested or accrued is determined to be in violation of Applicable Law, any such payment or benefit shall be subject to recoupment or cancellation. In the event of any such violation, the Executive and the Company shall cooperate in good faith to endeavor to meet the requirements of Applicable Law in a manner that preserves to the greatest extent possible the intent and purposes of this Amendment. "Applicable Law" means the laws, statutes, rules, regulations, treaties, directives, guidelines, ordinances, codes, administrative or judicial precedents or authorities and orders of any Governmental Authority, as well as the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, decisions, judgments, directed duties, requests, licenses, authorizations, decrees and permits of, and agreements with any Governmental Authority, to which the Company or the Executive are a party or by which the Company or the Executive are bound, in each case whether or not having the force of law, and all orders, decisions, judgments, and decrees of all courts or arbitrators in proceedings or actions to which the Company or the Executive are a party or by which the Company or the Executive are bound. "Governmental Authority" means the United States of America, any state or territory thereof and any federal, state, provincial, city, town, municipality, county or local authority, including without limitation, the Federal Deposit Insurance Corporation, the New York State Department of Financial Services, and any board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

8.15 Claw-Back and Forfeiture. This Agreement and any Annual Bonus, LTIP or other incentive or performance-based compensation paid or payable to the Executive pursuant to this Agreement or under any other plan or arrangement adopted by the Company (collectively, "Incentive Compensation") shall be subject in all respects to the Company's Policy on Sound Executive Compensation and any other compensation claw-back or forfeiture policy implemented by the Company from time to time and applicable to all officers of the Company on the same terms and conditions, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Company, and any revisions or amendments to any of the foregoing policies adopted by the Company from time to time and applicable to all officers of the Company on the same terms and conditions (collectively, the "Claw-Back Policy"). The Executive acknowledges and agrees that, if the Company is permitted to effect a claw-back or forfeiture of Incentive Compensation pursuant to the Claw-Back Policy, the Company shall be entitled to recover or retain any Incentive Compensation paid or payable to the Executive in accordance with the terms and conditions of the Claw-Back Policy.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have executed this Agreement as of the day and year first above mentioned.

EXECUTIVE:

/s/ Keith Mestrich
Name: Keith Mestrich

THE COMPANY:

AMALGAMATED BANK

/s/ Lynne P. Fox
Name: Lynne P. Fox
Title: Chair of the Board

[Signature page to Keith Mestrich Employment Agreement]

Exhibit 10.2

ADDENDUM TO
AMENDED AND RESTATED EMPLOYMENT AGREEMENT

AMALGAMATED BANK (the "Bank") and KEITH MESTRICH (the "Executive") (collectively referred to as "the Parties"), the Parties to an Amended and Restated Employment Agreement, dated July 25, 2017 (the "Agreement"), hereby enter into the following Addendum to the Agreement (the "Addendum"):

1. Section 4.2(b) of the Agreement shall now provide as follows: The Executive also shall be entitled to incentive compensation pursuant to the Company's long term incentive plans adopted by the Board in each year of the Term; provided that, the Executive shall not be entitled to receive any grant of incentive compensation during the Extension Period. The aggregate potential value of any annual long term incentive awards granted to the Executive shall be an amount equal to the sum of (i) 100% of Base Salary in effect at the time, minus (ii) $120,000. However, at the discretion of the Compensation Committee and approval by the Board, this amount may be increased. Notwithstanding anything to the contrary set forth herein, the Executive's participation in any such long term incentive plan shall be governed by the terms of such plan, specifically including its vesting and exercise provisions.

2. The Addendum changes only those provisions of the Agreement described herein. All other terms and provisions of the Agreement shall remain in full force and effect until properly terminated in accordance with the Agreement.

3. The changes to the Agreement set forth in the Addendum shall be effective as of May 17, 2019.

IN WITNESS WHEREOF, the parties hereto have executed this Addendum, fully agreeing to be bound by all its terms, this 17th day of May, 2019.

AMALGAMATED BANK

By: /s/ Lynne Fox
Lynne Fox
Chair of the Board

BY: /s/ Keith Mestrich
Keith Mestrich

Exhibit 10.3

AMENDMENT TO

AMENDED RESTATED EMPLOYMENT

AMENDMENT (this "Amendment") dated April 23, 2020 ("Amendment Date") to the AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement") dated July 25, 2017, by and between Amalgamated Bank (the "Company") and Keith Mesrich (the "Executive") (each a "Party") and together, the "Parties").

WHEREAS, the Parties entered into the Agreement dated as of July 25, 2017, amended effective as of May 17, 2019; and

WHEREAS, the Parties wish to amend the Agreement, effective as of the Amendment Date.

NOW, THEREFORE, in consideration of the mutual promises and conditions herein set forth, the Parties agree as follows:

Section 2 of the Agreement is hereby amended in its entirety to reach as follows:

Term. Subject to earlier termination pursuant to Section 5 of this Agreement, this Agreement and the employment relationship hereunder shall continue from the Effective Date until June 30, 2021 (such date the "Term Date"); provided that, the Parties may agree in writing prior to the Term Date to extend this Agreement and the employment relationship hereunder until September 30, 2021 (such date, the "Term Extension Date," and the period from the Term Date through the Term Extension Date, the "Extension Period"). As used in this Agreement, the "Term" shall refer to the period beginning on the Effective Date and ending on the Term Date or the Term Extension Date, as applicable, or, if earlier, on the date the Executive's employment terminates in accordance with Section 5 below.

[*Signature Page follows*]

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have executed this Amendment as of the day and year first above mentioned.

EXECUTIVE:

/s/ Keith Mestrich
Name: Keith Mestrich

THE COMPANY:

AMALGAMATED BANK

/s/ Lynne P. Fox
Name: Lynne P. Fox
Title: Chair of the Board

[*Signature Page to Amendment to Keith Mestrich Employment Agreement*]

AMALGAMATED BANK CHANGE IN CONTROL PLAN

Adopted by the Board on July 9, 2018

1. **Purpose; Operation.**

Amalgamated Bank, a New York state-chartered bank, has established this Amalgamated Bank Change In Control Plan (as amended from time to time, the "***Plan***") to provide the participants with certain protections against the uncertainties usually created by a Change In Control in order to better enable the participants to devote their full time, attention and energy to the business of the Bank or its Subsidiaries prior to and after a Change In Control, thereby benefiting the Bank and its stockholders.

The operation and administration of the Plan is subject to the provisions of this Plan document. Capitalized terms used in the Plan are defined in **Exhibit A** hereto or may be defined within the Plan.

2. **Effective Date**.

The Plan shall take effect upon consummation of the Bank's initial public offering (the "***Effective Date***").

3. **Administration**.

The Plan will be administered by the Committee, who shall act only by a majority of its members then in office (*provided* that with respect to decisions relating directly to the participation of a Committee member in the Plan and benefits due to such member, such member shall recuse himself or herself from any such vote). The Committee shall have the authority, in its discretion, subject to and not inconsistent with the express provisions of the Plan, to administer the Plan and to exercise all of the powers and authorities either specifically granted to it under the Plan, or necessary or advisable in the administration of the Plan, including, without limitation, the authority:

(a) to designate those members of the Bank's management team who shall participate in the Plan;

(b) to construe and interpret the Plan, and to establish, amend and revoke rules and regulations for administration of the Plan. The Committee, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan, in a manner and to the extent it will deem necessary or expedient to make the Plan fully effective.

(c) to determine payment amounts due pursuant to the terms of the Plan; and

(d) to make all other determinations deemed necessary or advisable for the administration of the Plan.

All determinations, interpretations and constructions made by the Committee in good faith will not be subject to review by any person (except for the Bank's accountant and/or legal counsel) and will be final, binding and conclusive on all persons.

None of the members of the Board, the Bank, or the Committee shall be liable for any action taken, or determination made, in good faith with respect to the Plan. In addition to such other rights of indemnification that they have as members of the Board, the Bank shall indemnify the members of the Committee to the extent permitted by applicable law, against reasonable expenses (including, without limitation, attorneys' fees) actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, and against all amounts paid by them in settlement thereof (provided such settlement is approved to the extent required by and in the manner provided by the governing documents of the Bank relating to indemnification of the members of the Board) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to such matters as to which it is adjudged in such action, suit or proceeding that such Committee did not act in a manner reasonably believed to be in the best interests of the Bank.

4. **Participation**.

Those management employees of the Bank and its Subsidiaries who are designated by the Committee shall participate in this Plan. Participation shall be effective on the later of the date such executive is designated by the Committee or his or her date of hire. Participation shall automatically cease upon the earlier of (a) the date designated by the Committee, provided that no Participant may be removed during a Protection Period, or (b) a Participant's termination of employment that does not constitute a Qualifying Termination hereunder. The Chief Executive Officer of the Bank shall not be eligible to participate in this Plan.

5. **Obligations of the Bank upon Separation during the Protection Period**.

(a) **Qualifying Terminations**. If, during the Protection Period, the Bank causes the Participant to incur a Qualifying Termination, the Bank shall pay to the Participant the amounts set forth below:

(i) The sum of (A) the Participant's Annual Base Salary through the Separation from Service to the extent not theretofore paid, payable on the next regularly scheduled payroll date (or such earlier date as required by law), (B) any employee benefits that the Participant is entitled to receive pursuant to the employee benefit plans, including any vacation or PTO, of the Bank or its Subsidiaries (other than any severance plans) in accordance

with the terms of such employee benefit plans, and (C) expenses reimbursable pursuant to the Bank's policies incurred but not yet reimbursed to the Participant to the date of Separation from Service (collectively, the "***Accrued Obligations***");

(ii) An amount equal to the Participant's target annual bonus under the annual bonus plan of the Bank or its Subsidiaries for the fiscal year in which the Qualifying Termination occurs ("***Target Bonus***"), multiplied by a fraction, the numerator of which is the number of days in the fiscal year through the Qualifying Termination, and the denominator of which is 365, payable in a lump sum on the 30th day following the later of the Qualifying Termination or the Change In Control;

(iii) A lump sum payment, payable on the 30th day following the later of the Qualifying Termination or Change In Control, equal to the Participant's Annual Base Salary plus Average Bonus for the Change In Control Severance Period;

(iv) Reimbursement for the additional premium costs incurred by the Participant, in excess of the active employee rate for similarly-situated active employees, to continue group medical, dental and vision coverage for the Participant and/or the Participant's family under Section 4980B of the Code and applicable state laws ("***COBRA***") for the Change In Control Severance Period (or, if shorter, until the date the Participant either becomes entitled to comparable coverage under another employer's group health plan, or the expiration of the maximum period of time as permitted by COBRA). The Participant shall submit to the Bank satisfactory evidence of premium costs incurred within 30 days following the date such costs were incurred. Such reimbursements may be reported as taxable or not taxable, as determined by the Committee in its sole discretion, to be necessary or advisable to avoid excise taxes or penalties being imposed on the Bank or the Participant in connection therewith. Within 30 days following receipt of such evidence, the Bank shall pay to the Participant such reimbursement; and

(v) The Bank shall take, or cause to be taken, such action as may be necessary to fully-vest, as of the date of such Qualifying Termination, any unvested equity awards held by the Participant that were granted prior to the Effective Date (those payments or benefits described in (ii) – (v) above, the "***Severance Payments***").

Notwithstanding the foregoing provisions of this Section 5, if the Participant breaches the Participant's obligations under Section 9 of this Plan, the Participant shall no longer be entitled to receive, and the Bank shall no longer be obligated to pay, any remaining unpaid portion of the Severance Payments as of the date of such breach. Any disputes with respect to the application of this Section 5 will be subject to the arbitration provisions of Section 22 hereof; *provided* that during the pendency of any such dispute, the Bank will be entitled to withhold such Severance Payments.

(b) **All Other Terminations**. If the Participant incurs a Separation from Service for any reason other than a Qualifying Termination (such as due to Cause, death, Disability, or voluntary resignation without Good Reason), the Participant's participation in this Plan shall terminate without further obligations by the Bank to the Participant or the Participant's legal representatives under this Plan, other than for payment of Accrued Obligations. Accrued Obligations shall be paid to the Participant or his or her estate or beneficiary, as applicable, at the time and in the form as provided in Section 5 above.

(c) **Release.** As a condition precedent to payment of any Severance Payments to the Participant, the Participant shall, within sixty (60) days following the later of his or her Qualifying Termination or the Change in Control (the full 60-day period being the "***Release Period***"), deliver to the Bank a valid, executed general release substantially in the form presented by the Bank, and the time period provided by law for revocation of such release shall have expired. If the Release Period begins in one calendar year and ends in the next, such severance payments shall not be made until the last day of the Release Period (and any payments that would have otherwise been due prior to such date shall be paid on such date and the remaining payments shall be made on their normally scheduled dates).

6. **Section 409A Payment Limits.**

(a) To the maximum extent possible, the provisions of this Plan shall be construed in such a manner that no amounts payable to a Participant are subject to the additional tax and interest provided in Code Section 409A(a)(1)(B). In no event whatsoever shall the Bank or its Subsidiaries be liable for any additional tax, interest or penalty that may be imposed on the Participant by Code Section 409A or any damages for failing to comply with Code Section 409A. If any payment (whether cash or in-kind), including but not limited to reimbursements, would constitute a "deferral of compensation" under Code Section 409A and a payment date that complies with Code Section 409A(a)(2) is not otherwise provided for such benefit either in this Plan or a program or policy of the Bank or a Subsidiary, then such payment shall be made not later than 2 ½ months after the end of the calendar year in which the payment is no longer subject to a substantial risk of forfeiture. Any receipts or other proof of expenses (if required) shall be submitted to the Bank by the Participant no later than one month after the end of the calendar year in which the expense is incurred. The Bank shall pay reimbursements of expenses or benefits or provide fringe or other in-kind benefits on or before the last day of the calendar year following the calendar year in which the relevant expense or benefit is incurred. The amount of expenses or benefits eligible for reimbursement, payment or provision during a calendar year shall not affect the expenses or benefits eligible for reimbursement, payment or provision in any other calendar year.

(b) Notwithstanding any provision in this Plan to the contrary, if at the time of Separation from Service the Participant is a "specified employee" within the meaning of Code Section 409A, any payments which constitute a "deferral of compensation" under Code Section 409A and which would otherwise become due under this Plan during the first 6 months (or such longer period as required by Code Section 409A) after Separation from Service shall be delayed and all such delayed payments shall be paid in full in the 7th month after the Separation from Service, and all subsequent payments shall be paid in accordance with their original payment schedule. To the extent that any reimbursements of premiums constituting a "deferral of compensation" become subject to the above delay, the Participant shall be responsible for paying such amounts directly to the insurer or other third party and shall receive reimbursement from the Bank for such amounts in the 7th month as described above. The above specified employee delay shall not apply to any payments that are excepted from coverage by Code Section 409A, such as those payments covered by the short-term deferral exception described in Treasury Regulations Section 1.409A-1(b)(4) or the involuntary separation exception described in Treasury Regulations Section 1.409A-1(b)(9).

(c) The Participant's right to receive any installment payments pursuant to this Plan shall be treated as a right to receive a series of separate and distinct payments. In no event may the Participant, directly or indirectly, designate the calendar year of any payment to be made under this Plan that is considered "deferral of compensation."

7. **Clawback and Forfeiture.**

This Plan and any annual bonus, long-term incentive plan, Severance Payment or other incentive or performance-based compensation paid or payable to the Participant pursuant to this Plan or under any other plan or arrangement adopted by the Bank (collectively, "***Incentive Compensation***") shall be subject in all respects to the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time and applicable to all officers of the Bank on the same terms and conditions, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, and any revisions or amendments to any of the foregoing policies adopted by the Bank from time to time and applicable to all officers of the Bank on the same terms and conditions (collectively, the "***Clawback Policy***"). The Participant acknowledges and agrees that, if the Bank is permitted to effect a clawback or forfeiture of Incentive Compensation pursuant to the Clawback Policy, the Bank shall be entitled to recover or retain any Incentive Compensation paid or payable to the Participant in accordance with the terms and conditions of the Clawback Policy.

8. **Full Settlement**.

The Bank's obligation to make the payments provided for in this Plan and otherwise to perform its obligations hereunder shall not be affected by any set-off, counterclaim, recoupment, defense or other claim, right or action which the Bank or its Subsidiaries may have against the Participant or others, other than the Clawback Rights described in Section 7. In no event shall the Participant be obligated to seek another position or take any other action by way of mitigation of the amounts payable to the Participant under any of the provisions of this Plan and such amounts shall not be reduced whether or not the Participant obtains another position. To the extent that any amount due hereunder has become subject to a bona fide dispute, payment of such amount may be delayed until no later than the end of the first taxable year of the Participant in which the Bank and the Participant enter into a legally binding settlement of such dispute, the Bank concedes that the amount is payable, or the Bank is required to make such payment pursuant to a final and nonappealable judgment or other binding decision, as set forth in Treasury Regulation Section 1.409A-3(g), and any such payment shall include interest on such delayed amount from the original due date thereof until paid at the prime rate from time to time reported in The Wall Street Journal during said period, plus, to the fullest extent permitted by law, the amount of all legal fees and expenses which the Participant reasonably incurs as a result of any contest by the Bank, the Participant or others in which the Participant is the prevailing party.

9. **Protective Covenants**.

By accepting each payment under this Plan, the Participant acknowledges and agrees that the Bank has developed intellectual property, Trade Secrets and Confidential Information to assist it in its business. Participant further acknowledges and agrees that the Bank has substantial relationships with prospective or existing customers, as well as customer good will associated with its ongoing business. The Bank employs or will employ Participant in a position of trust and confidence, and may provide Participant with extraordinary or specialized training in furtherance of Participant's duties for the Bank. Participant further acknowledges and agrees that the Bank has a right to protect these legitimate business interests. Therefore, in consideration for the Bank's decision to employ or continue to employ Participant; for the compensation and benefits provided to the Participant by the Bank under this Plan; in consideration of the time, investment and cost the Bank has incurred and will continue to incur to train Participant and enhance his skills, including, without limitation, extraordinary or specialized training; access to Trade Secrets or Confidential Information; and the Bank permitting Participant to come into contact with its customers and prospects, the Participant agrees to the protective covenants in this Plan. The Participant expressly agrees that the covenants in this Section 9 shall continue in effect through the entire Restricted Period (as defined below) regardless of whether the Participant is then entitled to receive any further payments or benefits from the Bank. For purposes of this Section 9, the Bank shall mean the Bank together with its Subsidiaries. Further, Participant understands and agrees that the covenants contained in this Plan apply notwithstanding any claim of breach of the Plan or any other agreement between the Bank and the Participant. It is further understood that the covenants contained in this Section 9 survive the term of this Plan and bind the Participant so long as he is employed by or in the service of the Bank and including a period of time following the Participant's Separation from Service equal to the Change In Control Severance Period that would otherwise apply to the Participant in the event of a Qualifying Termination (the "***Restricted Period***").

(a) **Confidential Information.** The Participant agrees at all times to hold in strictest confidence, and not to use, except for the benefit of the Bank, any of the Bank's Trade Secrets or Confidential Information or to disclose to any person, firm or entity any of the Bank's Trade Secrets or Confidential Information except (i) as authorized in writing by the Bank's Board, (ii) as authorized by the Bank's management, pursuant to a written non-disclosure agreement, or (iii) as required by law.

The Defend Trade Secrets Act (18 U.S.C. § 1833(b)) states: "An individual shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal." Accordingly, Participant shall have the right to disclose in confidence Trade Secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. Participant shall also have the right to disclose Trade Secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Nothing in this Plan is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of Trade Secrets that are expressly allowed by 18 U.S.C. § 1833(b).

(b) **No Competing Employment.** The Participant acknowledges that the nature of the Bank's business and Participant's position with the Bank is such that if the Participant were to become employed by, or become substantially involved in, the business of a competitor of the Bank during his or her employment or service with the Bank or during the Restricted Period following the Participant's Separation from Service, it would be very difficult for the Participant not to rely on or use the Bank's Trade Secrets and Confidential Information. Thus, to avoid the inevitable disclosure of the Bank's Trade Secrets and Confidential Information, and to protect such Trade Secrets and Confidential Information and the Bank's relationships and goodwill with customers, during the Participant's employment or service with the Bank and for the full Restricted Period after the date the Participant's Separation from Service for any reason, the Participant shall not directly, or by assisting others, engage in the banking or financial services business (a "***Competitive Business***") in any capacity identical with or corresponding to the capacity or capacities in which employed by or in service with the Bank, anywhere within the areas(s) where Participant is working and/or for which the Participant is responsible at the time of his or her Separation from Service; ***provided***, that the Participant may purchase and hold only for investment purposes less than two percent (2%) of the shares of any Bank in competition with the Bank whose shares are regularly traded on a national securities exchange or inter-dealer quotation system; and ***provided further*** that the Participant may provide services to any business or entity that has a line of business, division, subsidiary or other affiliate that is a Competitive Business if, during the Restricted Period, the Participant is not employed directly in such line of business or division or by such subsidiary or other affiliate that is a Competitive Business and is not involved directly in the management, supervision or operations of such line of business, division, subsidiary or other affiliate that is a Competitive Business. The parties acknowledge and agree that, if necessary to determine the reasonable geographic scope of this restraint, the Bank may rely on appropriate documentation and evidence outside the provisions of this Plan.

(c) **Non-Solicitation of Employees.** During the Restricted Period, the Participant shall not directly or indirectly solicit, induce, recruit, encourage, take away, or hire (or attempt any of the foregoing actions) or otherwise cause (or attempt to cause) any officer, representative, agent, director, employee or independent contractor of the Bank to leave his or her employment or engagement with the Bank either for employment with the Participant or with any other entity or person, or otherwise interfere with or disrupt (or attempt to disrupt) the employment or service relationship between any such individual and the Bank. The Participant will not be deemed to have violated this Paragraph if employees respond to general advertisements for employment or if the Committee provides unanimous prior written consent to the activities of the Participant (all such requests for consent will be given good faith consideration by the Committee).

(d) **Non-Solicitation of Customers.** During the Restricted Period, the Participant shall not, directly or by assisting others, take any action to solicit, divert, take away, contact, call upon, communicate with, or attempt to solicit, divert, take away, contact, call upon, communicate with any customers of the Bank, including actively seeking prospective customers, with whom Participant had Material Contact during Participant's employment, for the purposes of inducing or attempting to induce or divert their business away from the Bank. The term ***"Material Contact"*** means the contact between Participant and each customer (a) with whom

or which Participant dealt on behalf of the Bank, (b) whose dealings with the Bank were coordinated or supervised by Participant; (c) about whom Participant obtained Confidential Information in the ordinary course of business as a result of Participant's association with the Bank; or (d) who receives products or services authorized by the Bank, the sale or provision of which results or resulted in compensation, commissions, or earnings for Participant within two years prior to the Participant's Separation from Service with the Bank.

(e) **Non-Disparagement.** The Participant agrees that at no time during his or her employment or service with the Bank or thereafter shall he or she make, or cause or assist any other person to make, any statement or other communication to any third party which impugns or attacks, or is otherwise critical of, the reputation, business or character of the Bank or any of its affiliates, or any of their respective directors, officers, representatives, agents or employees. The Bank agrees, in turn, that it will not make, in any authorized corporate communications to third parties, and it will direct the members of its Board and its Chief Executive Officer or President not to make, cause or assist any other person to make, any statement or other communication to any third party which impugns or attacks, or is otherwise critical of, the reputation, business or character of the Participant.

(f) **Returning Bank Documents.** The Participant agrees that upon his or her Separation from Service with the Bank, he or she will deliver to the Bank (and will not keep in his possession, recreate or deliver to anyone else) any and all devices, records, data, notes, reports, proposals, lists, correspondence (including emails), specifications, drawings, blueprints, sketches, materials, equipment, other documents or property, or reproductions of any items developed by Participant pursuant to his or her employment or service with the Bank or otherwise belonging to the Bank or its successors or assigns. The Participant is not required to return any personal items; documents, files, or materials containing personal information (except to the extent such materials also contain Trade Secrets or Confidential Information), or documents or agreements of which he or she is a party.

(g) **Confidentiality of Plan.** The Participant agrees that, except as may be required by applicable law or legal process, during his or her employment or service with the Bank and thereafter, he or she shall not disclose the terms of this Plan to any person or entity other than the Participant's accountants, financial advisors, attorneys or spouse, provided that such accountants, financial advisors, attorneys and spouse agree not to disclose the terms of this Plan to any other person or entity.

(h) **Understanding of Covenants.** By agreeing to participate in and accepting each payment under the Plan, the Participant represents that he or she (i) is familiar with the foregoing confidentiality, invention assignment, non-solicitation, non-competition and nondisparagement covenants, (ii) is fully aware of his or her obligations hereunder, (iii) agrees to the reasonableness of the length of time, scope and geographic coverage of the foregoing covenants, and (iv) agrees that such covenants are necessary to protect the confidential and proprietary information, goodwill, stable workforce, and customer relations of the Bank. Participant further acknowledges and agrees that the covenants contained in this Plan are reasonable in time, scope and in all other respects; that such covenants shall be construed as agreements independent of each other and of any provision of this or any other contract between the parties hereto; and that should any part or provision of any covenant be held invalid, void or unenforceable in any court

of competent jurisdiction, such invalidity, voidness or unenforceability shall not render invalid, void or unenforceable any other part or provision of this Plan. If any portion of the foregoing provisions is found to be invalid or unenforceable by a court of competent jurisdiction because its duration, the territory, the definition of activities, or the definition of information covered is considered to be invalid or unreasonable in scope, the invalid or unreasonable term shall be redefined or a new enforceable term provided, such that the intent of the Bank and Participant in agreeing to the provisions of this Plan will not be impaired and the provision in question shall be enforceable to the fullest extent of the applicable laws. The existence of any claim or cause of action by Participant against the Bank, whether predicated upon this or any other contract, shall not constitute a defense to the enforcement by the Bank of said covenants.

(i) **Remedy for Breach.** The Participant agrees that a breach of any of the covenants of this Section 9 would cause material and irreparable harm to the Bank that would be difficult or impossible to measure, and that damages or other legal remedies available to the Bank for any such injury would, therefore, be an inadequate remedy for any such breach. Accordingly, the Participant agrees that if he or she breaches any term of this Section 9, the Bank shall be entitled, in addition to and without limitation upon all other remedies the Bank may have under this Plan, at law or otherwise, to obtain injunctive or other appropriate equitable relief, without bond or other security, to restrain any such breach. Claims for damages and equitable relief in any court shall be available to the Bank in lieu of, or prior to or pending determination in any arbitration proceeding. In the event the enforceability of any of the terms of this Plan shall be challenged in court and the Participant is not enjoined from breaching any of the protective covenants, then if a court of competent jurisdiction finds that the challenged protective covenant is enforceable, the time periods shall be deemed tolled upon the filing of the lawsuit challenging the enforceability of this Plan until the dispute is finally resolved and all periods of appeal have expired.

(j) **Defense of Claims.** The Participant further agrees that, during his or her employment or service with the Bank, and for a period of five (5) years after the Participant's Separation from Service, upon request from the Bank, the Participant will cooperate with the Bank in the defense of any claims or actions that may be made by or against the Bank that affect the Participant's prior areas of responsibility, except if the Participant's reasonable interests are adverse to the Bank in such claim or action. The Bank agrees that it shall reimburse the reasonable out of pocket costs and attorney fees the Participant actually incurs in connection with him or her providing such assistance or cooperation to the Bank, in accordance with the Bank's standard policies and procedures as in effect from time to time, *provided* that the Participant shall have obtained prior written approval from the Bank for any travel or legal fees and expenses incurred by him or her in connection with his or her obligations under this paragraph.

10. **Golden Parachute Provisions**.

(a) Anything in this Plan to the contrary notwithstanding, the Bank shall not be obligated to make any payment hereunder that would be prohibited as a "golden parachute payment" or "indemnification payment" under Section 18(k) of the Federal Deposit Insurance Act.

(b) If any payment or benefit to the Participant under this Plan or otherwise would be a "golden parachute payment" or "indemnification payment" within the meaning of Section 18(k) of the Federal Deposit Insurance Act, such payment or benefit shall not be made unless permitted under Applicable Law. The Bank shall use best efforts promptly to apply to the appropriate federal banking agency for a determination that any golden parachute payment is permissible.

(c) Anything in this Plan to the contrary notwithstanding and except as set forth below, in the event it shall be determined that any payment or distribution by the Bank to or for the benefit of the Participant (whether paid or payable or distributed or distributable pursuant to the terms of this Plan or otherwise, but determined without regard to any additional payments required under this Section, except as otherwise provided in this Section) (hereinafter referred to collectively as a "***Payment***") would be subject to the excise tax imposed by Section 4999 of the Code or any interest or penalties are incurred by the Participant with respect to such excise tax (such excise tax, together with any such interest and penalties, are hereinafter collectively referred to as the "***Excise Tax***"), then the Payments shall be reduced to the extent necessary so that no portion thereof shall be subject to the Excise Tax, but only if, by reason of such reduction, the net after-tax benefit received by the Participant shall exceed the net after-tax benefit that would be received by the Participant if no such reduction was made. For purposes of this paragraph, "***Net after-tax benefit***" shall mean (i) the total of all Payments which the Participant receives or is then entitled to receive from the Bank or its subsidiaries that would constitute "excess parachute payments" within the meaning of Section 280G of the Code, less (ii) the amount of all foreign, federal, state and local income and employment taxes payable by the Participant with respect to the foregoing calculated at the maximum marginal income tax rate for each year in which such payments shall be made to the Participant (based on the rate in effect for such year as set forth in the Code as in effect at the time of the first such payment), less (iii) the amount of Excise Tax imposed with respect to the Payments described in (i) above. If a reduction is to occur pursuant to this paragraph, the payments and benefits under this Plan shall be reduced in the following order: any cash reimbursement of premium costs, then any other severance payments made pursuant to Paragraph 5 (in reverse order of payment), then any other amount that is a "parachute payment" within the meaning of Section 280G of the Code in such order as determined in the sole discretion of the Committee and not the Participant.

(d) The provisions of this Plan are subject to and shall be interpreted to be consistent with Applicable Law, which terms control over the terms of this Plan in the event of a conflict between Applicable Law and this Plan. Notwithstanding anything herein to the contrary, no payment or benefit shall be paid or provided to the Participant or be vested or accrued if any such payment or benefit, vesting or accrual would violate Applicable Law and, to the extent any such payment or benefit that has been paid, provided, vested or accrued is determined to be in violation of Applicable Law, any such payment or benefit shall be subject to recoupment or cancellation. In the event of any such violation, the Participant and the Bank shall cooperate in good faith to endeavor to meet the requirements of Applicable Law in a manner that preserves to the greatest extent possible the intent and purposes of this Amendment. "***Applicable Law***" means the laws, statutes, rules, regulations, treaties, directives, guidelines, ordinances, codes, administrative or judicial precedents or authorities and orders of any Governmental Authority, as well as the interpretation or administration thereof by any Governmental Authority charged with the enforcement, interpretation or administration thereof, and all applicable administrative orders, decisions, judgments, directed duties, requests, licenses, authorizations, decrees and permits of,

and agreements with any Governmental Authority, to which the Bank or the Participant are a party or by which the Bank or the Participant are bound, in each case whether or not having the force of law, and all orders, decisions, judgments, and decrees of all courts or arbitrators in proceedings or actions to which the Bank or the Participant are a party or by which the Bank or the Participant are bound. "***Governmental Authority***" means the United States of America, any state or territory thereof and any federal, state, provincial, city, town, municipality, county or local authority, including without limitation, the Federal Deposit Insurance Corporation, the New York State Department of Financial Services, and any board, bureau, instrumentality, agency or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

11. **Successors**.

This Plan is personal to the Participant and without the prior written consent of the Bank shall not be assignable by the Participant other than by will or the laws of descent and distribution. This Plan shall inure to the benefit of and be enforceable by the Participant's legal representatives. This Plan shall inure to the benefit of and be binding upon the Bank and its successors and assigns. The Bank will require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Bank to assume expressly and agree to perform this Plan in the same manner and to the same extent that the Bank would be required to perform it if no such succession had taken place.

12. **No Right to Continued Employment or Service**.

Nothing in the Plan shall confer upon any Participant the right to continue in employment with, or otherwise continue providing services to, the Bank or its Subsidiaries or to be entitled to any remuneration or benefits not set forth in the Plan, or to interfere with or limit in any way the right of the Bank or its Subsidiaries to terminate such Participant's employment or other services. The Participant acknowledges and agrees that any right to payments under this Plan is earned only by continuing as an employee of, or otherwise providing services to, the Bank or any Subsidiary at the will of the Bank or any Subsidiary, as applicable, or satisfaction of any other applicable terms and conditions contained in this Plan.

13. **Taxes and Excise Taxes**.

The Bank and its Subsidiaries are authorized to withhold from any payment under the Plan or otherwise any amounts of withholding and other taxes due to enable the Bank and the Participant to satisfy obligations for the payment of withholding taxes and other tax obligations. Regardless of whether the Bank or any of its Subsidiaries chooses to withhold with respect to any Participant, or the method used, the Participant shall retain sole responsibility for all taxes due in connection with his or her payments under the Plan. Notwithstanding anything in this Plan to the contrary, neither the Bank, any Subsidiary, nor any other person or entity guarantees, warrants or otherwise represents that any payment made under this Plan will produce any favorable or desired tax or other result; and any statement, inference or other communication to the contrary (under this Plan or otherwise) is and shall be subject to the provisions and qualifications and disclaimer of this sentence. The Participant shall be solely and exclusively responsible for any and all such results.

14. **Amendment; Termination.**

The Board may at any time and from time to time alter, amend, suspend, or terminate the Plan in whole or in part; *provided*, that the Plan may not be materially modified with respect to the rights of any individual who has already become a Participant in the Plan as of such date, unless such waiver, modification or discharge is agreed to in writing and signed by the Participant and the Bank or such modification is otherwise determined to be necessary to comply with applicable laws or banking regulations. The Plan shall automatically terminate upon the expiration of the Protection Period (*provided* that any payments due to a Qualifying Termination occurring during the Protection Period shall remain due and owing).

15. **Waiver and Severability**.

No waiver by the Bank or any Participant at any time of any breach by the Bank or a Participant, as applicable, or compliance with, any condition or provision of this Plan to be performed, shall be deemed a waiver of similar or dissimilar provisions or conditions at the same or at any prior or subsequent time. The provisions of this Plan shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other
provisions hereof.

16. **Unfunded Status of Plan**.

The Plan is intended to constitute an unfunded, nonqualified deferred compensation plan. With respect to any payments not yet made to a Participant pursuant to the Plan, nothing contained in the Plan shall give any such Participant any rights that are greater than those of a general creditor of the Bank and its Subsidiaries. In its sole discretion, the Board may authorize the creation of trusts or other arrangements to meet the obligations created under the Plan to deliver payments of cash or property hereunder, *provided, however,* that the existence of such trusts or other arrangements is consistent with the unfunded status of the Plan.

17. **Beneficiary**.

Upon the death of a Participant, all of his or her rights under the Plan, if any, shall inure to his or her designated beneficiary (such written designation to be made by the Participant pursuant to the administrative process determined by the Committee), or, if no such beneficiary designation is in force at the time of Participant's death, to his or her surviving spouse (as determined under applicable state law) or if none, to his or her estate.

18. **No Guarantee or Assurances**.

There can be no guarantee that any distributions under the Plan will occur or that any payment to any Participant will result under the Plan. Nothing in this Plan shall be construed to impose an obligation on the Bank or its Subsidiaries to consummate a Change In Control transaction.

19. **Survival of Certain Provisions.**

The rights and obligations set forth in Sections 5, 6, 7, 9, 10, 11, 13, and 15 shall survive any termination or expiration of this Plan.

20. **Notices.**

All notices by the Participant (or the Participant's estate) shall be addressed to Amalgamated Bank, 275 Seventh Avenue, New York, NY 10001, Attention: General Counsel, or such other address as the Bank may from time to time specify. All notices to the Participant shall be addressed to the Participant at the Participant's address in the Bank's records.

21. **Governing Law.** The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of New York without giving effect to the conflict of laws principles thereof.

22. **Arbitration.** Any controversy or claim arising out of or relating to this plan or the breach hereof or otherwise arising out of the Participant's employment or the termination of that employment (including, without limitation, any claims of unlawful employment discrimination whether based on age or otherwise) shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("***AAA***") in New York, New York in accordance with the Employment Dispute Resolution Rules of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators, except that the arbitrator shall apply the law as established by decisions of the U.S. Supreme Court, the Court of Appeals for the Second Circuit and the U.S. District Court for the Southern District of New York in deciding the merits of claims and defenses under federal law (including without limitation any federal antidiscrimination law). The Bank and the Participant specifically agree that the arbitrator may award injunctive relief. In the event that any person or entity other than the Participant or the Bank may be a party with regard to any such controversy or claim, such controversy or claim shall be submitted to arbitration subject to such other person or entity's agreement. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The parties covenant that they shall participate in the arbitration in good faith. Each party to any arbitration proceeding shall bear its or his own costs and expenses in connection therewith, except as permitted by law or otherwise ordered by the arbitrator in such proceeding. Notwithstanding the foregoing, this Section shall not preclude any party hereto from pursuing a court action pursuant to Section 9 or otherwise for the sole purpose of obtaining a temporary restraining order or a preliminary injunction.

This Plan is being executed, on behalf of the Board, by the duly-authorized officer of the Bank.

AMALGAMATED BANK

By: /s/ Keith Mestrich Date: July 9, 2018
Keith Mestrich, President and
Chief Executive Officer

EXHIBIT A
Plan Definitions

For purposes of the Plan, the following terms shall be defined as set forth below.

"***Annual Base Salary***" means the Participant's annual base salary with the Bank as of the date of the Qualifying Termination (ignoring any reduction constituting Good Reason under this Plan).

"***Average Bonus***" means the Participant's actual annual bonus paid or payable to the Participant under the annual bonus plan of the Bank or its Subsidiaries (as applicable) for the three most recently completed fiscal years prior to the year in which the Qualifying Termination occurs (or, if the Participant was employed for less than three complete fiscal years, the average of his or her complete fiscal years); provided that if the Participant was employed for less than one complete fiscal year, his Target Bonus.

"***Bank***" means Amalgamated Bank, a New York state-chartered bank, or any successor corporation. As used in this Plan, the term "Bank" shall also mean any successor to its business and/or assets that assumes and agrees to perform this Plan by operation of law or otherwise.

"***Board***" means the Board of Directors of the Bank.

"***Cause***" means, with respect to a Participant, the occurrence of any of the following events: (i) the Participant's willful failure to substantially perform his or her duties and responsibilities to the Bank or any Subsidiary or affiliate or deliberate violation of a material Bank, Subsidiary or affiliate policy; (ii) the Participant's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (iii) the Participant's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any Subsidiary or affiliate or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (iv) the Participant's willful and material breach of any of his or her obligations under any written Plan or covenant with the Bank. The Committee shall in its discretion determine whether or not a Participant is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Participant, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate a Participant's employment or service at any time, and the term "Bank" will be interpreted herein to include any Subsidiary or affiliate or successor thereto, if appropriate. Any determination by the Committee that the service of a Participant was terminated with or without Cause for the purposes of the Plan will have no effect upon any determination of the rights or obligations of the Bank, any Subsidiary or affiliate, or such Participant for any other purpose. For purposes of this definition, Cause shall not be considered to exist unless the Bank provides written notice to the Participant which indicates the specific Cause provision in this Plan relied upon, to the extent applicable sets forth in reasonable detail the facts and circumstances claimed to provide a basis for such Cause, and specifies the termination date. The failure by the Bank to set forth in such notice any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Bank hereunder or preclude the Bank from asserting such fact or circumstance in enforcing the Bank's rights hereunder.

"***Change In Control***" means the occurrence of any one or more of the following events:

(i) the consummation of a transaction, or a series of related transactions undertaken with a common purpose, in which any individual, entity or group (a "***Person***"), acquires ownership of stock of the Bank that, together with stock held by such Person, constitutes more than 50% of the total fair market value or total voting power of the Bank's stock; or

(ii) a sale, lease, exchange or other transfer, in one transaction or a series of

related transactions undertaken with a common purpose, of the Bank's assets having a total gross fair market value of 40% or more of the total gross fair market value of all of the assets of the Bank. For this purpose, "***gross fair market value***" means the value of the assets of the Bank, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Plan, a Change In Control will not include (1) a transaction in which the holders of the outstanding voting securities of the Bank immediately prior to the transaction hold at least 50% of the outstanding voting securities of the successor Bank immediately after the transaction; (2) any transaction or series of transactions approved by the Board principally for bona fide equity financing purposes in which cash is received by the Bank or any successor thereto or indebtedness of the Bank is cancelled or converted or a combination thereof; (3) a sale, lease, exchange or other transfer of all or substantially all of the Bank's assets to a majority-owned Subsidiary; or (4) a transaction undertaken for the principal purpose of restructuring the capital of the Bank, including, but not limited to, reincorporating the Bank in a different jurisdiction, or creating a holding company.

Notwithstanding the foregoing, a "Change In Control" will only be deemed to occur if the consummation of the corporate transaction meets the requirements of Reg. Section 1.409A-3(a)(5).

"***Change In Control Severance Period***" means one (1) year for all Participants.

"***Code***" means the Internal Revenue Code of 1986, as amended, and all regulations and formal guidance issued thereunder, as amended from time to time, or any successor legislation thereto.

"***Committee***" means the Compensation Committee of the Board, or such other committee as shall be appointed by the Board to administer the Plan. In the absence of any such committee, the Board shall serve as the Committee.

"***Confidential Information***" shall mean any data and information (i) relating to the business of the Bank or its Subsidiaries, regardless of whether the data or information constitutes a Trade Secret; (ii) disclosed to Participant or of which he/she became aware of as a consequence of Participant's relationship with the Bank or its Subsidiaries; (iii) having value to the Bank or its Subsidiaries; (iv) not generally known to competitors of the Bank or its Subsidiaries; and (v) which includes Trade Secrets, methods of operation, names of customers, price lists, financial

information and projections, route books, personnel data, and similar information; ***provided, however***, that Confidential Information shall not mean data or information which has been voluntarily disclosed to the public by the Bank or its Subsidiaries, except where such public disclosure has been made by Participant without authorization from the Bank or its Subsidiaries, which has been independently developed and disclosed by others, or which has otherwise entered the public domain through lawful means.

"Disability" means a condition under which a Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Bank. Disability will be determined by the Committee on the basis of such medical evidence as the Committee deems warranted under the circumstances.

"***Effective Date***" means the date that the Plan is established as set forth in Section 2.

"Good Reason" means: (i) a material diminution in the Participant's base compensation; (ii) a material diminution in the Participant's authority, duty or responsibilities; (iii) a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Participant is required to report, including a requirement that the Participant report to a corporate officer or employee instead of reporting directly to the Board; (iv) a material diminution in the budget over which the Participant retains authority; (v) a material change (by more than 20 miles) in the location of the Participant's principal worksite without the Participant's consent; or (vi) any other action or inaction that constitutes a material breach by Bank of this Plan or other agreement pursuant to which the Participant provides services to the Bank; ***provided*** that, the Bank shall have thirty (30) days after receipt of notice from the Participant in writing specifying the deficiency to cure the deficiency, to the extent curable, that would result in Good Reason; ***provided***, further, that the Participant shall have ninety (90) days from the occurrence of the event that constitutes Good Reason to provide notice to the Bank that the Participant intends to resign for Good Reason. The failure by the Participant to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason shall not waive any right of the Participant hereunder or preclude the Participant from asserting such fact or circumstance in enforcing the Participant's rights hereunder.

"***Participant***" means an executive designated by the Committee to participate in this Plan.

"***Plan***" means this Amalgamated Bank Change In Control Plan, as amended from time to time.

"***Protection Period***" means ninety days prior to, or one year following, the Change In Control.

"***Qualifying Termination***" means the Bank causes the Participant to incur a Separation from Service other than for Cause, death or Disability, or the Participant voluntarily Separates from Service for Good Reason, during the Protection Period.

"***Separation from Service***" means a 'separation from service' as defined by Section 409A of the Code. By way of illustration, and without limiting the generality of the foregoing, the following principals shall apply:

(i) The Participant shall not be considered to have separated from service so long as the Participant is on military leave, sick leave, or other bona fide leave of absence, if the period of such leave does not exceed six (6) months, or if longer, so long as the Participant retains a right to reemployment with the Bank under an applicable statute or by contract.

(ii) Regardless of whether his employment has been formally terminated, the Participant will be considered to have Separated from Service as of the date it is reasonably anticipated by both parties that no further services will be performed by the Participant for the Bank, or that the level of bona fide services the Participant will perform after such date will permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed over the immediately preceding thirty-six (36) month period (or the full period of employment if the Participant has been employed for less than 36 months). For purposes of the preceding test, during any paid leave of absence the Participant shall be considered to have been performing services at the level commensurate with the amount of compensation received, and unpaid leaves of absence shall be disregarded.

(iii) For purposes of determining whether the Participant has separated from service, all services provided for the Bank, or for any other entity that is part of a controlled group that includes the Bank as defined in Section 414(b) or (c) of the Code, shall be taken into account, whether provided as an employee or as a consultant or other independent contractor; *provided* that the Participant shall not be considered to have not separated from service solely by reason of service as a non-employee director of the Bank or any other such entity.

"***Subsidiary***" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

"Trade Secrets" shall mean any of the Bank's or its Subsidiaries' information, without regard to for, including, but not limited to, technical or non-technical data, a formula, a pattern, a compilation, a program, a device, a method, a technique, a drawing, a process, financial data, financial plans, product plans, or a list of actual or potential customers or suppliers, which is not commonly known by or available to the public and which information (i) derives economic value, actual or potential, form not being generally known to and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (ii) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

Exhibit 10.5

COLLECTIVE BARGAINING AGREEMENT

BETWEEN

AMALGAMATED BANK

AND

OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION,

LOCAL 153, AFL-CIO

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AGREEMENT entered into this 9th day of March, 2020, between the **OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION, LOCAL 153, AFL-CIO,** hereinafter referred to as the **"UNION"** and the **AMALGAMATED BANK**, hereinafter referred to as the **"EMPLOYER"** or **"BANK"**. Members of the **"UNION"** are hereinafter referred to as **"EMPLOYEES"**.

WITNESSETH:

WHEREAS, the parties hereto desire to continue harmonious relations and clearly defined mutual obligations, stipulate and agree as follows:

ARTICLE I:
RECOGNITION

The Employer agrees to recognize the Union as the sole collective bargaining agent for office and clerical employees, at all current locations owned and operated by the Bank in the United States, exclusive of supervisory employees with authority to perform one or more of the following functions: hire, transfer, suspend, layoff, recall, promote, discharge or discipline other employees or effectively to recommend such actions. This Agreement is not to include the positions of human resources staff, senior management executive assistants, as well as any other position agreed to by the Employer and the Union. Everyone who is in the Union currently in these positions of Administrative Assistant will remain as is and be grandfathered. If anyone leaves these positions of Administrative Assistant for reasons of resignation, transfers or termination for cause, the Bank along with the Union will evaluate these positions to determine if they will remain in the Union or become an Executive Assistant. At all future locations owned and operated by the Bank in the United States, the Bank agrees to remain neutral and recognize the Union as the representative of all non-excluded classifications referenced herein in an appropriate unit if a majority of the employees at such future location(s) have authorized the Union to represent them.

At any location owned and operated by the Bank within thirty (30) miles of a current location, the Bank agrees to not oppose an accretion to the unit recognized in this Agreement. At all other future locations, the Bank and the Union agree to negotiate a new collective bargaining agreement with terms and conditions of employment appropriate to such location(s).

ARTICLE II:
UNION SECURITY

(a) The Employer shall require that every employee who is covered by this Agreement as a condition of employment become and remain a member in good standing of the Union during his/her term of employment. Newly hired employees shall become and remain members of the Union within thirty-one (31) calendar days of the date of becoming an employee. The foregoing shall become operative in accordance with applicable law. Good standing is defined as payment of regular monthly dues.

(b) The Bank will, within three (3) working days after receipt of notice from the Union, discharge any employee who is not in good standing in the Union as required by the preceding paragraph.

(c) The jurisdiction of the Union shall be all work or work functions normally or currently performed by employees covered by this Agreement and any new or additional work requiring the same or similar skills for which employees covered by this Agreement currently are employed, notwithstanding the introduction of use of any new or automated system, process, or mechanized or automated equipment which may alter or modify the method or skill. This jurisdiction of the Union shall extend to any employees engaged in new or additional work, which may be performed. Nothing contained in this paragraph shall prevent any officer from doing clerical work at the discretion of Management so long as the employment of these officers in clerical work does not result directly or indirectly in the discharge or layoff of any Union members now or hereinafter employed. The Employer agrees that when new equipment or systems are introduced, Employees whose jobs relate to the new systems or equipment will be given the opportunity to be trained on such equipment or systems whenever feasible.

(d) The Bank agrees to provide the Union on the 15th day of the month a list of all bargaining unit employees hired the previous calendar month, including address, date of hire and salary. The Bank will also notify the Union monthly, with copies to the Chief Steward, of all new hires, leaves of absence, terminations, promotions, demotions, transfers and temporary employees assigned to perform bargaining unit work.

(e) The Chief Steward or his/her designee will be permitted to meet with new employees at the conclusion of orientation at Corporate Headquarters. The local steward will be permitted to meet with new employees at the conclusion of orientation conducted at a location other than Corporate Headquarters.

ARTICLE III:
PROBATION

All new Employees are required to work on probation for a period of ninety (90) calendar days with an additional thirty (30) calendar days if requested by Management. The Bank will notify the Chief Steward orally and follow the notice with written documentation. Such Employees shall be entitled to all rights and privileges of the Agreement except as provided for in *ARTICLES XII, XIII, XV, XVII, XVIII, XVIV, XX, XXI, XXVII, XXVII, XXXII AND XXXIII.*

ARTICLE IV:
TEMPORARIES

After twelve (12) weeks, (420 hours), positions staffed with temporary workers must be offered to full-time/part-time bargaining unit Employees, eliminated, or extended upon approval by the Union. If the Bank has been unable to fill a position internally and a temporary worker is currently in the open position, then a temporary worker, if qualified, may be offered full-time employment after the twelve (12) week period (420 hours). In the monthly report to the Union of temporary workers referenced in *ARTICLE II, Section (d,)* the Employer will provide the temporary worker's name, position filled, time in position and current status of position.

ARTICLE V:
DUES CHECK-OFF

(a) The Employer agrees to deduct Union dues and initiation fees from the wages of each Employee bi-weekly. Dues and initiation fees will become due and payable according to the following schedule: For persons hired before the 23rd day of the month, dues shall become payable the following month. For persons hired on or after the 23rd of the month, dues shall become payable the second following month. The Employer agrees to remit such dues and initiation fees thus collected to the Union each month, at a time that would insure receipt of said monies at the Union office prior to the 10th day of the month following such deductions.

The Employer agrees, where practical, to deduct unpaid Union dues and initiation fees from the final paycheck of any eligible Employee. Any change in the rate of dues and/or initiation fees levied by the Union will be put into effect in the deductions made by Management in the month following the month in which Management receives written notice of change from the Union.

(b) The Employer shall deduct from the wages of any Employee who submits a voluntary authorization card, an amount designated by such Employee for OPEIU “Voice of the Electorate” (VOTE) Fund. Such voluntary contributions shall be forwarded to the Secretary-Treasurer of OPEIU, Local 153, AFL-CIO monthly, by payable check to “Voice of the Electorate” along with a listing of persons who donated such monies.

(c) The Union agrees to file an initiation fee and dues deduction assignment form with the Employer for each Employee, and executed by such Employee, prior to such deductions. The Bank will not be responsible for the collection of dues that are uncollected as a result of the shop steward’s failure to submit a dues assignment card in time to allow for the first scheduled deduction.

(d) Nothing contained in this paragraph is intended to create a liability for the Bank with respect to collection, commencement, or adjustment of dues.

ARTICLE VI:
NON-DISCRIMINATION

(a) No Employee is to suffer any reduction in wages if used in any other capacity at the Bank's request.

(b) No clause in the Agreement is understood to imply a lowering of working conditions heretofore existing in this office.

(c) Employees shall not be asked to make any written statement or verbal contract which may conflict with this Agreement.

(d) Neither the Union nor the Employer, in carrying out their obligations under this Agreement, shall discriminate in matters of hiring, training, promotion, transfer, layoff, discharge or otherwise because of race, color, religion, creed, national origin, disability, gender, pregnancy, sexual orientation, age, marital or familial status, alienage or citizenship status, veteran status, genetic information, gender identity, reproductive health decisions, status as a victim of domestic violence, or any other class protected by federal, state, or local law. The main criterion to be used in granting or denying an individual any position shall be that individual's qualifications to do the job in question (see ARTICLE XXV).

ARTICLE VII:
HOURS

(a) Except for Employees currently working a thirty-five (35) week, Employees shall have a thirty-seven and one half (37.50) hour work week consisting of a maximum of seven and one half hours per day. These hours shall run consecutively from the time designated to commence work, to its completion, with one hour to be allowed for lunch unless other arrangements have been agreed to between the Employer and the Employee.

No Employee shall be required to work more than thirty seven and one half (37.50) hours in a week, except as set forth below: in the event overtime is requested, the Department Head will first ask for volunteers from among those qualified to do the work. Failing to obtain the necessary personnel, the work will be assigned to those qualified Employees. Every effort will be made to "rotate" the assignment of overtime. Employees assigned to work overtime may be excused by Management. All overtime is paid after thirty seven and one half hours (37.50) of actual time worked

(b) The normal workday shall be from 9:00 a.m. to 5:00 p.m., except for Employees where responsibilities require that they regularly work hours other than those herein described as "normal".

(c) Full-time Employees whose normal work starts from 2:00 p.m. on, shall receive a shift differential equal to 15% of earnings for all hours worked.

ARTICLE VIII:
HOLIDAYS

Employees shall be entitled to a whole holiday with pay for any legal holiday on which the Bank is closed to the public. Employees in the District of Columbia may take a personal day with advance notice for Emancipation Day. All Part-Time employees will be paid their scheduled hours for a holiday if they are regularly scheduled to work on the day the holiday occurs. All branches of the Bank will close doors to customers at 3:00 p.m. on Christmas Eve, Good Friday, and New Year's Eve. All work performed in excess of six (6) hours on these days shall be paid for at the rate of time and one-half the straight time hourly rate. In the event a legal holiday falls on a Saturday, Employees shall receive an alternate day off as agreed to by Management before the end of the calendar year. If an Employee leaves the Bank after a holiday has occurred and prior to using said alternate day off, such an Employee shall be compensated for same.

ARTICLE IX:
PERSONAL DAYS

Personal days shall include, but not be limited to, all religious holidays Employees may observe that are not already granted to all Bank Employees. Employees' requests to management for specific personal days will be granted whenever possible, subject to operating requirements and seniority within the department.

Personal days are earned at the rate of one (1) day per full calendar month worked to a maximum of five (5) days per year except as stated below. Employees shall earn personal days according to the following:

1. Employees who were employed during the prior calendar year, will be front loaded five (5) days on January 1st of the current calendar year.

2. All other Employees:

- Hired prior to April 1st, will be front loaded five (5) days after probation.
- Hired between April 1st and June 30th will be front loaded two (2) days after probation.
- Hired after June 30th, but prior to August 31st, will be front-loaded one (1) day after probation.
- Hired after September 1st, earn **NO** Personal days.
- Personal days must be taken during the calendar year for which they are earned and cannot be accumulated.

Upon termination, all employees will be paid out for any unused accrued days.

ARTICLE X:
OVERTIME

Overtime will be paid after 37 1/2 hours per week. All authorized overtime shall be paid at the rate of time and one-half of the Employee's regular hourly rate of pay. All work performed on holidays will be paid at the rate of double time. All work performed on day six (6) and/or seven (7) of any work week will be paid at the rate of double time. It is understood, however, five (5) days worked in any work week constitutes pay at straight time. Management has the right to designate the regularly scheduled work week. If an Employee is required to work a sixth and seventh day in any work week, there will be four (4) hours of pay guaranteed for reporting to work.

For work performed by Employees whose normal work day commences either on Friday or a holiday eve and extends into the following day, the first seven and a half (7 1/2) hours of their work day shall be at regular time; any time over seven and a half (7 1/2) hours shall be paid at double time.

Overtime is calculated at fifteen (15) minute intervals above the scheduled work hours. After working fifteen (15) minutes past regular working time, for each quarter hour during which at least eight (8) minutes of the fifteen (15) minutes is worked, overtime will be paid for the entire quarter hour. All overtime must be approved by the Employee's Manager.

ARTICLE XI:
MEAL AND TRANSPORTATION ALLOWANCES

(a) Employees requested to work more than one and one-half (1 1/2) hours prior to their regular starting time, shall receive six dollars ($6.00) for breakfast money in addition to the overtime pay provided for in *ARTICLE XI*.

(b) Employees shall receive nine dollars ($9.00) for lunch money in addition to overtime compensation in the event it is requested by the Bank that they forego their lunch period.

(c) Employees required to remain after work more than two (2) hours after their regular work hours, shall receive twelve dollars ($12.00) supper money in addition to overtime pay provided in *ARTICLE X*.

(d) Employees who work more than two (2) hours overtime and leave after 12:00 midnight and before 6:00 a.m., shall receive at the option of the Employee, a transportation allowance of twenty dollars ($20.00) taxi fare or car service.

ARTICLE XII:
VACATIONS

Vacation entitlement shall be computed on a calendar year basis. Employees shall be able to schedule their vacation between January 1st and December 31st of each year subject to operational requirements and management approval within each Department.

For Employees hired during the current calendar year:

- Hired prior to April 1st, two (2) weeks vacation after probation.
- Hired between April 1st through June 30th, one (1) week vacation after probation.
- Hired after June 30th but prior to August 31st, two (2) days vacation after probation.
- Hired after September 1st, **NO** vacation.

For current employees, (as of January 1st, of the current calendar year) all vacation is front loaded: (see “VACATION DAYS EARNING SCHEDULE” - Exhibit A).

- One year of service: two (2) weeks vacation
- Five years of service: three (3) weeks vacation
- Ten years of service: four (4) weeks vacation
- Twenty years of service: five (5) weeks vacation

Employees who have completed five (5), ten (10) or twenty (20) years of service during the year of their anniversary date, shall be entitled to that additional week of vacation, commencing with the year of their anniversary date.

Employees with five (5) or more years length of service, who are entitled to receive three (3) or more weeks vacation, shall at the discretion of Management, take not more than two (2) weeks of their vacation consecutively. Legal holidays, falling during vacation, shall be compensated by additional days, which days shall be subject to operational requirements.

A vacation schedule shall be circulated in each department in October of each year for the following year's vacation. Employees who have greater than two weeks of vacation entitlement shall select their first two weeks of vacation by seniority. After all employees have selected their first two weeks vacation, the vacation schedule shall be circulated a second time and any vacant time shall be selected by seniority. Subsequent to January 1st, and provided all vacation schedules have been returned to Human Resources, employees may request vacation time on a first come first served basis for time on the schedule which is open and has not been selected by another employee during the open schedule period. Employees may, however switch time by mutual agreement by submitting their change in writing with the written approval of their Manager to Human Resources.

Any Employee discharged shall receive salary in lieu of earned but unused vacation. Notice of discharge may not be given during vacation or during the two weeks preceding it. Vacation days must be taken during the calendar year for which they are earned and cannot be accumulated except as required by State law. Upon termination all employees will be paid out any unused accrued days.

ARTICLE XIII:
DISMISSALS

(a) Employees shall not be dismissed by Management except for just and sufficient cause. An Employee failing to notify the Bank of the reason for his/her absence for three consecutive business days shall be deemed to have abandoned his/her job and may be terminated by Management. Exceptions to this rule, however, may be made by Management in cases of acceptable extenuating circumstances.

(b) The Employer will notify the Union and Chief Steward immediately of its decision to discharge any Employee. The Employee shall be given two (2) weeks notice prior to dismissal for a reduction in the workforce only. Any Employee dismissed for reasons other than a reduction in the workforce, for serious misconduct, insubordination, theft, dishonest act, gross violation of policies and procedures or other serious offenses shall not receive prior notice. Any Employee dismissed due to a reduction in the workforce will be assisted in every way possible in getting another position, including two (2) days off each week during the period of notice to look for a new position. Any Employee dismissed for reasons other than a reduction in the workforce, for serious misconduct, insubordination, theft, dishonest act, gross violation of policies and procedures or other serious offenses shall not be given two (2) days off each week to look for a new position. The Employer will not discriminate against or discharge any Employee for his or her activities on behalf of the Union. In addition, employees will receive earned time off to include vacation, personal and sick days for the current year.

(c) When an Employee is separated from employment with the Bank through a reduction in force, he/she shall, upon execution of a Binding Release in the form attached hereto as Exhibit J receive, (a) one (1) week of severance paid at the employees base rate of pay for each full year of service to a maximum of twenty (20) weeks and; (b) up to a six (6) months reimbursement of continued medical coverage or until coverage is obtained from another source whichever is sooner. Coverage shall commence the first calendar month following the month of separation.

(d) In the event of a layoff, where the Chief Steward would otherwise be laid off, the Chief Steward shall not be laid off so long as the Chief Steward has equivalent qualifications as the employee who is being laid off in lieu of the Chief Steward. The Union shall certify the name of the Chief Steward to the Employer.

(e) All dismissals must be reviewed by the Director of Human Resources.

ARTICLE XIV:
RESIGNATION

The Union agrees that its members will give the Bank two (2) weeks notice before resigning. Notice of resignation may not be given during vacation or during the two (2) weeks preceding it. All accruals for earned vacation, personal and sick days are based upon the 15th day of the month. In order to be paid for sick days taken during the period subsequent to the resignation notice, an employee must provide a physician's note for absences.

ARTICLE XV:
PAID ABSENCE/SICK LEAVE

(a) All full time Employees who were hired prior to October 2nd of the previous year and have completed probation as of January 2nd of the current year shall be entitled to ten (10) + one (1) paid absences each calendar year (January 1st through December 31st) for a total of eleven (11) days. The ten (10) + one (1) days are front-loaded as of January 2nd of each year. However, if the eleventh (11th) day is used, the Employee will get paid for it, but may, at the discretion of the HR Director or designee, be subject to the Absence Ladder of Progressive Discipline (Exhibit D). If the Employee does not use the eleventh (11th) sick day, it must be banked at the end of the calendar year and is not subject to item (h) of this *ARTICLE XV*. Any absence incurred during a

new Employee's probationary period will count towards the Absence Ladder of Progressive Discipline and the Employee will not be docked. Although paid absence days are front-loaded, they are earned at a rate of one (1) day per complete calendar month of service to a maximum of ten (10) days. Banked sick days may not be used until all current year absence days have been exhausted. (See Exhibit B). Employees starting after October 1st may only bank day(s) earned for that calendar year. Sick leave may be used only for an Employee's illness, absences due to the Employee or Employee's family members being a victim of a family offense matter, sexual offense, stalking or human trafficking or for other reasons specified in the Bank's Family and Medical Leave Act policy in *ARTICLE XVIII* or as required by federal, state, or local law. A physician's note will be required for absences of three (3) or more consecutive workdays whether using sick or banked sick days. If the Employer has reason to believe that the Employee is abusing this benefit (i.e. pattern of absences (on a Monday, Friday or the day before and/or after a holiday), an absence occurs subsequent to an Employee's giving or having been given at least two (2) weeks notice, frequency, etc.), the Employee may be subject to Discipline.

Upon any Employee's separation from the Bank, Pay-Back for absence days unearned but used by the Employee will be pro-rated. Upon termination, all employees with be paid out all accrued unused days.

(b) In the event an Employee's absence exceeds their earned absence days during a calendar year, disciplinary action will result upon the next day of absence from the Bank excluding leave (other than banked sick days) granted under this Agreement. (See Exhibit D "ABSENCE LADDER OF DISCIPLINE".)

An Employee may also back down the "ABSENCE LADDER OF DISCIPLINE" by not being absent for one (1) consecutive complete calendar months. (First day of the month through the last day of the month = 1 complete calendar month), beginning the following calendar month in which the absence occurred. In addition, for each consecutive calendar month thereafter when the Employee has no absences the Employees will go down an additional step on the Ladder of Discipline. All active, full-time employees regularly working a minimum of 30 hours per week, who do not work in a state with statutory disability benefits, will be eligible to receive up to 50% of covered earnings, up to a maximum of $1,900 per week.

(c) Since Employees will have used all their front-loaded absence and banked sick days prior to returning from disability, each occurrence thereafter of an absence during the same calendar year will result in disciplinary action ("LADDER OF DISCIPLINE") being resumed. However, in cases of known, documented, injury or serious illness, the Director of Human Resources or designee may exercise discretion to excuse some or all of the absence days of an employee from discipline.

(d) Any Employee who works less than four (4) hours and is out sick for the remainder of that day will be charged with a half (1/2) sick day. Any Employee who works four (4) hours or more and is out sick for the remainder of the day will be considered to have worked a full day. Lunchtime shall not be considered time worked for the purpose of calculating the number of hours worked by Employees under this section.

(e) Upon leaving the Bank and immediately collecting a monthly pension benefit, beginning the first (1st) of the following calendar month, Employees are entitled to a payment of up to thirty (30) of their Banked Sick Days.

(f) At the end of each calendar year, each Employee will be given an accounting of his/her unused absence days. Each Employee will have the following options:

1. All unused days may be accrued for use in the event of future illness.

2. One-half of the unused days may be accrued for use in the event of future illness and one-half of the unused absence days may be paid in cash.

3. All unused absence days may be paid in cash by January 31 of the following calendar year (10 days maximum may be paid in cash).

The Disciplinary Action set out in this *ARTICLE* is not subject to the provisions of *ARTICLE XXXII. DISCIPLINE.*

(i) In consideration of the above, it is acknowledged that this Agreement provides benefits that are comparable to and/or more generous than what is required under the New York City Earned Safe and Sick Time Act, N.Y.C. Admin. Code §§ 20-911, et seq. and the District of Columbia Employee Accrued Sick and Safe Leave Act, D.C. Code Ann. §§ 32-531.01 et seq. Accordingly, the Union, on behalf of the employees, expressly waives the application of the provisions of the New York City Earned Safe and Sick Time Act, N.Y.C. Admin. Code §§ 20-911, et seq. and the District of Columbia Employee Sick Leave Act, D.C. Code Ann. §§ 32-531.01 et seq., and all rights and benefits thereunder, to the Employees covered by this Agreement.

ARTICLE XVI:
LACTATION

An Employee shall be entitled to take reasonable unpaid breaks to express breast milk for up to three (3) years after giving birth to a child. The Bank will make a private room or other location available for the expression of breast milk upon an Employee's request. To make such a request, an Employee should contact Human Resources.

ARTICLE XVII:
LATENESS

(a) It is the responsibility of all Employees to report to work by their scheduled starting time. There is a ten (10) minute grace period for all morning clock-ins in the Bank's time and attendance system. Each Employee's starting time is established in advance by the Employee's Department Manager and validated by the Bank's time and attendance system. The timesheet will

be used as the official Bank record to determine both the number of latenesses and the total aggregate amount of time an Employee is late during the calendar year. There will be no excused latenesses approved by the Department Manager unless an agreement has been made between the Manager and the Employee prior to the work day in which the lateness occurred. Once approval has been given, the Employee's excused lateness shall not be counted toward the Lateness Ladder of Discipline (see Exhibit E). Employees must clock-in and clock-out themselves on location and not via mobile device. No one may clock-in/out for another Employee under any circumstance. A first violation by an Employee clocking-in/out for another Employees timesheet via the Bank's time and attendance system will result in a five (5) day suspension without pay for both the Employee who clocked-in/out on the timesheet and the Employee whose timesheet was punched. The second violation will result in termination for both the Employee who clocked-in/out on the timesheet and the Employee whose timesheet was clocked-in/out on.

(b) All Employees are entitled to a one (1) hour lunch break. An Employee and his or her Manager may mutually agree for the Employee to take a half hour lunch break in exchange for starting the day a half hour later or leaving a half hour earlier than regularly scheduled. There shall be a five minute grace period for check-ins from the Employee's lunch break. A Union Steward shall be present at a meeting with the Employee and his or her Manager when an Employee's schedule is being altered pursuant to this provision. Any Employee who takes more than one (1) hour for lunch will be considered as late and subject to the lateness Ladder of Progression Discipline, unless an agreement has been made between the Manager and the Employee prior to the lunch break. Calendar year lateness is twenty (20) days. (See Exhibit G)

(c) Any lateness's incurred during the Employee's probationary period will count towards the Lateness Ladder of Progressive Discipline.

(d) Employees shall be disciplined for excessive lateness in accordance with the following schedules:

- EXHIBIT E = “LATENESS LADDER OF DISCIPLINE”
- EXHIBIT F = Aggregate time late during a calendar year.
- EXHIBIT G = More than 20 latenesses during a calendar year.

(e) The Disciplinary Action set out in this *ARTICLE* is not subject to the provision of *ARTICLE XXXII: DISCIPLINE.*

An Employee may also work their way down the “Ladder of Discipline” by having no lateness for one (1) consecutive calendar months, beginning the following calendar month in which the lateness occurred. In addition, for each consecutive calendar month thereafter when the Employee has no lateness the Employee will go down an additional step on the “Ladder of Discipline”. The Bank will provide a spreadsheet monthly to the Chief Steward of Employee’s placement on the Ladder of Discipline.

This *ARTICLE* may be modified upon mutual agreement between Bank Management and the Union Negotiation Committee.

ARTICLE XVIII:
FAMILY AND MEDICAL LEAVE

(a) In accordance with the Federal Family and Medical Leave Act (“FMLA”) and the Bank’s FMLA policies, and except as additionally provided below, Employees shall be entitled, for each applicable rolling twelve (12) month period, to up to 12 work weeks (for District of Columbia Employees up to 16 work weeks in a twenty-four (24) month period), in the aggregate, four of which are paid and the rest of which will be taken as unpaid leave that meets the qualifying conditions for family and/or medical leave under FMLA. Such leave is referred to in this Agreement as FMLA Leave.

(b) An Employee is additionally entitled to the following unpaid leave in the event of:

- the birth of the Employee's child (a "Newborn"), or
- the commencement of an adoption by the Employee of any child (a "Newly Adopted Child") who is either below the minimum age for free public school attendance or a "hard-to-place" or "handicapped" child as those terms are defined by applicable New York State law.

Any Employee with two (2) but less than three (3) years of active service is entitled to unpaid leave of six (6) months to care for a Newborn or Newly Adopted Child ("Child Care Leave"), commencing upon the birth of the Newborn or the commencement of the adoption. Any Employee with three (3) or more years of active service is entitled to one (1) calendar year of Child Care Leave commencing upon the birth of the Newborn or the commencement of the adoption. Where both parents of a Newborn or a Newly Adopted Child are Employees as of the date of the birth of the Newborn or commencement of the adoption of the Newly Adopted Child, the Child Care Leave entitlement for both parents in combination shall be limited to the Child Care Leave entitlement of one of the parents, as provided under this paragraph.

(c) An Employee is additionally entitled to the following unpaid sick leave for FMLA qualifying conditions: Any Employee with two (2) but less than three (3) years of active service is entitled to unpaid sick leave of six (6) months, commencing upon the exhaustion of any sick pay the Employee may have accrued. Any Employee with three (3) or more years of active service is entitled to one (1) calendar year of unpaid sick leave commencing upon the exhaustion of any sick pay the Employee may have accrued.

(d) For purposes of calculating each Employee's annual FMLA Leave, the Employer shall count any sick leave (whether paid or unpaid for FMLA qualifying conditions) (including any disability leave) and/or Child Care Leave taken by an Employee as all or a part of that Employee's annual FMLA Leave entitlement, whenever: (i) such sick leave and/or Child Care Leave meets the qualifying conditions for family and/or medical leave under FMLA and (ii) any portion of the Employee's annual FMLA Leave entitlement is then unused.

However, nothing in this *ARTICLE* shall preclude any Employee from properly taking, or continuing to take, sick leave (including any disability leave) and/or Child Care Leave then accrued and/or owing, if, at the time, the Employee shall have exhausted his or her annual FMLA Leave entitlement.

(e) Child Care Leave and unpaid sick leave as provided, respectively, under paragraphs (b) and (c) of this *ARTICLE* shall be accrued on a calendar-year basis.

(f) Any Employee returning from such Child Care Leave or unpaid sick leave shall notify the Bank at least two (2) weeks in advance of his or her expected date of return. Any such Employee shall be entitled to retain their grade and return to a position at the Bank that is the same pay and total hours with those general increments of pay as may have been granted during his or her leave to other Employees who have been doing similar work. The Employee may be returned to their prior grade and/or position subject to operational need and at the discretion of management.

(g) Seniority will be retained, but not accumulated, during any period such Child Care Leave or unpaid sick leave (exclusive of any disability leave).

(h) Notwithstanding the aforementioned provisions in sections a,b,c,d,e,f and g, of this *ARTICLE*, the Employee shall not be entitled to greater than twelve (12) months of leave in the aggregate.

(i) However, Employees whose leave extends beyond nine (9) months, will be responsible to pay the health premium from the end of the 9th month to the end of the 12th month.

(j) An Employee may be entitled to partial, temporary wage replacement benefits for leave that meets the qualifying conditions for short-term disability under the New York Disability Benefits Law (NYDBL) and/or for family leave under the New York Family Leave Act (NYFLA) and family or medical leave under the District of Columbia Universal Paid Leave Act (DCUPLA). The application for and receipt of benefits under the NYDBL, NYFLA or DCUPLA are administrated by the applicable governmental entities, over which the Bank has no input or control.

ARTICLE XIX:
OTHER UNPAID LEAVE

(a) Employees may be granted unpaid leaves of absence for personal reasons for up to three (3) months. The granting of such leave shall be solely at the discretion of the Employer and not subject to the grievance procedure in this Agreement. The Employer shall not unreasonably withhold such approval.

(b) The Employer agrees to grant a leave of absence to one Employee with pay for the purpose of attending Union conferences and conventions. Said leave of absence is to be granted for no more than one (1) week during any calendar year. Said Employee shall be designated by the Union and agrees to provide a minimum of fifteen (15) days notice to the Bank of the date of the Union conference or convention where such leave is requested.

(c) Upon appropriate advance request by the Union, the Employer will grant an unpaid leave of absence, not to exceed one (1) year, to any one of its present Employees to act as a full-time representative of the Union. Such unpaid leave may be extended by agreement of both the Union and the Employer. During such unpaid leave or extension thereof, the Employee shall continue seniority with the same force and effect for all purposes as if he/she had continued to remain in the employ of the Employer.

(d) District of Columbia employees only: Employees in the District of Columbia who are parents will be eligible for 24 hours of leave during any 12 month period to attend or participate in a school-related event for his or her child. Leave provided in this section is unpaid unless the employee elects to use any paid family, vacation, or other leave provided herein. The employee shall notify the Bank at least 10 calendar days in advance of the intention to use leave under this section unless the need to attend the school-related event cannot be reasonably foreseen.

(e) All of the above provisions of this *ARTICLE* are subject to the approval of the Director of Human Resources.

ARTICLE XX:
DISABILITY

(a) Disabilities caused or contributed to by pregnancy, childbirth, or related medical conditions shall be treated the same as disabilities caused or contributed to by other medical conditions for any and all purposes in connection with employment by the Bank, including, but not limited to, leave requirements and conditions, accommodations, and disability benefit payments, as provided under this Agreement.

(b) Employees will continue to accrue seniority during disability leaves for purposes of maintaining seniority standing.

ARTICLE XXI:
BEREAVEMENT

The Employer agrees to provide a five (5) consecutive paid business day bereavement leave for the death of any Employee's legal immediate family members as identified by the Employee in documentation provided during orientation and status changes. The immediate family shall be

defined to include spouse, parents, step-parents, children, step-children, siblings, step-siblings, parents-in-law, step-parent-in-laws, grandparents, step-grandparents, grandchildren, step-grandchildren, niece, nephew, aunt, uncle and domestic partner. A two (2) consecutive business day paid bereavement leave shall be allowed for the death of a sister-in-law, brother-in-law, son-in-law, daughter-in-law, or grandparent-in-law.

Human Resources may at its discretion require proof of death and proof of relationship to the Employee before allowing payment for such days.

ARTICLE XXII:
HOSPITALIZATION, MEDICAL, DRUG & DENTAL COVERAGE

(a) The Employer agrees to provide each Employee covered by this Agreement in accordance with his/her family status, with Hospitalization and Major Medical, Dental Coverage, Drug plan, FSA Plan, HSA Plan, Transit Program and Vision Care under the same plan(s) as the Employer provides to its non-Union employees. All coverages will be effective following two (2) full calendar months of employment. Employees covered by this Agreement shall not be required to pay the co-premiums required of non-union employees, but shall be subject to all other plan provisions applicable to non-union employees.

Employees shall be responsible to pay a portion of premiums in 2020 according to the following schedule (as detailed on the following page):

Plan / Tier	2020 Bi-Weekly EE Contribution
H.S.A. OAP IN	
All Employees	
Employee	$ 16.59
Family	$ 27.64
H.S.A OAP	
All Employees	
Employee	$ 25.51
Family	$ 46.08

Employees shall be responsible to pay three percent of the premiums in 2021 and four percent of the premiums in 2022.

The Employer will offer a buyout one time per year to Employees who can prove to the Employer and the Union that they have alternative medical coverage in the amount of $1,500.00,

payable in two installments of $750.00 in six months intervals. If the Employee loses such alternative medical coverage, and provides proof of such to the Employer and the Union, the Employee can rejoin the Employer's medical plan. For those Employees participating in an HSA Plan, they will be entitled to a Bank contribution of $1,750 for families and $1,000 for individuals on January 1st of each year for the term of this Agreement. Due to the fact that this Agreement has been signed after January 1st and a lump sum contribution to the HSA by the Bank has already been made to Employees' HSAs, Employees participating in an HSA Plan will receive a contribution of $750 for families and $500 for individuals in the HSA Plan on July 1, 2020; this will bring the total Bank contribution to $1,750 for families and $1,000 for individuals for 2020 for Employees participating in an HSA Plan.

The Bank shall retain the right to change insurance carriers, the financial arrangements with the carrier, and plan design so long as the benefits available to Employees is the same as the benefits available to non-union employees of the Bank. Prior to implementing any substantial change, the Employer agrees to meet with the Union to discuss such changes.

ARTICLE XXIII:
TERM LIFE INSURANCE

Employees on the first day of the month following two (2) full months of employment, shall receive Life Insurance in an amount equal to two times their annual base salary to a maximum of $400,000 rounded to the nearest $1,000 and one half times their annual base salary to a maximum of $40,000 rounded to the nearest highest $500.00. The amount of the Insurance shall be adjusted from time to time in accordance with the Employee's salary and plan document.

The Employer agrees to pay Life Insurance premiums if an Employee is on total disability and has ten (10) years of service with the Employer.

ARTICLE XXIV:
JOB CLASSIFICATIONS

(a) The job classifications shall consist of six (6) grades as set forth in Exhibit C.

(b) All Grades shall have a three (3) month training period.

If an Employee is considered for a promotion and does not satisfactorily pass the probationary period, the Employer shall use good faith efforts to return the Employee to his or her former position, or to a similar position in that grade if his or her former position is no longer available. If his or her former position or a similar position in that grade is not available, the Employer may separate the Employee from employment with the Bank and the Employee shall receive severance pursuant to the requirements of ARTICLE XIV ("Dismissals"), paragraph (c).

Future considerations for promotion to the same or other positions require the successful completion of a new probationary period. It is understood, however, that when an Employee qualifies, he/she shall receive, the promotional increase called for in ARTICLE XXIV, Section (c). At the end of the probationary period, an Employee's promotion shall be considered final, provided the Employee has successfully completed his/her probation.

(c) When an Employee is promoted to a higher grade, he/she shall receive a five percent (5%) salary increase or the minimum rate for the new position, whichever is greater. When an Employee's promotion will result in a greater than one labor grade increase, he/she shall receive a seven and one half percent (7.5%) salary increase or the minimum rate for the new position, whichever is greater. If an Employee bids on a lower position, the Employee's salary shall be reduced by the same percentage of increase that they received in their prior promotion. If an Employee has only been employed in his or her current position, bids on a lower grade position and is accepted for this position, the Employee's salary shall be reduced by 5% for one (1) labor

grade down and 7.5% for two (2) or more labor grades down. This provision shall not apply to an Employee seeking an accommodation from the Employer pursuant to the Americans with Disabilities Act. To assure appropriate, effective training for upgrades, a subcommittee comprised of Union and Management representatives shall be formed.

(d) When new jobs are created, the Bank shall assign them into the appropriate labor grade. The Bank will submit job descriptions for newly created or changed jobs to the Chief Steward prior to the job being posted and upon request, shall meet with the Union to discuss the new or changed position. If there is agreement as to the grade, the Chief Steward will sign and date the job description and return it to Human Resources. If the Union disagrees with the assigned grade, it may seek relief in accordance with *ARTICLE XXVII.*

(e) Employees requested to do the work of a classification higher than their own for a period of five (5) consecutive days or more, shall receive an increase of five percent (5%) or the minimum rate of the higher classification, whichever is greater, for one (1) salary grade or seven and a half percent (7.5%) of the minimum rate of the higher classification, whichever is greater, for more than one (1) salary grade, for the period of time such higher classification work is performed.

(f) The Employer agrees that management shall not routinely do bargaining unit work.

(g) The Employer is committed to work together with the Union to expand the number of jobs in the bargaining unit.

ARTICLE XXV:
PROMOTIONS, UPGRADING & TRANSFERS

Whenever a new position is created or a vacancy occurs, notice shall be posted for ten (10) working days (excluding Saturday and Sunday) in the Job Posting section of the Bank's time and

attendance system. The Employer shall send an e-mail to all employees notifying them that Job Postings will be placed in the Bank's time and attendance system. The Bank will offer training to Employees on how to access the Job Postings in the Bank's time and attendance system. Employees who have one (1) or more years of service in their current Bank position (not including Bank initiated changes) may apply for the position; however, Employees in the affected Department will be given priority consideration. The selection of an Employee from among the applicants shall be based on the Employee's abilities, qualifications and seniority. If the Bank fails to get a qualified candidate for the vacant position during the first internal posting and outside advertising, the Bank will post the vacancy internally a second time upon notification to the Union. Employees with a minimum of six months in their current Bank position (not including Bank initiated changes) will then be allowed to bid on the vacancy. Employees are prevented from bidding on a job posting for six months from the date of a disciplinary suspension. (See *ARTICLE VI: ON-DISCRIMINATION)*. Part-time Tellers with a minimum of three months of employment and have successfully passed probation may bid on full-time intermediate Teller positions.

To assist in the selection of the most qualified applicant for promotion, Human Resources may utilize tests which measure the skills and aptitudes that have a direct bearing on an individual's ability to do the job in question successfully. If an Employee has previously bid for this same position within the prior six (6) months, the Department Manager does not have to interview this internal applicant (unless the Employee can demonstrate they have acquired additional skills necessary for this particular position). If an Employee bids for a position and fails the required tests administered by Human Resources, the Employee must wait six (6) months before he/she can retest and bid for a position which requires the passing of the same test(s), except if the Employee can provide documented evidence of upgraded skills. In the event that two (2) or more applicants' abilities are relatively equal, seniority shall prevail. If a party to the bid is dissatisfied with the outcome, the burden of proof that the decision should be reconsidered is that of the complaining party to management. Lateral and downward bidding are permissible.

The positions of Head Teller, Sales and Service Representative, Administrative Assistant will be posted for interested Employees to apply. The Employer, however, shall have the choice of selecting an Employee to fill these positions without reference to this procedure.

It is understood that the Bank has the right to transfer Employees between the branches as operating requirements necessitate. This right shall not be exercised in an arbitrary or capricious manner.

ARTICLE XXVI:
PENSION, DISABILITY

(a) The Bank shall maintain a long-term disability plan.

(b) The Employer agrees to maintain its non-matching 401(k).

ARTICLE XXVII:
GRIEVANCE AND ARBITRATION

(a) Any and all disputes concerning the effect, interpretation, application and claims arising out of or relating to the terms of this Agreement, or breach thereof, shall be taken up in the first instance between the parties hereto. A representative of the Union shall have access to the place of business during working hours for the purpose of investigating and settling disputes. The parties agree to the following process as a means of resolution of their disputes:

Step 1 - Oral Step - An employee who believes they have a dispute may request that the Union take up the issue at a Step 1 meeting with the Department Manager not later than thirty (30) calendar days from the date that the evidence giving rise to the dispute was first known to them. If the parties fail to accomplish a mutually satisfactory resolution within five (5) days of the meeting, the Union will reduce the grievance to writing and submit it to the Human Resources Department.

Step 2 - Written Step - The Director of Human Resources and his or her designee(s), the Chief Steward and the Grievant shall meet within thirty (30) calendar days or receipt of the written grievance from Step 1 and shall make every effort to create a mutually satisfactory resolution. The Director of Human Resources shall respond to the Union in writing or e-mail within thirty (30) calendar days of the meeting at Step 2 to the Chief Steward letting him or her know whether the grievance has been denied.

If the parties fail to accomplish a mutually satisfactory resolution the Union will forward the written grievance to Step 3.

Step 3 - Second Written Step - The Director of Human Resources and his or her designee(s), the Chief Steward, the Grievant and the Business Representative shall meet to discuss the dispute, unless mutually determined otherwise, within thirty (30) calendar days of receipt of the Step 2 written response. The Director of Human Resources shall respond in writing to the Business Representative and the Chief Steward within thirty (30) calendar days after the Step 3 meeting.

Mediation – By mutual agreement of the Union and the Employer, the grievance may be put in abeyance so that it may be referred to the Federal Mediation & Conciliation Service (FMCS) for non-binding mediation.

Arbitration - Within thirty (30) calendar days of receipt of the Step 3 response, the Union may submit the matter to an Arbitrator in accordance with the Labor Arbitration Rules of the American Arbitration Association and shall simultaneously give notice to the Employer upon filing. The decision of the arbitrator shall be final and binding upon the parties hereto.

The parties may waive in writing any of the time frames in the steps referenced above by mutual agreement.

(b) The parties agree that any and all complaints, disagreements and disputes, and the determination of the respective rights and liabilities of the parties, shall be determined exclusively through the use of arbitration machinery herein above set forth and neither party shall institute any legal action against the other except with respect to the institution and enforcement of the arbitration machinery.

(c) The parties agree that adequate machinery has been established for the settlement of all disputes between them arising out of this Agreement. They, therefore, agree that the Union, for the duration of this Agreement, shall not strike or interfere with the orderly conduct of the Employer's business, nor shall the Employer during the term of this Agreement initiate a lockout.

(d) A grievance must be filed within thirty (30) calendar days of the action grieved or it is deemed to be waived except in the case of discharge. A grievance for discharge must be filed within ten (10) working days of occurrence or it is deemed to be waived.

ARTICLE XXVIII:
SENIORITY AND LAY-OFF

(a) The length of service in a bargaining unit position of the Employee with the Employer shall determine the seniority status of the Employee.

(b) In the event of a lay-off, a rehiring emailing/mailing list shall be established and the laid-off Employees shall remain on such a list for a period of one (1) year. Recall shall be governed by seniority and ability to do the job. The list shall have been exhausted or a year shall have elapsed prior to hiring from outside sources.

ARTICLE XXIX:
REPORTING ABSENCES

An Employee who is absent from work must call in each day, no later than thirty (30) minutes after his/her scheduled starting time, unless he/she is on a documented disability or a doctor approved extended leave. Notification shall be to either the Employee's Manager or Supervisor.

ARTICLE XXX:
PART TIME EMPLOYEES

Part-time Employees, scheduled to work twenty-one (21) or more hours per week are to become members of the Union and are entitled to certain benefits received by full-time Employees on a pro-rated basis, as follows: Paid vacation and personal days, paid at five (5) hours per day); Hospitalization for Employees only; Medical for Employees only; Dental for Employees only; Optical for Employees only; paid sick leave of five (5) days per year, paid at five hours per day, (subject to provisions of *ARTICLE XV, Section (a);* Retirement Plan eligibility determined by requirements of applicable State and Federal Laws. At such time as a part-time Employee becomes a full-time Employee, he/she shall be credited with full-time seniority of one week for each thirty-seven and a half (37.5) hours worked as a part-time Employee.

ARTICLE XXXI:
TUITION

Amalgamated Bank provides a tuition reimbursement program for all satisfactorily performing full-time and participating part-time Employees, with at least one year of continuous service with the Bank. If properly approved, the Bank will reimburse certain tuition costs upon successful completion of the course. The administration of the program and all final decisions regarding the eligibility of Employees is under the authority of the Director of Human Resources.

- All full and participating part-time Employees having completed one year of continuous service, prior to beginning any reimbursable course, are eligible to participate in the program.
- Courses may be taken only at accredited Colleges and Universities.
- All courses must be bank/job related.

- After successful completion of an approved course with a grade of C or better, an Employee is eligible for reimbursement as follows:

Grade	Reimbursement Percent For Tuition/Books
A	100%
B	75%
C	50%
Successful Pass/Fail Courses	70%

- Books will be reimbursed as per the above schedule with payment not to exceed $200.00 per course.
- Participating part-time Employees will be reimbursed for both tuition and books on a prorated basis as determined by their weekly scheduled hours.
- Graduate level courses are not covered under the program unless specifically required by Senior Management.
- Tuition reimbursement forms must be approved by the Department Head and Human Resources two weeks prior to the first-class session, as a condition for reimbursement under the program.
- Employees are responsible for the initial payment of all tuition costs and will be reimbursed only after successfully completing the course. The cost of the courses, as well as fees, are considered as tuition costs. The Bank will calculate the cost of courses at the same rate the College/University charges for one individual credit hour.
- An Employee must be on the Bank’s payroll upon successful completion of the course to be eligible for reimbursement.
- Reimbursements will not exceed $5,250 per calendar year.

ARTICLE XXXII:
DISCIPLINE

The parties agree to the following progressive disciplinary procedure:

- Oral warning
- Written warning I
- Written warning II
- Final written warning
- Termination of employment

If an Employee reaches five (5) years without receiving discipline, he or she may go back a step in progressive discipline.

It is understood that the Bank shall not be required to follow this procedure in cases of, serious misconduct, insubordination, theft, dishonest act, gross violation of policies and procedures or other serious offenses.

In situations where *ARTICLES XV* and *XVII* apply, and where the department manager can provide evidence to Human Resources that an immediate suspension of an employee eligible for discipline would cause a staffing crisis, the employee may be suspended up to two weeks from the date of the disciplinary notice from Human Resources.

ARTICLE XXXIII:
WAGE INCREASES

(a) Effective July 1, 2020, Employees shall receive a 3% wage increase.

(b) Effective July 1, 2021, Employees shall receive a 3% wage increase.

(c) Effective July 1, 2022, Employees shall receive a 3% wage increase.

Part-time Employees shall receive the same percentage increase to their hourly or daily rates of pay.

ARTICLE XXXIV:
MISCELLANEOUS

(a) Shop Stewards shall be permitted to meet once each month for 3 1/2 hours on Bank time to discuss grievances or other Union matters. Said 3 1/2 hours is to include travel time, and to this a non-paid lunch hour may be added. The number of Stewards attending these meetings will be limited to no more than eight (8) including the Chief Steward. The Bank shall provide suitable meeting room space for this purpose. The Chief Steward shall be permitted to attend the monthly meeting Executive Board Local 153; such attendance shall be unpaid.

(b) The Employer agrees to implement a transit check program, which will enable Employees to purchase transit fare with pre-tax dollars during the term of Agreement. The Employer agrees to continue a Qualified Transportation Reimbursement program through the term of this Agreement which will enable Employees to purchase transit fare with pre-tax dollars.

(c) Should the Bank adopt an Employee Stock Purchase Plan and subject to the conditions thereof, Employees shall be eligible for participation at the discretion of the Employer.

ARTICLE XXXV:
TERMINATION & RENEWAL OF AGREEMENT

(a) This Agreement shall commence on March 9, 2020 and terminate as of June 30, 2023.

(b) This Agreement, except as provided for above, shall continue from year to year until terminated by either party giving to the other, written notice of termination by certified mail, sixty (60) days prior to the date of expiration. Notice shall be deemed to have been given on the date of mailing.

(c) In the event either party desires to modify but not cancel this Agreement, it shall submit written notice by certified mail to the other parties business office sixty (60) days prior to the anniversary date of any year, and the other party shall, within ten (10) days after receipt of such notice, request a conference in respect thereto. No modifications shall take effect unless mutually agreed upon in writing.

ARTICLE XXXVI:
MANAGEMENT RIGHTS

The Employer retains the exclusive right to manage its business except as specifically limited by the provisions of this Agreement.

ARTICLE XXXVII:
SUCCESSOR CLAUSE

In the event the Employer by merger, consolidation, sale of assets, lease, franchise or other means, enters into an agreement with another individual or private enterprise which will operate a portion, but less than whole, of the Bank and which affects the existing appropriate collective bargaining unit, then the Employer agrees it has an affirmative duty to notify such enterprise or individual about the terms of this collective bargaining agreement and request that such enterprise or individual meet with and recognize the Union. The Employer agrees it shall notify the Union no later than 48 hours after entering into any such agreement with any such enterprise or individual. The Employer agrees to engage in effects bargaining with the Union.

In the event the Employer by merger, consolidation, sale of assets, lease, franchise or other means, enters into an agreement with another individual or private enterprise which will operate the Bank in whole, then such successor, enterprise or individual and the Union, shall be bound by each and every provision in this Agreement. The Employer has the affirmative duty to call this provision of the Agreement to the attention of any enterprise or individual with which it seeks to make such an agreement.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their respective officers as of the day herein first above written.

AMALGAMATED BANK

BY: /s/ Keith Mestrich
President and Chief Executive Officer

BY: /s/ Tanisa Williams
Senior Vice President

OFFICE & PROFESSIONAL EMPLOYEES INTERNATIONAL UNION, LOCAL 153, AFL-CIO

STEWARDS:

/s/ Gil Yellinek
Name: Gil Yellinek

Title: Chief Shop Steward

/s/ Grantley Warner
Name: Grantley Warner

Title: Shop Steward

/s/ Brenda Medard
Name: Brenda Medard

Title: Shop Steward

/s/ April Henry
Name: April Henry

Title: Shop Steward

/s/ Sushma Bilall
Name: Sushma Bilall

Title: Shop Steward

EXHIBIT A

VACATION DAYS EARNING SCHEDULE

	Entitled to 2 Weeks Vacation	Entitled to 3 Weeks Vacation	Entitled to 4 Weeks Vacation
JAN	2 Days Earned	2 Days Earned	2 Days Earned
FEB	2 Days Earned	2 Days Earned	2 Days Earned
MAR	2 Days Earned	2 Days Earned	2 Days Earned
APR	2 Days Earned	2 Days Earned	2 Days Earned
MAY	2 Days Earned	2 Days Earned	2 Days Earned
JUN	All Days Earned	I Day Earned	2 Days Earned
JUL	All Days Earned	I Day Earned	2 Days Earned
AUG	All Days Earned	I Day Earned	2 Days Earned
SEP	All Days Earned	1 Day Earned	2 Days Earned
OCT	All Days Earned	1 Day Earned	2 Days Earned
NOV	All Days Earned	All Days Earned	All Days Earned
DEC	All Days Earned	All Days Earned	All Days Earned

EXHIBIT B
Effective January 1, 2020
ABSENCE DAYS EARNING SCHEDULE

(FOR NEW HIRES ONLY)
Schedule of when earned absence days go on the books

	***2020**														***2021**	
												Must				
												Be				
	1-Feb	*1-Mar*	*1-Apr*	*1-May*	*1-Jun*	*1-Jul*	*1-Aug*	*1-Sep*	*1-Oct*	*1-Nov*	*1-Dec*	*Banked*	*1/1/21*	*2/1/21*	*3/1/21*	*4/1/21*
Hired																
1/2-2/1				3 + 1	1	1	1	1	1	1	1		10 +1			
2/2-3/1					3 + 1	1	1	1	1	1	1	2	10 +1			
3/2-4/1						3 + 1	1	1	1	1	1	2	10 +1			
4/2-5/1							3 + 1	1	1	1	1	2	10 +1			
5/2-6/1								3 + 1	1	1	1	2	10 +1			
6/2-7/1									3 + 1	1	1	2	10 +1			
7/2-8/1										3 + 1	1	2	10 +1			
8/2-9/1											3 + 1	2	10 +1			
9/2-10/1												4	10 +1			
10/2-												3		10 +1		
11/2-												2			10 +1	
12/2-																10 +1

*2020 & 2021 used for illustration purposes.

EXHIBIT C
(Effective March ____, 2020)
GRADES AND SALARY RANGES*

Grade	Minimum Annual	Minimum Hourly	-	Midpoint Annual	Midpoint Hourly	-	Maximum Annual	Maximum Hourly
7	39,000	20.00		44,000	22.56		49,000	25.13
8	39,500	20.26		45,500	23.33		51,500	26.41
9	40,000	20.51		47,000	24.10		54,000	27.69
10	41,500	21.28		49,500	25.38		57,500	29.49
11	42,000	21.54		51,000	26.15		60,000	30.77
12	44,000	22.56		54,000	27.69		64,000	32.82

***The Bank reserves the right to increase the minimums and maximums of the salary ranges at its discretion.**

EXHIBIT D

ABSENCE LADDER OF DISCIPLINE

ACTION TAKEN UPON RETURN TO WORK IF ALL EARNED ABSENCE DAYS HAVE BEEN TAKEN

	Number of Occurrences					
	1	2	3	4	5	
# of Absences						
1	V					
2	V	W				
3	V	W	S			V = Verbal
4	V	W	S	SS		
5	V	W	S	SS	T	W = Written Warning I
6	V	W	S	SS	T	
7	V	W	S	SS	T	S = Written Warning II
8	V	W	S	SS	T	
9	V	W	S	SS	T	SS = Final Written Warning
10	V	W	S	SS	T	
						T = Termination

NOTE: One (1) Occurrence to be forgiven after “SS” for each completed five (5) years of service.

EXHIBIT E

LATENESS LADDER OF DISCIPLINE

Step # 1: Verbal Warning

Step # 2: Written Warning I

Step # 3: Written Warning II

Step # 4: Final Written Warning

Step # 5: Termination

NOTE:

For each completed five (5) years of service, Step # 5 will be delayed once.

Each five (5) year of service delay may be applied to either Lateness or Absence disciplinary action, but not both.

After taking a five (5) year service delay Employees must complete two (2) additional years of service, before taking another five (5) year service delay.

ln taking any (all) service delay(s) of Termination (Step # 5), Employees will be penalized with Step # 4: 2nd Suspension (five [5] days without pay).

EXHIBIT F

AGGREGATE LATENESS TIME

When an employee's total accumulated lateness time during a calendar year exceeds four (4) hours:

- If the employee is not on the "Lateness Ladder of Discipline", then Step #1: (Verbal Warning) will be administered.
- If the employee is on the "Lateness Ladder of Discipline", then the next Step on the "LLOD" will be administered.

Each additional lateness during the calendar year will result in disciplinary action being taken on the "LLOD" as specified in Exhibit E.

EXHIBIT G

CALENDAR YEAR LATENESS

When an employee is late more than twenty (20) times in a calendar year:

- If the employee is not on the “LLOD”, then Step # 1: (Verbal Warning) will be administered.
- If the employee is on the “LLOD”, then the next Step on the “LLOD” will be administered.

EXHIBIT H

NEW EMPLOYEE PROGRESS REPORT

Employee Name: «EmployeeName» Title/Grade: «TitleGrade»
Department: «Dept» First Day in Position: «FirstDay»

Type of Report (Check One): **New Employee ( )** **New Position ( )**

PLEASE RATE PROGRESS OF EMPLOYEE ON EACH FACTOR USING THE NUMBERS THAT APPEAR BELOW:

1 – Excellent **2** – Exceeds Expectations **3** – Meets Expectations **4** – Meets Some Expectations **5** – Does Not Meet

	1st Report «FirstDueDate»	2nd Report «SecondDate»	3rd Report «ThirdDueDate»
QUALITY			
Accuracy, neatness and completeness of work assignment.			
QUANTITY			
Output of work, considering newness of assignment.			
JOB KNOWLEDGE			
Ability to learn, grasp concepts essential to the work, follow instructions, and apply knowledge. Extent to which employee is familiar with all aspects of and possess skills necessary to do the job and related work.			
INITIATIVE			
Ability to work independently with a minimum of supervision and takes action beyond what is called for.			

COOPERATION			
Ability to work well with co-workers, supervisors, customers, etc.			
SUITABILITY			
Are attitude, personality and temperament appropriate for this kind of work? (Does the person match the job?)			
COMMUNICATION SKILLS			
Effective in expressing thoughts and ideas both verbally and written. Effectiveness in listening to others should also be considered as well as follow-up on work assignments.			
INTERPERSONAL SKILLS			
Effectively interacts with others on all levels throughout the organization as well as skill in dealing with others outside of the organization.			
ATTENDANCE			
Number of days absent.			
PUNCTUALITY			
Number of days late.			

DO YOU RECOMMEND THAT

EMPLOYMENT CONTINUES?

(over)

INSTRUCTIONS:

- ➢ Complete each report, discussing employee's progress with him/her.
- ➢ Return report to Human Resources no later than dates indicated on form.

Report #1: Employee's signature: _____ Date:_____

Manager's signature: _____ Date:_____

Dept. Head signature: _____ Date:_____

Employee Comments:

Remarks:

Report #2 Employee's signature: _____ Date:_____

Manager's signature: _____ Date:_____

Dept. Head signature: _____ Date:_____

Employee Comments:

Remarks:

Report #3: Employee's signature: _____ Date:_____

Manager's signature: _____ Date:_____

Dept. Head signature: _____ Date:_____

Employee Comments:

Remarks:

EXHIBIT I

DATE

NAME

ADDRESS
ADDRESS

Dear NAME:

This letter (the "Agreement and Release") confirms our agreement with regard to your separation from employment with Amalgamated Bank ("Amalgamated Bank" or the "Bank") effective on or about DOT (the "Separation Date"). Our understanding and agreement with respect to your separation is as follows:

1. Your total unconditional compensation, payments and benefits from the Bank shall be as follows (in each case less applicable statutory deductions and authorized withholdings):

1.1 You will receive your final pay through the Separation Date.

1.2 You will be paid for all accrued but unused vacation benefits as of the Separation Date.

1.3 If you currently have Bank medical or dental coverage, you will receive, under separate cover, general information about your rights to elect continuation coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA").

Nothing in this Agreement and Release is intended to impair any of these rights.

2. Provided you agree to and accept the terms of this Agreement and Release and do not timely revoke your acceptance, you shall be eligible for the following benefits:

2.1. You will be paid in a lump sum, within 15 days after this Agreement and Release becomes irrevocable in accordance with paragraph 15, the amount of AMOUNT ($$$$), less applicable statutory deductions and authorized withholdings (the "Separation Payment"), representing # OF WEEKS (#) weeks' base salary.

2.2. Following the Separation Date, the Bank shall pay to you an amount equal to the premium payments that you pay for yourself (and your family, if applicable) for continuation of health coverage under COBRA, less applicable statutory deductions and authorized withholdings, for up to six (6) months beginning COBRA DATES, or until coverage is obtained from another source, whichever is sooner. You agree to notify the Bank within two (2) business days following the commencement of full-time employment before LAST COBRA MONTH.

2.3. The benefits described in subparagraphs 2(a) and (b) shall be referenced in this Agreement and Release collectively as the “Separation Benefits.”

3. You will cease to actively participate in all Bank benefit plans and programs as of the Separation Date.

4. Other than as set forth in this Agreement and Release, you acknowledge and agree that you are not entitled to and will not receive any additional compensation, payments or benefits of any kind from the Releasees (as that term is defined in subparagraph 6(b)), including, without limitation, any notice or separation payments otherwise due under the Collective Bargaining Agreement or any offer letter, letter of employment or employment agreement you have with the Bank, and that no representations or promises to the contrary have been made to you.

5. The Bank will not contest any lawful application by you to receive unemployment benefits.

6. 6.1. As a condition of the Bank’s willingness to enter into this Agreement and Release, and in consideration for the agreements of the Bank contained herein, you hereby release, waive and forever discharge the Releasees from, and hereby acknowledge full accord and satisfaction of, any and all claims, demands, causes of action, and liabilities of any kind whatsoever (upon any legal or equitable theory, whether contractual, common law or statutory, under federal, state or local law or otherwise), whether known or unknown, asserted or unasserted, by reason of any act, omission, transaction, agreement or occurrence that you ever had, now have or hereafter may have against the Releasees up to and including the date of the execution of this Agreement and Release.

Without limiting the generality of the foregoing, you hereby release and forever discharge the Releasees from:

6.1.1. any and all claims relating to or arising from your employment with the Bank, the terms and conditions of that employment, and the termination of that employment;

6.1.2. any and all claims of age discrimination under the Age Discrimination in Employment Act and the Older Workers Benefit Protection Act, as such laws have been amended;

6.1.3. any and all claims of employment discrimination, harassment or retaliation under any federal, state or local statute or ordinance, public policy or the common law, including, without limitation, any and all claims under Title VII of the Civil Rights Act of 1964, the Civil Rights Acts of 1866 and 1991, the Equal Pay Act, the Americans with Disabilities Act, the Worker Adjustment and Retraining Notification Act, the Family & Medical Leave Act, the New York State and New York City Human Rights Laws, the New York Labor Law, the New York Worker Adjustment and Retraining Notification Act, the New York Whistleblower Law, the New York City Earned Safe and Sick Time Act, the New York Constitution, the District of Columbia Human Rights Act, the District of Columbia Parental Leave Act, the District of Columbia Employee Accrued Sick and Safe Leave Act and the District of Columbia Family and Medical Leave Act and as such laws have been amended;

6.1.4. any and all contract claims, claims for bonuses, or claims for severance allowances or entitlements;

6.1.5. any and all claims under the Collective Bargaining Agreement;

6.1.6. any and all claims for employee benefits, including, without limitation, any and all claims under the Employee Retirement Income Security Act of 1974; provided, however, that nothing in this paragraph 6 is intended to release, diminish, or otherwise affect any vested monies or other vested benefits to which you may be entitled from, under, or pursuant to any savings or retirement plan of the Bank;

6.1.7. any and all claims for slander, libel, defamation, negligent or intentional infliction of emotional distress, personal injury, prima facie tort, negligence, compensatory or punitive damages, or any other claim for damages or injury of any kind whatsoever; and

6.1.8. any and all claims for monetary recovery, including, without limitation, attorneys' fees, experts' fees, medical fees or expenses, costs and disbursements and the like.

This Agreement and Release is not intended to and does not affect any rights or claims you may have arising after the date this Agreement and Release is executed by you.

6.2. For purposes of this Agreement and Release, the term "Releasees" includes the Bank, its present and former direct and indirect parents, affiliates, divisions, subsidiaries, predecessors, successors and assigns, and their present and former officers, directors, employees, representatives, attorneys and agents, whether acting as agents or in individual capacities, and the Bank's pension and welfare benefit plans (and their respective administrators, fiduciaries, trustees and insurers), whether acting as agents or in individual capacities, and this release shall inure to the benefit of and shall be binding upon and enforceable by all such entities and individuals.

6.3. You agree that you will not recover upon, or otherwise enforce or accept monies or other relief from, any judgment, decision or award upon any claim released by you in paragraph 6 of this Agreement and Release.

6.4 Nothing in this Agreement is intended to prevent you from filing a charge or participating in any investigation or proceeding conducted by any federal, state, or local governmental agency including but not limited to the Equal Employment Opportunity Commission (the "EEOC") and the National Labor Relations Board; however, you will not be able to obtain any relief or recovery upon any such charge filed, including costs and attorneys' fees. In addition, nothing in this Agreement shall be construed to prevent you from disclosing information in any government investigation, or to law enforcement, the EEOC, the state division of human rights, a local commission on human rights or any attorney retained by you or to any court or judicial officer or pursuant to a valid court order, subpoena or other lawful process.

7. You have not been told that the Bank or any Releasee will employ you in the future, and you agree that the Bank shall not have any obligation in the future to reemploy you, or enter into any other business arrangement of any kind with you. You further agree that if you do seek reemployment or any other business arrangement with the Bank under which you would receive compensation for services performed by you, a rejection by the Bank of your application or inquiry will not constitute a violation of this Agreement and Release.

8. 8.1. You agree to return to the Bank, on or before the Separation Date, any computer equipment, cell phones, BlackBerry devices or other PDAs, office keys, credit cards, ID and access cards, etc., and any and all original and duplicate copies of your work product and of files, calendars, books, employee handbooks, records, notes, notebooks, manuals, computer disks, diskettes and any other magnetic and other media materials you have in your possession or under your control belonging to the Bank, or containing confidential or proprietary information concerning the Bank, and its officers, directors, employees, consultants, customers or operations. By signing this Agreement and Release, you confirm that you will not retain in your possession or under your control any of the documents or materials described in this subparagraph 8(a), and that you are not entitled to receive the Separation Benefits unless this obligation is fully satisfied.

8.2. You acknowledge that, while employed by the Bank, you had access to and possessed confidential and proprietary information and materials concerning the Bank and its employees that are not publicly available, including, without limitation, professional, technical and administrative manuals, associated forms, processes, and computer systems (including hardware, software, database and information technology systems); other methodologies and systems; marketing, investment and business development plans and strategies; customer and prospect files, lists and materials; financial models; operations; Bank costs, profits, and other financial information; short- and long-term strategy information; and personnel data and human resource strategies (the “Confidential Information”). You agree that the Bank will be irreparably damaged if you use or disclose Confidential Information. You agree, therefore, never to use or disclose Confidential Information before it has become publicly known, through no fault of your own. You also agree that, if you are ever asked to disclose any Confidential Information, pursuant to legal process or otherwise, you will contact the Bank’s General Counsel to seek the Bank’s consent prior to any disclosure.

8.3. You agree, upon reasonable notice, to cooperate in any Bank investigation or any litigation, arbitration, or regulatory proceeding in which the Bank is or may become involved, regarding events that occurred during your tenure with the Bank. You agree to make yourself reasonably available to consult with the Bank’s representatives, including its counsel, to provide information, and to appear to give testimony. The Bank will reimburse you for reasonable out-of-pocket expenses that you incur in extending such cooperation, so long as you provide written notice of your request for reimbursement and provide satisfactory documentation of the expenses.

8.4. Nothing in this Agreement and Release is intended to or will limit your right to provide truthful and complete information to judicial or administrative, governmental or regulatory authorities, in connection with any investigation involving the Releasees, or any of them.

9. You agree that you will take no action that is intended, or would reasonably be expected, to harm or disparage the Releasees, or any of them, or to impair any of their reputations.

10. 10.1. You agree that you have properly reported all hours you have worked, and that you have been paid all wages, overtime, commissions or other compensation that the Bank should have paid you through the Separation Date.

10.2. You agree that you have received all leave to which you have been entitled, including leave pursuant to the federal Family and Medical Leave Act, and any similar state or local laws, and that you have not been discriminated or retaliated against in any way for requesting or taking such leave.

10.3. You agree that you have no known workplace injuries or occupationaldiseases.

11. The making of this Agreement and Release is not intended, and shall not be construed, as an admission that the Releasees, or any of them, have violated any federal, state or local law, ordinance or regulation, breached any contract, or committed any wrong whatsoever against you.

12. You agree that, except as provided in the next sentence, the terms and conditions of this Agreement and Release shall be kept in confidence. Unless and until you first obtain written permission from Tanisa Williams, Senior Vice President, Director of Human Resources, Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001, and only to the extent you obtain such permission, you will not knowingly disclose this information to anyone, except: (i) as reasonably necessary to enforce this Agreement and Release; (ii) to your attorneys or bona fide tax advisors; (iii) to your spouse or domestic partner; (iv) to governmental taxing authorities; or, (v) pursuant to compulsory legal process or a court order.

13. You acknowledge that the Bank has made no promises, commitments or representations to you other than those contained in this Agreement and Release and that you have not relied upon any statement or representation made by the Bank with respect to the basis or effect of this Agreement and Release or otherwise.

14. You acknowledge that in Attachment A to this Agreement and Release, you have been provided with information concerning (i) the group of employees covered by the Separation Program (the “Program”); the applicable time limits governing the Program; (iii) the job titles/classifications and ages of employees selected for the Program; and (iv) the job titles/classifications and ages of employees not selected for the Program. (only for group termination)

15. 15.1. You may review and consider this Agreement and Release for a period of 21 (if individual separation) or 45 (if group termination) days. The Bank hereby encourages you to show and discuss this Agreement and Release with your attorney before signing it and that, to the extent you wished to do so, you have done so. If you executed this Agreement and Release before the end of the 21-day period (for individual separation) or 45-day period (if group termination), such early execution was completely voluntary, and you had reasonable and ample time in which to review this Agreement and Release. You acknowledge that you have, in fact, carefully reviewed this Agreement and Release; and that you are entering it voluntarily and of your own free will.

15.2. You acknowledge that you are aware of your right to consult with a representative of the Office & Professional Employees International Union, Local 153, AFL-CIO concerning your separation from employment with the Bank and that, to the extent you wished to do so, you have done so.

15.3. For a period of seven days after you sign this Agreement and Release, you have the right to revoke it by providing notice in writing to: Tanisa Williams, Senior Vice President, Director Human Resources, Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001, by hand delivery, or via overnight courier, or email to tanisawiliams@Amalgamatedbank.com This Agreement and Release will not become effective and enforceable until after the expiration of the seven-day revocation period.

15.4. You understand that your acceptance of the Separation Payment at any time more than seven days after you sign this Agreement and Release confirms that you did not revoke your assent to this Agreement and Release and, therefore, that it is effective and enforceable.

15.5. The Bank will only accept a copy of this Agreement and Release signed after the Separation Date.

16. If, at any time after the date of the execution of this Agreement and Release, any provision of this Agreement and Release shall be held by any court of competent jurisdiction to be illegal, void or unenforceable, such provision shall be of no force and effect. However, the illegality or unenforceability of such provision shall have no effect upon, and shall not impair the enforceability of, any other provision of this Agreement and Release; provided, however, that if paragraph 6 is held to be illegal, void or unenforceable, you agree to promptly execute a valid general release and waiver in favor of the Releasees. This Agreement and Release contains the entire understanding of the parties with respect to the subject matter hereof, and supersedes all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof, except that any existing obligations you have under the Bank's Code of Ethics (including, without limitation, the non-solicitation provisions of Section 6.26(B) and (C) thereof) and the Customer Privacy Code of Conduct shall remain in full force and effect. This Agreement and Release may not be changed orally, and no modification, amendment or waiver of any of the provisions contained in this Agreement and Release, nor any future representation, promise or condition in connection with the subject matter hereof, shall be binding upon any party unless made in writing and signed by such party.

17. You may not assign any of your rights or obligations under this Agreement and Release. This Agreement and Release shall be binding upon and inure to the benefit of the Bank's successors and assigns. Without limiting the foregoing, the Bank may assign its rights and delegate its duties hereunder in whole or in part to any affiliate of the Bank or to any transferee of all or a portion of the assets or business to which this Agreement and Release relates.

18. This Agreement and Release is governed by the laws of the State of New York, without regard to its conflict of laws provisions.

19. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all of which when taken together shall constitute one and the same agreement. Delivery by facsimile or by electronic transmission in portable document format (PDF) of an executed counterpart of this Agreement is as effective as delivery of an originally executed counterpart of this Agreement.

If this Agreement and Release is acceptable to you, please indicate your agreement by signing and dating the enclosed copy and returning it in the enclosed envelope.

Very truly yours,

Tanisa Williams
Senior Vice President
Director of Human Resources

READ THIS AGREEMENT AND RELEASE AND CAREFULLY CONSIDER ALL OF ITS PROVISIONS BEFORE SIGNING IT; IT HAS IMPORTANT LEGAL CONSEQUENCES AND INCLUDES A RELEASE AND WAIVER OF KNOWN AND UNKNOWN CLAIMS. CONSULT YOUR ATTORNEY BEFORE SIGNING IT.

I acknowledge that I have read this Agreement and Release and that I understand and voluntarily accept its terms.

THIS IS A LEGALLY ENFORCEABLE DOCUMENT.

Accepted and Agreed to:

Print Name:_____

Signature:_____ _____
Date

STATE OF _____)

) ss.:

COUNTY OF _____)

On this day of _____, 202_, before me personally came _____ to me known and known to me to be the person described herein and who executed the foregoing Agreement and Release, and (s)he duly acknowledged to me that (s)he executed the same.

_____
Notary Public

ATTACHMENT A

I. Group Covered by the Separation Program

The decisional unit for the Program is Amalgamated Bank employees in DEPARTMENT. All employees whose employment is being terminated in this workforce reduction are selected for the Program.

II. Applicable Time Limits

Each selected employee will have 45 days to return a signed copy of the Agreement and Release, although he or she may submit it earlier than 45 days from receipt. The Bank will only accept a copy of the Agreement and Release signed after the employee's Separation Date. Once the Agreement and Release has been signed, the participant in the Program has seven days to revoke it by providing notice, in writing, to: Tanisa Williams, Senior Vice President, Director of Human Resources, Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001, by hand delivery, or via overnight courier, or email to tanisawilliams@AmalgamatedBank.com.

III. Job Titles/Classifications and Ages of Employees Selected for the Program[1]

IV. Job Titles/Classifications and Ages of Employees Not Selected for the Program[2]

1 All ages listed are calculated as of DATE
2 All ages listed are calculated as of DATE

AMALGAMATED BANK EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: May 13, 2020
APPROVED BY THE STOCKHOLDERS: April 29, 2020
EFFECTIVE DATE: May 14, 2020

1. PURPOSE.

The purpose of the Amalgamated Bank Employee Stock Purchase Plan is to provide eligible employees with an incentive to advance the interests of Amalgamated Bank, a New York non-member commercial bank and chartered trust company (the "*Bank*"), by affording them an opportunity to purchase stock of the Bank at a favorable price.

2. GENERAL

(a) Compliance With Applicable Laws. The Plan is subject to any applicable provisions of the New York Banking Law or the regulations of the New York State Banking Board, and any other applicable law or regulation.

(b) Effective Date. The Plan will not become effective until the date that the Plan has been approved by the Board. The effectiveness of the Plan shall be subject to approval by the holders of a majority of the outstanding shares of capital stock of the Bank within twelve (12) months before or after the date the Plan is adopted by the Board. Such approval shall be obtained in the manner and to the degree required under applicable laws. No Shares may be delivered to any Participant under the Plan unless and until such shareholder approval is obtained. If such shareholder approval is not obtained, all options to purchase shares of Stock granted hereunder shall be null and void, except that any payroll deductions related to the options shall be returned to the applicable Participants.

(c) Duration. The Plan shall remain in effect until the earliest of (i) the date the Board terminates the Plan pursuant to Section 18, (ii) the Plan's automatic termination as set forth in Section 18, or (iii) the date that all Shares authorized for issuance under the Plan shall have been purchased or granted according to the Plan's provisions.

3. DEFINED TERMS.

The following words and phrases as used in this Plan shall have the meanings set forth in this Section unless a different meaning is clearly required by the context:

"*Board*" means the Board of Directors of the Bank.

"*Cancellation Notice*" means the notice, in the form approved by the Committee, that is delivered by a Participant who wishes to cancel his or her election to purchase Stock during an Offering, as described in Section 8(e).

"*Cause*" shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, means, with respect to a Participant, the occurrence of any of the following events: (a) the Participant's willful failure to substantially perform his or her duties and responsibilities to the Bank or any Subsidiary or affiliate or deliberate violation of a material Bank, Subsidiary or affiliate policy; (b) the Participant's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (c) the Participant's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any Subsidiary or affiliate or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (d) the Participant's willful and material breach of any of his or her obligations under any written plan or covenant with the Bank. The Committee shall in its discretion determine whether or not a Participant is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Participant, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate a Participant's employment or service at any time, and the term "Bank" will be interpreted herein to include any Subsidiary or affiliate or successor thereto, if appropriate. Any determination by the Committee that the service of a Participant was terminated with or without Cause for the purposes of the Plan will have no effect upon any determination of the rights or obligations of the Bank,

any Subsidiary or affiliate, or such Participant for any other purpose. For purposes of this definition, Cause shall not be considered to exist unless the Bank provides written notice to the Participant which indicates the specific Cause provision in this Plan relied upon, to the extent applicable sets forth in reasonable detail the facts and circumstances claimed to provide a basis for such Cause, and specifies the termination date. The failure by the Bank to set forth in such notice any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Bank hereunder or preclude the Bank from asserting such fact or circumstance in enforcing the Bank's rights hereunder.

"*Change in Control*" means the occurrence of any one or more of the following events: (a) the consummation of a transaction, or a series of related transactions undertaken with a common purpose, in which any individual, entity or group (a "*Person*"), acquires ownership of stock of the Bank that, together with stock held by such Person, constitutes more than 50% of the total fair market value or total voting power of the Bank's stock; or (b) a sale, lease, exchange or other transfer, in one transaction or a series of related transactions undertaken with a common purpose, of the Bank's assets having a total Gross Fair Market Value of 40% or more of the total gross fair market value of all of the assets of the Bank. For this purpose, "*Gross Fair Market Value*" means the value of the assets of the Bank, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Plan, a Change in Control will not include (i) a transaction in which the holders of the outstanding voting securities of the Bank immediately prior to the transaction hold at least 50% of the outstanding voting securities of the successor company immediately after the transaction; (ii) any transaction or series of transactions approved by the Board principally for bona fide equity financing purposes in which cash is received by the Bank or any successor thereto or indebtedness of the Bank is cancelled or converted or a combination thereof; (iii) a sale, lease, exchange or other transfer of all or substantially all of the Bank's assets to a majority-owned Subsidiary; or (iv) a transaction undertaken for the principal purpose of restructuring the capital of the Bank, including, but not limited to, reincorporating the Bank in a different jurisdiction, or creating a holding company.

Notwithstanding the foregoing, a Change in Control will only be deemed to occur if the consummation of the corporate transaction meets the requirements of Treasury Regulation §1.409A-3(a)(5).

"*Code*" means the Internal Revenue Code of 1986, as amended, and any regulations or formal guidance issued thereunder.

"*Committee*" means the Compensation Committee of the Board, or in its absence, the Board shall serve as the

Committee.

"*Bank*" means Amalgamated Bank a New York non-member commercial bank and chartered trust company.

"*Effective Date*" means May 14, 2020.

"*Eligible Compensation*" means the gross (before taxes and other authorized payroll deductions are withheld) total of all wages, salaries, commissions, overtime and bonuses received during the Offering Period, but shall not include (a) employer contributions to or payments from any deferred compensation program, whether such program is qualified under Code Section 401(a) (other than amounts considered as employer contributions under Code Section 402(e)(3)) or nonqualified, (b) amounts realized from the receipt or exercise of a stock option that is not an incentive stock option within the meaning of Code Section 422, (c) amounts realized at the time property described in Code Section 83 is freely transferable or no longer subject to a substantial risk of forfeiture, (d) amounts realized as a result of an election described in Code Section 83(b), and (e) amounts realized as a result of a disqualifying disposition within the meaning of Code Section 421(b).

"*Eligible Employee*" shall have the meaning set forth in Section 7.

"*Enrollment Form*" means the enrollment form (in writing or electronic) approved by the Committee on which the

Participant gives notice of his or her election to participate in an Offering under the Plan.

"Excluded Class" means any or all of the following classes of employees: (a) employees who have been employed less than two (2) years; (b) highly compensated employees (within the meaning of Code Section 414(q)); or (c) highly compensated employees (within the meaning of Code Section 414(q)) with compensation above a certain designated level, who are officers, or who are subject to the disclosure requirements of Section 16(a) of the Securities Exchange Act of 1934.

"*Fair Market Value*" of a share of Stock means, for a particular day:

(a) If shares of Stock of the same class are listed or admitted to unlisted trading privileges on any national or regional securities exchange at the date of determining the Fair Market Value, then the last reported sale price, regular way, on the composite tape of that exchange on that business day or, if no such sale takes place on that business day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to unlisted trading privileges on that securities exchange or, if no such closing prices are available for that day, the last reported sale price, regular way, on the composite tape of that exchange on the last business day before the date in question; or

(b) If subparagraph (a) does not apply and if sales prices for shares of Stock of the same class in the over-the-counter market are reported by Nasdaq (or a similar system then in use) at the date of determining the Fair Market Value, then the last reported sales price so reported on that business day or, if no such sale takes place on that business day, the average of the high bid and low asked prices so reported or, if no such prices are available for that day, the last reported sale price so reported on the last business day before the date in question; or

(c) If subparagraphs (a) and (b) do not apply and if bid and asked prices for shares of Stock of the same class in the over-the-counter market are reported by Nasdaq (or, if not so reported, by the National Quotation Bureau Incorporated) at the date of determining the Fair Market Value, then the average of the high bid and low asked prices on that business day or, if no such prices are available for that day, the average of the high bid and low asked prices on the last business day before the date in question; or

(d) If subparagraphs (a)-(c) do not apply at the date of determining the Fair Market Value, then the value determined in good faith by the Committee, which determination shall be conclusive for all purposes; or

(e) If subparagraphs (a), (b) or (c) apply, but the volume of trading is so low that the Board determines in good faith that such prices are not indicative of the fair value of the Stock, then the value determined in good faith by the Committee, which determination shall be conclusive for all purposes notwithstanding the provisions of subparagraphs (a), (b), and (c).

If the Committee is required to determine Fair Market Value under (d) or (e) above, the Fair Market Value determination will be based on all relevant facts and circumstances, including, but not limited to: (i) the market value of the shares of comparable banks, and (ii) the trend of the Bank's earnings.

"*Grant Date*" means the first day of an Offering Period.

"*Offering*" means the offer by the Bank during the designated Offering Period to permit Eligible Employees to elect to purchase shares of Stock at the designated Purchase Price.

"*Offering Period*" means the period specified by the Committee as described in Section 8. "*Participant*" means each Eligible Employee who elects to participate in an Offering Period. "*Participating Affiliate*" shall have the meaning set forth in Section 6.

"*Plan"* means this Amalgamated Bank Employee Stock Purchase Plan.

"*Purchase Date*" means the last day of an Offering Period.

"*Purchase Price*" means the per share price of Stock to be paid by each Participant on the Exercise Date for an Offering, which amount shall be designated by the Committee but shall never be less than eighty-five (85%) of the Fair Market Value of the Stock on the Purchase Date.

"*Stock*" means the authorized $0.01 par value common stock of the Bank, which shares may be unissued shares or reacquired shares or shares bought on the market for purposes of the Plan.

"*Subsidiary*" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

4. ADMINISTRATION OF THE PLAN.

The Plan shall be administered by the Committee. Except to the extent that the full Board is serving as the Committee hereunder, the Committee shall be composed solely of three or more Non-Employee Directors, in accordance with Rule 16b-3 and shall act only by a majority of its members then in office. Subject to the provisions of the Plan, the Committee shall interpret and construe the Plan and all options granted under the Plan; shall make such rules as it deems necessary for the proper administration of the Plan; shall make all other determinations necessary or advisable for the administration of the Plan, including the determination of eligibility to participate in the Plan and the amount of a Participant's option under the Plan; and shall correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any option granted under the Plan, in the manner and to the extent that the Committee deems desirable to carry the Plan or any option into effect. The Committee shall, in its sole discretion exercised in good faith, make such decisions or determinations and take such actions as it deems appropriate, and all such decisions, determinations and actions taken or made by the Committee pursuant to this and the other paragraphs of the Plan shall be conclusive and binding on all parties. The Committee shall not be liable for any decision, determination or action taken or not taken in good faith in connection with the administration of the Plan. The Committee, in its discretion, may approve the use of a voice response system or on-line administration system through which Eligible Employees and the Committee may act under the Plan, as an alternative to written forms, notices and elections.

5. STOCK SUBJECT TO THE PLAN.

Subject to the provisions of Section 13, the aggregate number of shares which may be sold pursuant to options granted under the Plan shall not exceed five hundred thousand (500,000) shares of Stock. Should any option granted under the Plan expire or terminate prior to its exercise in full, the shares theretofore subject to such option may again be subject to an option granted under the Plan. Any shares of Stock which are not subject to outstanding options upon the termination of the Plan shall cease to be subject to the Plan.

6. PARTICIPATING AFFILIATE.

Each present and future parent and Subsidiary corporation of the Bank (within the meaning of Code Sections 424(e) and (f)) that is eligible by law to participate in the Plan shall be a "*Participating Affiliate*" during the period that such entity is such a parent or Subsidiary corporation; *provided, however*, that (a) the Committee may at any time and from time to time, in its sole discretion, terminate a Participating Affiliate's participation in the Plan, and (b) any foreign parent or Subsidiary corporation of the Bank shall be eligible to participate in the Plan only upon approval of the Committee. Any Participating Affiliate may, by appropriate action of its Board of Directors, terminate its participation in the Plan. Transfer of employment among the Bank and Participating Affiliates (and among any other parent or Subsidiary corporation of the Bank) shall not be considered a termination of employment hereunder.

7. ELIGIBILITY.

Any employee of the Bank or a Participating Affiliate (determined under Treasury Regulation section 1.421-1(h)) who satisfies all of the following requirements as of the applicable Grant Date ("*Eligible Employee*") shall be eligible to participate in any Offering Period that begins on or after the first day of the next calendar quarter after all such requirements are met:

(a) The employee is customarily employed by the Bank and/or one or more Participating Companies at least twenty (20) hours per week and at least five (5) months per year; and

(b) The employee does not, immediately after the option is granted, own stock possessing five-percent (5%) or more of the total combined voting power or value of all classes of stock of the Bank or of a parent or Subsidiary corporation (within the meaning of Sections 423(b)(3) and 424(d) of the Code); and

(c) The employee is not within one (1) or more Excluded Categories that the Committee has designated (in writing or electronically) as being ineligible to participate in the Offering.

8. OFFERING.

(a) Offering Period. The Committee shall designate (in writing or electronically) one or more Offering Periods during which the Bank will offer options to Eligible Employees to purchase shares of Stock under this Plan, which designation shall be incorporated by reference into the Plan. An Offering Period may have any length between one (1) month and one (1) year. Offering Periods may be alternative, concurrent, sequential or overlapping, and need not have the same duration, commencing or ending dates, or Purchase Prices; *provided, however*, all Eligible Employees who are eligible to purchase shares of Stock during an Offering Period shall have the same rights and privileges with respect to that Offering Period.

(b) Election to Participate. Each Eligible Employee who elects to participate in an Offering (a "*Participant*") shall deliver to the Bank, within the time period designated by the Committee, an Enrollment Form (in writing or electronic) approved by the Committee, on which the Participant will give notice of his or her election to participate in the Plan as of the next following Grant Date, and the percentage or specific amount (as determined by the Committee) of his or her Eligible Compensation to be deducted for each pay period during the Offering Period and credited to a book entry account established in his or her name. The designated percentage or specific amount of a Participant's Eligible Compensation to be deducted for each pay period during an Offering Period may not be less than one-percent (1%) or greater than (i) twenty-five-percent (25%) of the amount of Eligible Compensation (after taxes and any other authorized payroll deductions are withheld) from which the deduction is made; or (ii) an amount which will result in non-compliance with the annual limitations stated in Section 8(d) below. The Committee may adopt a procedure pursuant to which a Participant who has elected to participate in an Offering shall be deemed to have made the same election for each subsequent Offering for which he or she is eligible, unless and until the Participant cancels his or her election as described in Section 8(e) below.

(c) Payment for Shares. A Participant may elect to purchase shares of Stock during an Offering Period only by means of payroll deduction.

(d) Annual Limitations. No Eligible Employee shall be granted an option under the Plan to purchase Stock to the extent such grant would permit his or her rights to purchase Stock under the Plan and under all other employee stock purchase plans of the Bank and its parent and Subsidiary corporations (as such terms are defined in Section 424(e) and (f) of the Code) to accrue at a rate which exceeds, in any one calendar year in which any such option granted to such Eligible Employee is outstanding at any time (within the meaning of Section 423(b)(8) of the Code), the lesser of (i) $25,000 in Fair Market Value of Stock (determined in accordance with Section 8(b) at the time the option is granted), or (ii) fifteen percent (15%) of the Participant's Eligible Compensation (determined at the time the option is granted).

(e) Cancellation of Election. Any Participant may cancel his or her election made for an Offering Period at any time prior to thirty (30) days before the Purchase Date for that Offering Period. Partial withdrawals shall not be permitted. A Participant who wishes to cancel his or her election must timely deliver (in writing or electronically) to the Bank a Cancellation Notice in the form approved by the Committee. The Bank, promptly following the time when the such Cancellation Notice is delivered, shall refund to the Participant the amount of the cash balance in his or her account under the Plan and shall cancel the Participant's payroll deduction authorization and his or her interest in unexercised options under the Plan shall terminate. A Participant who cancels his or her election shall not be eligible to participate in the Plan during the then current Offering Period, but shall be eligible to participate again in the Plan in a subsequent Offering Period (*provided* that the Participant is otherwise eligible to participate in the Plan at such time and complies with the enrollment procedures).

(f) Termination of Employment. If the employment of a Participant terminates for any reason (including death), his or her election made for the current Offering Period and his or her participation in the Plan shall

terminate as of the date of termination of employment; *provided, however,* if such termination occurs within the last two (2) weeks of the Offering Period, the Participant's participation shall not terminate until the end of the Offering Period after his or her Plan account has been applied toward the purchase of shares of Stock for such Offering Period. The Bank shall refund to the Participant the amount of the cash balance in his or her account under the Plan, and no further shares of Stock will be purchased under the Plan.

(g) Leaves of Absence. For purposes of this Plan, the Participant's employment will be treated as continuing while the Participant is on military, sick leave or other bona fide leave of absence if such leave does not exceed ninety (90) days or, if longer, such period during which the Participant continues to be guaranteed reemployment rights by statute or contract as described in Treasury Regulation §1.421-7(h)(2). If a Participant takes an unpaid leave of absence, then such Participant may not make additional contributions under the Plan while on such unpaid leave of absence (except to the extent of any Eligible Compensation paid during such leave), but any payroll deductions already taken during the applicable Offering Period shall be applied to exercise options on the next following Purchase Date, unless cancelled pursuant to Section 8(e) or (f) above.

9. PURCHASE OF STOCK.

On the Purchase Date at the end of an Offering Period, each Participant in the Offering, automatically and without any act on his or her part, shall be deemed to have exercised his or her option to purchase whole shares of Stock at the Purchase Price designated by the Committee for such Offering. The number of whole shares of Stock to be purchased by a Participant shall be the total payroll deductions withheld on behalf of such Participant during the Offering Period divided by the Purchase Price of the Stock. To the extent that, after the purchase of the maximum number of whole shares of Stock permitted under the Plan with respect to an Offering Period, there is cash remaining in the Participant's Plan account, the Bank shall as soon as practicable issue the Participant a check for such amount.

10. DELIVERY OF SHARE CERTIFICATES.

As soon as practicable after each Purchase Date, the Bank shall issue one or more certificates representing the total number of whole shares of Stock purchased by all Participants during such Offering Period. Any such certificate shall be held by the Bank (or its agent) and may be held in street name. If the Bank issues a certificate representing the shares of more than one Participant, the Bank shall keep accurate records of the beneficial interests of each Participant in each such certificate by means of a Bank stock account. Each Participant shall be provided with such periodic statements as may be directed by the Committee reflecting all activity in any such Bank stock account. In the event the Bank is required to obtain from any commission or agency the authority to issue any such certificate, the Bank shall seek to obtain such authority. Inability of the Bank to obtain from any such commission or agency the authority which counsel for the Bank deems necessary for the lawful issuance of any such certificate shall relieve the Bank from liability to any Participant in the Plan except to return to him or her the amount of the balance in his or her account. A Participant may, on the form approved by the Committee, request the Bank to deliver to such Participant a certificate issued in his or her name representing all or a part of the aggregate whole number of shares of Stock then held by the Bank on his or her behalf under the Plan. Further, as soon as administratively practicable following the termination of a Participant's employment with the Bank and its parent or Subsidiary corporations for any reason, the Bank shall deliver to such Participant a certificate issued in his or her name representing the aggregate whole number of shares of Stock then held by the Bank on his or her behalf under the Plan. Neither the Bank nor the Committee shall have any liability with respect to a delay in the delivery of a Stock certificate pursuant to this Section 10.

While shares of Stock are held by the Bank (or its agent), such shares may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of by the Participant who has purchased such shares; *provided, however*, that such restriction shall not apply to the transfer of such shares of Stock pursuant to (a) a plan of reorganization of the Bank (but the stock, securities or other property received in exchange therefor shall be held by the Bank pursuant to the provisions hereof), or (b) a divorce (subject to the holding period requirements described in Section 11 below).

11. HOLDING PERIOD.

Subject to the Bank's Stock Ownership Policy for Executives, a Participant may not dispose of (in any manner including assignment or hypothecation) shares of Stock acquired under this Plan until six (6) months following the Grant Date of such shares (the "*Holding Period*"); *provided*, however, this Holding Period may expire on an earlier date to the extent that the Committee determines, in its sole discretion, that the Participant would qualify for a hardship distribution from the Bank's 401(k) Plan. Upon the expiration of the Holding Period for any share of Stock, the Participant may dispose of such Stock as long as such disposition complies with all applicable securities laws.

While the Plan requires only a 6-month Holding Period, each Participant may be required to hold his or her shares of Stock acquired through this Plan until the later of twelve (12) months following their Purchase Date or twenty-four (24) months following their Grant Date, if the Participant desires to achieve capital gains treatment with respect to any gain. To the extent that the Company or any of its Subsidiaries or affiliates is required to withhold federal, state or any other taxes in connection with a Participant's participation in this Plan, the Participant consents to the Company or such Subsidiary or affiliate deducting such amount from any compensation due to such Participant by the Company or such Subsidiary or affiliate. Notwithstanding the foregoing, each Participant remains solely responsible for all taxes due with respect to his or her participation in the Plan.

12. INSUFFICIENCY OF SHARES AVAILABLE FOR ISSUANCE.

If the total number of shares of Stock remaining available for issuance pursuant to Section 5 is less than the total number of shares of Stock that has been elected by Participants to be purchased for a given Offering Period, after application of the limitations in Sections 8(b), (d) and (f) (but not this Section 8(e)) (the "*Total Share Limit*"), then the number of shares of Stock that could otherwise be acquired by each Participant for the given Offering Period shall be reduced proportionately based on the ratio that such available shares bears such total shares elected to be purchased by all Participants with respect to such Offering Period.

13. RESTRICTION UPON ASSIGNMENT.

An Eligible Employee rights under the Plan shall not be transferable otherwise than by will or the laws of descent and distribution. An Eligible Employee's option to purchase shares of Stock shall be exercisable, during the Participant's lifetime, only by the Eligible Employee to whom it was granted. The Bank shall not recognize any assignment or purported assignment by an Eligible Employee of his or her option or of any rights under his or her option, and any such attempt may be treated by the Bank as an election to withdraw from the Plan. Notwithstanding the foregoing, a Participant may file a written designation of a beneficiary who is to receive any shares of Stock and cash in the Participant's Plan account in the event of such Participant's death. Such designation of beneficiary may be changed by the Participant at any time by written notice during Participant's lifetime. Upon the death of a Participant and upon receipt by the Bank of proof of the identity and existence of a beneficiary validly designated by him or her under the Plan, the Bank shall deliver such shares and cash to such beneficiary. In the event of the death of the Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Bank shall deliver such shares of Stock and cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Bank) the Bank shall deliver such shares of Stock and cash to the applicable court having jurisdiction over the administration of such estate. No designated beneficiary shall, prior to the death of the Participant by whom he or she has been designated, acquire any interest in the shares or Stock or cash credited to the Participant under the Plan.

14. NO STOCKHOLDER RIGHTS.

A Participant shall not have any rights or privileges of a stockholder until the Bank has issued a certificate for shares of Stock to the Participant following the applicable Purchase Date. With respect to a Participant's Stock that has been issued but is held by the Bank (or its agent) pursuant to Section 10, the Bank shall, as soon as practicable and in accordance with applicable law, pay the Participant any cash dividends attributable thereto and facilitate the Participant's voting rights attributable thereto.

15. CLAWBACK/RECOVERY.

All shares of Stock purchased under the Plan will be subject to clawback, recovery, or recoupment, as determined by the Committee in its sole discretion, (a) as provided in the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time and applicable to all officers of the Bank on the same terms and conditions, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, (b) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (c) to the extent that the Committee determines that the Participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the Participant has willfully engaged in any activity injurious to the Bank, or the Participant's termination with the Bank or its Subsidiaries is for Cause, and/or (d) in instances of regulatory or capital issues and bad risk behavior (i.e., significant negative individual actions such as violations of risk policies). No recovery of compensation under this Section will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Bank or any of its Subsidiaries.

16. CHANGES IN STOCK; ADJUSTMENTS.

Whenever any change is made in the Stock, by reason of a stock dividend or by reason of subdivision, stock split, reverse stock split, recapitalization, reorganization, combinations, reclassification of shares, or other similar change, appropriate action will be taken by the Committee to appropriately adjust the number of shares of Stock subject to the Plan, the minimum and maximum number of shares that may be purchased hereunder, and the number and Purchase Price of shares available for purchase and elections made to purchase such shares during the current Offering Period.

Upon the occurrence of a Change in Control, unless a surviving corporation assumes or substitutes new options to purchase (within the meaning of Code Section 424(a)) for all options to purchase shares of Stock then outstanding or the Committee elects to continue the options to purchase shares of Stock then outstanding without change, the Purchase Date for all options then outstanding shall be accelerated to a date fixed by the Committee prior to the effective date of such Change in Control.

17. USE OF FUNDS; NO INTEREST PAID.

All funds received or held by the Bank under the Plan shall be included in the general funds of the Bank free of any trust or other restriction, and may be used for any corporate purpose. No interest shall be paid to any Participant or credited to his or her account under the Plan.

18. AMENDMENT OR TERMINATION THE PLAN.

The Board in its discretion may terminate the Plan at any time with respect to any shares for which options have not theretofore been granted. The Committee shall have the right to alter or amend the Plan or any part thereof, from time to time without the approval of the stockholders of the Bank; *provided*, that no change in any option theretofore granted, other than a change determined by the Committee to be necessary to comply with applicable law, may be made which would impair the rights of the Participant without the consent of such Participant; and *provided*, *further*, that the Committee may not make any alteration or amendment, without the approval of the stockholders of the Bank, which would (i) increase the aggregate number of shares which may be issued pursuant to the provisions of the Plan (other than as a result of the anti-dilution provisions of the Plan), (ii) change the annual limitation under section 8(d)(ii), (iii) extend the term of an Offering Period or the term of the Plan (as defined below), (iv) change the class of individuals eligible to receive options under the Plan, or (v) cause options issued under the Plan to fail to meet the requirements for employee stock purchase plans as defined in Section 423 of the Code.

Unless earlier terminated by the Board, the Plan shall automatically terminate on, and no further Offering Periods shall begin ten (10) years after its Effective Date; *provided*, *however*, no termination of the Plan, other than to the extent that the Board determines is necessary or advisable to comply with applicable U.S. or foreign laws, shall adversely affect in any material way any option previously granted under the Plan, without the written (or electronic) consent of the Participant who has elected to purchase shares pursuant to such option. No further options to purchase may be granted under the Plan after the Plan is terminated.

19. SECURITIES LAWS.

The Bank shall not be obligated to issue any Stock pursuant to any option granted under the Plan at any time when the shares covered by such option have not been registered under the Securities Act of 1933, as amended, and such other state and federal laws, rules or regulations as the Bank or the Committee deems applicable and, in the opinion of legal counsel for the Bank, there is no exemption from the registration requirements of such laws, rules or regulations available for the issuance and sale of such shares. Further, all Stock acquired pursuant to the Plan shall be subject to the Bank's policy or policies, if any, concerning compliance with securities laws and regulations, as the same may be amended from time to time.

The Committee may cause the Stock certificates issued under the Plan to bear such legend or legends, and the Committee may take such other actions, as it deems appropriate in order to reflect the provisions of Section 10 and 11 and to assure compliance with applicable securities laws.

20. NO RESTRICTION ON CORPORATE ACTION.

Nothing contained in the Plan shall be construed to prevent the Bank or any parent or Subsidiary from taking any corporate action which is deemed by the Bank or such parent or Subsidiary to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any grant made under the Plan. No employee, beneficiary or other person shall have any claim against the Bank or any parent or Subsidiary as a result of any such action.

21. ELECTRONIC DELIVERY.

Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly with the FDIC's Securities Exchange Act Filings System (or any successor website thereto) or posted on the Bank's intranet (or other shared electronic medium controlled by the Bank to which the Participant has access).

22. CHOICE OF LAW.

The law of the State of New York will govern all questions concerning the construction, validity and interpretation of this Plan and all payments hereunder, without regard to that state's conflict of laws rules.

23. SEVERABILITY.

Each provision in this Plan is severable, and if any provision is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

Adopted this 14th day of May, 2020.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: President & Chief Executive Officer

2016 INDEPENDENT OFFICE AGREEMENT

The 2016 Independent Office Agreement (hereinafter "Agreement") between the undersigned EMPLOYER, (hereinafter "Employer") and LOCAL 32BJ, SERVICE EMPLOYEES INTERNATIONAL UNION, (hereinafter "Union"), for the following premises:

Employer: **AMALGAMATED BANK OF NEW YORK**

Location: **275 7TH AVENUE a/k/a 267-281 7TH AVENUE**

Wherein it is mutually agreed as follows:

ARTICLE I – Recognition and Union Status

1. This Agreement shall apply to all classifications of service employees under the jurisdiction of the Union, which is recognized as their exclusive bargaining representative. Article VII of this Agreement shall also apply to employees of cleaning and maintenance contractors who employ employees in any building committed to this Agreement working in any job category covered by this Agreement. The jurisdiction of the Union includes the City of New York, Nassau, Suffolk, Westchester, Putnam, Dutchess, Rockland, Orange and Sullivan Counties, New Jersey, Connecticut, and all other areas that are and may come within the geographical jurisdiction of the Union.

This Agreement shall include a classification for Superintendent in buildings where the Superintendent has been covered by a prior SEIU Local 32BJ collective bargaining agreement and those covered under a former Local 164/RAB Agreement.

Work performed pursuant to the terms of this Agreement shall not be performed by persons not covered by this collective bargaining agreement except as provided in Article VII.

2. There shall be a Union Shop throughout the term of this Agreement and in every building where there was a Union Shop under the 2012 Office Agreement (or other SEIU Local 32BJ collective bargaining agreement). The Union Shop requires membership in the Union by every employee as a condition of employment after the thirtieth (30th) day following employment, or the execution date of this Agreement, whichever is later, or in the case of a newly organized building, after the thirtieth (30th) day following agreement or determination that a majority of the employees are members of the Union or have applied for membership in the Union, and requires that the Union shall not ask or require the Employer to discharge or otherwise discriminate against any employee except in compliance with law. The requirement of membership under this Section or elsewhere in this Agreement is satisfied by the payment of financial obligations of the Union's initiation fees and periodic dues uniformly imposed.

In the event the Union security provision of this Agreement is held to be invalid, unenforceable or of no legal effect generally or with respect to any building because of interpretation or a change of federal or state statute, city ordinance or rule or decision of any government administrative body, agency or subdivision, the permissible Union security clause under such statute, decision or regulation shall be enforceable as a substitute for the Union security clause provided for herein.

3. Upon receipt by the Employer of a letter from the Union's Secretary-Treasurer requesting an employee's discharge because he/she has not met the requirements of this Article, unless the Employer questions the propriety of so doing, the employee shall be discharged within fifteen (15) days of said notice if prior thereto he does not take proper steps to meet said requirements. If the Employer questions the propriety of the discharge, he shall immediately submit the matter to the Arbitrator. If the Arbitrator determines that the employee has not complied with Section 2, he/she shall be discharged within ten (10) days after written notice of the determination has been given to the Employer.

4. The Union will hold the Employer harmless for any liability arising from any discharge asked by the Union pursuant to the provisions of this Article provided the Employer has done nothing to cause or increase its own liability concerning removal of employees.

5. The Employer shall be responsible for unpaid dues or other monies after receipt of notice provided for in this Article and exhaustion of contractual remedies. The Employer's obligation shall begin fifteen (15) days after such notice or if the Employer questions the discharge after the final determination of the Arbitrator.

6. Nothing in this Article shall be construed as an admission that the Employer or his employees are engaged in interstate commerce, in an activity affecting interstate commerce, in the production of goods for interstate commerce, or that the provisions of the Labor-Management Relations Act, as amended, cover any building.

7. The Employer shall on execution of this Agreement furnish to the Union a complete list of the names, Social Security numbers and home addresses of all employees covered by this Agreement, plus their hours of employment, hourly rate of pay and union affiliation. The Employer shall immediately notify the Union in writing of the name, Social Security number, and home address of each new employee engaged by the Employer. The Employer shall also notify the Union, in writing, as soon as a cancellation of an account becomes effective where Union members are employed, and the Employer shall notify the Union when it acquires a new building service job.

8. For the purpose of determining the employees who should be members of the Union and to insure that the terms of this Agreement are being complied with, the Union shall have the right to inspect the Employer's Social Security reports and all payroll and tax records and any other record of employment, and the Employer shall make such records available to the Union upon request therefor. The Union shall have the right to expedited arbitration in the event the Employer fails to comply with this right of inspection. The Health, Pension, Training, Legal and Supplemental Retirement and Savings Fund (SRSF) Funds shall have the same right to inspect as the Union.

9. The Union does hereby authorize the Employer and the Employer does hereby agree to deduct the Union's monthly dues, initiation fees, and all legal assessments from the pay of each employee covered by this Agreement from whom it receives written authorization and will continue to make such deductions while the authorization remains in effect. The Employer hereby agrees to deduct voluntary political contributions based upon authorization signed by the employees in accordance with applicable law. Such deductions will be made from the pay for the first full period worked by each employee following the receipt of authorization, and thereafter will be made the first payday of each month, and forwarded by the Employer to the Union not later than the twentieth (20th) day of each and every current month. Such deductions shall constitute trust funds while in the possession of the Employer. The Union will furnish to the Employer the necessary authorization forms.

If the Employer fails to remit to the Union the dues or other monies deducted in accordance with this section by the twentieth (20th) day, the Employer shall pay interest on such dues or other monies at the rate of one percent per month beginning on the twenty-first day, unless the Employer can demonstrate the delay was for good cause due to circumstances beyond its control. The interest shall not be assessed for an Employer's initial failure to deduct voluntary political contributions until thirty (30) days after the Employer has received written notice from the Union of its failure to deduct.

The Employer shall provide employee information in connection with the transmission of dues, initiation fees, all legal assessments and other deductions required to be transmitted to the Union (collectively, "Deductions"). Deductions from employees' paychecks shall be transmitted to the Union electronically via ACH or wire transfer utilizing the 32BJ self-service portal, unless the Union directs, in writing, that Deductions be remitted by means other than electronic transmittals. The Union shall specify reasonable information to be recorded and/or transmitted by the Employer, as necessary and consistent with this Agreement.

If the Employer is currently transmitting Deductions by ACH, it shall continue to do so. The parties recognize that an Employer who is not currently transmitting Deductions by ACH may need time and/or training to be able to do so. The Union shall provide any necessary training opportunity to the Employer to facilitate electronic transmissions. If the Employer is not currently transmitting Deductions by ACH, it shall commence transmission by ACH no later than September 30, 2016 (the "Transition Period"), provided that any reasonably requested training has been provided by the Union. It is understood that the transition to ACH payment may cause some delays in effecting transmission. During the Transition Period, an Employer who deducts appropriately, but whose transmissions are delayed, shall not be subject to interest or penalties owing to such delays.

If a signatory does not revoke his/her authorization at the end of a year following the date of authorization, or at the end of the current contract, whichever is earlier, it shall be deemed a renewal of authorization, irrevocable for another year, or until the expiration of the next succeeding contract, whichever is earlier.

ARTICLE II – Effective Date and Working Conditions

1. This Agreement shall be effective as of January 1, 2016, except as otherwise provided herein.

2. There shall be no lowering of any standards of working conditions of any employee in the employ of the Employer as a result of this Agreement. All employees enjoying higher wages, higher benefits or better working conditions than provided for herein, either pursuant to a prior collective bargaining agreement or otherwise, shall continue to enjoy at least the same.

A change of schedules or duties, so long as required relief and luncheon periods are reasonably spaced, shall not violate this Section provided the employee and the Union shall be given at least three (3) weeks' advance written notice and such change is reasonable. However, every employee presently working a regular Monday through Friday workweek (and if such employee leaves his job for any reason whatsoever, his replacement) shall receive pay at time and one-half the regular straight-time hourly rate for any work performed by him on a Saturday or Sunday.

3. All employees hired on or after the effective date of this Agreement may be offered and assigned to any cleaning duty in the building, provided that it does not exceed a reasonable day's work.

Office cleaning employees already employed on the effective date of this Agreement may be assigned to any cleaning duty on office floors provided (1) that the Employer give the Union three (3) weeks' written notice of any new assignment except for temporary assignments, and (2) that the Employer shall not assign employees to workloads or work duties requiring unusual physical exertion, strength or dexterity. This provision shall not be applied by the Employer to substantially increase present workloads or to substantially alter duties so as to require the employee to perform more than a reasonable day's work.

If the Union arbitrates a dispute pursuant to this provision, the Employer in such arbitration shall have the burden of showing that only a reasonable day's work as provided above is required of the employee.

ARTICLE III – Management Rights

1. The Union recognizes management's right to direct and control its policies subject to the obligations of this Agreement.

2. Employees will cooperate with management within the obligations of this Agreement to facilitate efficient building operation.

3. Employees shall not be discharged by the Employer except for justifiable cause. If any employee is unjustly discharged, he/she shall be reinstated to his former position without loss of seniority and without salary reduction. The Arbitrator may determine whether, and to what extent, the employee shall be compensated by the Employer for time lost.

4. Any employee who is discharged shall be furnished a written statement of reasons for such discharge no later than five (5) working days after the date of discharge. In appropriate circumstances, the Employer may supplement and/or amend its written statement of the reason(s) for discharge within a reasonable time. Such amended statement shall be substituted for the initial statement without prejudice to the Employer, including in an arbitration.

5. If an employee is removed from a location at the good faith demand of a customer, the Employer may remove the employee from further employment at that location, provided there is a good faith reason to justify such removal, apart from the demand itself. Upon the Union's request, the Employer will advise the Union of information it has relating to the customer's complaint and make reasonable efforts to secure from the customer a written confirmation of the customer's request. Unless the Employer has cause to discharge the employee, the Employer will place the employee in a similar job at another facility within the same county covered by this Agreement (or another SEIU Local 32BJ collective bargaining agreement with equivalent terms), unless the Union and the Employer shall agree to place the employee in a similar job in a different county covered by another SEIU Local 32BJ collective bargaining agreement, without loss of entitlement seniority or reduction in pay or benefits and pay Displacement Pay to such employee equivalent to the Termination Pay Schedule set forth in Article X, Sec. 23(a), but not less than two (2) weeks' pay. In the event an employee is transferred to another building and is not filling a vacant position, the Employer shall seek volunteers on the basis of seniority within the job title. If there are no volunteers, the junior employees shall be selected for transfer and receive the same Displacement Pay and protection afforded to the transferred employee. If an employee is discharged and the matter is grieved by the Union, the Employer at such discharge arbitration must raise the issue of a transfer, pursuant to this Section, at that time.

ARTICLE IV – No Strikes or Lockouts

1. There shall be no work stoppage, strike, lockout or picketing, except as provided in Sections 2 and 3 of this Article. If this provision is violated, the matter may be submitted immediately to the Arbitrator. In the event of an alleged violation of this Article, the Employer or the Union may, by facsimile, request an immediate arbitration. The Office of the Contract Arbitrator

shall schedule a hearing on the alleged violation within twenty-four (24) hours after receipt of said facsimile. The Arbitrator shall issue an award determining whether or not said alleged strike or lockout is in violation of the collective bargaining agreement and award appropriate remedy. This is a procedural provision intended only to bring the arbitration on more quickly.

2. If an Arbitrator's award or a judgment against any Employer is not complied with within three (3) weeks after such award, or notice if such judgment is given pursuant to law, is sent by registered or certified mail to the Employer, at his last known address, the Union may order a stoppage of work, strike or picketing to enforce such award or judgment and it may also compel payment of lost wages to any employee for the period he engaged in such activity. Upon compliance with the award or judgment and payment of lost wages, such activity shall cease.

3. The Union may order a work stoppage, strike or picketing at a building where the Employer has violated Article VII, provided that seventy-two (72) hours written notice is given by hand delivery or facsimile transmission to the Employer of the Union's intention to do so.

4. The Union shall not be held liable for any violation of this Article where it appears that it has taken all reasonable steps to avoid and end the violation.

5. No employee covered by this Agreement shall be required by the Employer to pass lawful picket lines established by any local of Service Employees International Union in an authorized strike (including picket lines established by Local 32BJ in another bargaining unit).

6. The Employer will not do the work of the striking employees if the Union is conducting an authorized strike.

ARTICLE V – Grievance and Arbitration

1. A grievance shall first be taken up directly between the Employer and the Union. Grievances shall be resolved, if possible, within seventy-two (72) hours after they are initiated, and, if not so resolved, shall be promptly submitted to the Office of the Contract Arbitrator.

2. Any grievance, except as otherwise provided herein and except a grievance involving basic wage violations including Pension, Health, Training, Legal and SRSF contributions as set forth in Article X, Section 47, shall be presented to the Employer in writing within one hundred twenty (120) days of its occurrence, except for grievances involving suspension without pay or discharge, which shall be presented within forty-five (45) days, unless the Employer agrees to an extension. The Arbitrator shall have the authority to extend the above time limitations for good cause shown.

Where a failure to compensate overtime work can be unequivocally demonstrated through employer payroll records, the Union may grieve the failure to compensate overtime for the three year period prior to the filing of the grievance.

Any dispute or grievance between the Employer and the Union which cannot be settled directly by them shall be submitted to the Office of the Contract Arbitrator, including issues initiated by the Trustees pursuant to Article X, Section 47. The Office of the Contract Arbitrator shall schedule a hearing within two (2) to fifteen (15) days after either party has served written notice upon the Office of the Contract Arbitrator with copy to the other party of any issue to be submitted. The Arbitrator's oath-taking, and the period and the requirements for service of notice in the form prescribed by statute are hereby waived. Arbitration expenses shall be borne equally by the parties unless otherwise specified herein.

Nothing in this Agreement shall preclude deferral where the National Labor Relations Act provides for deferral.

3. A written award shall be made by the Arbitrator within thirty (30) days after the hearing closes. Upon joint request of both parties, the Arbitrator shall issue a "bench decision" with written award to follow within the required time period. If a written award is not timely rendered, either the Union or the Employer may demand in writing of him/her that the award must be made within ten (10) more days. If no decision is rendered within that time, either the Union or the Employer may notify the Arbitrator of the termination of his/her office as to all issues submitted to him/her in that proceeding. By mutual consent of the Union and Employer, the time of both the hearing and decision may be extended in a particular case. If a Party, after due written notice, defaults in appearing before the Arbitrator, an award may be rendered upon the testimony of the other party. Due written notice means mailing, faxing, or hand delivery to the address specified in the Agreement or in an assumption. No more than one adjournment per party shall be granted by the Arbitrator without consent of the opposing Party.

All Union claims are brought by the Union alone and no individual shall have the right to compromise or settle any claim without the written permission of the Union. Counsel for the Union and the Employer may be present at any grievance procedure meeting.

In the event that the Union appears at arbitration without the grievant, the Arbitrator shall conduct the hearing provided it is not adjourned. The Arbitrator shall decide the case based upon the evidence adduced at the hearing.

4. The procedure herein with respect to matters over which a Contract Arbitrator has jurisdiction shall be the sole and exclusive method for the determination of all such issues, and the Arbitrator shall have the power to award appropriate remedies, the award being final and binding upon the parties and the employee(s) or Employer(s) involved. Nothing herein shall be construed to forbid either party from resorting to court for relief from or to enforce rights under any award.

There is presently an agreement between the Union and the RAB designating the Office of the Contract Arbitrator-Building Service Industry as contract arbitrator for all disputes. It is agreed by the parties hereto that the arbitrators serving in such office shall also serve as contract arbitrators under this Agreement. The arbitrators currently are: John Anner, Stuart Bauchner, Noel Berman, Melissa Biren, Dean Burrell, Howard C. Edelman, Deborah Gaines, Gary Kendellen, Marilyn M. Levine, Randi Lowitt, Ruth Moscovitch, Earl Pfeffer, David Reilly, William Reilly, and William Schecter. Any additional arbitrators designated to serve in the Office of the Contract Arbitrator by the Union and the RAB shall be deemed added to the list of contract arbitrators for this Agreement.

In the event that one or more of the contract arbitrators is terminated at the request of the Union, pursuant to the agreement between the Union and the RAB, such arbitrator(s) shall be automatically deleted as contract arbitrator under this Agreement. In the event that one or more of the contract arbitrators is terminated from the Contract Arbitrator's office at the request of the RAB, pursuant to the agreement between the Union and the RAB, the Employer may, upon thirty (30) days' written notice to the Union, terminate the services of any such arbitrator(s).

5. Should either party fail to abide by an arbitration award within two (2) weeks after such award is sent by registered or certified mail to the parties, either party may, in its sole and absolute discretion, take any action necessary to secure such award including but not limited to suits at law. Should either party bring such suit, it shall be entitled, if it succeeds, to receive from the other party all expenses for counsel fees and court costs. In any proceeding to confirm an award, service may be made by registered or certified mail within or without the State of New York as the case may be.

6. Grievants attending grievances and arbitrations shall be paid their regularly scheduled hours during such attendance. If the Union requires an employee of the building to be a witness at the hearing and the Employer adjourns the hearing, the employee witness shall be paid by the Employer for his regularly scheduled hours during attendance at such hearing. This provision shall be limited to one (1) employee witness.

ARTICLE VI – Sale or Transfer of Building

1. (a) In case of any sale, lease, transfer or assignment of control, occupancy or operation of the premises (hereinafter referred to as "transfer") the Employer shall give the Union two (2) weeks' written notice prior to the effective date thereof; the Employer, be he seller, lessor, transferor, assignor or otherwise, shall, as a condition of the transfer, require the transferee to agree in writing to adopt this Agreement and offer employment to all employees of the Employer. Without in any way limiting the other rights and remedies of the Union, anyone failing to adhere to the foregoing provisions shall pay, in addition to such further damages as may be found by the Arbitrator, six (6) months' pay for the benefit of the employees as liquidated damages to them in addition to any other accrued payments due under this Agreement.

(b) In the event of a transfer of the building at any time during which a subcontract exists for work covered by this Agreement, the transferor shall require the transferee, as a condition of the transfer, to adopt the provisions of this Agreement with respect to the subcontracted work and become bound by the provisions of Article I and VII of this Agreement. In the event that any transferee during the period of subcontracting shall fail to become a party to this Agreement as aforesaid, the Union, in addition to the other remedies provided herein, upon three (3) days oral or written notice to the Employer, may cancel Article IV of this Agreement, and then engage in any stoppage, strike or picketing, without thereby causing a termination of any other provisions of this Agreement, until an agreement is concluded.

(c) Upon the expiration date of this Agreement as set forth in Article VIII, this Agreement shall thereafter continue in full force and effect for an extended period until a successor shall has been executed. During the extended period, all terms and conditions hereof shall be in effect including, subject to the provisions of this paragraph, the provisions of this Article VI, Section 1(a), (b), and (c). During the extended period, the Employer shall negotiate for a successor agreement retroactive to the

expiration date and all benefits and improvements in such successor agreement shall be retroactive, if such agreement shall so provide. In the event the parties are unable to agree upon terms of a successor agreement, the Union, upon three (3) days oral or written notice to the Employer, may cancel Article IV of this Agreement, and then engage in any stoppage, strike or picketing, without hereby causing a termination of any other provision of this Agreement, until the successor agreement is concluded.

In the event of a transfer during the extended period, the Employer shall comply with Article VI, Section 1(a), (b), and (c) of this Agreement and, subject to provisions of this Article, negotiations shall continue with the transferee Employer; in the event the transferee shall not agree to make benefits or improvements retroactive to the expiration date hereof as set forth in Article VIII, then, whether or not adjustments have been made therefor at the closing, the Employer shall pay the value or amount of all improvements in benefits, wages and working conditions from the expiration date to the date of closing, in the amount agreed to by such transferee Employer.

2. Nothing herein contained shall be deemed to limit or diminish in any way the Union's right to enforce this Agreement against any transferee pursuant to applicable law concerning rules of successorship or otherwise; limit or diminish in any way the Union's or any employee's right to institute proceedings pursuant to the provisions of State or Federal labor relations laws, or any statutes, rules or regulations which may be applicable.

3. Any transferee who has failed to adopt this Agreement pursuant to the provisions of Section I of this Article VI by reason of such transferee's lack of knowledge of the requirements thereof may within twenty (20) days after the date of transfer adopt this Agreement provided that, prior to the date of such adoption, there has been no layoff or reduction in force, and that such adoption is retroactive to the date of transfer of title or control.

4. Where a building is acquired by a public authority of any nature through condemnation, purchase or otherwise, the last owner shall guarantee the payment of termination pay and of accrued vacation due to the employees up to the date of transfer of title. The Union will, however, seek to have such authority assume the obligations for payments. If unsuccessful and the last owner becomes liable for such payments, the amounts thereof shall be liens upon any condemnation award or on any amount received by such last owner.

ARTICLE VII – Subcontracting

1. The Employer shall not make any agreement or arrangement for the performance of work and/or for the categories of work heretofore performed by employees covered by this Agreement except within the provisions and limitations set forth below.

2. The Employer or contractor shall give advance written notice to the Union at least three (3) weeks prior to the effective date of its contracting for services, or changing contractors, indicating name and address of the contractor.

3. The Employer shall require the contractor to retain all bargaining unit employees working at the location at the time the contract was awarded and to maintain the existing wage and benefit structure.

The Employer agrees that employees then engaged in the work which is contracted out shall become employees of the initial contractor or any successor contractor, and agrees to employ or re-employ the employees working for the contractor when the contract is terminated or cancelled. This provision shall not be construed to prevent termination of any employee's employment under other provisions of this Agreement relating to illness, retirement, resignation, discharge for cause, or layoff by reason of reduction of force; however, a contractor may not reduce force or change the work schedule without first obtaining written consent from the Union.

With respect to all jobs contracted for by the Employer where members of the Union were employed when the contract was acquired, it is agreed that the Employer shall retain at least the same number of employees, the same employees, under the same work schedule and assignments including starting and quitting times of each employee.

If the contractor adopts this Agreement and fails to comply with this Agreement, the Employer shall be liable severally, and jointly with the contractor, for any and all damages sustained by the employees as a result thereof, or for any unpaid Health, Pension, Training, Legal and/or SRSF contributions. The Employer's liability shall commence the date it receives written notice from the Union of the contractor's failure to so comply.

Any contractor who performs services for an owner and/or managing agent who is signatory to this Agreement and who is party to a collective bargaining agreement with the Union that includes this provision, shall be entitled to the following provisions of this Agreement at the signatory building: Seniority, Hours, Flexibility, and Work of Absentees.

4. This Article and Article VI are intended to be work preservation provisions for the employees employed in a particular building and to categories of employees to the extent that such categories of employees are "fairly claimable" by the Union within existing National Labor Relations Board case law. In the event that the application of this Article or Article VI, or any part thereof, is held to be in violation of law, then this Article or Article VI, or any part thereof, shall remain applicable to the extent permitted by law.

ARTICLE VIII – Term and Expiration of Agreement

1. This Agreement shall be effective January 1, 2016 and shall expire at the conclusion of December 31, 2019, for all employees excluding security guards. With regard to security guards, this Agreement shall continue until March 31, 2019, but all economic terms in the successor agreement to this contract shall be retroactive to January 1, 2019.

ARTICLE IX – Building Classifications, Wages & Other Working Conditions

SECTION I - Building Classifications

1. Office buildings are classified as A, B, or C buildings as follows:

(a) Class A Building – Gross area of more than 280,000 square feet;

(b) Class B Building – Gross area of more than 120,000 and not over 280,000 square feet;

(c) Class C Building – Gross area of less than 120,000 square feet.

2. In calculating the area of an office building, the formula for measurement shall be as follows:

Gross area of an office building is the sum total of areas existing on the various floors of the building, including the basement space, but excluding that portion of the penthouse used for the machinery and appurtenances of the building and that portion of the basement used for public utilities and general operation of the property. Gross area of an entire floor shall be computed by measuring from the inside plaster surfaces of all exterior walls of space used by the tenant on the floor, including columns and corridors, but excluding toilets, porters' closets, slop sinks, elevators shafts, stairs, fire towers, vents, pipe shafts, meter closets, flues and stacks, and any vertical shafts and their enclosing walls. No deductions shall be made for columns, pilasters, or projections necessary to the building.

SECTION II - Wages

1. (a) Effective January 1, 2016, each employee covered hereunder shall receive a wage increase of $0.70 for each regular straight time hour worked. Additionally, the minimum hourly rate differential for handypersons, forepersons, starters (which shall include all employees doing similar or comparable work by whatever title known) shall be increased by $0.05 respectively for each regular straight-time hour worked.

Effective January 1, 2016 the minimum regular wage rates shall be as follows:

	Class A		Class B		Class C	
	Regular Hourly Rate	40 Hour Wage	Regular Hourly Rate	40 Hour Wage	Regular Hourly Rate	40 Hour Wage
Handyperson	$ 26.9480	$1,077.92	$ 26.9170	$1,076.68	$ 26.8730	$1,074.92
Foreperson	$ 26.8355	$1,073.42	$ 26.8045	$1,072.18	$ 26.7605	$1,070.42
Starter	$ 26.8355	$1,073.42	$ 26.8045	$1,072.18	$ 26.7605	$1,070.42
Other	$ 24.6230	$ 984.92	$ 24.5920	$ 983.68	$ 24.5480	$ 981.92
*Guards	$ 23.1660	$ 926.64	$ 23.1660	$ 926.64	$ 23.1600	$ 926.40

* Guards hired before January 1, 1978, shall receive the rate of "Other,"

(b) Effective January 1, 2017, each employee covered hereunder shall receive a wage increase of $0.60 for each regular straight time hour worked.

Additionally, the minimum hourly rate differential for handypersons, forepersons, starters (which shall include all employees doing similar or comparable work by whatever title known) shall be increased by $0.05 respectively for each regular straight-time hour worked.

Effective January 1, 2017, minimum regular wage rates shall be as follows:

	Class A		Class B		Class C	
	Regular Hourly Rate	40 Hour Rate	Regular Hourly Rate	40 Hour Wage	Regular Hourly Rate	40 Hour Wage
Handyperson	$ 27.5980	$1,103.92	$ 27.5670	$1,102.68	$ 27.5230	$1,100.92
Foreperson	$ 27.4855	$1,099.42	$ 27.4545	$1,098.18	$ 27.4105	$1,096.42
Starter	$ 27.4855	$1,099.42	$ 27.4545	$1,098.18	$ 27.4105	$1,096.42
Other	$ 25.2230	$1,008.92	$ 25.1920	$1,007.68	$ 25.1480	$1,005.92
*Guards	$ 23.7660	$ 950.64	$ 23.7660	$ 950.64	$ 23.7600	$ 950.40

* Guards hired before January 1, 1978, shall receive the rate of “Other.”

(c) Effective January 1, 2018, each employee covered hereunder shall receive a wage increase of $0.60 for each regular straight time hour worked.

Additionally, the minimum hourly rate differential for handypersons, forepersons, starters (which shall include all employees doing similar or comparable work by whatever title known) shall be increased by $0.05 respectively for each regular straight-time hour worked.

Effective January 1, 2018, minimum regular wage rates shall be as follows:

	Class A		Class B		Class C	
	Regular Hourly Rate	40 Hour Rate	Regular Hourly Rate	40 Hour Rate	Regular Hourly Rate	40 Hour Rate
Handyperson	$ 28.2480	$1,129.92	$ 28.2170	$1,128.68	$ 28.1730	$1,126.92
Foreperson	$ 28.1355	$1,125.42	$ 28.1045	$1,124.18	$ 28.0605	$1,122.42
Starter	$ 28.1355	$1,125.42	$ 28.1045	$1,124.18	$ 28.0605	$1,122.42
Other	$ 25.8230	$1,032.92	$ 25.7920	$1,031.68	$ 25.7480	$1,029.92
*Guards	$ 24.3660	$ 974.64	$ 24.3660	$ 974.64	$ 24.3600	$ 974.40

* Guards hired before January 1, 1978, shall receive the rate of “Other.”

(d) Effective January 1, 2019, each employee covered by this Agreement shall receive a wage increase of $0,775 for each regular straight-time hour worked.

Additionally, the minimum hourly rate differential for handypersons, forepersons, starters (which shall include all employees doing similar or comparable work by whatever title known) shall be increased by $0.05 respectively for each regular straight-time hour worked.

Effective January 1, 2019, minimum regular wage rates shall be as follows:

	Class A		Class B		Class C	
	Regular Hourly Rate	40 Hour Rate	Regular Hourly Rate	40 Hour Rate	Regular Hourly Rate	40 Hour Rate
Handyperson	$ 29.0730	$1,162.92	$ 29.0420	$1,161.68	$ 28.9980	$1,159.92
Foreperson	$ 28.9605	$1,158.42	$ 28.9295	$1,157.18	$ 28.8855	$1,155.42

Starter	$28.9605	$1,158.42	$28.9295	$1,157.18	$28.8855	$1,155.42
Other	$26.5980	$1,063.92	$26.5670	$1,062.68	$26.5230	$1,060.92
*Guards	$25.1410	$1,005.64	$25.1410	$1,005.64	$25.1350	$1,005.40

* Guards hired before January 1, 1978, shall receive the rate of "Other."

(e) The Union and the RAB presently have a provision in the 2016 Commercial Building Agreement which provides that:

(l) Effective January 1, 2017, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York - Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from November 2015 to November 2016 exceeds 6.5%, then, in that event, an increase of $.10 per hour for each full 1% increase in the cost of living in excess of 6.5% shall be granted effective for the first full work week commencing after January 1, 2017. In no event shall said increase pursuant to this provision exceed $.20 per hour. In computing increases in the cost of living above 6.5%, less than .5 % shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minimum.

(2) Effective January 1, 2018, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York - Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from November 2016 to November 2017 exceeds 6%, then, in that event, an increase of $.10 per hour for each full 1% increase in the cost of living in excess of 6% shall be granted effective for the first full work week commencing after January 1, 2018. In no event shall said increase pursuant to this provision exceed $.20 per hour. In computing increases in the cost of living above 6%, less than .5% shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minimum.

(3) Effective January 1, 2019, in the event that the percentage increase in the cost of living [Consumer Price Index for the City of New York - Metropolitan Area (New York-New Jersey) Urban Wage Earners and Clerical Workers] from November 2017 to November 2018 exceeds 6%, then, in that event, an increase of $.10 per hour for each full 1% increase in the cost of living in excess of 6% shall be granted effective for the first full work week commencing after January 1, 2019. In no event shall said increase pursuant to this provision exceed $.20 per hour. In computing increases in the cost of living above 6%, less than .5% shall be ignored and increases of .5% or more shall be considered a full point. Any increases hereunder shall be added to the minimum.

The parties hereto agree that any such increases referred to above in this subsection (e), which may result, shall be fully binding upon the parties hereto in the same amounts and upon the same effective date(s) as between the Union and the RAB.

2. (a) The standard workweek shall consist of five (5) consecutive days, Monday through Sunday, and shall not exceed eight (8) hours in any one day.

Overtime at the rate of time and one-half the regular straight-time hourly rate shall be paid for all hours worked in excess of eight (8) hours per day or forty (40) hours per week, whichever is greater. There shall be no split shifts. A paid holiday shall be considered as a day worked for the purpose of computing overtime pay. The straight-time hourly rate shall be computed by dividing the weekly wage by the number of hours in the standard workweek.

(b) Employees on the payroll on or before the effective date of this Agreement shall not have their scheduled hours reduced. Employees on the payroll on or before the effective date of this Agreement shall not have their scheduled hours increased by more than one hour a day without written consent of the Union. The Employer shall give the Union three (3) weeks' written notice of any change of scheduled hours except in case of temporary changes. Employees employed after the effective date of this Agreement shall work such hours as may be assigned by the Employer provided they are not less than five (5) hours a day and five (5) consecutive days a week.

(c) The weekly working hours for elevator operators and starters shall include two (2) twenty (20) minute relief periods each day, but shall exclude luncheon recess of not less than forty-five (45) minutes or more than one (1) hour each day.

Employees, other than those referred to in the paragraph above, the majority of whose hours fall between 7 P.M. and 6 A.M. shall receive a fifteen (15) minute relief/lunch period. At the option of the Employer, employees who work seven (7) hours or more per day shall, in addition to their regular pay for scheduled hours, receive either additional straight-time pay for one-half

(1/2) hour or be relieved one-half (1/2) hour earlier. For those employees working six (6) hours per day, they shall receive an additional twenty-five (25) minutes straight-time pay or be relieved twenty-five (25) minutes earlier. For those employees working five (5) hours per day, they shall receive an additional fifteen (15) minutes straight-time pay or be relieved fifteen (15) minutes earlier. This shall in no way affect the overtime provisions of the Agreement, nor affect the Employer's right to reschedule hours to provide necessary continuity of coverage.

(d) Where through absenteeism there are insufficient employees to service the building, the Employer may: (1) request service employees in the building to work additional time over and above their work schedule; or (2) employ additional or extra employees to perform the work; or (3) request employees in the building to perform work of an absent employee, on a voluntary basis, during their regular working hours. Additional time over and above work schedules, as described above in option (1), shall not be mandatory unless the Employer cannot satisfactorily fill the work requirements from service employees in the building on a voluntary basis. In such event, work over and above the regular work schedule shall be in reverse order of seniority.

Employees in the building assigned to perform absentee work as described in option (3) above shall be paid straight-time pay in addition to their regular daily pay, for each hour of work performed in the absent worker's section. Employees assigned to perform absentee work under option (3) hereof shall only be required to perform an amount of work proportionate to the number of hours assigned, e.g, if an employee is assigned to work one hour in an absentee Section which is normally cleaned in six (6) hours, the employee shall only be required to do one-sixth (1/6) of the normal work load in that section.

Employees performing absentee work under paragraphs (1), (2), or (3) above shall be given written instructions as to the work to be performed in absentee sections upon the request of the Union.

This paragraph (d) shall not apply to employees at newly constructed buildings.

(e) Every employee shall be entitled to two (2) consecutive days off in any seven (7) days. Any work performed on such days shall be considered overtime and paid for at time and one-half.

(f) No employee or his replacement shall have his regular working hours as set forth above reduced below the standard workweek in order to effect a corresponding reduction in pay.

3. Saturday and Sunday are premium days for all employees (excluding guards hired after January 1, 1978), and work performed on such days shall be paid for at the rate of time and one-half the regular straight-time hourly rate of pay.

In determining whether an employee's work shift is to be considered as falling on Saturday or Sunday, for the purpose of premium pay, it is understood that the meaning of Saturday or Sunday work shall be the same as now applies or, where there is no such practice, shall be based upon the holiday premium pay practice.

In newly constructed buildings, employees whose regular shifts include work on Saturday or Sunday shall not receive weekend premium pay for work on those days. This shall not affect the eligibility for other premium pay for which the employees might otherwise qualify, including but not limited to overtime.

4. Except for required relief periods and luncheon recess, hours of work in each day shall be continuous and no employee shall be required to take a relief period or time off in any day in excess of the required relief periods and said luncheon recess, without having said excess relief period or time off charged as working time.

5. Any employee called in to work by the Employer for any time not consecutive with his regular schedule shall be paid for at least four (4) hours of overtime.

6. Employees required to work overtime shall be paid at least one hour at the overtime rate, except for employees working overtime due to absenteeism or lateness.

7. Any employee who has worked eight (8) hours a day and is required to work at least four (4) hours of overtime in that day shall be given a $15.00 meal allowance.

8. Any employee classified as an "other" who substitutes for an absent "foreperson" for more than four (4) hours shall receive the "foreperson" wage rate for the entire shift.

Any employee who spends one (1) full week or more performing work in a higher-paying category shall receive the higher rate of pay for such service.

9. No overtime shall be given for disciplinary purposes. An Employer shall not require an employee to work an excessive amount of overtime.

10. The Employer agrees to use its best efforts to provide a minimum of sixteen (16) hours off between shifts for its employees.

ARTICLE X – General Clauses

1. DIFFERENTIALS. Existing wage differentials among classes of workers within a building shall be maintained. It is recognized that wage differentials other than those herein required may now or hereafter arise or exist because of pay rates above the minima required by this Agreement. No change in such differentials shall be considered a violation of this Agreement unless it appears that such change results from an attempt to break down the wage structure for said building.

When an employee possesses considerable mechanical or technical skill and devotes more than 75% of his working time in the building to work involving such a skill, his wage rate shall be determined by mutual agreement between the Employer and the Union. Such an employee shall receive a wage of not less than ten dollars ($10.00) per week above the contract minimum rate for handyperson.

If the Employer and the Union cannot agree upon the rate of pay of such an employee, or in cases where an obvious inequity exists because of an employee's regular application of specialized abilities in his work, the amount or correctness of the differential may be determined by arbitration.

Notwithstanding the above, it is understood that licensed engineers covered under this agreement shall constitute a separate bargaining unit and shall receive the same wages and benefits as paid to engineers under the Realty Advisory Board (RAB) Agreement covering licensed engineers in New York City except that Pension, Health, Legal and Training Funds contributions shall continue to be paid under the terms of this Agreement.

2. PYRAMIDING. There shall be no pyramiding of overtime pay, sick pay, holiday pay or any other premium pay. If more than one of the aforesaid are applicable, compensation shall be computed on the basis giving the greatest amount.

3. HOLIDAYS. The following are the recognized contract holidays and the dates when they will be observed as contract holidays:

Contract Holidays	**2016**	**2017**	**2018**	**2019**
New Year's Day	Friday, Jan 1	Sun, Jan 1	Mon, Jan 1	Tues, Jan 1
President's Day	Mon, Feb 15	Mon, Feb 20	Mon, Feb 19	Mon, Feb 18
Good Friday	Fri, Mar 25	Fri, Apr 14	Fri, Mar 30	Fri, Apr 19
Memorial Day	Mon, May 10	Mon, May 29	Mon, May 28	Mon, May 27
Independence Day	Mon, July 4	Tues, July 4	Wed, July 4	Thu, July 4
Labor Day	Mon, Sept 5	Mon, Sept 4	Mon, Sept 3	Mon, Sept 2
Columbus Day	Mon, Oct 10	Mon, Oct 9	Mon, Oct 8	Mon, Oct 14
Thanksgiving Day	Thu, Nov 24	Thu, Nov 23	Thu, Nov 22	Thu, Nov 28
Day After Thanksgiving	Fri, Nov 25	Fri, Nov 24	Fri, Nov 23	Fri, Nov 29
Christmas Day	Sun, Dec 25	Mon, Dec 25	Tues, Dec 25	Wed, Dec 25
Elective Contract Holidays:	**2016**	**2017**	**2018**	**2019**
Martin Luther King Jr.	Mon, Jan 18	Mon, Jan 16	Mon, Jan 15	Mon, Jan 21
Yom Kippur	Wed, Oct 12	Sat, Sept 30	Wed, Sept 19	Wed, Oct 9
Eid al-Fitr	Thu, July 7	Mon, Jun 26	Fri, Jun 15	Wed, June 5
September 11 (Day of Remembrance)	Sun, Sep 11	Mon, Sep 11	Tue, Sep 11	Wed, Sep 11
Veterans Day	Fri, Nov 11	Sat, Nov 11	Sun, Nov 11	Mon, Nov 11

There shall be one (1) elective holiday in each contract year which shall be Martin Luther King Jr.'s Day, Eid al-Fitr, Yom Kippur, September 11th (Day of Remembrance), Veterans Day or a personal day at the option of the employee. The personal day shall be scheduled in accordance with paragraphs (c) and (d) below.

In buildings where the major occupants are operating on Good Friday and/or the day after Thanksgiving, Lincoln's Birthday and/or Veterans Day may be substituted for such days provided notice is given to the Union on or before March 1 of each year. The Employer shall be required to post on a bulletin board for the employees the contract holidays and changes, if any, for the year. This notification shall remain posted for the entire year.

President's Day, Good Friday, Columbus Day and the Day after Thanksgiving may be treated as personal days rather than fixed holidays under the following conditions:

(a) Prior to February 1st each year, each building may designate one or more such days as a personal day upon written notice to the Union and the employees. Failure to do so shall be deemed agreement to leave such days as fixed holidays.

(b) Each building designating such days as personal days may upon thirty (30) days' written notice to the Union and the employees change such designation and make the day a fixed holiday. Employees who have received a personal day for such holiday shall be employed on such holiday at time and one half.

(c) Employees entitled to personal days may select such day or days off on five (5) days' notice to the Employer provided such selection does not result in a reduction of employees in the building below 75% of normal working staff. Such selections shall be made in accordance with seniority.

(d) Employees entitled to personal days who do not use such day or days in a calendar year must use such day or days off during the first six (6) months of the following year provided, however, that the Employer inform in writing both the employees and the Union by January 31st of such succeeding year that such days are available and will be lost if not used prior to July 1st of that year.

In the event this Agreement is in effect subsequent to December 31, 2019, whatever holidays are agreed to between the Union and the RAB in the successor agreement to the 2016 Commercial Building Agreement shall apply to the employees covered by this Agreement.

Employees shall receive straight-time pay for said holidays and in addition thereto all work required to be performed on any of said holidays shall be paid for at time and one-half. Any employee required to work on a holiday shall receive at least his or her regular hours' pay for such work at the holiday rate of pay (in addition to the regular hours' pay he/she receives for such holiday) even though he/she is not required to work his/her regular hours. All hours worked over eight (8) on such a holiday shall be paid for at two and one-half times his/her regular rate of pay.

Any regular full-time employee ill in any payroll week in which a holiday falls shall receive holiday pay or one day off if he worked at least one day during said payroll week.

Any regular full-time employee whose regular day off, or one of whose days off, falls on a holiday shall receive an additional day's pay, or, at the option of the Employer, shall receive an extra day off within ten (10) days immediately before or after the holiday. If the employee receives the extra day off before the holiday and his employment is terminated for any reason, he need not compensate the Employer for the day.

A holiday shall be considered as a day worked for the purpose of computing overtime pay.

4. VOTING TIME. Any employee required to work on Election Day, and who gives legal notice, shall be allowed two (2) hours off, such hours to be designated by the Employer, while the polls are open.

5. PERSONAL DAY. All employees shall receive a personal day in each contract year. This personal day is in addition to the holidays listed in paragraph 3 above. The personal day shall be scheduled in accordance with the following provision:

Employees may select such day off on five (5) days' notice to the Employer provided such selection does not result in a reduction of employees in the building below 75% of the normal work staff. Such selection shall be made in accordance with seniority.

6. SCHEDULING OVERTIME & PREMIUM PAY WORK. Overtime, Saturday, Sunday and holiday work shall be evenly distributed so far as is compatible with efficient operation of the building, except where Saturday or Sunday is a regular part of the workweek. Preference for Saturday and Sunday work shall be given to the regular full-time employees of the building.

7. RELIEF EMPLOYEES. Relief or part-time employees shall be paid the same hourly rate as provided for full-time employees in the same occupational classification.

8. METHOD OF PAYMENT OF WAGES. All wages, including overtime, shall be paid weekly in cash or by check with an itemized statement of payroll deductions. If a regular payday falls on a holiday, employees shall be paid on the preceding day.

Employees paid by check who work during regular banking hours shall be given reasonable time to cash their checks exclusive of their break and lunch period. The Employer shall make suitable arrangements at a convenient bank for such check cashing.

In the event an Employer's check to an employee for wages is returned due to insufficient funds on a bona fide basis twice within a year's period, the Employer shall be required to pay all employees by cash or certified check. The Employer may require, at no cost to the employee, that an employee's check be electronically deposited at the employee's designated bank or that a paycheck card be utilized. The Union shall be notified by the Employer of this arrangement.

9. SENIORITY AND LAYOFF. (a) For purposes of layoff and recall, all employees covered by this Agreement shall be placed on building seniority lists based upon their date of employment in the building or with the Employer, whichever is greater.

The seniority date for all positions under the Agreement shall be the date the employee commenced working in the building for the agent and/or owner regardless of whether there is a collective bargaining agreement and regardless of the type of work performed by the employee.

In the event of layoff due to reduction in force, the inverse order of departmental or job classification seniority shall be followed, except as provided in Termination Pay, Section 23, with due consideration for efficiency and special needs of a department. In the event that an employee is assigned to another job classification and there is a reduction in force in that department or job classification, the employee shall have the right to exercise his total building seniority to return to his former department or job classification.

Nothing contained in this section shall be construed in such a manner as to permit an employee to bump a less senior employee working for another Employer in the same building. Seniority of an employee shall be based upon total length of service with the Employer or in the building, whichever is greater.

(b) REDUCTION IN FORCE - The Employer shall have the right to reduce its work force in its building pursuant to this Agreement provided that it can establish that the changes listed below eliminate an amount of work similar to the proposed reduction in worker hours:

(i) Vacancies in the building;

(ii) Reconstruction of all or part of building;

(iii) The tenant is performing the work itself.

If the Employer seeks to reduce its work force it shall give four (4) weeks' written notification to the Union of any anticipated reduction in force. The Employer shall also give one (1) weeks' notice of layoff (or discharge), or, in lieu thereof, an additional one (1) week's pay to any employee employed for one (1) year or more. The one (1) weeks' pay provided herein shall be in addition to any termination pay and/or accrued vacation pay that might be due to the employee. The notice should include the specific reason for the reduction and the number of worker hours being reduced. Upon request of the Union, additional information with respect to changes in work assignments occasioned by the reduction shall be provided.

In the event that the four (4) weeks' notice provided for herein is not given and the Employer lays off employees pursuant to this provision, the Employer shall pay an amount equal to the laid-off employees' wages and fringe benefits (including, but not limited to Pension, Health, Training, Legal and SRSF Fund Contributions, Holidays, Vacation, Sick Pay and Premium Pay) for the period beginning with the layoff until four (4) weeks after the Employer notifies the Union or the issuance of a final arbitration award, whichever is sooner, but in no event less than four (4) weeks, even if the layoff is upheld by the arbitrator. The arbitrator shall not grant any adjournments of reduction in force cases without mutual consent.

In the event that a reduction in work force is implemented pursuant to this section, and the reason for the reduction ceases to exist, the work force that existed prior to the reduction shall be restored.

In the event that the Employer desires to implement a reduction in force among employees working in its building that is not provided for above, it may do so provided that it can demonstrate to the Union that such reduction is justified. No such reduction may be implemented without the written consent of the Union.

For any violation by the Employer of any provision which deals with the necessity of obtaining the written consent of the Union regarding a decrease in the number of employees and/or hourly work schedules and maintenance of conditions on all jobs, the Employer shall pay the fee of the Contract Arbitrator and all expenses in connection with the arbitration of the dispute, including but not limited to counsel fees, auditor's fees, arbitration costs and fees and court costs.

10. JOB SECURITY & CONTRACTOR TRANSITION SENIORITY.

(a) The Employer shall follow and be bound by the rules of seniority of all employees of the Employer theretofore employed on all jobs, in respect to job security, promotion, accrued vacations and other benefits.

(b) No employee who is transferred from a contractor to building payroll, as a result of the owner and/or agent (collectively "the Employer") terminating the contractor, and performing building service work directly for the Employer, shall suffer a loss of benefits that are determined by an employee's accrued time (years of service) as provided in Article X, Section 46 (Sickness Benefits), Section 12 (Recall), Section 13 (Leaves of Absence), Section 14 (Vacation), and Section 23 (Termination Pay).

11. VACANCIES AND POSTING, TRIAL PERIOD, "NEW HIRES" AND "EXPERIENCED EMPLOYEES".

(a) In filling vacancies or newly created positions in the bargaining unit, preference shall be given to those employees already employed in the building, based upon the employee's seniority, but training, ability and appearance, where required, shall also be considered. For the purpose of this provision, employees already employed in the building shall be deemed to include guards. Nothing contained in this Section shall be construed in such a manner as to entitle an employee to fill a vacancy or newly created position with another Employer in the same building.

All vacancies and newly created positions shall be subject to a posting in the building for a period of seven (7) calendar days so that bargaining unit employees can express an interest in filling the position. In buildings where the Employer employs fifteen (15) or more employees, if filling of the initially posted vacancy or newly created position causes another vacancy that vacancy shall be subject to a posting in the respective building. Any subsequent vacancy caused by the filling of a posted position shall not be required to be posted before being filled.

Anyone employed as a vacation replacement, extra or contingent with substantial regularity for a period of four (4) months or more shall receive preference for steady employment. If a present employee cannot fill the job vacancy, the Employer must fill the vacancy in accordance with the other terms of this Agreement. In the event that a new classification is created in a building, the Employer shall negotiate with the Union a wage rate for that new classification.

(b) There shall be a trial period for all newly hired employees for sixty (60) calendar days.

(c) Effective February 4, 1996, a New Hire employed in the "Guard" or "Other" category shall be paid a starting rate of eighty percent (80%) of the minimum regular hourly wage rate, and that notwithstanding Article IX, Section II, paragraph 1, the rates for the thirty (30) month new hire period shall reflect annual increases of 80% of the annual increase.

Upon completion of thirty (30) months of employment, the New Hire shall be paid the full minimum wage rate. For purposes of this provision, thirty (30) months of employment shall include each month (counting portions of a month in excess of fifteen (15) days as a full month but excluding employment as a vacation relief unless such vacation relief work immediately precedes permanent hire as noted in Section 14(b) below) that a New Hire worked in the New York City Building Industry ("Industry") during the twenty-four (24) months immediately preceding the date of hire by the current employer.

A New Hire hired on or after January 1, 2012 shall be paid seventy-five percent (75%) of the applicable minimum regular hourly wage rate for the first twenty-one (21) months of employment. Such employees shall be paid eighty-five percent

(85%) of the applicable minimum regular hourly wage rate for the twenty-second (22nd) through forty-second (42nd) months of employment. Upon completion of forty-two (42) months of employment, such employees shall be paid the full minimum wage rate. For purposes of this provision, twenty-one (21) months of employment and forty-two (42) months of employment shall include each month (counting portions of a month in excess of fifteen (15) days as a full month but excluding employment as a vacation relief unless such vacation relief work immediately precedes permanent hire as noted in Section 14(b) below) that a New Hire worked in the Industry during the twenty-four (24) months immediately preceding the date of hire by the current employer.

Any employee who was employed in the Industry as of February 3, 1996 shall be considered an "Experienced Employee." An Experienced Employee shall receive the full minimum rate of pay from the date of hire.

There shall be no Employer contributions to the Building Service Pension Fund on behalf of any New Hire employed in the category of "Guard" or "Other" during the first year of employment. Employer contributions for employees described above shall be required commencing on the first day of the month following the employee's completion of twelve (12) calendar months of employment with the Employer, less the number of calendar months (counting portions of a month in excess of fifteen (15) days as a full month) worked in the Industry during the preceding two (2) years (excluding employment as a vacation relief unless such vacation relief work immediately precedes permanent hire as noted in Section 14(b) below).

There shall be no Employer contributions to the Supplemental Retirement and Savings Fund on behalf of any New Hire employed in the category of "Guard" or "Other" during the first two (2) years of employment. Employer contributions for employees described above shall be required commencing on the first day of the month following the employee's completion of twenty-four (24) calendar months of employment with the Employer, less the number of calendar months (counting portions of a month in excess of fifteen (15) days as a full month) worked in the Industry during the preceding two (2) years (excluding employment as a vacation relief unless such vacation relief work immediately precedes permanent hire as noted in Section 14(b) below).

Contributions to the Building Service Pension Fund and Supplemental Retirement and Savings Fund shall commence after three (3) months of employment for employees hired in job categories other than "Guard" and "Other" and Experienced Employees.

No Experienced Employee may be terminated or denied employment for the purpose of discrimination on the basis of his/her compensation and/or benefits. The Union may grieve such discrimination in accordance with the grievance and arbitration provisions of the Agreement (Article V). If the arbitrator determines an Experienced Employee has been terminated or denied employment because of such discrimination, the arbitrator shall: (1) In case of termination, reinstate the experienced employee with full back pay and all benefits retroactive to the date of experienced employee's discharge; (2) In case of failure to hire, if the Arbitrator determines that an experienced employee was not given preference for employment absent good cause, he or she shall direct the Employer to hire the experienced employee with full back pay and benefits retroactive to date of denial of hire.

12. RECALL - Any employee who has been employed for one (1) year or more in the same building and who is laid off shall have the, right of recall, provided that the period of layoff of such employee does not exceed six (6) months. Recall shall be in the reverse order of laid-off employees' department and job classification seniority (i.e., the most recently terminated employee in that department shall have the first right of recall). Recall rights apply to all vacant permanent positions and temporary positions if it is expected that the temporary position will last for a period of at least sixty (60) days.

The Employer shall notify by certified mail, return receipt requested, the last qualified laid-off employee, at his last known address, of any job vacancy, and a copy of this notice shall be sent to the Union. The employee shall then be given seven (7) days from the date of mailing of the letter in which to express in person or by registered or certified mail his/her desire to accept the available job. In the event any employee does not accept recall, successive notice shall be sent to qualified employees until the list of qualified employees is exhausted. Upon re-employment, full seniority status, less period of layoff, shall be credited to the employee. Any employee who received termination pay and is subsequently rehired shall retain said termination pay and for purpose of future termination pay shall receive the difference between what he/she has received and what he/she is entitled to if subsequently terminated at a future date. Any vacation monies paid shall be credited to the Employer against the current vacation entitlement.

Further, in the event an Employer or agent has a job vacancy in a building where there are no qualified employees on layoff status, the Employer or agent shall use its best efforts to fill the job vacancy from qualified employees of the Employer or agent who are on layoff status from other buildings.

13. LEAVE OF ABSENCE AND PREGNANCY LEAVE.

(a) Once every three (3) years, upon written application to the Employer and the Union, a regular employee who works five (5) days per week and at least five (5) hours per day and has been employed in the building for five (5) years or more shall be granted a leave of absence for illness or injury not to exceed six (6) months. The leave of absence outlined above is subject to an extension not exceeding six (6) months in the case of bona fide inability to work whether or not covered by the New York State Workers' Compensation Law or New York State Disability Benefits Law. When such employee is physically and mentally able to resume work, that employee shall on one (1) week's prior written notice to the Employer be then re-employed with no seniority loss. In cases involving on-the-job injuries, employees who are on medical leave for more than one year may be entitled to return to their jobs if there is good cause shown.

Employees employed in the building for less than five (5) years but at least two (2) years shall be granted a leave of absence for a period not to exceed one hundred twenty (120) days.

(b) In cases of pregnancy, it shall be treated as any other disability suffered by an employee in accordance with applicable law. In buildings where there are more than three (3) employees, an employee shall be entitled to a four (4) week leave of absence without pay for paternity/maternity leave. The leave must be taken immediately following the birth or adoption of the child.

(c) Once every five (5) years, upon six (6) weeks' written application to the Employer, a regular employee who works five (5) days per week and at least five (5) hours per day and has been employed at the building for five (5) years or more shall be granted a leave of absence for personal reasons not to exceed four (4) months. Upon returning to work the employee shall be re-employed with no loss of seniority.

An employee requesting a personal leave of absence shall be covered for health benefits during the period of the leave provided the employee requests health coverage while on leave of absence and pays the Employer in advance for the cost of same. Any employee on leave due to workers' compensation or disability shall continue to be covered for health benefits without the necessity of payment to the Employer in accordance with Section 47, Paragraph A, Subparagraph 1 below.

Any time limitation with regard to the six (6) weeks' written application shall be waived in cases where an emergency leave of absence is required.

(d) Any Employer who is required by law to comply with the provisions of the Family and Medical Leave Act (FMLA) shall comply with the requirements of said Act. All leaves of absence under paragraphs (a) and (b) of this Section will run concurrently with applicable FMLA leave and/or applicable State or City law leave requirements.

(e) The Employer agrees to cooperate with the Union in granting employees leaves of absence for Union business.

14. VACATIONS AND VACATION RELIEF EMPLOYEES.

(a) Every employee employed with substantial continuity in any building or by the same Employer shall receive each year a vacation with pay as follows:

Employees who have worked 6 months	3 working days
Employees who have worked 1 year	2 weeks
Employees who have worked 5 years	3 weeks
Employees who have worked 15 years	4 weeks
Employees who have worked 21 years	21 working days
Employees who have worked 22 years	22 working days
Employees who have worked 23 years	23 working days
Employees who have worked 24 years	24 working days
Employees who have worked 25 years	5 weeks

Length of employment for vacation shall be based upon the amount of vacation that an employee would be entitled to on September 15th of the year in which the vacation is given, subject to negotiation and arbitration where the result is unreasonable.

Part-time employees regularly employed shall receive proportionate vacation allowances based on the average number of hours per week they are employed.

Firemen who have worked substantially one (1) firing season in the same building or for the same Employer, when laid off, shall be paid at least three (3) days' wages in lieu of vacation. Firemen who have been employed more than one (1) full firing season in the same building or by the same Employer shall be considered full-time employees in computing vacations.

Regular days off and holidays falling during the vacation period shall not be counted as vacation days. If a holiday falls during the employee's vacation period, he shall receive an additional day's pay therefor, or, at the Employer's option, an extra day off within ten (10) days immediately preceding or succeeding his vacation. Vacation wages shall be paid prior to the vacation period by the Employer on the job at that time unless otherwise requested by the employee, who is entitled to actual vacation and cannot instead be required to accept money. However, if the Employer on the job when the money is due is not in contractual relations with the Union, the last Employer with whom the Union had a contract will be responsible for vacation pay.

Any employer who fails to pay vacation pay in accordance with this provision where the vacation has been regularly scheduled shall pay an additional two (2) days for each vacation week due at that time.

Employees regularly working overtime or on premium days or required to work during their early relief time shall not suffer any reduction in wages while being paid or scheduled for vacation time.

When compatible with proper building operation, choice of vacation periods shall be according to seniority and confined to the period beginning April 1st and ending September 15th of each year. These dates may be changed, and the third vacation week taken at a separate time, by mutual agreement of the Employer and the employee.

The fourth and fifth week of vacation may, at the Employer's option, be scheduled upon two (2) weeks' notice to the employee for a week or two weeks (which may not be split) other than the period when he takes the rest of his vacation.

Any employee leaving his/her job for any reason shall be entitled to vacation accrual allowance, computed on his/her length of service as provided in the vacation schedule based on the elapsed period from the previous September 16th (or from the date of his/her employment if later employed) to the date of his/her leaving. Any employee who has received a vacation during the previous vacation period (April 1st through September 15th) and who leaves his/her job during the next vacation period shall be entitled to full vacation accrual allowance instead of on the basis of the elapsed period from the previous September 16th.

No employee leaving his/her position voluntarily shall be entitled to accrued vacation pay unless he/she gives five (5) working days' termination notice. Any employee who has received no vacation and has worked at least six (6) months before leaving his/her job shall be entitled to vacation accrual allowance equal to the vacation allowance provided above.

Any Employer assuming this Agreement shall be responsible for payment of vacation pay and granting of vacations required under this Agreement which may have accrued prior to the Employer taking over or acquiring the building less any amounts paid or given for that vacation year by the predecessor employer. In the event that the Employer terminates its employer-employee relationship under this Agreement and the successor Employer does not have a collective bargaining agreement with the Union providing for at least the same vacation benefits, the Employer shall be responsible for all accrued vacation benefits.

(b) A person hired solely for the purpose of relieving employees for vacation shall be paid 60% of the minimum applicable regular hourly wage rate. Should a vacation relief employee continue to be employed beyond five months, such employee shall be paid the wage rate of a new hire or experienced person, as the case may be. If a vacation replacement is hired for a permanent position immediately after working as a vacation replacement, such employee shall be credited with time worked as a vacation replacement toward completion of the thirty (30) or forty-two (42) month period, whichever applies, required to achieve the full rate of pay under the "New Hire" provision above at Section 11(c).

In the event that the Arbitrator finds that an Employer is using this rate as a subterfuge, such Arbitrator may, among other remedies, award full pay from the date of employment at the applicable hiring rate. No contribution to any Benefit Funds shall be made for a vacation relief person. Vacation relief persons are not eligible for 32BJ Benefit Fund coverage during the five month vacation relief period.

15. DAY OF REST. Each employee shall receive at least one (1) full day of rest in every seven (7) days.

16. UNIFORMS.

(a) The Employer shall supply and maintain uniforms for all employees. All uniforms must be laundered at least once a week. All uniforms must be maintained in a good and serviceable condition by the Employer at all times.

(b) All uniforms shall be appropriate for the season. Employees doing outside work shall be furnished adequate wearing apparel for the purpose.

17. HEALTH & SAFETY/FIRST AID KIT. An adequate and complete first aid kit shall be supplied and maintained by the Employer in a place readily available to all employees. The Employer shall continue to provide safe and healthy working conditions.

18. LOSS OF EMPLOYEE'S PROPERTY. Employees shall be reimbursed for loss of personal property caused by fire or flood in the building.

19. EYE GLASSES AND UNION INSIGNIA. Employees may wear eyeglasses and the Union insignia while on duty.

20. BULLETIN BOARD. A bulletin board shall be furnished by the Employer exclusively for Union announcements

and notices of meetings.

21. SANITARY ARRANGEMENTS. Adequate sanitary arrangements shall be maintained in every building, and individual locker and key thereto and rest room key, where rest room is provided, and soap, towels and washing facilities shall be furnished by the Employer for all employees. The restroom and locker room shall be for the use of employees servicing and maintaining the building.

22. WORK SCHEDULE. The Employer shall furnish the Union, to the extent available, with work schedules, showing hours, cleaning area footage, type or frequency of cleaning work of porters and cleaners and with similar workload schedules of other employees.

23. TERMINATION PAY.

(a) In case of termination of employment because of the employee's physical or mental inability to perform his/her duties or from reduction in force occurring for reasons other than conversion of elevators to automatic operation, the employee shall receive, in addition to accrued vacation, termination pay according to service in the building or with the Employer, whichever is greater, as follows:

Employee with:	Pay:
5 and less than 10 years	1 weeks' wages
10 and less than 12 years	2 weeks' wages
12 and less than 15 years	3 weeks' wages
15 and less than 17 years	6 weeks' wages
17 and less than 20 years	7 weeks' wages
20 and less than 25 years	8 weeks' wages
25 years or more	10 weeks' wages

An employee physically or mentally unable to perform his/her duties may resign and receive the above termination pay if he/she submits written certification from a physician of such inability at the time of termination. In such event, the Employer may require the employee to submit to a medical examination by a physician designated by the Employer at the expense of the Employer to determine if in fact the employee is physically or mentally unable to perform his duties. If the Employer's designated physician disagrees with the physician's certificate submitted by the employee, the employee shall be examined by a physician designated by the Medical Director of the Building Service 32BJ Health Fund to make final and binding determination whether the employee is physically or mentally unable to perform his/her duties.

(b) In case of termination of employment because of conversion of elevators to automatic operation, the employee shall receive, in addition to any accrued vacation, termination pay according to years of service in the building or with the Employer as follows:

Employee with:	Pay:
5 and less than 10 years	2 weeks' wages
10 and less than 12 years	4 weeks' wages
12 and less than 15 years	5 weeks' wages
15 and less than 17 years	7 weeks' wages
17 and less than 20 years	8 weeks' wages
20 and less than 22 years	9 weeks' wages
22 and less than 25 years	10 weeks' wages
25 years or more	11 weeks' wages

(c) The right to accept termination pay and resign where there has been a reduction in force shall be determined by seniority, i.e., termination pay shall be offered to the most senior employee, then to the next most senior and so on until accepted notice of an intended layoff shall be posted in the building. If no employee accepts the offer, the least senior employee or employees shall be terminated and shall receive applicable termination pay.

(d) “Week’s pay” in the above paragraphs means the regular straight-time weekly pay at the time of termination. If the Employer offers part-time employment to the employee entitled to termination pay, he/she shall be entitled to termination pay for the period of his/her full-time employment, and if he accepts such part-time employment, he/she shall be considered a new employee for seniority purposes.

(e) Where an employee was placed on a part-time basis or suffered a wage reduction because of a change in his/her work category prior to February 1, 1966, and did not receive termination pay based upon his former pay, “week’s pay” shall be determined by agreement or through arbitration.

(f) Any employee accepting termination pay who is rehired in the same building or with the same Employer shall be considered a new employee for all purposes except as provided in the Recall clause.

(g) For the purpose of this section, sale or transfer of a building shall not be considered a termination of employment so long as the employee or employees are hired by the purchaser or transferee, in which case they shall retain their building seniority for all purposes.

24. TOOLS, PERMITS, FINES, AND LEGAL ASSISTANCE.

(a) All tools, of which the Superintendent shall keep an accurate inventory, shall be supplied by the Employer. The Employer shall continue to maintain and replace any special tools or tools damaged during ordinary performance of work but shall not be obligated to replace “regular” tools if lost or stolen. The Employer shall bear the expense of securing or renewing permits, licenses or certificates for specific equipment located on the Employer’s premises, and it will pay fines and employees’ applicable wages for required time spent for the violation of any codes, ordinances, administrative regulations or statutes, except any resulting from the employees’ gross negligence or willful disobedience,

(b) The Employer shall supply legal assistance where required to employees who are served with summons regarding building violations.

25. MILITARY SERVICE. All statutes and valid regulations about reinstatement and employment of veterans shall be observed. The Employer and the Union will cooperate in an effort to achieve the objectives of this provision. They shall also consider the institution of plans to provide training of veterans to improve their skills and to enter into employment in the industry.

26. NO DISCRIMINATION. There shall be no discrimination against any present or future employee by reason of race, creed, color, age, disability, national origin, sex, sexual orientation, union membership, or any characteristic protected by law, including, but not limited to, claims made pursuant to Title VII of the Civil Rights Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the New York State Human Rights Law, 42 U.S.C. Section 1981, the Family Medical Leave Act, the New York City Human Rights Code or any other similar laws, rules or regulations. All such claims shall be subject to the grievance and arbitration procedure (Article V) as the sole and exclusive remedy for violations. Arbitrators shall apply appropriate law in rendering decisions based upon claims of discrimination,

27. DAMAGE OR BREAKAGE. It is agreed that employees shall not be held liable for any damage or breakage occasioned by them in the course of their employment or for damage or loss to equipment unless negligence in cases of damage or loss to equipment is established.

28. PLACEMENT/EMPLOYMENT AGENCY FEE. No employee shall be employed through a fee-charging agency unless the Employer pays the full fee. There is presently an agreement between the Union and the RAB which provides that the Union may establish a Hiring Hall. In that event, the Employer agrees that if it shall require employees in the classifications of employment covered by this Agreement, it shall hire such employees from a Hiring Hall operated by the Union. The Hiring Hall shall refer only qualified applicants on the basis of their total industry-wide seniority. In the event the Hiring Hall is unable to supply satisfactory applicants to the Employer within three (3) working days following the request, the Employer shall be free to hire in the open market. The facilities of the Hiring Hall operated by the Union shall be made available to both members and non-members of the Union. The Union warrants that in the operation said Hiring Hall and in referrals to the Employer, it will not discriminate against any individual applicant for employment.

29. EMPLOYEES' ROOM AND UTILITIES.

Any employee occupying a room or apartment on the Employer's property may be charged a reasonable rental therefor. If such occupancy is a condition of his/her employment, the premises shall be adequate and properly maintained by the Employer, no rent shall be charged and the Employer shall provide normal gas and electric service and pay business telephone bills.

If the Employer terminates the service of an employee occupying living space in the building it shall give him/her thirty (30) days' written notice, except where there is a discharge for a serious breach of the employment contract. The Employer's notice to the employee to vacate his/her apartment shall be considered held in abeyance and the effective date thereof considered postponed, if necessary, until the matter is adjusted or determined through grievance or arbitration.

30. JOB DEFINITIONS.

(a) Elevator Starter. Chief responsibility is to direct elevator operations and traffic in the building and does not normally operate an elevator.

(b) Handyperson. Possesses a certain amount of mechanical or technical skill and devotes more than fifty (50) percent of working time in a building to work involving such skill.

(c) Foreperson. Differs from a porter or cleaning person in that the main responsibility is to direct cleaning operations.

(d) Guard. An employee whose function is to enforce rules to protect the property of the Employer or to protect the safety of persons on Employer's premises and whose duties shall not include the work performed under any other job classification covered in this Agreement.

(e) Others. Includes elevator operators, porters, porter/watchmen, cleaning persons, matrons, security porters, fire safety directors, exterminators and all other service employees employed in the building under the jurisdiction of the Union except those other classifications specified above.

(f) A "regular full-time employee," unless otherwise specified, shall be defined as one who is regularly scheduled to work five (5) days per week and at least five (5) hours a day.

All references to the male gender shall be deemed to include the female gender.

31. REQUIRED TRAINING PROGRAMS. The Employer shall compensate any employee now employed in a building for any time required for the employee to attend any instruction or training program in connection with the securing of any license, permit or certificate required by the Employer for the performance of duties in the building. Time spent shall be considered as time worked for the purpose of computing overtime pay.

32. GARNISHMENTS. No employee shall be discharged or laid off because of the service of an income execution, unless in accordance with applicable law.

33. DEATH IN THE FAMILY (BEREAVEMENT LEAVE). A regular, full-time employee with at least one (1) year of employment in the building shall not be required to work for a maximum of three (3) days immediately following the death of his/her parent, brother, sister, spouse or child, and shall be paid his/her regular, straight-time wages for any of such three days on which he/she was regularly scheduled to work or entitled to holiday pay. With respect to grandparents, the Employer shall grant a paid day off on the day of the funeral if such day is a regularly scheduled work day.

34. UNION VISITATION. Union representatives shall, at all times, be permitted to confer with employees in the service of the Employer.

35. JURY DUTY

(a) Employees who are required to qualify or serve on juries shall receive the difference between their regular rate of pay and the amount they receive for qualifying or serving on said Jury with a maximum of three (3) weeks in any calendar year.

(b) Pending receipt of the jury-duty pay, the Employer shall pay the employee his/her regular pay on his scheduled payday. As soon as the employee receives the jury-duty pay, he/she shall reimburse his Employer by signing the jury paycheck over to the Employer. Employees who serve on a jury shall not be required to work any shift during such day. If an employee is a weekend employee and assigned to jury duty, he/she shall not be required to work the weekend.

(c) In order to receive jury duty pay, the employee must notify the Employer at least two (2) weeks before he is scheduled to serve. If less notice is given by the employee, the notice provision regarding change in shift shall not apply.

36. IDENTIFICATION. Employees may be required to carry with them and exhibit proof of employment on the premises. If an identification system is not timely established, either party may submit the matter to arbitration.

37. SERVICE CENTER VISIT DAYS.

(a) Every regular full-time employee who has been employed in the building for one (1) year or more shall be entitled, upon one (1) weeks' notice to his/her Employer, to take one (1) day off in each calendar year at straight-time pay to visit the office of any one of the 32BJ Benefit Funds for the purpose of conducting business at the Benefit Funds office or to visit an employee's personal physician.

Such employee shall receive an additional one (1) day off with pay to visit the Benefit Fund office if the office requires such a visit or to visit the employee's personal physician's office if such a visit is requested. If the additional day is to visit a personal physician, the Employer can request, and the employee must provide a HIPAA compliant release (to be developed by the Health Fund) sufficient to provide proof that the employee visited the personal physician at the physician's request for this additional one (1) day.

To receive payment for such day(s), the employee shall exhibit a signed statement from the benefit fund office or their personal physician. In the event that an employee chooses to visit any one of the benefit fund offices after having used up his/her entitlement pursuant to the above two paragraphs, he/she may use any of his sick days for that purpose.

38. AUTOMATION EMPLOYMENT POOL. The Employer and the Union will cooperate with the industry Automation Employment Pool committees. Whenever practicable, preference in hiring will be given to qualified employees represented by the Union with long service who have lost their jobs because of technological advances including conversion to automatic elevators, at a time when they are approaching the age and service requirements to become eligible for pension benefits. The Employer will advise the Union of any job openings. The committee shall also consider the institution of plans to provide training of employees to improve their skills and to enter into employment in the industry.

39. DEATH OF EMPLOYEE. If an employee dies after becoming entitled to, but before receiving, any wage or pay hereunder, it shall be paid to his/her estate, or pursuant to Section 1310 of the New York Surrogate's Court Procedure Act, unless otherwise provided herein. This shall not apply to benefits under Section 47, where the rules and regulations of the Health, Pension, Legal, Training and SRSF Funds shall govern.

40. GOVERNMENT DECREE. There is presently in effect an agreement between the Union and the RAB covering commercial buildings in the City of New York which provides that if because of legislation, governmental decree or order, any increase or benefit herein provided is in any way blocked, frustrated, impeded or diminished, the Union may upon ten (10) days' notice require negotiation with the RAB to take such measures and reach such revisions in the contract as may legally provide substitute benefits and improvements for the employees at no greater cost to the Employer. The employees hereto agree that any terms or provisions which may be negotiated between the Union and the RAB as a result of any such renegotiation shall be fully binding upon the parties hereto upon the same terms and effective date(s) as between the Union and RAB.

In the event that any provision of this contract requires approval of any governmental agency, the Employer shall cooperate with the Union with respect thereto.

41. WEATHER CONDITIONS. Where extreme cold or hot weather causes hardship to the employees in the performance of their normal duties, the Union has the right to request the Employer to revise work schedules so as to give employees such advantage of retained heat or cold as may be compatible with the efficient operation of the building.

42. COMMON DISASTER. There shall be no loss of pay as a result of any Act of God or common disaster causing the shutdown of all or virtually all public transportation in the City of New York, making it impossible for employees to report for work, or where the Mayor of the City of New York or the Governor of the State of New York directs the citizens of the City not to report to work. The Employer shall not be liable for loss of pay for more than the first full day affected by such Act of God or common disaster. Employees necessary to maintain the safety or security of the building shall be paid only if they have no reasonable way to report to work and employees refusing the Employer's offer of alternate transportation shall not qualify for such pay. The term "public transportation" as used herein shall include subways and buses.

43. LIE DETECTOR. The Employer shall not require, request or suggest that an employee or applicant for employment take a polygraph or any other form of lie detector test.

44. CUSPIDORS. Employees will not be required to clean cuspidors.

45. DISABILITY BENEFITS & UNEMPLOYMENT INSURANCE.

(a) The Employer shall cover its employees so that they shall receive maximum weekly cash benefits provided under the New York State Disability Benefits Law on a noncontributory basis, and also under the New York State Unemployment Insurance Law, whether or not such coverages are mandatory. Failure to so cover employees makes the Employer liable to an employee for all loss of benefits and insurance.

(b) The Employer will cooperate with employees in processing their claims and shall supply all necessary forms, properly addressed, and shall post adequate notice of places for filing claims.

(c) If an employee informs the Employer that he/she is requesting workers' compensation benefits, then no sick leave shall be paid to such employee unless he/she specifically requests in writing payment of such leave. If an employee informs the Employer he/she is requesting disability benefits, then only five days' sick leave shall be paid to such employee (if he/she has that amount unused) unless he specifically requests in writing payment of additional available sick leave.

(d) Any employee required to attend his Workers' Compensation hearing shall be paid for his regularly scheduled hours during such attendance.

(e) Any cost incurred by the Union to enforce the provisions of this article shall be borne by the Employer.

(f) The Parties agree to establish a committee under the auspices of the Building Service 32BJ Health Fund to investigate and report on the feasibility of self-insuring disability and unemployment benefits.

46. SICKNESS BENEFITS.

(a) Any regular employee with at least one (1) year of service (as defined in Section d below) in the building or with the same Employer shall receive in a calendar year from the Employer ten (10) paid sick days for bona fide illness.

Any employee entitled to sickness benefits shall be allowed five (5) single days of paid sick leave per year taken in single days. The remaining five (5) days of paid sick leave may be paid either for illnesses of more than one (1) day's duration or may be counted as unused sick leave days.

The employee shall receive the above sick pay whether or not such illness is covered by New York State Disability Benefits Law or the New York State Workers' Compensation Act; however, there shall be no pyramiding or duplication of Disability Benefits and/or Workers' Compensation Benefits with sick pay.

(b) An employee absent from duty due to illness only on a scheduled workday immediately before and/or only on the scheduled workday immediately after a holiday shall not be eligible for sick pay for said absent workday or workdays.

(c) Employees who have continued employment to the end of the calendar year and have not used all sickness benefits shall be paid, in the succeeding January, one full day's pay for each unused sick day.

Any employee who has a perfect attendance record for the calendar year shall receive an attendance bonus of $125.00 in addition to payment of the unused sick days. For the purpose of this provision, perfect attendance shall mean that the employee has not used any sick days, except that any sick day or unpaid leave that qualifies under the Family and Medical Leave Act shall not be considered in determining perfect attendance.

If an Employer fails to pay an employee before the end of February, then such Employer shall pay one additional days pay unless the Employer challenges the entitlement or amount due.

(d) For the purpose of this Section, one (1) year's employment shall be reached on the anniversary date of employment. Employees who complete one (1) year of service after January I shall receive a pro-rata share of sickness benefits for the balance of the calendar year.

A "regular" employee shall be defined as one who is a full-or part-time employee employed on a regular schedule. Those employed less than forty (40) hours a week on a regular basis shall receive a pro rata portion of sickness benefits provided herein computed on a forty (40) hour workweek.

(e) All payments set forth in this Article are voluntarily assumed by the Employer, in consideration of concessions made by the Union with respect to various other provisions, of this Agreement, and any such payment shall be deemed to be a voluntary contribution or aid within the meaning of any applicable statutory provisions.

(f) The parties agree that on an annual basis the paid leave benefits provided regular employees under this Agreement are comparable to or better than those provided under the New York City Earned Sick Time Act, N.Y.C. Admin. Code § 20-911 et seq. Therefore, the provisions of that Act are hereby waived.

47. **HEALTH, PENSION, TRAINING, LEGAL & SUPPLEMENTAL RETIREMENT AND SAVINGS FUNDS**

A. Health Fund

1. The Employer shall make contributions to a health trust fund, known as the "Building Service 32BJ Health Fund," to cover employees covered by this Agreement who work more than two (2) days per week with such health benefits as may be determined by the Trustees of the Fund. The Employer may, unless rejected by the Trustees, upon execution of a participation agreement in the form acceptable by the Trustees, cover such other of his employees as he/she may elect, and provided such coverage is in compliance with law and the Trust Agreement.

Employees who are on workers' compensation or who are receiving statutory short term disability benefits or Building Service 32BJ long term disability benefits, or a Building Service 32BJ disability pension, shall be covered by the Health Fund without employer contributions until they may be covered by Medicare or thirty (30) months from the date of disability, whichever is earlier.

In no event shall any employee who was previously covered for health benefits lose such coverage as a result of a change or elimination of the Health Fund provision extending coverage for disability. In the event the provision extending coverage for disability is discontinued for any reason, the Employer shall be obligated to make contributions for the duration of the period that would have otherwise been available.

2. Effective January 1, 2016, the rate of contribution to the Health Fund shall be $16,448.24 per year for each covered employee, payable when and how the Trustees determine.

3. Effective January 1, 2017, the rate of contribution to the Health Fund shall be $17,446.64 per year for each covered employee.

4. Effective January 1, 2018, the rate of contribution to the Health Fund shall be $18,494.44 per year for each covered employee.

5. Effective January 1, 2019, the rate of contribution to the Health Fund shall be $19,790.80 per year for each covered employee.

6. Any Employer who becomes party to this Agreement and who has a plan in effect prior to the effective date of this Agreement, which provides health benefits, the equivalent of or better than, the benefits provided for herein, and the cost of which to the Employer is at least as great, may upon the agreement of the Union cover his/her employees under his/her existing plan in lieu of this Fund. If any future applicable legislation is enacted, there shall be no duplication or cumulation of coverage and the parties will negotiate such changes as may be required by law.

7. If during the term of this Agreement, the Trustees find the payment provided herein is insufficient to maintain benefits and adequate reserves for such benefits, they shall require the parties to increase the amounts needed to maintain such benefits and reserves. In the event the Trustees are unable to reach agreement on the amount required to maintain benefits and reserves, the matter shall be referred to arbitration pursuant to the deadlock provisions of the Fund's Agreement and Declaration of Trust. The preceding maintenance of benefits provision shall be suspended for the life of this Agreement.

8. The RAB and the Union have agreed that if there is governmental health care reform mandating payment, in full or part, by a contributing Employer for some or all of the benefits already provided for in the Health Fund to participants, the parties shall meet to discuss what ameliorative steps, if any, might be appropriate to minimize any adverse impact on the Health Fund, its participants and Employers.

B. Pension Fund

1. The Employer shall make contributions to a pension trust known as the "Building Service 32BJ Pension Fund" to cover bargaining unit employees who a regularly employed twenty (20) or more hours per week, including paid time off. The Employer shall also make contributions on behalf of other bargaining unit employees to the extent that such employees work a sufficient number of hours to require benefit accrual pursuant to Section 204 of ERISA.

Employees unable to work and who are on statutory short term disability benefits or workers' compensation shall continue to accrue pension credits without employer contributions during the periods of disability up to six (6) months or the period of disability, whichever is earlier.

2. Effective January 1, 2016, the rate of contribution to the Pension Fund shall be $102.75 per week for each covered employee, payable when and how the Trustees determine.

3. Effective January 1, 2017, the rate of contribution to the Pension Fund shall be $106.75 per week for each covered employee.

4. Effective January 1, 2018, the rate of contribution to the Pension Fund shall be $110.75 per week for each covered employee.

5. Effective January 1, 2019, the rate of contribution to the Pension Fund shall be $114.75 per week for each covered employee.

The parties agree that the foregoing contribution requirements for the Pension Fund are consistent with the contribution rate schedules required by the Pension Fund's rehabilitation plan under Section 432 of the Internal Revenue Code.

6. Any Employer who becomes a party to this Agreement and who immediately prior thereto, has a pension plan in effect which provides benefits equivalent to or better than the benefits provided herein, may, upon agreement with the Union (and RAB) cover his employees under his existing plan in lieu of this Fund and be relieved of the obligation to make contributions to the Fund for the period of such other coverage.

7. If the Employer has an existing plan as referred to above, it shall not discontinue or reduce benefits without prior Union consent and the existing plan shall remain obligated to the employee(s) for whatever benefits they may be entitled.

8. In no event shall the Trustees or any of them, the Union or the Employer, directly or indirectly, by reason of this Agreement, be understood to consent to the extinguishment, change or diminution of any legal rights, vested or otherwise, that anyone may have in the continuation in existing form of any such Employer pension plan, and the Trustees or any of them, the Union and the Employer, shall be held harmless by an Employer against any action brought by anyone covered under such Employer's plan asserting a claim based upon anything done pursuant to Section 6 of this Article. Notice of the pendency of any such action shall be given the Employer who may defend the action on behalf of the indemnitee.

9. The parties agree that if there are new governmental regulations issued that implement the excise tax provisions of the Pension Protection Act (PPA), or there is further governmental reform relating to the funding of pension funds, the parties shall meet to discuss what steps, if any, might be appropriate to ameliorate and adverse impact on the Funds, its participants and employers.

To the extent that the Employer, with respect to employees covered by this Agreement, becomes subject to an automatic employer surcharge or any excise tax, penalty, fee increased contribution rate or other amount relating to the funding of the Pension Fund (but not including interest, liquidated damages, or other amounts owed as a consequence of failing to make timely remittance of contributions to the Pension Fund) under Sections 412 or 432 of the Internal Revenue Code then the parties agree that the required contributions to the Health Fund, Training Fund and/or Legal Services Fund shall be reduced dollar for dollar by the aggregate amount of any additional contribution and/or surcharge amounts, excise taxes, penalties, fees or other amounts that such employer is required to pay, as provided in this subsection. Unless a different allocation among the Funds is agreed upon in advance of any applicable due date for such contributions by the Presidents of the RAB and Local 32BJ, such amount shall be allocated solely from the Health Fund.

C. Training, Scholarship and Safety Fund

1. The Employer shall make contributions to a training and scholarship trust fund known as the "Thomas Shortman Training, Scholarship and Safety Fund" to cover employees covered by this Agreement who work more than two (2) days per week, with such benefits as may be determined by the Trustees.

2. Effective January 1, 2016, the rate of contribution to the Thomas Shortman Training, Scholarship and Safety Fund shall be $169.60 per year for each covered employee, payable when and how the Trustees determine.

D. Group Prepaid Legal Plan

1. The Employer shall make contributions to a prepaid legal services trust fund known as the "Building Service 32BJ Legal Services Fund" to cover employees covered by this Agreement who work more than two (2) days per week, with such benefits as may be determined by the Trustees.

2. Effective January 1, 2016, the rate of contribution to the Legal Fund shall be $199.60 per year for each covered employee, payable when and how the Trustees determine.

E. Supplemental Retirement and Savings Fund

1. The Employer shall make contributions to a trust fund known as the "Building Service 32BJ Supplemental Retirement and Savings Fund" to cover bargaining unit employees who are regularly employed twenty (20) or more hours per week, including paid time off, with employer contributions as hereinafter provided and tax exempt employee wage deferrals as provided by the Plan and for Plan Rules. Employer contributions for other bargaining unit employees shall also be required for each week in which they work twenty (20) or more hours, including paid time off.

2. Effective January 1, 2016, the rate of contribution to the Supplemental Retirement and Savings Fund shall be $13.00 per week per covered employee, payable in the Fund when and how the Trustees determine.

F. Provisions Applicable to All Funds

1. If the Employer fails to make required reports or payments to the Funds, the Trustees may in their sole and absolute discretion take any action necessary, including but not limited to immediate arbitration and suits at law, to enforce such reports and payments, together with interest and liquidated damages as provided in the Funds' Trust Agreements, and any and all expenses of collection, including but not limited to counsel fees, arbitration costs and fees, and court costs.

Any Employer regularly or consistently delinquent in Health, Pension, Legal, Training or Supplemental Retirement and Savings Fund payments may be required, at the option of the Trustees of the Funds to provide the appropriate Trust Fund with security guaranteeing prompt payment of such payments.

2. By agreeing to make the required payments into the Funds, the Employer hereby adopts and shall be bound by the Agreement and Declaration of Trust as it may be amended and the rules and regulations adopted or hereafter adopted by the Trustees of each Fund in connection with the provision and administration of benefits and the collection of contributions. The Trustees of the Funds shall make such amendments to the Trust Agreements, and shall adopt such regulations, as may be required to conform to applicable law, and which shall in any case provide that employees whose work comes within the jurisdiction of the Union (which shall not be considered to include anyone in an important managerial position) may only be covered for benefits if the building in which they are employed has a collective bargaining agreement with the Union. Any dispute about the Union's jurisdiction shall be settled by the Arbitrator if the parties cannot agree.

3. There shall be no Employer contributions to the Funds on behalf of employees during their first ninety (90) days, except as provided in Section 11(c) above, with respect to the Building Service Pension and Supplemental Retirement and Savings Funds.

4. There is presently an Agreement between the Union and the RAB which provides that the Presidents of the RAB and Union may determine, in their discretion and upon mutual consent, prior to the beginning of the contract years January 1, 2016,

55. COMPLETE AGREEMENT. This Agreement constitutes the full understanding between the parties and, except as they may otherwise agree, there shall be no demand by either party for the negotiation or renegotiation of any matter covered or not covered by the provisions hereof.

EMPLOYER:

AMALGAMATED BANK
275 SEVENTH AVE.
NEW YORK, NY 10001

Employer Entity Name (Please Print Clearly)

Address-Line 1

Address-Line 2

212-895-4354

Telephone

By: /s/ Toni-Ann M. Sforza

Signature

Name: Toni-Ann M. Sforza
Title: Senior Vice President
Director of Human Resources

As Agent for **AMALGAMATED BANK OF NEW YORK**

OWNER ENTITY

Dated: March 7, 2016

SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL 32BJ
25 West 18th Street
New York, New York 10011
Tel. No. (212) 388-3800

By: _____

Date: _____

SECTION 54 – Superintendents

SUBSECTION I – Wages and Hours

1. (a) Effective January 1, 2016, Superintendents covered by this Agreement shall receive a $32.00 weekly wage increase, and the minimum weekly wage shall then be $.

(b) Effective January 1, 2017, Superintendents covered hereunder shall receive a weekly wage increase of $28.00. (c) Effective January 1, 2018, Superintendents covered hereunder shall receive a weekly wage increase of $28.00. (d) Effective January 1, 2019, Superintendents covered hereunder shall receive a weekly wage increase of $35.00.

Minimum wage rates shall be increased accordingly to reflect the above increases.

(e) Cost-of-living increases, if any, granted to employees under Article IX of this Agreement shall be granted to the Superintendents in the same amount and on the same effective date.

2. (a) The Superintendent shall be entitled to two (2) days off in each workweek, one of which shall be Sunday, and any work performed on either of those days shall be paid for at the rate of time and one-half the regular straight-time rate for all hours worked.

(b) Saturday shall continue to be a premium day, and any work performed on this day shall be paid for at the rate of time and one-half the regular straight-time rate of pay.

SUBSECTION II – Working Conditions

1, Any replacement Superintendent shall receive the contract wage, except where it includes extra pay attributable to years of service, special competence or special considerations beyond job requirements.

2. The Superintendent shall not be required to: (a) renew cables on elevators or build block or hollow tile walls; (b) run elevators except during relief period, lunch period, and emergencies and except that in any building employing three or less employees during the daytime, exclusive of the superintendent, the superintendent in such buildings shall do all the duties which he/she has heretofore been accustomed to do; (c) do any porter work except in a building employing three employees or less during the daytime, exclusive of the superintendent, in which case he/she should continue to do work he/she has heretofore performed; (d) perform work on a scaffold that is not directly over a roof, setback, or within the building; (e) perform work on the inside of any fuel oil, pressure or hermetically sealed tank, (f) build cutting tables, machine stands, or dress racks; or (g) do any work that conflicts with State, Federal, or Municipal laws.

3. The Superintendent shall not be penalized or discriminated against for attending arbitrations, hearings or meetings, but this privilege shall not be construed so as to interfere with the orderly operations of the building.

4, There may be added to the duties of the Superintendent more or less miscellaneous and relief work for which his/her additional compensation distinguishes him/her from other classes of workers on the premises, subject to the grievance and arbitration procedures provided herein.

5. The Arbitrator may consider exceptional cases in which the Union claims that excessive work or the utilization of unique skills or painting is required of the Superintendent and may relieve the Superintendent of, or require additional compensation for, such excessive work.

6. No Superintendent leaving his/her position of his/her own accord shall be entitled to accrued vacation allowance unless he/she has given the Employer at least thirty (30) days' written termination notice.

7. The Union may question the propriety of the termination of the Superintendent's services and demand his/her reinstatement to his/her job or severance pay, if any, as the case may be, by filing a grievance under Article V of this Agreement. The Arbitrator shall give due consideration to the Superintendent's management responsibilities and to the need for cooperation between the Superintendent and the Employer.

8. No provision of this Agreement shall be so construed as to reduce the wages or lower the rate of pay of the Superintendent, or to lower or worsen the terms or conditions of his/her employment. This provision shall not be construed as to in any way prevent the exercise by the Employer of its normal management prerogatives to make changes in equipment, schedules, shifts, number of employees and duties necessary and incident to the operation, maintenance and servicing of the building not inconsistent with the letter or the spirit of any other specific provision of this Agreement.

9. The provisions of this Agreement applicable to Superintendents shall expire January 31, 2020,

10. Wherever a conflict may exist between the 2016 Independent Office Agreement and terms of this Article and Section, the terms of this Article and Section shall prevail.

Exhibit 10.8

August 13, 2018

YUCAIPA CORPORATE INITIATIVES FUND II, L.P.
YUCAIPA CORPORATE INITIATIVES (PARALLEL) FUND II, L.P.
c/o Yucaipa Corporate Initiatives Fund II, LLC
9130 West Sunset Boulevard
Los Angeles, California 90069

Re: Amalgamated Bank

Ladies and Gentlemen:

Reference is made to that certain Investor Rights Agreement, dated as April 11, 2012, by and among Amalgamated Bank, a New York bank (the "Bank"), and the various stockholders party thereto (the "Investor Rights Agreement"). In connection with the termination of the Investor Rights Agreement by its terms on the date hereof due to the occurrence of a Qualifying Registration Event (as defined in the Investor Rights Agreement and that certain Registration Rights Agreement, dated as of April 11, 2012, by and among the Bank and the stockholders named therein (the "Registration Rights Agreement"), the Bank and YUCAIPA CORPORATE INITIATIVES FUND II, L.P. and YUCAIPA CORPORATE INITIATIVES (PARALLEL) FUND II, L.P. (collectively "Investor") are contemporaneously entering into this agreement (this "Side Letter Agreement") and, as such, the parties hereto acknowledge and agree that this Side Letter Agreement shall remain in full force and effect notwithstanding the termination of the Investor Rights Agreement and the continuing effectiveness of the Registration Rights Agreement.

The Bank and Investor hereby agree as follows:

1. Appointment of a Director

(a) The Bank hereby agrees that, from and after the date hereof, for so long as Investor and its Affiliates (as defined in the Registration Rights Agreement) own in the aggregate at least 5.0% of the Bank's Class A Common Stock then outstanding (the "Minimum Ownership Interest"), the Bank shall take all requisite corporation action with respect to the nomination of one individual designated by Investor (the "Investor Nominee") for service on the Board of Directors of the Bank (the "Board"), subject in each case, to satisfaction of all applicable legal and governance requirements regarding service as a director of the Bank.

(b) The Investor Nominee shall hold office until the earlier of (x) a Vacancy Event (as defined below) with respect to such Investor Nominee and (y) the election of a Replacement Investor Nominee in accordance with the provisions of Section 1(e).

(c) The Bank agrees to use commercially reasonable efforts to cause each person nominated pursuant to and in accordance with this Section 1 to be elected to the Board (including but not limited to, (i) causing the Board to appoint such nominee to the Board, (ii) recommending such nominee to its stockholders at the Bank's annual meeting and (iii) soliciting proxies for such nominee).

(d) Investor shall, and shall cause any Investor Nominee, promptly to provide to the Bank all information concerning an Investor Nominee that is reasonably necessary to submit any notice or application required by any governmental entity in connection with the appointment or election of such Investor Nominee to the Board; *provided, however,* that Investor and the Investor Nominee shall not be required to furnish the Bank with any sensitive personal biographical or personal financial information of the Investor Nominee so long as Investor or Investor Nominee, as the case may be, will furnish directly to the applicable governmental entity such information and will confirm such submission in writing to the Bank.

(e) Investor shall have the exclusive right to nominate the replacement for an Investor Nominee (a "Replacement Investor Nominee") upon the death, disability, resignation, retirement, disqualification, removal or otherwise (each a "Vacancy Event") of the Investor Nominee (except vacancies arising pursuant to Section 1(f)). Subject to receipt of any necessary regulatory approvals, the Bank agrees to use its reasonable best efforts to cause any Replacement Investor Nominee to be elected to the Board as soon as practicable following the occurrence of a Vacancy Event with respect to an Investor Nominee (including, but not limited to, (i) causing the Board to elect such Replacement Investor Nominee to fill the vacancy resulting from such Vacancy Event, (ii) recommending that the stockholders vote in favor of such Investor Nominee at each subsequent annual meeting, and (iii) soliciting proxies for the election of such Replacement Investor Nominee).

(f) If, at any time subsequent to the date of this Side Letter Agreement, Investor and its Affiliates in the aggregate no longer own a Minimum Ownership Interest, Investor shall (i) have no further rights under this Section 1; (ii) promptly notify the Bank that Investor and its Affiliates no longer own a Minimum Ownership Interest and (iii) use its reasonable best efforts to cause the Investor Nominee to immediately resign from the Board.

2. Expenses. The Bank shall reimburse the Investor Nominee for his or her reasonable out-of-pocket expenses incurred by the Investor Nominee in connection with attending regular and special meetings of (i) the Board and any committee thereof and (ii) the board of directors of any Subsidiary of the Bank and any committee thereof.

3. Voting. Except as provided in the Bylaws of the Bank, either (i) the approval by a vote of at least a majority of the entire Board or (ii) the written consent of all of the directors shall be required for all actions requiring approval of the Board; *provided* that, if, at the time of the meeting for the taking of such vote or at the time of the taking of any such action by written consent, there is a vacancy on the Board and a Replacement Investor Nominee has been nominated to fill such vacancy pursuant to Section 1(e), the first order of business to be conducted at such meeting or pursuant to such consent shall be to fill such vacancy by appointing such Replacement Investor Nominee, provided that any required regulatory approvals shall have been obtained in order for such appointment to be effective. For the avoidance of doubt and unless otherwise required under applicable law, unanimous written consent of the Board shall only require the written consent of the directors then in office; *provided* that if there is a vacancy with respect to an Investor Nominee, notice of any Board meeting (other than a regularly scheduled Board meeting) or action to be taken by written consent must be provided to Investor at least ten (10) business days prior thereto and Investor shall have the ability to nominate a Replacement Investor Nominee to fill such vacancy and, *provided* that any required regulatory

approvals shall have been obtained, the first order of business to be conducted at such meeting or pursuant to such consent shall be to fill such vacancy by appointing such Replacement Investor Nominee prior to any other action or before such written consent of the Board shall be effective.

4. Information

(a) The Investor Nominee shall have the right to receive from the Bank as promptly as reasonably practicable such information with respect to the Bank or any of its subsidiaries as the Investor Nominee reasonably requests, including (i) as soon as practicable and, in any event, within sixty (60) days after the beginning of each fiscal year, the Bank's annual operating budget for such fiscal year, (ii) promptly following the preparation thereof, a copy of any revisions to the annual operating budget delivered pursuant to the preceding clause (i); and (iii) as soon as practicable, and in any event within twenty (20) days after the end of each month, the monthly management reporting packages of the Bank and, to the extent the following items are not included in the monthly management reporting packages, the unaudited consolidated balance sheet of the Bank and its subsidiaries as at the end of such month and the related unaudited statement of operations and cash flow for such month, and for the portion of the fiscal year then ended, in each case prepared in accordance with generally accepted accounting principles ("GAAP") consistently applied, setting forth in comparative form the figures for the corresponding month and portion of the previous fiscal year, and the figures for the corresponding month and portion of the then current fiscal year as in the Bank's annual operating budget. Subject to Section 6 and Sections 4.2(b)-(e), the Investor Nominee shall be allowed to share any information received pursuant to this Section 4(a) with Investor and its Affiliates to the fullest extent permitted under applicable Law.

(b) The Bank shall maintain, at its principal place of business, separate books of account for the Bank that shall show a true and accurate record of all costs and expenses incurred, all charges made, all credits made and received and all income derived in connection with the operation of the Bank's business in accordance with GAAP consistently applied. Such books of account shall at all times be maintained at the principal place of business of the Bank and shall be open to inspection and examination at reasonable times and upon reasonable notice by Investor and its duly authorized representative for any purpose reasonably related to the Investor's stockholdings in the Bank.

(c) At any time during which the Bank is not required to file annual, quarterly and periodic reports with the FDIC pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"), the Bank will furnish to the Investor, as soon as practicable, but in any event within one hundred twenty (120) calendar days after the end of each fiscal year of the Bank, (i) a consolidated balance sheet of the Bank and its Subsidiaries as of the end of such fiscal year and statements of operations, changes in capital and a statement of cash flows for such fiscal year, such year-end financial reports to be prepared in accordance with GAAP consistently applied and audited and certified by independent public accountants of nationally recognized standing selected by the Bank, together with a comparison of the figures in such financial statements with the figures for the previous fiscal year and the figures in the Bank's annual operating budget and (ii) any management letters or other similar correspondence from such accountants.

(d) At any time during which the Bank is not required to file annual, quarterly and periodic reports with the FDIC pursuant to Section 13 or 15(d) of the Exchange Act, the Bank will furnish to Investor, as soon as practicable, but in any event within forty-five (45) calendar days after the end of each of the first three (3) quarters of each fiscal year of the Bank, an unaudited consolidated balance sheet of the Bank and its Subsidiaries as of the end of such fiscal quarter and statements of operations, changes in capital and a statement of cash flows for such fiscal quarter, in each case prepared in accordance with GAAP consistently applied.

(e) On an ongoing basis, the Bank shall provide Investor with such business plans, projections and other financial and operating information reports (and any material revisions or updates to the foregoing) prepared by the Bank in the usual and ordinary course.

Notwithstanding anything to the contrary contained herein, none of Investor or any directors, officers, employees, agents, general or limited partners, managers, members, fiduciaries, stockholders, representatives or Affiliates of Investor shall receive any information about, be present for any discussion concerning, discuss state or local political contributions or advisory services business with the board or staff of, or otherwise be involved in any capacity with the operations, management or oversight of, Amalgamated Bank NY PAC.

5. Insurance. The Bank shall maintain directors' and officers' liability insurance and fiduciary liability insurance with insurers of recognized financial responsibility in such amounts as the Board determines to be prudent and customary for the Bank's business and operations.

6. Confidentiality

(a) Investor shall, and shall cause each of its Affiliates to, maintain in confidence and not use in any way other than in connection with evaluating and monitoring its investment in the Bank, any nonpublic or confidential proprietary information furnished to it by or on behalf of the Bank, or any of its subsidiaries or any other stockholder or their respective Affiliates, except that such information may be disclosed to:

(i) Investor's directors, officers, employees, agents, general or limited partners, managers, members, fiduciaries, stockholders, representatives or Affiliates of any of the foregoing or to any financial institution providing credit to Investor or its Affiliates or to any financing source or potential financing source of Investor or its Affiliates; provided that Investor shall be responsible for any use or disclosure of such confidential information by such persons that would constitute a breach of this Section 6;

(ii) the extent required by applicable law (including complying with any oral or written questions, interrogatories, requests for information or documents, subpoena, civil investigative demand or similar process to which Investor is subject, provided that Investor gives the Bank prompt notice of such request(s), to the extent practicable, so that the Bank may seek an appropriate protective order or similar relief (and Investor shall cooperate (at the expense of the Bank) with such efforts by the Bank, and shall in any event make only the minimum disclosure required by applicable law);

(iii) any governmental entity with jurisdiction over Investor or any of its Affiliates or any rating agency in connection with or relating to any securities of Investor

or any of its Affiliates which are rated by such rating agency, as long as such governmental entity or rating agency is advised of the confidential nature of such information (and, in the case of a rating agency, expressly agrees to maintain the confidentiality of such information); or

(iv) another stockholder (or Affiliate thereof) who has a contractual right to designate a director of the Bank.

(c) All information provided under this Side Letter Agreement shall be subject to this Section 6 and shall be deemed confidential; provided, however, that information shall not be deemed confidential if (i) at the time of disclosure, such information is generally available to the public (other than as a result of a disclosure directly by the recipient or any of its representatives in violation of this Section 6), (ii) such information was available to the recipient on a non-confidential basis from a source that was not, at the time of disclosure, prohibited from disclosing such information to the recipient by a contractual, legal or fiduciary obligation, or (iii) such information is known to the recipient prior to or independently of its relationship with the party providing such information. Investor shall be liable for breaches of this Section 6 by any person to whom it has disclosed confidential information in accordance with Section 6(a)(i) above, unless such person to whom it has disclosed confidential information has executed a confidentiality agreement with the Bank, pursuant to which such Person has agreed to keep such information confidential in accordance with this Section 6 or in accordance with other confidentiality restrictions with respect to such information that are at least as restrictive as those contained herein.

(d) Notwithstanding anything herein to the contrary, from time to time directors of the Bank may receive certain highly confidential information regarding (i) the compensation of specific individuals (as opposed to general employee compensation information) by the Bank and/or the Bank's subsidiaries, (ii) the pricing of products and services of the Bank and/or the Bank's subsidiaries, or (iii) identifying or other similar information (e.g., names, addresses, tax identification numbers and contact information) related to customers of the Bank and/or the Bank's subsidiaries, in each case that is not provided directly to Investor and is designated as "Directors Only" information by the Chief Executive Officer of the Bank. The Investor Nominee shall not disclose such information to any other person (other than (x) as may be required by applicable law, or (y) to their legal advisors for the purpose of seeking legal advice) unless they have first obtained the consent of the designating Chief Executive Officer, such consent not to be unreasonably withheld.

7. Indemnification Agreements. The Investor Nominee shall have the option to enter into an indemnification agreement with the Bank, substantially in the form attached as an Exhibit hereto.

8. ERISA Matters. Subject to the Bank's reasonable restriction on the use and disclosure of information and the Bank's right to limit such disclosure to comply with applicable Laws and to protect any attorney-client privilege, subject to Section 6, and without limitation or prejudice of any of the rights provided to the Investor under this Agreement, Investor and, at the written request of Investor, each Affiliate of Investor that indirectly has an interest in the Bank's securities through Investor, in each case that is intended to qualify as a "venture capital operating

company" (a "VCOC") as defined in the U.S. Department of Labor Regulations codified at 29 C.F.R. Section 2510.3-101 (each, a "VCOC Investor"), will have customary and appropriate VCOC rights relating to inspection, information, and consultation with respect to the Bank (including customary consultation, inspection and access rights at mutually agreeable times (but not more frequently than quarterly), and rights to receive written materials prepared for distribution to members of the Board at the regularly scheduled Board meetings ("Board Papers"), *provided, however,* that the Bank reserves the right to exclude a VCOC Investor from access to any Board Papers or meeting or portion thereof if the Bank believes that such exclusion is reasonably necessary to preserve the attorney-client privilege, to protect confidential proprietary information, to comply with regulatory restrictions, or for other similar reasons), and the right to audited and unaudited financial statements; *provided, however,* that the Bank shall be under no obligation to provide a VCOC Investor with any material non-public information with respect to future corporate actions, and provided further that nothing herein shall entitle more than one Affiliate of Investor to the rights under this Section 8 without the consent of the Bank. The Bank agrees to consider, in good faith, the recommendations of a VCOC Investor or its designated representative in connection with the matters on which it is consulted as described above, recognizing that the ultimate discretion with respect to all such matters shall be retained by the Bank. The right of any person to receive information or access hereunder shall be subject to such person executing a customary confidentiality agreement in favor of the Bank and Investor shall, in addition to the person executing such agreement, be responsible for any breach thereof.

9. Corporate Opportunities

(a) Investor may engage in or possess an interest in other business ventures of any nature or description, independently or with others, similar or dissimilar to the business of the Bank or any subsidiary thereof, and the Bank, any subsidiary thereof, the directors of the Bank, the directors of any subsidiary of the Bank and the other stockholders shall have no rights by virtue of this Agreement in and to such ventures or the income or profits derived therefrom, and the pursuit of any such venture, even if competitive with the business of the Bank, shall not be deemed wrongful or improper.

(b) Except as otherwise provided below, neither Investor nor any of its directors, principals, officers, members, limited or general partners, fiduciaries, managers, employees and/or other representatives or its or their Affiliates or its Investor Nominee shall be obligated to refer or present any particular business opportunity to the Bank or any subsidiary thereof even if such opportunity is of a character that, if referred or presented to the Bank or any subsidiary thereof, could be taken by the Bank or any subsidiary thereof, and Investor or any of its Affiliates shall have the right to take for its own account (individually or as a partner, investor, member, participant or fiduciary) or to recommend to others such particular opportunity.

(c) In the event that an Investor Nominee who is also a director, officer or employee of Investor acquires knowledge of a potential transaction or other matter which may be a corporate or business opportunity for both the Bank and Investor, the Investor Nominee shall have fully satisfied and fulfilled the fiduciary duty of the Investor Nominee as a director of the Bank to the Bank and its stockholders with respect to such corporate or other business

opportunity, if the Investor Nominee acts in a manner consistent with the following policy: A business or corporate opportunity offered to any person who is a director but not an officer of the Bank and who is a director, officer, employee, partner, member or stockholder of Investor or its Affiliates shall belong to the Bank only if such opportunity is expressly offered to such person in his or her capacity as a director of the Bank, and otherwise shall belong to Investor.

(d) Notwithstanding Sections 9(b) and (c), if a particular opportunity is expressly presented by a third party to the Investor Nominee or, to the actual knowledge of the Investor Nominee , to Investor as an opportunity specifically for the Bank or any of the Bank's subsidiaries, such opportunity shall be presented to the Board, and if both (x) the Bank or any Bank subsidiary, and (y) the Investor Nominee or, to the actual knowledge of the Investor Nominee, Investor pursues such opportunity, Investor and the Investor Nominee shall have no right to participate in any vote or consent or deliberations of the Board or its stockholders, as the case may be, with respect to such opportunity.

No act or omission by Investor or any of its Affiliates in accordance with this Section 9 shall be considered contrary to (i) any fiduciary duty that Investor or any of its Affiliates may owe to the Bank or any of its subsidiaries or to any other stockholder by reason of Investor being a stockholder of the Bank, or (ii) any fiduciary duty the Investor Nominee who is also a director, officer or employee of Investor or any of its Affiliates may owe to the Bank or any of its subsidiaries, or to any stockholder thereof.

10. Governing Law. This Side Letter Agreement and all acts and transactions pursuant hereto shall be governed, construed and interpreted in accordance with the laws of the State of New York without giving effect to principles of conflicts of laws.

11. Counterparts. This Side Letter Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts will be deemed an original, will be construed together and will constitute one and the same instrument.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have executed this Side Letter Agreement as of the date first above written.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Agreed and acknowledged as of the date first above written:

YUCAIPA CORPORATE INITIATIVES FUND II, L.P.

By: Yucaipa Corporate Initiatives Fund II, LLC, its General Partner

By: /s/ Henry E. Orren
Name Henry E. Orren
Title: Assistant Vice President and Secretary

YUCAIPA CORPORATE INITIATIVES (PARALLEL) FUND II, L.P.

By: Yucaipa Corporate Initiatives Fund II, LLC, its General Partner

By: /s/ Henry E. Orren
Name Henry E. Orren
Title: Assistant Vice President and Secretary

Exhibit 10.9

RESOLUTION OF THE

BOARD OF TRUSTEES OF THE

CONSOLIDATED RETIREMENT PLAN

The undersigned, Administrator of the Consolidated Retirement Fund (the "Fund") hereby certifies that the Board of Trustees (the "Board") of the Fund adopted the following resolutions at its meeting held on December 12, 2014:

WHEREAS, the Board maintains the Consolidated Retirement Plan (the "Plan") as a qualified plan under Section 401(a) of the Internal Revenue Code of 1986, as amended;

WHEREAS, Section 12.1 of the Plan provides that the Trustees have the authority to amend the Plan, in whole or in part, at any time;

WHEREAS, the Trustees desire to amend and restate the Plan to conform to the cumulative list of changes in plan-qualification requirements as set forth in Notice 2013-84, and to incorporate administrative and conforming amendments since the issuance of the Plan's prior Internal Revenue Service favorable determination letter;

NOW, THEREFORE, in consideration of the promises and mutual covenants herein contained, the parties hereto agree as follows:

It IS HEREBY RESOLVED. that subject to the approval of the Internal Revenue Service, the Plan, substantially in the form attached hereto, be and hereby is approved and adopted in all respects, effective as of January 1, 2015; and it is further

RESOLVED. that the Trustees hereby direct Counsel, Schulte Roth & Zabel LLP, to prepare and file with the Internal Revenue Service an application for a determination letter that the Plan continues to meet the qualification requirements under Section 401(a) of the Internal Revenue Code; and it is further

RESOLVED, that the Trustees and the Administrator acting on behalf of the Plan, be, and each of them hereby is, authorized, empowered and directed to execute such documents, enter into such agreements and take such steps and actions as they, together with and upon the advice of counsel, shall deem necessary, appropriate or advisable to carry out the intent and purposes of all the foregoing, such determination to be conclusively evidenced by the execution of such documents, the entry into such agreements and the taking of such steps and actions.

IN WITNESS WHEREOF, the undersigned has duly executed this instrument this 17 day of December, 2014.

CONSOLIDATED RETIREMENT PLAN

By: /s/ Leslie Bostic

Name: Leslie Bostic

Title: Plan Administrator

CONSOLIDATED RETIREMENT PLAN

Amendment and Restatement effective as of January 1, 2015
except as otherwise provided herein

Foreword

This Consolidated Retirement Plan (the "Plan"), is the result of a merger of various legacy plans. The prior restatement of the Plan was effective January 1, 2009 (at which time it was known as the UNITE HERE Staff Retirement Plan).

The Plan has a core text ("Base Plan") which covers the basic operation of the Plan for all Participants, and specifies the benefit provisions applicable to UNITE HERE international union employees (and the employees of certain affiliates) hired after July 12, 2004 and UNITE international union employees (and the employees of certain affiliates) hired after January 1, 2003. The Appendices cover benefit provisions applicable to various other groups of Participants covered under the Plan, as specified in each Appendix, and override the Base Plan. Section 14 of the Plan describes the treatment of individuals who transfer between the various benefit coverage provisions under the Plan. The interpretation of the Plan shall be guided by the legal necessity to preserve certain features of the predecessor plans with respect to participants in those plans. Except as otherwise expressly provided or required by law, the intention of all of the mergers was to continue the provisions of such predecessor plans with no changes in benefit provisions. The relevant provisions of the merged plans are incorporated into the Plan by means of an Appendix specific to each merged plan. It is intended that the provisions of a relevant Appendix shall supersede any similar provision in the Base Plan and that matters not specifically addressed in an Appendix shall be governed by the provisions of the Base Plan.

The Plan was previously amended and restated effective as of January 1, 2009. The Plan is hereby amended and restated effective as of January 1, 2015 (unless otherwise noted) to reflect the provisions of the Heroes Earnings Assistance and Relief Tax Act of 2008, the Worker, Retiree, and Employer Recovery Act of 2008 and other amendments to the Plan since January 1, 2009. The Appendices applicable to specific plans that were merged into the Plan shall be effective as of the relevant merger effective date, as detailed in the relevant Appendix.

The terms and provisions of the Plan as hereinafter set forth and as it hereafter may be amended from time to time, apply only to a Participant (as hereinafter defined) who completes an Hour of Service on or after January 1, 2015 and to certain transactions under the Plan on or after such date. The rights and benefits, if any, of any other Participant shall be determined in accordance with the provisions of the Plan (or prior plan) in effect on his last day of covered employment.

The adoption of the Plan in its entirety is intended to comply with the provisions of Section 401(a) of the Internal Revenue Code and applicable regulations there under, and the adoption of the Plan is expressly conditioned upon receipt of a favorable determination letter from the Internal Revenue Service with respect to the continued qualification of the Plan as set forth in this document. When an amendment to the Base Plan is legally required to maintain the Plan's qualified status, such amendment shall apply to all Appendices as well as the Base Plan.

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Section One - Definitions

The following words and phrases as used in the Plan shall have the following meanings unless, in any case, a different meaning is required by the context. With respect to any group of Employees, if an Appendix to this Plan provides a different definition than the definition herein provided, the definition in the Appendix shall control in all cases.

1.1. "Accrued Benefit" shall mean a Participant's benefit payable as a single life annuity commencing on his Normal Retirement Date (or his Annuity Starting Date, if later), based on his Credited Service and Average Salary as of the date of determination in accordance with the benefit formula set forth in Section 5.1, but not less than the Participant's Accrued Benefit derived from his Accumulated Contributions.

1.2. "Accumulated Contributions" shall mean the aggregate of a Participant's contributions, as made in accordance with Section 1-3.7 (in Appendix I, or as otherwise defined in any other Appendix), together with Credited Interest.

1.3. "Actuarial Equivalent" with respect to any specified annuity or benefit means, except as otherwise may be provided in the Plan, another annuity or benefit, commencing at a different date and/or payable in a different form than the specified annuity or benefit, when measured on the basis of the interest rate, mortality table and other factors, if any, applicable to such other annuity or benefit, as specified in Exhibit I as in effect at the date of commencement of such other annuity or benefit, which Exhibit I is attached hereto and made a part hereof.

1.4. "Actuary" means an individual who is an enrolled actuary pursuant to the provisions of the ERISA, as amended, or a firm of actuaries which has on its staff such an actuary, as appointed by the Trustees.

1.5. "Affiliate" means a local union or joint board affiliated with the Union, The Amalgamated Life Insurance Company, Inc., The Amalgamated Bank, Union Health Center, or any other fund which is created or exists for the benefit of the Union, its members or any corporation the majority of stock of which is held by or for the benefit of the Union, its members or a local union or joint board affiliated with the Union. Affiliate shall also mean any other company which is related to an Employer as a member of a controlled group of corporations in accordance with Section 414(b) of the Code or as a trade or business under common control in accordance with Section 414(c) of the Code, any organization which is part of an affiliated service group in accordance with Section 414(m) of the Code, or any entity required to be aggregated with an Employer in accordance with Section 414(o) of the Code and the regulations there under.

1.6. "Annuitant" means a Participant, Surviving Spouse or Beneficiary when he or she becomes entitled to annuity payments hereunder.

1.7. "Annuity Starting Date" means the first day of the first period for which an amount is payable as an annuity to a Participant or his Beneficiary, or, in the case of a benefit not payable in the form of an annuity, the first day on which all events have occurred which entitles the Participant to such benefits.

1.8. “Average Salary” shall mean the average Salary rate received by a Participant during the highest consecutive ten-year period preceding severance from employment. Salary will be increased to full-time pay for periods of partial pay due to short term illnesses. For purposes of this Section, Participants who are on leave from the Employer to provide services to the Union shall have their Salary during such period of leave disregarded for purposes of computing their Average Salary. Such period during which Salary is disregarded shall be for a maximum of six months. If a Participant receives a fraction of a month of Credited Service because his scheduled number of hours of duty is less than the normally scheduled number of hours (except for periods of short-term disability), his Salary for this purpose shall be deemed to be his basic compensation rate divided by a fraction equal to the number of his scheduled hours divided by the normally scheduled number, unless such change in the normally scheduled number of hours is temporary in nature.

1.9. “Beneficiary” means the individual(s) or entity designated by the Participant to receive benefits under the Plan in accordance with Plan procedures. In the absence of a named Beneficiary, benefits otherwise payable from the Fund will be paid in the following order: Spouse, children, parent(s), brother(s) and sister(s), the administrator of the Participant’s estate.

1.10. “Code” means the Internal Revenue Code of 1986, as amended from time to time.

1.11. “Credited Interest” means interest computed at such rate per annum on the Accumulated Contributions, compounded annually, as specified in Exhibit I hereto as in effect on the appropriate date.

1.12. “Credited Service” shall be used to determine a Participant’s amount of retirement annuity payable under the Plan and shall be determined pursuant to Section 3.2.

1.13. “Effective Date” means January 1, 2015.

1.14. “Eligible Employee” shall mean each Employee, but excluding any Leased Employee. Employees who are eligible to participate in the Plan under the terms of any Appendix to the Plan shall be subject to the terms of such Appendix for all purposes to the extent that such Appendix has terms different than the terms of the Plan.

1.15. “Employee” means each individual whose relationship with an Employer or any Affiliate is, under common law, that of an employee, including a Leased Employee. For this Base Plan Employee shall include any employee of the Union general office or Affiliate who has adopted the Plan and not covered under any Appendix hereto.

However, “Employee” shall exclude any individual retained by an Employer to perform services for such Employer (for either a definite or indefinite duration) and is characterized thereby as a fee-for-service worker or independent contractor or in a similar capacity (rather than in the capacity of an employee), regardless of such individual’s

status under common law, including, without limitation, any such individual who is or has been determined by a third party, including, without limitation, a government agency or board or court or arbitrator, to be an employee of an Employer for any purpose, including, without limitation, for purposes of any employee benefit plan of an Employer (including this Plan) or for purposes of federal, state or local tax withholding, employment tax or employment law.

1.16. "Employer" means the Union and any Affiliate that has adopted the Plan.

1.17. "ERISA" means the Employee Retirement Security Act of 1974, as amended.

1.18. "Fund" shall mean the fund or funds established under the terms of a trust agreement or agreements.

1.19. "Highly Compensated Employee" means a highly compensated active employee or a highly compensated former employee.

(i) A highly compensated active employee, for any Plan Year, is any Employee who performs service for the Employer or an affiliated company during the Plan Year, and who:

(A) was a 5-percent owner at any time during the Plan Year or the preceding Plan Year; or

(B) for the preceding Plan Year, had compensation from the Employer or such affiliated company in excess of $80,000 (as adjusted for cost-of-living increases under Section 414(q)(1) of the Code).

If the Employer or any affiliated company elects, for any other plan, or for any plan year of such other plan that starts in the same calendar year as the Plan Year of this Plan, to identify highly compensated active employees without regard to the top paid-group requirement, or to determine whether the $80,000 (as adjusted) threshold is met and whether an Employee is included in the top-paid group on the basis of the calendar year which begins with or in the preceding plan year, such election shall also apply to this Plan for such Plan Year.

(ii) A highly compensated former employee, for any Plan Year, is any former Employee who:

(A) separated from service (or was treated as if he or she had separated from service) before the Plan Year;

(B) performed no service for the Employer or any affiliated company during the Plan Year; and

(C) was a highly compensated active employee either for his or her separation year or for any Plan Year ending on or after his or her 55th birthday.

1.20. “Hours of Service” shall mean each hour of which the Employee performs duties for the Employer and receives compensation and shall also include each hour for which the Employee receives compensation, either directly or indirectly, for a period during which no duties are performed (irrespective of whether the employment relationship has terminated) by reason of vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence. For the purposes of crediting hours for periods during which the Employee receives compensation but performs no duties for the Employer, no more than 501 Hours of Service will be credited for any one such continuous period of non-performance of duties. Further, an Employee will be credited with an Hour of Service for each hour in which the Employee performs no duties for the Employer but for which the Employee is granted, irrespective of mitigation of damages, an award of back pay. Such Hours of Service credited in the preceding sentence shall be credited towards the period to which the back pay award pertains. The crediting of Hours of Service in this paragraph is intended to comply with Department of Labor Regulation 2530.200(b)-2(b) and (c). In the absence of Hours of Service being recorded, Hours of Service under this paragraph will be calculated and credited pursuant to Section 2530.200b-2 of the Department of Labor Regulations which is incorporated herein by this reference.

1.21. “Leased Employee” shall mean any person (other than an Employee) who pursuant to an agreement between the recipient and any other person (“leasing organization”) has performed services for the recipient (or for the recipient and related persons determined in accordance with Section 414(n)(6) of the Code) on a substantially full time basis for a period of at least one year, and such services are performed under primary direction or control by the recipient employer. Contributions or benefits provided a Leased Employee by the leasing organization which are attributable to services performed for the recipient employer shall be treated as provided by the recipient employer.

1.22. “Leave of Absence” shall have the meaning ascribed thereto by Section 3.7.

1.23. “Normal Retirement Age” means the Participant’s sixty-fifth birthday.

1.24. “Normal Retirement Date” shall mean the first day of the month coinciding with or next following the Participant’s Normal Retirement Age.

1.25. “Participant” shall mean an Eligible Employee who meets the eligibility requirements provided in Section Two. Participant also means any Employee or former Employee who is receiving or entitled to receive benefits under the Plan.

1.26. “Plan” means this Consolidated Retirement Plan.

1.27. “Plan Year” means the 12-month period commencing on January 1 and ending on December 31st.

1.28. “Regular Benefit” or “Regular Annuity” means the form of benefit payable under the plan and is a straight lifetime annuity payable in equal monthly installments.

1.29. “Salary” for compensation earned prior to January 1, 2011, with respect to any Participant means the basic compensation rate paid by an Employer. Amounts contributed under this Plan and any nontaxable fringe benefits provided by an Employer shall not be considered as Salary. In addition, Salary shall include salary reduction contributions made on behalf of the Participant to a Code Section 401(k), 125, 401(h) or 403(b) Plan maintained by an Employer.

For Plan Years beginning on and after January 1, 2001, for all purposes of the Plan, Salary paid or made available during such Plan Years shall include elective amounts that are not includible in the gross income of the Employee by reason of Code Section 132(f)(4).

The annual Salary of each Eligible Employee taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001, shall not exceed $200,000. Annual Salary means Salary during the Plan Year, as otherwise defined in the Plan. For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2001, Salary for prior Plan Years shall be limited to $200,000. The $200,000 limit on annual Salary shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

For compensation earned on or after January 1, 2011, “Salary” with respect to any Participant shall mean:

(a) basic compensation paid for services actually rendered in the course of employment with the Employer, including, but not limited to, payments for unused and accrued vacation days; and

(b) any elective deferrals contributed or deferred by the Employer at the election of an Employee and which is not includible in the gross income of the Employee by reason of Sections 401(k), 125, 132(f)(4), 401(h), 402(g), 403(b) or 457 of the Code.

Salary shall not include:

(a) overtime, bonuses, severance pay, moving expenses, nontaxable fringe benefits, taxable fringe benefits that are not specified above;

(b) life insurance premiums and car allowances, to the extent such amounts are included in gross income as taxable fringe benefits;

(c) payments or pay increases made prior to retirement, which are not made in the ordinary course of business, unless otherwise determined by the Trustees;

(d) contributions made by the Employer to a plan of deferred compensation to the extent that, before the application of Code Section 415 limitations to that plan, the contributions are not includible in the gross income of the Employee for the taxable year in which contributed;

(e) contributions made by the Employer on behalf of an Employee to a simplified employee pension plan described in Code Section 408(k) for the taxable year in which contributed;

(f) distributions from a plan of deferred compensation, regardless of whether such amounts are includible in the gross income of an Employee when distributed;

(g) amounts realized from the exercise of a non-qualified stock option or when restricted stock (or property) held by an Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;

(h) amounts realized from the sale, exchange, or other disposition of stock acquired under a qualified stock option; and

(i) other amounts which receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee), or contributions made by the Employer (whether or not under a salary reduction agreement) towards the purchase of an annuity contract described in Code Section 403(b) (whether or not the contributions are excludable from the gross income of the Employee).

For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2011, Salary for prior Plan Years shall be limited to $200,000. The $200,000 limit on annual Salary shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

1.30. “Spouse” means the person to whom the Participant is legally married. Effective September 16, 2013, Spouse means an individual whose marriage to the Participant was validly entered into in a jurisdiction whose laws authorize the marriage, regardless of where such individual currently resides.

1.31. “Surviving Spouse” means, as of any date, the person to whom the Participant has been legally married throughout the one-year period immediately preceding such date including, effective September 16, 2013, an individual whose marriage to the Participant was validly entered into in a jurisdiction whose laws authorize the marriage, regardless of where such individual currently resides.

1.32. “Trustees” means the Board of Trustees and their successors thereto as provided for in the trust agreement entered into pursuant to this Plan.

1.33. “Union” means, prior to February 1, 2009, UNITE HERE, UNITE, or any successor organization. On and after February 1, 2009, Union means UNITE HERE and any entity that was affiliated with UNITE HERE on December 31, 2008, and any entity affiliated with any entity that was affiliated with UNITE HERE on December 31, 2008.

1.34. “Year of Service” means the period of a Participant’s employment considered in determining eligibility to participate and determination of vested benefits in accordance with Sections 3.1 and 4.5.

Construction – the masculine or feminine gender, where appearing in the Plan, shall be deemed to include the other gender, and the singular may include the plural, unless the context clearly indicates the contrary.

Section Two - Participation

2.1. Each person who is a Participant as of December 31, 2014 shall continue to be a Participant as of January 1, 2015.

2.2. Each other person who is or becomes an Eligible Employee shall be a Participant in the Plan three months after he completes his first Hour of Service with his Employer. All Eligible Employees shall be required to become members of the Plan as a condition of employment. Provided, however, if a participating Employer merges or consolidates with a non-participating local union or joint board, there will be no obligation for all employees of the merged local union or joint board to become Participants of the Plan, provided, however, that all Participants in the Plan as of the date of the merger or consolidation shall remain members of the Plan as a continued condition of employment.

Section Three - Service, Credited Service, and Contributions

3.1. In accordance with this Section 3.1, a Participant's period of Service for vesting purposes (Sections 4.5 and 4.6) shall be determined by his number of Years of Service.

A Year of Service shall mean any Plan Year during which an Employee is credited with at least 1,000 Hours of Service, subject to Sections 3.3 through 3.6.

3.2. The amount of the benefit payable to or on behalf of a Participant shall be determined on the basis of his Credited Service.

For purposes of computing Credited Service for periods on and after January 1, 2003, a Year of Service shall be measured in years and months while a Participant in the Plan, irrespective of the number of Hours of Service completed by the Participant in a Plan Year. For this purpose, 15 or more full days in a month counts as one month; months with less than 15 days worked (or the equivalent as described in Section 3.5) are disregarded. Periods of Credited Service may be disregarded upon application of Section 3.3.

3.3. For a former Participant who previously satisfied the requirements of Section 4.5 for vested benefits, and who again is employed, his pre-break Service and Credited Service shall be restored as of his reemployment date in determining his rights and benefits under the Plan.

For a former Participant who, at the time of a Break in Service, as defined in Section 3.4, had not fulfilled the requirements for vested benefits, and who again is employed, years of Service and Credited Service before the Break in Service shall be restored as of his reemployment date if the number of consecutive one year Breaks in Service was less than the greater of: (i) five, or (ii) the aggregate number of years of Service before the Break in Service.

3.4. Break in Service means a Plan Year during which a Participant does not completed more than 500 Hours of Service with an Employer, except as provided in the "Leave of Absence" rules under Section 3.7.

3.5. If a Participant receiving or entitled to receive benefits under the Plan is reemployed by the Employer to do the same trade or craft in which the Participant was employed at any time under the Plan and in the same geographic area covered by the Plan at the time payment of benefits commenced, or would have commenced if the Participant had not returned to employment, any benefit payments then being made to him shall be suspended during the period of such reemployment for each calendar month prior to the April 1 following age 70½ in which he works more than 83 hours per month. The above notwithstanding, if a Participant has accrued benefits under this Plan and another plan which subsequently merges or merged with this Plan, and on the date of such merger, such Participant would have been permitted to commence benefits under that plan while in covered employment under this Plan, then such benefits accrued under such plan may be paid while an Eligible Employee under the Plan, provided the Participant otherwise

meets the requirements for benefits. Further, only with respect to re-employment for the first time since retiring, the suspension rules noted above do not apply for up to the first six months of such re-employment. After such six-month period of re-employment, the suspension rules shall not apply to any Participant reemployed for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. On the Participant's subsequent termination of employment, the amount of his benefit shall be redetermined in accordance with the provisions of the Plan as then in effect. For such purpose, his Credited Service as of the date of his original termination shall be added to the Credited Service, if any, earned during the period of reemployment. The amount of benefit payable on his subsequent termination of employment shall be reduced by an amount which is the Actuarial Equivalent of any benefits previously paid to him under the Plan. Notwithstanding the foregoing, in no event shall the amount of benefit payable to a Participant on his subsequent termination of employment be less than the amount of benefit (under the same form of payment) which he was receiving, or entitled to receive, as of the date preceding his reemployment.

Suspension of benefits shall be made in accordance with Department of Labor Regulation Section 2530.203-3 with regard to: (1) notifying a Participant that his benefits are suspended, (2) responding to a Participant's request for a specific determination as to whether his employment will result in a suspension of benefits, (3) resumption of payments, and (4) permissible offsets to resumed benefits in the case of benefits previously paid when such benefits should have been suspended.

3.6. For purposes of suspending benefits, a Participant who continues his employment with an Employer beyond his Normal Retirement Date shall be subject to the notification requirements in this Section 3.5 and shall not be eligible to receive benefits unless he works 83 hours or fewer in a calendar month.

3.7. A "Leave of Absence" will mean an Eligible Employee's absence from active employment with an Employer by reason of service in the armed forces of the United States, jury duty, sick or disability leave, or any Employer-approved absence granted, provided that the Eligible Employee returns to active employment with an Employer on or before the expiration of his leave or while his reemployment rights are protected by applicable federal law. If he does not return to active employment, the period of absence shall not be taken into account in computing Hours of Service, and his employment shall be considered terminated as of the beginning of the absence.

For purposes of determining whether an Eligible Employee has a Break in Service only, an Eligible Employee shall be credited with 40 Hours of Service for each full week the Eligible Employee is on a Leave of Absence if he is not otherwise credited with such Hours of Service; however, if an Eligible Employee customarily worked fewer than 40 hours per week in the six months immediately preceding the beginning of his leave, then he shall be credited for each full week of such Leave of Absence with the customarily worked number of hours, if he is not otherwise credited with such Hours of Service.

For purposes of determining whether an Eligible Employee has a Break in Service only, an Employee shall receive credit during a maternity/paternity absence for the Hours of Service which would otherwise normally have been credited to the Eligible Employee but for such absence. Hours of Service shall be credited in the Plan Year in which the absence begins if the crediting is necessary to prevent a Break in Service in that period, or, in all other cases, in the following Plan Year. However, in no event shall more than 501 Hours of Service be credited with respect to any such absence. A maternity/paternity absence shall mean an absence from work by reason of the pregnancy of the Employee, the birth of a child of the Employee, or the placement of a child with the Employee in connection with the adoption of such child by the Employee, or for purposes of caring for such a child for a period immediately following such birth or placement.

Notwithstanding any provision of the Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

In the event a Participant dies while serving in qualified military service as defined in Section 414(u) of the Code, the Participant's survivors are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan as if the Participant had returned to Covered Employment on the day before such death and then terminated from Covered Employment on the actual date of death.

3.8. Participant contributions – Participant contributions under the Base Plan are neither required nor permitted.

3.9 Employer contributions – Unless otherwise specified in a participation agreement or merger agreement, each participating employer shall contribute a percentage (as determined from time to time by the Trustees) of Salary (as defined in this Base Plan document or applicable Appendix) starting at each Participant's date of participation in the Plan. Notwithstanding the foregoing, effective September 27, 2011, participating Employers shall not make contributions for Participants who complete 83 hours or fewer per month as described in Section 3.5

Section Four - Retirement Dates and Eligibility

4.1. Normal Retirement: Each Participant who terminates from employment with an Employer on or after his Normal Retirement Date shall receive a Regular Benefit as determined in Section 5.1. Each Participant, upon attainment of his Normal Retirement Age shall have a nonforfeitable right to his Accrued Benefit.

4.2. Early Retirement: Each Participant who terminates from employment with an Employer prior to his Normal Retirement Date, if he has attained the age of 55 and completed 15 Years of Credited Service, shall receive a benefit determined in accordance with Section 5.2.

4.3. Late Retirement: If a Participant continues his employment beyond the Participant's Normal Retirement Date, upon termination of employment (except as provided in Section 8), the Participant shall be able to retire at any time thereafter and shall be eligible for a late Retirement Benefit in accordance with Section 5.5.

4.4. Disability Retirement: A Participant who terminates employment as a result of a physical or mental disability after completing at least 15 Years of Credited Service, at any age, shall begin to receive a Disability Retirement Benefit determined in accordance with the provisions of Section 5.7 on the first day of the month following such disability, provided, however, that such physical or mental disability, as evidenced by a Social Security Administration award, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his duties. The Trustees shall have the right from time to time to examine the Participant receiving a disability benefit to determine if the disability is permanent and prevents him from performing his duties.

4.5. Deferred Vested Retirement: If a Participant's employment relationship with an Employer terminates for any reason such that he ceases to be a Participant in the Plan before he is eligible for normal retirement or early retirement in accordance with Sections 4.1 or 4.2, but after he has completed five Years of Service, as determined in accordance with Section 3.1, he shall be entitled to a vested benefit under Section 5.3.

4.6. Non Vested: If a Participant's employment relationship with an Employer terminates for any reason such that he ceases to be a Participant in the Plan before he has completed five Years of Service, as determined in accordance with Section 3.1, he shall not be entitled to any benefit under the Plan. Any Participant who terminates employment and is not vested shall be deemed to have received a distribution of the present value of his Accrued Benefit equal to zero.

Section Five - Amount of Regular Annuities

5.1. The annual amount of Regular Annuity payable to a Participant retiring in accordance with Section 4.1 or 4.4 and commencing at retirement, shall be equal to 2.50% of his Average Salary multiplied by his Credited Service, not in excess of 30 years.

5.2. If a Participant retires under Section 4.2 of the Plan, the amount of Regular Benefit to which he is entitled, commencing at his Normal Retirement Date, is determined pursuant to the formula in Section 5.1. At the Participant's request a benefit may become payable on any date between his termination date and his Normal Retirement Date. Such reduced benefit shall be the Regular Benefit determined pursuant to Section 5.1 multiplied by a percentage equal to (a) 100% minus (b) 0.5% multiplied by the number of full months that the benefit commencement precedes his Normal Retirement Date.

5.3. The vested benefit under Section 4.5 payable at or prior to his Normal Retirement Date shall be an annuity commencing at his Normal Retirement Date equal to 2.25% multiplied times Average Salary times Credited Service, to a maximum of 75% of Average Salary. A Participant who is entitled to a vested annuity in accordance with Section 5.3 may elect, by filing a written application with the Trustees, to commence receiving a reduced annuity on the first day of any month after he has reached the age of 55. Such reduced annuity shall be the annuity determined pursuant to this Section 5.3 multiplied by a percentage equal to 100% minus 0.5% multiplied times the number of full months that the date of commencement precedes his Normal Retirement Date.

5.4. Actuarial Adjustment for delayed retirement under Section 4.5:

(a) If a Participant does not retire directly from active service, and the Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the Retirement Benefit based on age and Years of Service at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended, and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application or to the automatic form of Husband-and-Wife Pension if no other form is elected.

(b) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.

(c) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.

(d) If a Participant's benefit is delayed beyond his Normal Retirement Date, such Participant must be given a choice of an Actuarially Increased benefit (as provided in this Section 5.4) or a retroactive annuity, with retroactive payments made at an interest rate of 4% per annum.

5.5. If a Participant's employment with the Employer continues after his Normal Retirement Date, the amount of his Accrued Benefit shall be the benefit determined in accordance with Section 5.1 on the basis of his Credited Service and his Average Salary as of his date of termination of employment. In the case of an active Participant receiving payments in accordance with Section 8 (Required Beginning Date), his Accrued Benefit shall be re-determined annually based on his Credited Service and Average Salary at the end of each calendar year.

5.6. Additionally, all non-union Employees of UNITE HERE Local 6 receive up to five (5) years of past (pre-2005) Credited Service under the Base Plan provisions. The benefit under the Plan attributable to such past Local 6 Credited Service will be calculated as 2.5% times a Participant's Local 6 salary as of December 31, 2004 times Credited Service at December 31, 2004 (maximum of 5 years), and with such benefit to be calculated and accrued independently of benefits accrued under other provisions of the Plan and Appendix XVII (other provisions of this Plan notwithstanding, the same period of service for the five years ending December 31, 2004 may receive credit under this Section 5.6 as well as under Appendix XVII).

5.7. For benefit applications received on or after December 1, 2014 and benefit commencement dates on or after January 1, 2015, if a Participant retires under Section 4.4 of the Plan, the amount of the Disability Retirement Benefit to which he is entitled, is equal to the greater of (a) 70% of the annuity determined under Section 5.1 or (b) 100% of the annuity determined under Section 4.2, and such amount shall be adjusted in accordance with Section 7.1(d)(ii) or Section 7.1(e)(ii). For benefit commencement dates prior to January 1, 2015, the amount of the Disability Retirement Benefit to which he is entitled is determined under Section 5.1.

Section Six - Pre-Retirement Death Benefits

6.1. The Surviving Spouse of any Participant who dies prior to his Annuity Starting Date with a vested right to his Accrued Benefit shall be entitled to receive a Qualified Preretirement Survivor Annuity, to be paid to such Surviving Spouse in accordance with the rules and procedures set forth in Section 6.2.

6.2. The amount of the Qualified Preretirement Survivor Annuity is:

(a) If the Participant's death occurs on or after the date on which the Participant attains age 55, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Participant's Surviving Spouse for the then remaining lifetime of the Surviving Spouse. The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after the Participant's death but prior to his Normal Retirement Date, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit, and died on the next day, as follows:

(i) If the Participant meets the requirements of Section 4.2 at date of death then the survivor annuity payment shall equal 50% of the amount of pension which would have been payable to the Participant under the provisions of Section 5.2 if the Participant had retired on the day before death and pension payments had then commenced assuming coverage under Section 7.1(d).

(ii) If Participant does not meet the requirements of Section 4.2 at date of death then the survivor annuity payment shall equal 50% of the amount of pension payable to the Participant under the provisions of Section 5.3, assuming coverage under Section 7.1(d) and assuming pension payments commence at date of death.

(b) If the Participant's death occurs before the Participant attains age 55, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Surviving Spouse of the Participant for the then remaining lifetime of the Surviving Spouse in an amount equal to 50% of the amount of benefit which the Participant had accrued at the date of death in accordance with the formula in Section 5.3 assuming coverage under Section 7.1(d). The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after both the Participant's death and the date on which he would have attained age 55 if he had lived, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit under the benefit option selected under Section 7.1(d), and died on the next day.

(c) Sections 6.2(a) and (b) notwithstanding, the Spouse of an actively employed Participant, provided they have been married for at least five years prior to the Participant's death, in the event of the Participant's death after he has completed 15 or more Years of Credited Service and prior to his retirement, shall be entitled to receive an annuity commencing on the first day of the calendar month following the Participant's death. Such annuity shall equal 75% of the amount which would have been payable to the Participant commencing on the aforementioned date pursuant to Section 5.1 if the Participant met the requirements of Section 4.2 or pursuant to Section 5.3 otherwise, based on his Average Salary and Credited Service at his date of death. Such amount shall be reduced by 2% for each year that commencement of such benefits precedes the date in which the Participant would have attained age 55, and shall be further reduced by 0.5% for each year in excess of (5) five that the Spouse is younger in age than the Participant.

Section Seven - Post-Retirement Death Benefits; Forms and Timing of Payments

7.1. The normal forms of benefit payment at retirement shall be:

(a) Life Annuity: The normal form of payment for a single Participant is a benefit payable for his lifetime, as determined under Section 5, with no further payments beyond the month of his death

(b) Qualified Joint and Survivor Annuity:

(1) The normal form of payment for a married Participant is a Qualified Joint and Survivor Annuity which shall be equal to a percentage of the Regular Annuity as follows:

(i) For benefits earned before January 1, 2015, the percentage is as specified in Section 7.1(c) or 7.1(d) and payable in accordance with those Sections.

(ii) For benefits earned on or after January 1, 2015, the percentage is as specified in Section 7.1(d) and payable in accordance with such Section.

(2) Notwithstanding paragraph (1), no benefit shall be payable to a Participant's Spouse under this Section 7.1(b) unless the Participant and his Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his Spouse were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity; however, if the Participant dies within 12 months after the date of his marriage, the form of payment shall revert to the normal form of payment in Section 7.1(a), and no benefit shall be payable to the Participant's Spouse except as otherwise provided in Section 7.3.

(3) An election not to take the Qualified Joint and Survivor Annuity shall be made on an appropriate election form filed with the Trustees no more than 90 days (180 days effective January 1, 2008), and not less than 30 days, before the Annuity Starting Date, as specified by the Trustees. Such an election shall be effective only if accompanied by the written consent of the Participant's Spouse, witnessed by the Trustees or a notary public, acknowledging the effect of the designation and the specific non-spouse Beneficiary, including any class of Beneficiaries or any contingent Beneficiary. Any consent of a Participant's Spouse shall be valid only with respect to that Spouse and shall be irrevocable as to that Spouse. Any such election may be revoked in writing by the Participant without spousal consent at any time before the Annuity Starting Date. After such election is revoked, another such election may be made at any time before the Annuity Starting Date; however, any new election will require a new

spousal consent. Spousal consent shall not be required if it can be established to the satisfaction of the Trustees that the required consent cannot be obtained because there is no spouse, the spouse cannot be located, or there are other circumstances for which regulations do not require such consent.

(4) The Trustees shall provide to a Participant, before he makes any election with regard to a form of benefit payment (and within the time described in paragraph (3) for making the election), a written explanation of (i) the terms and conditions of the Qualified Joint and Survivor Annuity; (ii) the Participant's right to make an election to waive the Qualified Joint and Survivor Annuity and the effect of such election; (iii) the rights of the Participant's Spouse with respect to any election to waive the Qualified Joint and Survivor Annuity; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity. For notices given in plan years beginning after December 31, 2006, such notification shall also include a description of how much larger benefits will be if the commencement of distributions is deferred.

(5) Notwithstanding the foregoing, an Annuity Starting Date which is not at least 30 days after the written explanation described in paragraph (4) above was provided to the Participant will be permitted if the following conditions are satisfied:

(i) the written explanation is provided to the Participant before the Annuity Starting Date;

(ii) the written explanation explains that the Participant has the right to at least 30 days to consider whether to make an election with regard to a form of benefit payment;

(iii) the Participant is permitted to revoke a benefit election at any time until the Annuity Starting Date, or if later, at any time before the end of the 7-day period beginning on the day after the written explanation is provided to the Participant; and

(iv) distribution of benefits does not begin before the date the 7-day period described above expires (which date may be later than the Annuity Starting Date).

(6) Payments under the Qualified Joint and Survivor Annuity shall begin on the Annuity Starting Date and shall end with the payment due as of the first day of the month in which occurs the death of the last person entitled to payments under the annuity.

(c) Subsidized Joint and Survivor Annuity: For benefits earned prior to January 1, 2015, a Participant who has completed 10 Years of Credited Service and is eligible to retire under any of Sections 4.1, 4.2, 4.3 or 4.4 may elect from various

joint annuity options in accordance with Table A. A joint annuity shall be payable to the annuitant during his life and, after his death, to his Spouse, if surviving, during her life. The amount of the monthly payments to an annuitant who has elected a joint annuity and to his Surviving Spouse, shall be computed by applying to the monthly Regular Annuity to which the annuitant would otherwise have been entitled, the percentage determined in accordance with Table A annexed hereto. If no election is made, Option E will be deemed to have been elected.

(d) Non-subsidized Joint and 50% Survivor Annuity– For benefits earned prior to January 1, 2015, the provisions of this Section apply only to those Participants not covered by Section 7.1(c). For benefits earned on or after January 1, 2015, the provisions of this Section are applicable to all Participants. If a Participant has been married for at least one year at the Annuity Starting Date, the amount of each such annuity payment which would otherwise be payable to such Participant shall be reduced to be the Actuarial Equivalent of the Regular Annuity and if the Participant's Spouse shall survive him, an annuity shall be payable under the Plan to the Spouse during such Spouse's remaining lifetime after the Participant's death in an amount equal to 50% of his reduced annuity payment. The reduction of the amount of the Regular Annuity shall be done in accordance with the following:

(i) For retirement under Sections 4.1, 4.2, 4.3 or 4.5, 93% plus 0.3% for each year that the Beneficiary's age is greater than the Participant's or minus 0.3% for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 99%. (For example: Participant is age 65 and Spouse is age 62; factor = 92.1%).

(ii) For Retirement under Section 4.4, 79% plus 0.4% for each year that the Beneficiary's age is greater than the participant's age or minus .4% for each year that the Beneficiary's age is less than the participant's age with a maximum factor of 99%.

(e) Non-subsidized Post-Retirement Joint & 75% Survivor Annuity– For benefits earned prior to January 1, 2015, the provisions of this Section apply only to those Participants not covered by Section 7.1(c). For benefits earned on or after January 1, 2015, the provisions of this Section are applicable to all Participants. If a Participant has been married for at least one year at the Annuity Starting Date, the Participant may elect that the amount of each such annuity payment which would otherwise be payable to such Participant shall be reduced to be the Actuarial Equivalent of the Regular Annuity and if the Participant's Spouse shall survive him, an annuity shall be payable under the Plan to the Spouse during such Spouse's remaining lifetime after the Participant's death in an amount equal to 75% of his reduced annuity payment. The reduction of the amount of the Regular Annuity shall be done in accordance with the following:

(i) For retirement under Sections 4.1, 4.2, 4.3 or 4.5, 89.5% plus 0.45% for each year that the Beneficiary's age is greater than the Participant's or minus 0.45% for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 98%.

(ii) For Retirement under Section 4.4, 69% plus 0.6% for each year that the Beneficiary's age is greater than the Participant's age or minus .6% for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 98%.

7.2. Optional Forms of Payment

(a) Married participants – rules regarding optional forms of payments are as noted in Section 7.1(b)(3), and Section 7.1(c) for benefits earned prior to January 1, 2015.

(b) Unmarried participants: prior to January 1, 2006, no optional forms of payment apply to unmarried participants. Effective January 1, 2006, for Participants with one or more Hours of Service after January 1, 2005, an unmarried participant may elect a life annuity with ten years of guaranteed payments, with such option being the Actuarial Equivalent of the normal form. For this purpose, Actuarial Equivalent means the otherwise payable benefit multiplied by the following factors:

Ages	Factor	Ages	Factor
55 or less	0.988	62-65	0.960
56	0.984	66	0.954
57	0.980	67	0.948
58	0.976	68	0.942
59	0.972	69	0.936
60	0.968	70 or higher	0.930
61	0.964		

7.3. Other Death Benefits: No other death benefits are payable under the Plan.

7.4. Payment of Small Benefits:

Notwithstanding any provision of the Plan to the contrary, the Actuarial Equivalent value of any benefit (derived from both Employer and Employee contributions) payable hereunder shall be paid in a lump sum, provided that such Actuarial Equivalent value is less than $5,000 or such other amount prescribed by Code Section 411(a)(11). Effective March 28, 2005, the maximum amount of lump sum payable under the above provisions is $1000.

Any Participant who terminates employment and is not vested shall be deemed to have received a distribution of the present value of his vested Accrued Benefit equal to zero.

7.5. Termination of Marriage:

Subject to Code Section 414(p), the spouse to whom the Participant was married at the Participant's pension commencement date is entitled to the survivor annuity upon the death of the Participant after the pension commencement date, whether or not the Participant and such Spouse were married at the date of the Participant's death.

7.6. Latest Commencement of Retirement Benefits:

Payment of retirement benefits to a Participant shall commence not later than 60 days after the close of the Plan Year in which occurs the latest of (a) the Participant attains his Normal Retirement Age; (b) the Participant terminates employment; or (c) the tenth anniversary of the year in which the Participant commenced participation in the Plan.

7.7. Late Payments:

Effective April 14, 2004, if a Participant's benefit is delayed beyond his selected Annuity Starting Date, such Participant must be given a retroactive annuity, with retroactive payments made at an interest rate of 4% per annum.

Section Eight - Minimum Distribution Requirements

Section 8.1. General Rules

8.1.1. Effective Date. The provisions of this Section Eight will apply for purposes of determining required minimum distributions for calendar years beginning with the 2005 calendar year.

8.1.2. Precedence. The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

8.1.3. Requirements of Treasury Regulations Incorporated. All distributions required under this Section will be determined and made in accordance with the Treasury regulations under Section 401(a)(9) of the Code.

8.1.4. Limits on Distribution Periods. As of the first distribution calendar year, distributions to a Participant, if not made in a single sum, may only be made over one of the following periods: the life of the Participant, the joint lives of the Participant and Beneficiary, a period certain not extending beyond the life expectancy of the Participant, or a period certain not extending beyond the joint life and last survivor expectancy of the Participant and Beneficiary.

Section 8.2. Time and Manner of Distribution.

8.2.1. Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the participant's required beginning date.

8.2.2. Death of Participant Before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(a) If the Participant's Surviving Spouse is the Participant's sole designated Beneficiary, then, distributions to the Surviving Spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70½, if later.

(b) If the Participant's Surviving Spouse is not the Participant's sole designated Beneficiary, then, distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(c) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(d) If the Participant's Surviving Spouse is the Participant's sole designated Beneficiary and the Surviving Spouse dies after the Participant but before distributions to the Surviving Spouse begin, this section 8.2.2, other than section 8.2.2(a), will apply as if the Surviving Spouse were the Participant.

For purposes of this section 8.2.2 and section 8.5, distributions are considered to begin on the Participant's required beginning date (or, if section 8.2.2(d) applies, the date distributions are required to begin to the Surviving Spouse under section 8.2.2(a)) . If annuity payments irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's Surviving Spouse before the date distributions are required to begin to the Surviving Spouse under section 8.2.2(a)), the date distributions are considered to begin is the date distributions actually commence.

8.2.3. Form of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with sections 3, 4 and 5 of this Section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions there under will be made in accordance with the requirements of Section 401(a)(9) of the Code and the Treasury regulations. Any part of the Participant's interest which is in the form of an individual account described in Section 414(k) of the Code will be distributed in a manner satisfying the requirements of Section 401(a)(9) of the Code and the Treasury regulations that apply to individual accounts.

Section 8.3. Determination of Amount to be Distributed Each Year.

8.3.1. General Annuity Requirements. If the Participant's interest is paid in the form of annuity distributions under the plan, payments under the annuity will satisfy the following requirements:

(a) the annuity distributions will be paid in periodic payments made at intervals not longer than one year;

(b) the distribution period will be over a life (or lives) or over a period certain not longer than the period described in section 8.4 or 8.5;

(c) once payments have begun over a period certain, the period certain will not be changed even if the period certain is shorter than the maximum permitted;

(d) payments will either be non-increasing or increase only as follows:

(I) by an annual percentage increase that does not exceed the annual percentage increase in a cost-of-living index for a 12-month period ending in the year during which the increase occurs or a prior year;

(II) by a percentage increase that occurs at specified times and does not exceed the cumulative total of annual percentage increases in an eligible cost-of- living index since the Annuity Starting Date, or if later, the date of the most recent percentage increase;

(III) by a constant percentage of less than 5 percent per year, applied not less frequently than annually;

(IV) to the extent of the reduction in the amount of the Participant's payments to provide for a survivor benefit upon death, but only if the beneficiary whose life was being used to determine the distribution period described in subsection (d) of this Section 6.9 dies or is no longer the Participant's Beneficiary pursuant to a qualified domestic relations order within the meaning of Code Section 414(p);

(V) to provide a final payment upon the Participant's death not greater than the excess of the actuarial present value of the Participant's accrued benefit (within the meaning of Section 411(a)(17) of the Code) calculated as of the Annuity Starting Date using the applicable interest rate and the applicable mortality table over the total of payments before the Participant's death;

(V) to allow a Beneficiary to convert the survivor option of a joint and survivor annuity into a lump-sum distribution upon the Participant's death; or

(VII) to pay increased benefits that result from a Plan amendment.

8.3.2. Amount Required to be Distributed by Required Beginning Date. The amount that must be distributed on or before the Participant's required beginning date (or, if the Participant dies before distributions begin, the date distributions are required to begin under section 8.2.2(a) or (b)) is the payment that is required for one payment interval. The second payment need not be made until the end of the next payment interval even if that payment interval ends in the next calendar year. Payment intervals are the periods for which payments are received, e.g., bi-monthly, monthly, semi-annually, or annually. All of the Participant's benefit accruals as of the last day of the first distribution calendar year will be included in the calculation of the amount of the annuity payments for payment intervals ending on or after the Participant's required beginning date.

8.3.3. Additional Accruals After First Distribution Calendar Year. Any additional benefits accruing to the Participant in a calendar year after the first distribution calendar year will be distributed beginning with the first payment interval ending in the calendar year immediately following the calendar year in which such amount accrues.

Section 8.4. Requirements For Annuity Distributions That Commence During Participant's Lifetime.

8.4.1. Joint Life Annuities Where the Beneficiary Is Not the Participant's Spouse. If the Participant's interest is being distributed in the form of a joint and survivor annuity for the joint lives of the Participant and a non-spouse Beneficiary, annuity payments to be made on or after the Participant's required beginning date to the designated Beneficiary after the Participant's death must not at any time exceed the applicable percentage of the annuity payment for such period that would have been payable to the Participant using the table set forth in Q&A-2 of

Section 1.401(a)(9)-6T of the Treasury regulations. If the form of distribution combines a joint and survivor annuity for the joint lives of the Participant and a non-spouse Beneficiary and a period certain annuity, the requirement in the preceding sentence will apply to annuity payments to be made to the designated Beneficiary after the expiration of the period certain.

8.4.2. Period Certain Annuities. Unless the Participant's Spouse is the sole designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain for an annuity distribution commencing during the Participant's lifetime may not exceed the applicable distribution period for the Participant under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations for the calendar year that contains the annuity starting date. If the annuity starting date precedes the year in which the Participant reaches age 70, the applicable distribution period for the Participant is the distribution period for age 70 under the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations plus the excess of 70 over the age of the Participant as of the Participant's birthday in the year that contains the annuity starting date. If the Participant's Spouse is the Participant's sole designated Beneficiary and the form of distribution is a period certain and no life annuity, the period certain may not exceed the longer of the Participant's applicable distribution period, as determined under this Section 8.4.2, or the joint life and last survivor expectancy of the Participant and the Participant's Spouse as determined under the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations, using the Participant's and Spouse's attained ages as of the Participant's and Spouse's birthdays in the calendar year that contains the annuity starting date.

Section 8.5. Requirements For Minimum Distributions Where Participant Dies Before Date Distributions Begin.

8.5.1. Participant Survived by Designated Beneficiary. If the Participant dies before the date distribution of his or her interest begins and there is a designated Beneficiary, the Participant's entire interest will be distributed, beginning no later than the time described in section 8.2.2(a) or (b), over the life of the designated Beneficiary or over a period certain not exceeding:

(a) unless the annuity starting date is before the first distribution calendar year, the life expectancy of the designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year immediately following the calendar year of the Participant's death; or

(b) if the annuity starting date is before the first distribution calendar year, the life expectancy of the designated Beneficiary determined using the Beneficiary's age as of the Beneficiary's birthday in the calendar year that contains the annuity starting date.

8.5.2. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

8.5.3. Death of Surviving Spouse Before Distributions to Surviving Spouse Begin. If the Participant dies before the date distribution of his or her interest begins, the Participant's Surviving Spouse is the Participant's sole designated Beneficiary, and the Surviving Spouse dies before distributions to the Surviving Spouse begin, this Section 5 will apply as if the Surviving Spouse were the Participant, except that the time by which distributions must begin will be determined without regard to section 2.2(a) .

Section 8.6. Definitions.

8.6.1. Designated Beneficiary. The individual who is designated as the Beneficiary under Section 2.3 of the Plan and is the designated Beneficiary under section 401(a)(9) of the Internal Revenue Code and section 1.401(a)(9)-4, Q&A-1, of the Treasury regulations.

8.6.2. Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin pursuant to Section 2.2.

8.6.3 Life expectancy. Life expectancy as computed by use of the Single Life Table in section I.401(a)(9)-9 of the Treasury regulations.

8.6.4. Required beginning date. The date when payment to a Participant are required to begin pursuant to this Section 8 of the Plan. A Participant's Required Beginning Date is the April 1 of the calendar year following the calendar year that the Participant attains age 70-1/2.

Section Nine - Limitations on Benefits

9.1. Maximum retirement allowance:

Prior to January 1, 2006:

Subject to the following provisions of this Section 9.1 and the limitations set forth in Section 415 of the Code, and any regulations or rulings thereunder, and notwithstanding any provision of the Plan to the contrary, the maximum annual benefit provided by Employer contributions payable to a Participant under the Plan in the form of a single life annuity in any Limitation Year, when added to any pension attributable to contributions of an Employer provided to the Participant under any other qualified defined benefit plan, shall be equal to the maximum permissible benefit, as defined below. For the purpose of this Section 9.1, there shall be taken into account Post-Termination Adjustments. "Post-Termination Adjustment" shall mean any adjustment to the limit set forth in Code section 415(b) made pursuant to Code section 415(d) for a Limitation Year after the Limitation Year in which the Participant has his last termination of employment.

Definitions.

Defined benefit dollar limitation. The "defined benefit dollar limitation" is $170,000 (effective for 2005), as adjusted, effective January 1 of each year, under Section 415(d) of the Code in such manner as the Secretary shall prescribe, and payable in the form of a straight life annuity. A limitation as adjusted under Section 415(d) will apply to Limitation Years ending with or within the calendar year for which the adjustment applies.

Defined benefit compensation limitation. The "defined benefit compensation limitation" is the Participant's average annual Statutory Compensation during the three consecutive calendar years of his Service with an Employer affording the highest such average or during all of the years of such Service if less than three years. For purposes of this Section 9.1, Statutory Compensation shall mean earnings as reported on a Participant's annual form W-2 plus pre-tax contributions to a Code Section 401(k) Plan and other pre- tax deductions including medical premiums, insurance premiums, Health and Dependent Care contributions. Statutory Compensation shall not include, however, imputed income for excess group term life insurance and other non-salary items such as car allowances or moving expenses.

Limitation Year shall mean the calendar year.

Maximum permissible benefit. The "maximum permissible benefit" is the lesser of the defined benefit dollar limitation or the defined benefit compensation limitation (both adjusted where required, as provided in (a) and, if applicable, in (b), (c) or (d) below).

(a) If the Participant has fewer than 10 years of participation in the Plan, the defined benefit dollar limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of participation in the Plan and (ii)

the denominator of which is 10. In the case of a Participant who has fewer than 10 years of Service with the Employer, the defined benefit compensation limitation shall be multiplied by a fraction, (i) the numerator of which is the number of years (or part thereof) of Service with the Employer and (ii) the denominator of which is 10.

(b) If the benefit of a Participant begins prior to age 62, the defined benefit dollar limitation applicable to the Participant at such earlier age is an annual benefit payable in the form of a straight life annuity beginning at the earlier age that is the Actuarial Equivalent of the defined benefit dollar limitation applicable to the Participant at age 62 (adjusted under (a) above, if required). The defined benefit dollar limitation applicable at an age prior to age 62 is determined as the lesser of (i) the Actuarial Equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Exhibit I of the Plan and (ii) the Actuarial Equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate and the applicable mortality table specified in Code section 417(e)(3). Any decrease in the defined benefit dollar limitation determined in accordance with this paragraph (b) shall not reflect a mortality decrement if benefits are not forfeited upon the death of the Participant. If any benefits are forfeited upon death, the full mortality decrement is taken into account.

(c) If the benefit of a Participant begins after the Participant attains age 65, the defined benefit dollar limitation applicable to the Participant at the later age is the annual benefit payable in the form of a straight life annuity beginning at the later age that is Actuarially Equivalent to the defined benefit dollar limitation applicable to the participant at age 65 (adjusted under (a) above, if required). The Actuarial Equivalent of the defined benefit dollar limitation applicable at an age after age 65 is determined as (i) the lesser of the Actuarial Equivalent (at such age) of the defined benefit dollar limitation computed using the interest rate and mortality table (or other tabular factor) specified in Exhibit I of the Plan and (ii) the Actuarial Equivalent (at such age) of the defined benefit dollar limitation computed using a 5 percent interest rate assumption and the applicable mortality table specified in Code section 417(e)(3). For these purposes, mortality between age 65 and the age at which benefits commence shall be ignored.

(d) If the benefit of a Participant is payable neither as a Regular Annuity nor as a Qualified Joint and Survivor Annuity, the maximum limitation shall be of Actuarially Equivalent Value to the maximum limitation otherwise applicable. Actuarially Equivalent Value for purposes of this Section 9.1 shall be determined in accordance with Section 415(b) of the Code and the regulations or rulings issued thereunder and using the Plan's optional form of payment factors, or, if less, using factors calculated from the applicable mortality table specified in Code section 417(e)(3), if applicable, and either:

(A) if the benefit is not subject to the provisions of Section 417(e)(3) of the Code, an interest rate of 5 percent, or

(B) if the benefit is subject to the provisions of Section 417(e)(3) of the Code:

(1) an interest rate of 5.5 percent for distributions made in 2004 and 2005, and

(2) annual interest rate on 30-year Treasury securities specified by the Commissioner for the fourth calendar month preceding the first day of the month during which the Annuity Starting Date occurs for distributions made in 2006 or in any subsequent Limitation Year.

However, in the case of a Participant who receives a distribution in calendar year 2004, the amount payable under any form of payment subject to the provisions of Section 417(e)(3) of the Code and subject to adjustment under the preceding paragraph shall not be less than the amount that would have been payable if 'the interest rate described in subsection (B)(2) that was in effect on December 31, 2003' was substituted for 'an interest rate of 5.5 percent' in subsection (B)(1) of the preceding paragraph.

Grandfathered Provisions. If an individual was a Participant in one or more defined benefit plans of the Amalgamated or an Affiliate as of the first day of the first Limitation Year beginning after December 31, 1986, the application of the limitations of this Section 9.1 shall not cause the maximum permissible amount for such individual under all such defined benefit plans to be less than the individual's accrued benefit as of December 31, 1986. The preceding sentence applies only if such defined benefit plans met the requirements of Section 415 of the Code, for all Limitation Years beginning before January 1, 1987.

Repeal of Provision. In the event that Congress should provide by statute, or the Internal Revenue Service should provide by regulation or ruling, that any or all of the conditions set forth in this Section 9.1 are no longer necessary for the Plan to meet the requirements of Section 401 or other applicable provisions of the Code then in effect, such conditions shall immediately become void and shall no longer apply, without the necessity of further amendment to the Plan.

On and after January 1, 2006:

Notwithstanding any other provision of the Plan, the annual benefit to which a Participant is entitled under the Plan shall not, in any Limitation Year, be in an amount which would exceed the applicable limitations under Section 415 of the Code and regulations thereof. If the benefit payable under the Plan would (but for this Section) exceed the limitations of Section 415 of the Code by reason of a benefit payable under another defined benefit plan aggregated with this Plan under Code Section 415(f), the benefit under this Plan shall be reduced only after all reductions have been made under such other plan. As of January 1 of each calendar year commencing on or after January 1, 2002, the dollar limitation as determined by the Commissioner of Internal Revenue for that calendar year shall become effective as the maximum permissible dollar amount of benefit payable under the Plan during the Limitation Year ending within that calendar year, including benefits payable to Participants who retired prior to that Limitation Year. The term 'compensation' for purposes of applying the applicable limitations under Section 415 of the

Code with respect to any Participant shall mean Statutory Compensation. Statutory Compensation means the wages, salaries, and other amounts paid in respect of an employee for services actually rendered to the Employer or an Affiliate, including by way of example, overtime, bonuses, and commissions, but excluding deferred compensation, stock options, and other distributions which receive special tax benefits under the Code. Statutory Compensation paid or made available during a Limitation Year shall include any elective deferral (as defined in Section 402(g)(3)of the Code), and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Section 125 or 457 of the Code. For Limitation Years beginning after December 31, 2000, Compensation shall also include any elective amounts that are not includible in the gross income of the Employee by reason of Section 132(f)(4) of the Code.

Effective as of January 1, 2008, Statutory Compensation shall also include amounts required to be recognized under the provisions of U.S. Treasury Department regulation 1.415(c)-2(e). For purposes of Statutory Compensation, as well as compensation for purposes of determining highly compensated employees pursuant to Code Section 414(q) and for top-heavy purposes under Code Section 416 (including the determination of key employees), the following elections apply: (1) include payments for unused accrued bona fide sick, vacation or other leave, (2) exclude payments from nonqualified unfunded deferred compensation plans that is includible in the Participant's gross income, (3) include salary continuation payments for participants on military service (as that term is used in Code § 414(u)(1)) to the extent those payments do not exceed the amounts the individual would have received if the individual had continued to perform services for the Employer rather than entering qualified military service, and (4) exclude salary continuation payments for a Participant who is permanently and totally disabled (as defined in Code § 22(e)(3)).

Statutory Compensation shall be adjusted, as set forth herein, for "Regular Pay" paid after a Participant's severance from employment with the Employer maintaining the Plan (or any other entity that is treated as the Employer pursuant to Code § 414(b), (c), (m) or (o)). However, Regular Pay may only be included in Statutory Compensation to the extent such amounts are paid by the later of 2 1/2 months after severance from employment or by the end of the limitation year that includes the date of such severance from employment. Any other payment of compensation paid after severance of employment that is not described in the following types of compensation is not considered Statutory Compensation within the meaning of Code § 415(c)(3), even if payment is made within the time period specified above. Statutory Compensation shall include Regular Pay after severance of employment only if: (A) The payment is regular compensation for services during the Participant's regular working hours, or compensation for services outside the Participant's regular working hours (such as overtime or shift differential), commissions, bonuses, or other similar payments; and (B) The payment would have been paid to the Participant prior to a severance from employment if the Participant had continued in employment with the Employer.

Statutory Compensation for a limitation year shall not include amounts earned but not paid during the limitation year solely because of the timing of pay periods and pay dates. Participants may not make elective deferrals with respect to amounts that are not Statutory Compensation. Code § 415(c)(3) Compensation for any limitation year shall not exceed the annual compensation limit of Code § 401(a)(17).

Statutory Compensation shall include amounts that are includible in the gross income of a Participant under the rules of Code Section 409A or Code Section 457(f)(1)(A) or because the amounts are constructively received by the Participant.

This Section 9.1 is intended to satisfy the requirements imposed by Section 415 of the Code and the U.S. Treasury Regulations thereunder and shall be construed in a manner that will effectuate this intent. This Section shall not be construed in a manner that would impose limitations that are more stringent than those required by Section 415 of the Code and the U.S. Treasury Regulations thereunder. If and to the extent that the rules set forth in this Section are no longer required for qualification of the Plan under Section 401(a) and related provisions of the Code and the U.S. Treasury Regulations thereunder, they shall cease to apply without the necessity of an amendment to the Plan.

9.2. Restrictions on Benefits Paid to Highly Compensated Employees

(a) The purpose of this Section 9.2 is to conform the Plan to the requirements of Treasury Regulation Section 1.401-4(c) and Treasury Regulation Section 1.401(a)(4)-5(b).

(i) In the event of the termination of the Plan, the benefit of any Highly Compensated Employee (as defined in Section 414(q) of the Code) shall in no event exceed an amount that is nondiscriminatory under Section 401(a)(4) of the Code.

(ii) The annual payments to an Employee described in Section 9.2(a)(iii) may not exceed an amount equal in each year to the payments that would be made on behalf of the Employee under a straight life annuity that is the Actuarial Equivalent value of the Employee's accrued benefit and the other benefits to which the Employee is entitled under the Plan (other than a social security supplement), and the amount of the payments that the Employee is entitled to receive under a social security supplement. Notwithstanding the foregoing, the restrictions of this subparagraph (ii) do not apply if any one of the following requirements is satisfied:

(A) after payment to an Employee described in Section 9.2(a)(iii) of all "benefits", described in Section 9.2(a)(iv), the value of Plan assets equals or exceeds 110 percent of the value of current liabilities, as defined in Section 412(1)(7) of the Code, or

(B) the value of the benefits described in Section 9.2(a)(iv) for an Employee described in Section 9.2(a)(iii) is less than 1 percent of the value of current liabilities of the Plan, or

(C) the value of the benefits described in Section 9.2(a)(iv) for an Employee described in Section 9.2(a)(iii) does not exceed $5,000 (or such other amount prescribed by section 411(a)(11) of the Code).

Furthermore, this subparagraph (ii) and Treasury Regulation Section 1.401(a)(4)-5(b)(3) shall not restrict any distribution to a Participant who agrees, by an adequately secured written agreement with the Trustees as prescribed by Section 9.2(b) (an "Agreement") to repay to the Plan and Trust Fund any amount necessary for the distribution of assets upon Plan termination to satisfy Section 401(a)(4) of the Code.

(iii) The Employees whose benefits are restricted on distribution consist of the 25 Highly Compensated Employees whose Compensation, within the meaning of Section 414(q) of the Code, was the highest in the current or any prior Plan Year.

(iv) For purposes of Section 9.2(a)(ii) the term "benefits" includes, in addition to other benefits payable under the Plan, loans in excess of the amounts set forth in Section 72(p)(2)(A) of the Code, any periodic income, any withdrawal values payable to a living Employee, and any death benefits not provided for by insurance on the Employee's life.

(b) Terms of Agreement

(i) During any Plan Year, the amount that may be required to be repaid to the Trust Fund pursuant to an Agreement is the Restricted Amount.

(1) The "Restricted Amount" is the excess of the Accumulated Amount of distributions made to the Employee over the Accumulated Amount of the Employee's Nonrestricted Limit.

(2) The Employee's "Nonrestricted Limit" is equal to the payments that could have been distributed to the Employee, commencing when distribution commenced to the Employee, had the Employee received payments in the form described in Treasury Regulations Sections 1.401(a)(4)-5(b)(3)(i)(A) and (B).

(3) An "Accumulated Amount" is the amount of a payment, increased by a reasonable amount of interest from the date the payment was made (or would have been made) until the date for the determination of the Restricted Amount.

(ii) Prior to receipt of a distribution under the terms of an Agreement, an Employee must (A) agree that upon such distribution the Employee will promptly deposit in an escrow account (an "Escrow Account") with a depository acceptable to the Trustees property having a fair market value equal to at least 125 percent of the Restricted Amount, or (B) post as collateral a bond or bank letter of credit equal to at least 100 percent of the Restricted Amount, which bond is furnished by an insurance company, bonding company, or other surety approved by the U.S. Treasury Department as an acceptable surety for federal bonds.

(iii) Amounts in the Escrow Account in excess of 125 percent of the Restricted Amount may be withdrawn by the Employee. The Employee's liability under a bond or letter of credit in excess of 100 percent of the Restricted Amount may be released, where the Agreement has been secured by a bond or a letter of credit. If the market value of the property in the Escrow Account falls below 110 percent of the Restricted Amount, the Employee is obligated to deposit additional property to bring the value of the property held by the depository up to 125 percent of the Restricted Amount. An Employee has the right to receive any income from the property placed in the Escrow Account, subject to the foregoing obligation to maintain the value of the property.

(iv) A depository may not redeliver to an Employee any property held under an Agreement, other than amounts in excess of 125 percent of the Restricted Amount, and a surety or bank may not release any liability on a bond or letter of credit unless the Trustees certifies to the depository, surety or bank that the Employee (or the Employee's estate) is no longer obligated to repay any amount under the Agreement. The Trustees will make such a certification if, any time after the distribution commences, either (A) the value of Plan assets equals or exceeds 110 percent of the value of current liabilities, (B) the value of the Employee's future Nonrestricted Limit constitutes less than 1 percent of the value of current liabilities, (C) the value of the Employee's future Nonrestricted Limit does not exceed $5,000 (or such other amount prescribed by Section 411(a)(11) of the Code), or (D) the Plan has terminated and the benefit received by the Employee is nondiscriminatory. Such a certification by the Trustees shall terminate the Agreement.

(c) In the event that Congress should provide by statute, or the Internal Revenue Service should provide by regulation or ruling, that any or all of the conditions set forth in Sections 9.2(a) and 9.2(b) are no longer necessary for the Plan to meet the requirements of Section 401 or other applicable provisions of the Code then in effect, such conditions shall immediately become void and shall no longer apply, without the necessity of further amendment to the Plan.

Section Ten - Administration of the Plan

10.1. The Board of Trustees shall be the “plan administrator” of the Plan within the meaning of ERISA. The administration of the Plan shall be the responsibility of the Board of Trustees except to the extent that:

(a) authority to construe, administer and interpret the Plan is delegated to a committee appointed by the Board of Trustees in accordance with this Section 10;

(b) authority to hold the Fund of the Plan and to invest, control and disburse funds there under has been delegated to a custodian in accordance with the Trust Agreement.

10.2. The Trustees may from time to time establish rules for its administration of the Plan, adopt and prescribe appropriate forms and procedures for handling claims and the denial of claims. Except as herein otherwise expressly provided, the Trustees shall have the sole and exclusive discretion to interpret and apply the terms of the Plan and the rules there under, including all questions of coverage, eligibility, methods of providing benefits, etc. The decisions and the records of the Trustees shall be conclusive and binding upon the Employer, Participants, and all other persons having any interest in the Plan. No legal action may be commenced or maintained to recover benefits under the Plan more than 24 months after the final review/appeal decision by the plan administrator has been rendered.

10.3. The Trustees shall be entitled to rely upon all tables, valuations, certificates and reports furnished by the Actuary, upon all certificates and reports made by any accountant, and upon all opinions given by any legal counsel. The Trustees shall be fully protected against any action taken in good faith in reliance upon any such tables, valuations, certificates, reports or opinions. All actions so taken shall be conclusive upon each of them and upon all persons having any interest under the Plan. No Trustee shall be personally liable by virtue of any instrument executed by him or on his behalf as a Trustee, or for any neglect, omission or wrongdoing of any other member or of anyone employed by the Union, or for any loss unless resulting from his own gross negligence or willful misconduct, except as otherwise expressly provided in the Employee Retirement Income Security Act of 1974. Each member of the Trustees shall be indemnified by the Fund against expenses, including attorney’s fees, reasonably incurred by him in connection with any action to which he may be a party by reason of his being a Trustee, except in relation to matters as to which he shall be adjudged in such action to be liable for gross negligence or willful misconduct in the performance of his duty as such member. The foregoing right of indemnification shall be in addition to any other rights to which any such member may be entitled as a matter of law.

Section Eleven - Miscellaneous Provisions

11.1. Neither the establishment of the Plan nor the making of any Employer contribution there under nor the creation of any fund or account there under nor the payment of any benefits shall be construed as giving to any Participant or any other person any legal or equitable right against the Employer unless conferred by written affirmative action of the Employer in accordance with the terms of the Plan. No participant shall have any right to be retained in the employ of the Employer by reason of the existence of the Plan, and all Participants shall remain subject to discharge to the same extent as if the Plan had never been established.

11.2. Non-alienation of benefits:

(a) No benefit under the Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; nor shall any such benefit be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled to such benefits; except as specifically provided in the Plan. Notwithstanding the foregoing, however, the creation, assignment, or recognition of a right to any benefit payable with respect to an Employee pursuant to a "qualified domestic relations order" (as defined in subsection 414(p) of the Internal Revenue Code) shall not be treated as an assignment or alienation prohibited by this Section 11.2. Any other provision of the Plan to the contrary notwithstanding, if a qualified domestic relations order requires the distribution of all or part of an Employee's benefits under the Plan, the establishment or acknowledgment of the alternate payee's right to benefits under the Plan in accordance with the terms of such qualified domestic relations order shall in all events be deemed to be consistent with the terms of the Plan.

(b) If any person entitled to receive any benefit under the Plan shall become bankrupt, or be declared insolvent, or make a general assignment for the benefit of creditors, or attempt to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge any benefit, except as specifically provided in the Plan, then such benefit in the discretion of an Employer shall cease and terminate. In that event, an Employer shall direct the Trustee to hold such payments or apply the benefit or any part thereof to or for such person, his spouse, children, or other dependents, or any of them, in such manner and in such proportions as an Employer shall in its sole discretion determine, in accordance with applicable law.

(c) Notwithstanding the foregoing, a Participant's benefits may be offset against an amount that the Participant is ordered or required to pay if (i) the order or requirement to pay arises (A) under a judgment of conviction for a crime involving such plan, (B) under a civil judgment (including a consent order or decree) entered by a court in an action brought in connection with a violation of part 4 of subtitle B of Title I of ERISA or (C) pursuant to a settlement between the Secretary of Labor and the Participant, or a settlement agreement between the

Pension Benefit Guaranty Corporation and the Participant in connection with a violation (or alleged violation) of part 4 of such subtitle by a fiduciary or any other person; (ii) the judgment, order, decree or settlement agreement expressly provides for the offset of all or part of the amount ordered or required to be paid to the Plan against the Participant's benefits provided under the Plan; or (iii) in a case in which the survivor annuity requirements apply with respect to distributions from the Plan to the Participant, if the Participant has a Spouse at the time at which the offset is to be made, (A) either such Spouse has consented in writing to such offset and such consent is witnessed by a notary public or Plan representative, or an election to waive the right of the Spouse to a Qualified Joint and Survivor Annuity is in effect, (B) such Spouse is ordered or required in such judgment, order, decree or settlement to pay an amount to the Plan in connection with a violation of part 4 of such subtitle or (C) in such judgment, order, decree or settlement, such Spouse retains the right to receive the Qualified Joint and Survivor Annuity determined in accordance with section (d) below.

(d) The survivor annuity described in (c) above shall be determined as if (i) the Participant terminated employment on the date of the offset, (ii) there was no offset, (iii) the Plan permitted commencement of benefits only on or after Normal Retirement Age and (iv) the Plan provided only the minimum required qualified joint and survivor annuity. For purposes of this Section, "minimum required qualified joint and survivor annuity" means the qualified joint and survivor annuity which is the Actuarial Equivalent of the Participant's Accrued Benefit and under which the survivor annuity is fifty percent of the amount of the annuity which is payable during the joint lives of the Participant and the Spouse.

11.3. Direct Rollover From the Plan:

Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section 11.3, a distributee may elect, at the time and in the manner prescribed by the Trustees, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover

Definitions:

(i) Eligible rollover distribution: An eligible rollover distribution is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; and a hardship distribution. Notwithstanding the above, effective January 1, 2002, a portion of a distribution shall not fail to be an eligible rollover distribution merely because the portion consists of after-tax employee

contributions which are not includible in gross income. However, such portion may be paid only to an individual retirement account or annuity described in section 408(a) or (b) of the Code, or to a qualified defined contribution plan described in section 401(a) or 403(a) of the Code that agrees to separately account for amounts so transferred, including separately accounting for the portion of such distribution which is includible in gross income and the portion of such distribution which is not so includible. Effective January 1, 2010, a Distributee who is a non-spouse Beneficiary may elect to have an Eligible Rollover Distribution be made in the form of a Direct Rollover payable to an individual retirement account (IRA) or Roth IRA established on behalf of such non-spouse Beneficiary.

(ii) Eligible retirement plan: An eligible retirement plan is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code, an annuity plan described in Section 403(a) of the Code, or a qualified trust described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. Eligible Retirement Plan shall also mean an annuity contract described in Section 403(b) of the Code and an eligible plan under Section 457(b) of the Code which is maintained by a state, political subdivision of a state, or any agency or instrumentality of a state or political subdivision of a state and which agrees to separately account for amounts transferred into such plan from this Plan. The definition of Eligible Retirement Plan shall also apply in the case of a distribution to a surviving spouse, or to a spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code. Effective January 1, 2008, an eligible retirement plan shall include a Roth IRA, described in Section 408A of the Code. Effective January 1, 2008, in the case of an Eligible Rollover Distribution to a non-spouse Beneficiary, an Eligible Retirement Plan is an individual retirement account (IRA) or Roth IRA established on behalf of such non-spouse Beneficiary and that will be treated as an inherited IRA pursuant to Section 402(c)(11) of the Code.

(iii) Distributee: A distributee includes an Employee or former Employee. In addition, the Employee's or former Employee's Spouse or former Spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the Spouse or former Spouse. Effective January 1, 2008, the term Distributee shall include any Beneficiary who is not the Spouse or former Spouse of the Participant or former Participant.

(iv) Direct rollover: A direct rollover is a payment by the Plan to the eligible retirement plan specified by the distributee. Notwithstanding anything herein to the contrary, only one direct rollover may be made with respect to any eligible rollover distribution.

11.4. Domestic Relations Orders:

(a) For the purposes of this Section, the following terms shall have the following definitions:

(i) Alternate Payee - Any spouse, former spouse, child or other dependent of a Participant who is recognized by a domestic relations order as having a right to all or a portion of the benefits payable under the Plan to the Participant.

(ii) Determination Period - The period of up to 18 months during which the Trustees shall determine the qualified status of a domestic relations order.

(iii) Determination Period Account - A segregated account established by the Trustee at the direction of the Trustees, in which amounts which may be payable to an Alternate Payee shall be held. A Determination Period Account shall be held in an interest-bearing account and credited with earnings of the account.

(iv) Qualified Domestic Relations Order - Any domestic relations order or judgment that meets the requirements set forth in Code Section 414(p).

(b) If the Trustees receive a domestic relations order that purports to require the payment of a Participant's benefits to a person other than the Participant, the Trustees shall take the following steps:

(i) If benefits are in pay status, the Trustees shall direct the custodian to segregate and hold in a Determination Period Account the amounts that will be payable to the Alternate Payees with respect to the Determination Period if the order is a Qualified Domestic Relations Order.

(ii) The Trustees shall promptly notify the named Participant and any Alternate Payees of the receipt of the domestic relations order and of the Plan's procedures for determining if the order is a Qualified Domestic Relations Order.

(iii) The Trustees shall determine whether the order is a Qualified Domestic Relations Order under the provisions of Code Section 414(p).

(iv) The Trustees shall notify the named Participant and any Alternate Payees of its determination as to whether the order meets the requirements of a Qualified Domestic Relations Order.

(c) If, within 18 months of receipt of the domestic relations order, the order is determined to be a Qualified Domestic Relations Order, the Trustees shall direct the custodian to pay the Determination Period Account to the persons entitled to receive the account pursuant to the order.

(d) If, within 18 months of receipt of the domestic relations order, (i) the order is determined not to be a Qualified Domestic Relations Order or (ii) the issue as to whether the order is a Qualified Domestic Relations Order has not been resolved, the Trustees shall direct the custodian to pay the amounts held in the Determination Period Account to the Participant or other person who would have been entitled to such amounts if there had been no order.

(e) If an order is determined to be a Qualified Domestic Relations Order after the end of the 18-month period, the determination shall be applied prospectively only.

(t) An Alternate Payee shall be entitled to receive a distribution from a Participant's Account pursuant to a Qualified Domestic Relations Order, notwithstanding the fact that the Participant is not currently eligible to receive a distribution from the Plan. The distribution must be made in accordance with the procedures described in Code section 414(p), and if the distribution would exceed $5,000 (or such other amount prescribed by section 411(a)(11) of the Code), the Alternate Payee must consent to the distribution. Should an Alternate Payee not receive a distribution under this Section and elect, instead, to maintain an account in the Plan, the provisions of Section 8 with respect to required beginning date shall apply to the Alternate Payee as if he were a Participant. Notwithstanding the foregoing, in no event will a distribution be made under this Section if the Participant is not fully vested in his Retirement Benefit.

11.5. Payment in Case of Incapacity:

If any person to whom a benefit is payable is under legal disability or is, in the sole judgment of the Trustees, otherwise unable to manage his financial affairs, the Trustees may, in its discretion, direct that any payment due to such person be made to (a) such person, (b) his legal guardian or conservator, (c) a custodian for him under the Uniform Gifts to Minors Act of any state, or (d) his spouse or any other person, to be expended for his benefit. The decision of the Trustees shall in each case be binding on all persons, and it shall be under no duty to see to the proper application of such payments.

11.6. Participants to Furnish Required Information:

(a) Every Participant shall furnish to the Trustees such information as the Trustees considers necessary or desirable for purposes of administering the Plan. If a Participant, in his application for his retirement benefit or in response to any request by the Trustees for information, makes any statement which is erroneous, or omits any material fact, or fails before receiving his first payment to correct any information which he previously incorrectly furnished to the Trustees for its records, then the amount of his benefit shall be adjusted accordingly, if necessary, and the amount of any overpayment theretofore made to the Participant shall be deducted from his next succeeding payments as the Trustees shall direct.

(b) Every Participant and other person entitled to benefits hereunder shall file with the Trustees from time to time, in writing, his post office address and each change

of post office address. Any check representing payment hereunder, and any communication addressed to a Participant or other person at his last address filed with the Trustees (or, if no such address has been filed, then at his last address as indicated on the records of an Employer), shall be binding on such person for all purposes of the Plan, and neither the Trustees nor an Employer shall be obligated to search for the location of any such person.

11.7. Reciprocity With Related Funds:

Effective October 24, 2008, for the purposes of determining eligibility for the retirement benefits in accordance with Section 4, but not for purposes of determining the amount of retirement benefits under Section 5, the service requirements thereunder shall include participation as a Participant of the:

- Laundry, Dry Cleaning Workers and Allied Industries Retirement Fund, UNITE HERE
- UNITE HERE National Retirement Fund Amalgamated Retail Retirement Fund

as well as any other plan maintained pursuant to a collective-bargaining agreement to which the Union is or was party, provided that the aforesaid plans include reciprocal pension provisions.

Section Twelve - Right to Alter and Terminate

12.1. The Board of Trustees expressly reserves the right to alter, amend, modify or terminate the Plan, in whole or in part, or the methods of funding or administration thereof. No such amendment shall substantially change the rights to benefits which, prior to such amendment, have become fixed or matured by retirement, termination or death, and further provided that no part of the assets of the Trust Fund shall, by reason of any modification or amendment, be used for or diverted to, purposes other than for the exclusive benefit of Participants or Beneficiaries under the Plan.

12.2. No merger or consolidation with, or transfer of assets or liabilities to, any other person or retirement plan, shall be made unless the benefit each Participant in this Plan would receive if the Plan were terminated immediately after such merger or consolidation, or transfer of assets and liabilities, would be at least as great as the benefit he would have received had the Plan terminated immediately before such merger, consolidation or transfer.

12.3. No amendment to the Plan shall decrease the Accrued Benefit of a Participant unless it satisfies the requirements of section 412(d) (2) of the Code and any amendment to the Plan shall be subject to Section 432 of the Code.

12.4. While the Trustees intend to continue this Fund indefinitely, the Trustees, in their sole and absolute discretion, shall have the right to discontinue this Plan in whole or in part in accordance with the termination procedures set forth in the Agreement and Declaration of Trust that establishes this Fund. The rights of all affected Participants to benefits accrued to the date of termination, partial termination, or discontinuance to the extent funded as of such date shall be nonforfeitable. Upon a termination of the Plan, the Trustees shall take such steps as they deem necessary or desirable to comply with Sections 4041A and 4281 of ERISA. In no event shall any Employer receive any amounts from the Fund upon termination of the Plan. The Fund must be used for the exclusive benefit of the Employees and their beneficiaries, as herein provided, after payment of administrative expenses and taxes, if any.

Section Thirteen - Determination of Top-Heavy Status

13.1. Top-Heavy Rules

This Section shall apply for purposes of determining whether the Plan is a Top-Heavy Plan under Section 416(g) of the Code for Plan Years beginning after December 31, 2001, and whether the Plan satisfies the minimum benefits requirements of Section 416(c) of the Code for such years. This Section Thirteen shall not apply to any Employee included in a unit of Employees covered by a collective bargaining agreement.

13.2. Definitions

(a) "Key Employee" means any Employee or former Employee (including any deceased Employee) who at any time during the Plan Year that includes the Determination Date (as defined below) was an officer of the Employer having annual compensation greater than $130,000 (as adjusted under Section 416(i)(1) of the Code for Plan Years beginning after December 31, 2002), a 5% owner of the Employer, or a 1% owner of the Employer having annual compensation of more than $150,000. For this purpose, annual compensation means Statutory Compensation as defined in Section 9. The determination of who is a key employee will be made in accordance with Section 416(i)(1) of the Code and applicable regulations and other guidance of general applicability issued thereunder.

(b) Top-Heavy Plan. For any Plan Year beginning after December 31, 1983, this Plan is a Top-Heavy Plan if any of the following conditions exists:

(i) If the Top-Heavy Ratio for this Plan exceeds 60% and this Plan is not part of any Required Aggregation Group or Permissive Aggregation Group;

(ii) If this Plan is part of a Required Aggregation Group but not part of a Permissive Aggregation Group and the Top-Heavy Ratio for the Required Aggregation Group exceeds 60%; or

(iii) If this Plan is a part of a Required Aggregation Group and part of a Permissive Aggregation Group and the Top-Heavy Ratio for the Permissive Aggregation Group exceeds 60%.

(c) Top-Heavy Ratio.

(i) If the Employer maintains one or more defined benefit plans and the Employer has not maintained any defined contribution plan (including any simplified employee pension, as defined in Section 408(k) of the Code) which during the 5-year period ending on the Determination Date has or has had account balances, the Top-Heavy Ratio for this Plan alone or for the Required or Permissive Aggregation Group, as applicable, is a fraction, the numerator of which is the sum of the present value of accrued

benefits of all Key Employees as of such Determination Date (including any part of any accrued benefit distributed in the 1-year period ending on the Determination Date)(5-year period ending on the Determination Date in the case of a distribution made for reason other than severance from employment, death or disability), and the denominator of which is the sum of the present value of accrued benefits (including any part of any accrued benefits distributed in the 1-year period ending on the Determination Date)(5-year period ending on the Determination Date in the case of a distribution made for a reason other than severance from employment, death or disability), determined in accordance with Section 416 of the Code and the Regulations thereunder.

(ii) If the Employer maintains one or more defined benefit plans and the Employer maintains or has maintained one or more defined contribution plans (including any simplified employee pension) which during the 5-year period ending on the Determination Date has or has had any account balances, the Top-Heavy Ratio for any Required or Permissive Aggregation Group, as applicable, is a fraction, the numerator of which is the sum of the present value of accrued benefits of all Key Employees in the plans, plus the sum of the account balances of all Key Employees, determined in accordance with (i) above, and the denominator of which is the sum of the present value of accrued benefits of all participants, determined in accordance with (i) above, plus the account balances of all participants under the plans as of such Determination Date, all determined in accordance with Section 416 of the Code and the Regulations thereunder. The numerator and denominator of the Top-Heavy Ratio are increased in the manner described in paragraph (i) above.

(iii) For purposes of paragraphs (i) and (ii) above, the value of account balances and the present value of accrued benefits is determined as of the most recent Valuation Date of the Plan that falls in or ends with the 12-month period ending on the Determination Date, except as otherwise provided in Section 416 of the Code and Regulations thereunder for the first and second plan years of a defined benefit plan. The account balances and accrued benefits of a Participant who (A) is not a Key Employee but who was a Key Employee in a prior year, or (B) has not been credited with at least one Hour of Service with any Employer maintaining the Plan at any time during the 1-year period ending on the Determination Date will be disregarded. The calculation of the Top-Heavy Ratio, and the extent to which distributions, rollovers and transfers are taken into account will be made in accordance with Section 416 of the Code and the Regulations thereunder. Deductible Employee contributions are not taken into account in computing the Top-Heavy Ratio.

The accrued benefit of a Participant other than a Key Employee is determined under (A) the method, if any, that uniformly applies for benefit accrual purposes under all defined benefit plans maintained by the Employer, or (B) if there is no uniform method, as if the benefit accrued not more rapidly than under the slowest accrual rate permitted under the fractional rule of Section 411(b)(1)(C) of the Code.

(d) Permissive Aggregation Group: The Required Aggregation Group and any other plan or plans of the Employer which, when considered as a group with the Required Aggregation Group, would continue to satisfy the requirements of Sections 401(a)(4) and 410(b) of the Code.

(e) Required Aggregation Group: (A) Each qualified plan of the Employer in which at least one Key Employee participates or participated at any time during the Plan Year containing the Determination Date or any of the four preceding Plan Years (regardless of whether the plan has terminated), and (B) any other qualified plan of the Employer which enables a plan described in (A) to meet the requirements of Section 401(a)(4) or 410(b) of the Code.

(f) Determination Date: For any Plan Year after the first Plan Year, the last day of the preceding Plan Year. For the first Plan Year of the Plan, the last day of that year.

(g) Valuation Date: For purposes of calculating the Top-Heavy Ratio, the Valuation Date of this Plan is the last day of each Plan Year.

(h) Present Value: Present value shall be based only on the interest and mortality rates specified in Section A of Exhibit I of the Plan.

13.3. Top-Heavy Minimum Accrued Benefit

(a) Notwithstanding any other provision in this Plan (except (c)-(f) below)), for any Plan Year in which this Plan is Top-Heavy, each Participant who is not a Key Employee and has completed 1,000 Hours of Service will accrue a benefit (to be provided solely by Employer contributions and expressed as a life annuity commencing at Normal Retirement Age) of not less than two percent of his or her highest average compensation for the five consecutive years for which the Participant had the highest compensation. The aggregate compensation for the years during such five-year period in which the Participant was credited with a year of service will be divided by the number of such years in order to determine average annual compensation. The minimum accrual is determined without regard to any Social Security contribution. The minimum accrual applies even though under other Plan provisions the Participant would not otherwise be entitled to receive an accrual, or would have received a lesser accrual for the year because:

(i) the non-key employee’s compensation is less than a stated amount;

(ii) the non-key employee is not employed on the last day of the accrual computation period; or

(iii) the Plan is integrated with Social Security.

(b) For purposes of computing the minimum accrued benefit, compensation shall mean Statutory Compensation as defined above.

(c) No accrual shall be provided pursuant to (a) above for a year in which the Plan does not benefit any Key Employee or former Key Employee.

(d) No additional benefit accruals shall be provided pursuant to (a) above to the extent that the total accruals on behalf of the Participant attributable to employer contributions will provide a benefit expressed as a life annuity commencing at Normal Retirement Age that equals or exceeds 20 percent of the Participant's highest average compensation for the five consecutive years for which the Participant had the highest compensation.

(e) The provision in (a) above shall not apply to any Participant to the extent that the Participant is covered under any other plan or plans of the Employer and the Employer has provided that the minimum allocation or benefit requirement applicable to top-heavy plans will be met in the other plan or plans.

(f) All accruals of employer-derived benefits, whether or not attributable to years for which the Plan is Top-Heavy, may be used in computing whether the minimum accrual requirements of paragraph (c) above are satisfied.

(g) For purposes of satisfying the minimum benefit requirements of Section 416(c)(1) of the Code and the Plan, in determining years of service with the Employer, any service with the Employer shall be disregarded to the extent that such service occurs during a Plan Year when the Plan benefits (within the meaning of Section 410(b) of the Code) no key employee or former key employee.

13.4. Top-Heavy Benefit Adjustments. If the form of benefit is other than a straight life annuity, the Participant must receive an amount that is the actuarial equivalent of the minimum straight life annuity benefit. If the benefit commences at a date other than at Normal Retirement Age, the Participant must receive at least an amount that is the actuarial equivalent of the minimum straight life annuity benefit commencing at Normal Retirement Age.

13.5. Determination of Present Values and Amounts. This Section shall apply for purposes of determining the present values of accrued benefits and the amounts of account balances of employees as of the determination date.

(a) Distributions during year ending on the determination date. The present values of accrued benefits and the amounts of account balances of an employee as of the determination date shall be increased by the distributions made with respect to the employee under the Plan and any plan aggregated with the Plan under Section 416(g)(2) of the Code during the 1-year period ending on the determination date. The preceding sentence shall also apply to distributions under a terminated plan which, had it not been terminated, would have been aggregated with the Plan under Section 416(g)(2)(A)(i) of the Code. In the case of a distribution made for a reason other than severance from employment, death, or disability, this provision shall be applied by substituting "5-year period" for "1-year period."

(b) Employees not performing services during year ending on determination date. The accrued benefits and accounts of any individual who has not performed services for the Employer during the 1-year period ending on the determination date shall not be taken into account.

13.6. Nonforfeitability of Minimum Accrued Benefit. The minimum accrued benefit required (to the extent required to be nonforfeitable under Section 416(b) of the Code) may not be forfeited under Section 411(a)(3)(B) or 411(a)(3)(D) of the Code.

13.7. Top-Heavy Vesting. For any Plan Year in which the Pan is Top-Heavy, each Participant shall be 100% vested after 3 Years of Service. This minimum vesting schedule applies to all benefits within the meaning of section 411(a)(7) of the Code including benefits accrued before the effective date of section 416 and benefits accrued before the Plan became top-heavy. Further, no decrease in a Participant's nonforfeitable percentage may occur in the event the Plan's status as Top-Heavy changes for any Plan Year. However, this Section 15.7 does not apply to the accrued benefit of any Employee who does not have an Hour of Service after the Plan has initially become Top-Heavy.

13.8. Change in Statute Automatically Incorporated. In the event that Congress should provide by statute, or the Treasury Department should provide by regulation or ruling, that the limitations provided in this Section are no longer necessary for the Plan to meet the requirements of Section 401 of the Code or other applicable law then in effect, such limitations shall become void and shall no longer apply, without the necessity of further amendment to the Plan.

Section Fourteen - Transfer Provisions

This Section describes how the various Plan appendices apply with respect to participants who transfer (or have transferred in the past) between or among employers who are covered under the Base Plan and the various appendices.

14.1. Salary used in benefit calculations: pay of any employer covered under the Plan will count towards service under any other provision or section of the Plan, so that final pay at the last employer will carry over to all formulas to the extent that it would have normally. This would not apply to Appendix II, since this is not a final pay formula, but would apply to all other sections. The 4% increment in Appendix I would apply to the pay of any employee covered under the UNITE Staff Plan ACTWU unit at October 6, 1997, even if they transfer to an employer covered by other plan provisions.

14.2. All service with any employer counts towards vesting, calculated in the same manner as vesting is defined in each section.

14.3. Service for purposes of early retirement or disability retirement eligibility or for eligibility for subsidized early retirement factors is based only on service accrued under each plan section (e.g., for an employee with 5 years at the general office and 10 years at New York Joint Board, 5 years of service would be counted under the Base Plan text and 10 years would be counted under Appendix IV).

Notwithstanding the foregoing, for Employers who initially adopted the John Kenneally OEL Plan (previously known as the Officers and Employees of the Locals of the Hotel Employees and Restaurant Employees International Union Pension Plan) and then transitioned into the Base Plan, all years of service will be counted for purposes of determining eligibility for benefits under Sections 4.2 and 4.5 of the Base Plan.

14.4. Section 14.3 above notwithstanding, for purposes of eligibility to commence benefits prior to age 65, the least restrictive criteria of any of the appendices will apply, but with an Actuarial Equivalent reduction to any benefit payable earlier than provided for under any Appendix (or the Base Plan text). For example, if a Chicago participant transfers to the general office and qualifies to retire at age 55 under the Base Plan, the benefit payable under the Appendix III would be payable at age 55, but with an actuarial reduction from age 60 (the earliest commencement date permitted under that Appendix).

14.5. Contribution refund options: the entire combined employee contribution account may be refunded at termination or retirement. If it is not refunded, the most advantageous (to the participant) post-retirement death benefit feature will apply (e.g., the refund upon death after commencement for contributions plus interest in excess of one-half of the cumulative benefit payments made would apply on the entire benefit even if part of the benefit was accrued under the provision that contributions with interest in excess of 100% of the cumulative benefit payments is refunded at death).

14.6. Form of payment: only one payment option will be permitted on the entire benefit (e.g., single life annuity, joint & 50% survivor, etc.) based on the largest range of options

available to the participant based on service under any part of the plan. However, benefits will be paid on an Actuarially Equivalent basis on any part of the benefit that would not have otherwise been available to the participant had he not transferred. For example, a participant covered under the general office who is eligible for the J& 50%, J& 60%, J&75%, J&80% and J&100% options for part of his benefit will be eligible for such options even for benefits accrued under Appendix II (ALICO provisions) but based on such benefits accrued under Appendix II being Actuarially Equivalent to the normal form of payment under Appendix II.

14.7. Effective as of the respective dates noted below, provided that the adoption of such amendments allows for the Plan to pass nondiscrimination testing pursuant to Sections 401(a) of the Code and the regulations there under:

(1) Effective July 8, 2004, Employees who were formerly employed by an Affiliate, participated in the HERE OEL Plan, and transferred to the UNITE HERE IU shall begin to accrue benefits under the Plan as of the date the employee transfers to the UNITE HERE IU. Benefits for such employees accrued under the HERE OEL Plan shall be frozen as of the date accruals under the Plan commence, but such employees shall receive vesting credit under the Plan for their years of service with an Affiliate.

(2) Effective July 8, 2004, Employees who transferred from an Affiliate to the UNITE HERE IU, and participated in the ACTWU or ILGWU retirement plans, shall continue to accrue benefits under those plans, respectively.

(3) Employees who transfer from an Affiliate to the UNITE HERE IU who did not formerly participate in any staff pension plan shall commence participation in the Plan as of the later of October 1, 2005 and the transfer date. Employees shall receive vesting credit under the Plan for their years of service with an Affiliate.

(4) Effective August 19, 2005, Employees who transferred from the UNITE HERE IU to an Affiliate who formerly participated in the Plan or the HERE IU Plan, shall remain on their current plan, respectively.

(5) Effective as of October 1, 2005, any Employee who, prior to October 1, 2005, was accruing a benefit under both the HERE IU Plan and the HERE OEL Plan because they were employed by UNITE HERE IU and an Affiliate but are now employed only by UNITE HERE IU, shall continue to accrue a benefit under the Plan (including Appendix XIX) in accordance with the Plan. The accrued benefit of such Employee under the HERE OEL Plan shall be frozen as of the date of transfer to UNITE HERE IU only employment, and shall be determined and distributed in accordance with the provisions of the Plan and Appendix XVII. The accrued benefit of such Employee under the HERE IU Plan on and after the date of transfer shall be determined and distributed in accordance with the provisions of the Plan and Appendix XIX.

Appendix I – ACTWU Participants

CLOSED GROUP – January 1, 2003

The provisions of this Appendix I apply to participants in the former UNITE Staff Retirement Plan – ACTWU Unit prior to January 1, 2003. This includes those hired by ACTWU prior July 1, 1995 and anyone hired prior to January 1, 2003 by a former ACTWU affiliate that contributes to the Plan. No Employees hired on or after January 1, 2003 shall be covered under the terms of this Appendix I. In the event of any conflict between the terms of the Plan and the terms of this Appendix I, the terms of this Appendix I will control.

The Base Plan (without its attached Appendices) will apply to Participants described above, except when this Appendix I overrides specific provisions thereof. In the event of any conflict between the terms of the Plan and the terms of this Appendix I, the terms of this Appendix I will control with respect to participants covered by this Appendix I. References in this Appendix I to the UNITE Staff Retirement Plan – ACTWU Unit shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Base Plan or in Appendix I, it is intended that the Plan and Appendix I be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of Participants covered under this Appendix I as of January 1, 2003 shall not be decreased.

I-1.9 “Average Salary” shall mean the average Salary rate received by a Participant during the highest consecutive two-year period preceding severance from employment, except that periods of short-term disability (up to six (6)) months) are disregarded for purposes of computing Average Salary. For purposes of this Section, effective as of January 1, 2003, Participants who are on leave from the Employer to provide services to the Union shall have such period of leave disregarded for purposes of computing their Average Salary. Such period during which Salary is disregarded shall be for a maximum of six months. If a Participant receives a fraction of a month of Credited Service because his scheduled number of hours of duty is less than the normally scheduled number of hours (except for periods of short-term disability), his Salary for this purpose shall be deemed to be his basic compensation rate divided by a fraction equal to the number of his scheduled hours divided by the normally scheduled number, unless such change in the normally scheduled number of hours is temporary in nature.

I-1.28 “Salary” with respect to any Participant means the basic compensation rate paid by an Employer. Amounts contributed under this Plan and any nontaxable fringe benefits provided by an Employer shall not be considered as Salary. In addition, Salary shall include salary reduction contributions made on behalf of the Participant to a Code Section 401(k), 125, 132(f(4), 401(h) or 403(b) Plan maintained by an Employer. For the Plan Year of 1994, the lump sum payment paid by the Employer in lieu of a wage increase shall be included in Salary in each year from 1994 forward. Such lump sum amount shall be divided by the number of weeks to which it relates to derive an annual monthly amount to include in Salary for 1994 and in each year thereafter.

The annual Salary of each Eligible Employee taken into account in determining benefit accruals in any Plan Year beginning after December 31, 2001, shall not exceed $200,000. Annual Salary means Salary during the Plan Year, as otherwise defined in the Plan. For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2001, Salary for prior Plan Years shall be limited to $200,000. The $200,000 limit on annual Salary shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

For Plan Years beginning on and after January 1, 2001, for all purposes of the Plan, Salary paid or made available during such Plan Years shall include elective amounts that are not includible in the gross income of the Employee by reason of Code Section 132(f(4).

Effective January 1, 2011, Salary with respect to any Participant means "Salary" as defined in Section 1.29 of the Base Plan, plus it shall also include for the Plan Year of 1994, the lump sum payment paid by the Employer in lieu of a wage increase shall be included in Salary in each year from 1994 forward. Such lump sum amount shall be divided by the number of weeks to which it relates to derive an annual monthly amount to include Salary for 1994 and in each year thereafter.

I-3.1 In accordance with this Section I-3.1, a Participant's period of Service for vesting shall be determined by his number of Years of Service.

A Year of Service shall mean any Plan Year during which an Employee is credited with at least 1,000 Hours of Service, subject to Sections 3.3 through 3.6. Effective as of January 1, 2003, the above notwithstanding, Years of Service for Participant Sean Munzer shall include service with UNITE Local 66 to the extent that such service would otherwise be includable as Service under this Plan, and Years of Service for participant Deborah Lain shall include the period from September 30, 1990 to October 16, 1991 (based on the rules described in Section I-3.2 (b)).

I-3.2 The amount of the benefit payable to or on behalf of a Participant shall be determined on the basis of his Credited Service. Credited Service shall mean Years of Service except for the following:

(a) If a Participant makes any portion of any required Employee Contribution, the Credited Service attributable to the period for which the contribution was made will be counted for Credited Service. Any period of Service for which a Participant does not make any required contributions shall be disregarded for purposes of determining Credited Service. Periods of Credited Service may be disregarded upon application of Section 3.3.

(b) For purposes of computing Credited Service for Participants who have an Hour of Service on or after January 1, 2003, a Year of Service shall be measured in years and fractions thereof, irrespective of the number of Hours of Service completed by the Participant in a Plan Year.

I-3.7 (a) Prior to October 7, 1996, each Participant was required to make contributions to the Fund until he had completed 30 or more Years of Credited Service. Effective October 7, 1996 Participants shall not be required or permitted to make contributions to the Plan.

(b) An Accumulated Contributions Account shall be maintained for each Participant who made contributions to the Fund in accordance with Section I-3.7(a) above and shall be credited with his aggregate contributions together with Credited Interest.

(c) A Participant's Accrued Benefit derived from his Accumulated Contributions shall be determined by converting, on an Actuarial Equivalent basis, the balance in his Accumulated Contributions Account as of the date of distribution of his Accumulated Contributions Account (or his Annuity Starting Date, if earlier) into a life annuity benefit at his Normal Retirement Date (or as of his Annuity Starting Date, if later). The Participant's Accrued Benefit derived from Employer contributions shall be the excess, if any, of his Accrued Benefit over his Accrued Benefit derived from his Accumulated Contributions.

I-5.1 The annual amount of Regular Annuity payable to a Participant retiring in accordance with Section 4.1 or 4.4 and commencing at retirement, shall be equal to 2.50% of his Average Salary multiplied by his Credited Service, not in excess of 30 years.

The Regular Annuity of Participants who were active Employees of an Employer on October 7, 1996, shall upon retirement be 104% of the amount computed above.

I-5.2 If a Participant retires under Section 4.2 of the Plan, the amount of Regular Benefit to which he is entitled, commencing at his Normal Retirement Date, is determined pursuant to the formula in Section I-5.1 (but not less than I-5.7).

At the Participant's request a benefit may become payable on any date between his retirement date and his Normal Retirement Date. Such reduced benefit shall be the Regular Benefit determined pursuant to Section I-5.1 multiplied by a percentage equal to (a) 100% minus (b) 0.1667% multiplied by the number of full months that the benefit commencement date precedes his Normal Retirement Date.

I-5.3 The vested benefit under Section 4.5 shall be an annuity commencing at his Normal Retirement Date based on his Accrued Benefit determined pursuant to Section I-5.1 (but not less than I-5.7), or as provided in Section I-5.9.

At the Participant's request, a benefit may become payable on any date between his retirement date and his Normal Retirement Date. Such reduced benefit shall be the Regular Benefit determined pursuant to Section I-5.1 multiplied by a percentage equal to (a) 100% minus (b) 0.5% multiplied by the number of full months that the benefit commencement date precedes his Normal Retirement Date.

I-5.7 Section I-5.1 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) monthly annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are not withdrawn), plus (ii) $25 times Credited Service.

I-5.8 Section I-5.2 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) the monthly annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are not withdrawn) plus (ii) $25 times Credited Service, multiplied by a percentage equal to (a) 100% minus (b) 0.1667% multiplied by the number of full months that the benefit commencement precedes his Normal Retirement Date.

I-5.9 A Participant who is entitled to benefits under Section 4.1, 4.2, 4.4 or 4.5 may elect to receive a lump sum payment of his Accumulated Contributions, referred to hereinafter as a "refund", in lieu of the normal form of benefit in accordance with Section 7. On the date as of which such refund is paid (hereinafter referred to as the "refund date"), the benefit to which he would otherwise be entitled under Section Seven shall be reduced by the Actuarial Equivalent of the Participant's Accumulated Contributions. Notwithstanding the above, any payment other than in the form of a Qualified Joint and Survivor Annuity shall be made only with the consent of the Participant's spouse, as more fully detailed in Section 7.

SECTION SIX – Pre-retirement death benefits

Add the following Section 6.2(d):

I-6.2(d) Upon the death of the Surviving Spouse, the Participant's contingent Beneficiary shall be paid a lump sum distribution equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and the Spouse.

Add the following Section 6.3:

I-6.3 The other pre-retirement Death Benefits shall be:

(a) In the event of the death of a Participant prior to retirement who is not eligible for the Surviving Spouse benefit in Section 6.1, his Beneficiary is entitled to the amount specified in Section I-6.2(d).

(b) Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Spouse, if any, or Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

(c) Notwithstanding any other provisions of this Section to the contrary, if payment of retirement benefits to a Participant has not commenced before his death, the entire death benefit payable hereunder shall be distributed by the December 31 coinciding with or next following the fifth anniversary of the Participant's death. However, if distribution of the survivorship benefit is to be made to a surviving Beneficiary over the life of such Beneficiary and the distribution begins by the

December 31 coinciding with or next following the first anniversary of the Participant's death, benefits may be distributed over a period of longer than five years. In the event that the Participant's Spouse is his Beneficiary, the requirement that the distribution commence within one year of a Participant's death shall not apply, although the distribution must commence no later than April 1st following the calendar year in which the deceased Participant would have attained age 70½.

Section 7.1(c) – In addition to the provisions of Section 7.1 of the Base Plan, the following shall apply to Participants covered under this Appendix I:

I-7.1(c) A Participant who was married for at least five (5) years prior to the earliest date: (i) of his severance, or (ii) of his retirement under the Plan, may elect from various joint annuity options in accordance with Table A. A joint annuity shall be payable to the annuitant during his life and, after his death, to his Spouse, if surviving, during her life. The amount of the monthly payments to an annuitant who has elected a joint annuity and to his Surviving Spouse, shall be computed by applying to the monthly Regular Annuity to which the annuitant would otherwise have been entitled, the percentage determined in accordance with Table A annexed hereto. If no election is made, option E will be deemed to have been elected.

I-7.3 Other Death Benefits — Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

Appendix II – ALICO Plan Participants

The provisions of this Appendix II apply to (i) participants in the Pension Plan for Employees of Amalgamated Life Insurance Company (the "ALICO Plan") prior to June 1, 2000 and to (ii) employees hired on or after June 1, 2000 who meet the definition of Employee in this Appendix II. The ALICO Plan was merged into the Plan on June 1, 2000 and all participants in the ALICO Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix II, the terms of this Appendix II will control with respect to Participants covered by this Appendix II. References in this Appendix to the ALICO Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix II, it is intended that the Plan and this Appendix II be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the ALICO Plan as of June 1, 2000 shall not be decreased as a result of the merger of the ALICO Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to June 1, 2000.

The following definitions shall apply for purposes of this Appendix II:

"Average Monthly Compensation" means (A) with respect to the Four Year Average, the average obtained by dividing by forty-eight (48) the sum of the highest Compensation amounts received in any of four (4) years preceding an Employee's retirement or date of termination, whichever is earlier, and (B) with respect to the Ten Year Average, the average obtained by dividing by 120 the sum of the highest ten consecutive years of Compensation preceding an Employee's retirement or date of termination.

"Compensation" means total remuneration of an Employee on account of his employment with the Employer, including but not limited to salary, overtime, sick pay and the Employee's Tax Deferred Contributions and Supplemental Tax Deferred Contributions under the Savings Plan. Effective January 1, 2008, Compensation shall include Code Section 125 salary reductions. The Code Section 401(a)(17) limitations and Code Section 132(f) provisions found in the Base Plan document under the definition of Salary shall apply to the definition of Compensation herein. Compensation shall not include travel reimbursements in connection with the move of the ALICO offices. Effective January 1, 2011, Compensation shall not include severance pay.

"Eligible Rollover" means the full amount of the Member's Tax Deferred Contribution Account which a participant, subject to such rules as adopted by the Trustees and within the meaning of Sections 402(a)(5) and 408(d)(3) of the Internal Revenue Code, transfers to this ALICO Plan.

"Employee" means, prior to January 1, 2001, any employee of the Employer other than one who is a member of the night crew and any service executives that do not work in the main or branch offices of Amalgamated Life Insurance Company, including employees who are members of the Union and officers, but excluding any officer who is also an employee of the Union or who is an employee of any company or a member of any firm that has in effect a collective bargaining agreement with the Union. Effective as of January 1, 2001, "Employee" means any employee of

the Employer, including members of the Union and officers, other than (a) one who is a member of the night crew, (b) any service executives that do not work in the main or branch offices of Amalgamated Life Insurance Company, (c) student interns, (d) medical per diem employees, and (e) any officer who is also an employee of the Union or who is an employee of any company or a member of any firm that has in effect a collective bargaining agreement with the Union. Effective April 14, 2004, “Employee” also excludes employees of the Pennsylvania office.

However, all the above notwithstanding, Employee shall not include any employee who was an employee of the general office of the Union as of December 31, 2001 and covered under either Appendix I hereof (provisions for ACTWU participants) or under Appendix VIII hereof (provisions for ILGWU Participants).

However, all of the above notwithstanding, “Employee” shall exclude any individual retained by an Employer to perform services for such Employer (for either a definite or indefinite duration) and is characterized thereby as a fee-for-service worker or independent contractor or in a similar capacity (rather than in the capacity of an employee), regardless of such individual’s status under common law, including, without limitation, any such individual who is or has been determined by a third party, including, without limitation, a government agency or board or court or arbitrator, to be an employee of an Employer for any purpose, including, without limitation, for purposes of any employee benefit plan of an Employer (including this Plan) or for purposes of federal, state or local tax withholding, employment tax or employment law.

“Employer” means Amalgamated Life Insurance Company with respect to its employees and any affiliated organization to which this ALICO Plan may be made applicable with respect to its employees. Other than for purposes of eligibility to participate under the terms of this Appendix II, however, Employer shall mean the Union, as defined in the Base Plan document.

“Member” or “Participant” means an Employee covered by the terms of this Appendix II.

“Pension Plan Value of Savings Plan Account” means the lesser of: (a) the value to which Tax Deferred Contributions to the Savings Plan would have accumulated With Interest had they instead been contributed under the terms of this ALICO Plan, and (b) the value of the Member’s Tax Deferred Contributions Account.

“Savings Plan” means the Savings Plan for Employees of the Amalgamated Life Insurance Company.

“Savings Plan Trust Fund” means all the assets held at any time under the Savings Plan for Employees of the Amalgamated Life Insurance Company.

“Supplemental Tax Deferred Contributions” means those contributions made by an Employer on behalf of a participant in the Savings Plan, in excess of Tax Deferred Contributions.

“Tax Deferred Contributions” means those contributions made by an Employer after May 1, 1997 (April 1, 1998 for those covered by a collective bargaining agreement) on behalf of a participant to the Savings Plan, but in no event more than 1.5% of a Participant’s Compensation in any one Year. No additional Tax-Deferred Contributions will be made by an Employer (i) on behalf of non-union Participants on or after June 15, 2010 and (ii) on behalf of union Participants on or after January 1, 2011.

"Tax Deferred Contributions Account" means the account for each Participant attributable to his Tax Deferred Contributions, assuming such contributions, when added to his Tax Deferred Contributions Account in the Savings Plan which existed on December 31, 1994 (applies only for those who terminated employment with the Employer prior to January 1, 2002), were made to and remain invested in the Tracking Fund.

"Tracking Fund" means the Fidelity Managed Income Portfolio Fund in the Savings Plan or such successor fund as adopted by the Trustees.

"With Interest" means interest at a specified rate compounded annually and credited on each ALICO Plan Year's Member contribution from the end of the ALICO Plan Year to the first of the month in which the Member's death occurs, termination of service or retirement under the ALICO Plan.

"With Statutory Interest" means interest at a specified rate compounded annually and credited on each Plan Year's member contribution from the end of the Plan Year to the first of the month of the earlier of the Members retirement date or the lump sum payment of his contributions. Specified rate means:

Prior to 1976	3.00% per annum, compounded annually for contributions made subsequent to 1/1/60, 2% per annum for other contributions.
1976-1987	5.00% per annum, compounded annually
From 1988	120% of the applicable federal mid-term rate determined as of January 1st of each such year pursuant to Section 411(c)(2)(C)(iii) of the Code.

Service of Participants covered by this Appendix II shall be determined in accordance with Sections II3.1 through II3.8, immediately following:

II3.1 In accordance with this Section II3.1, a Participant's period of Service shall be the sum of Service as defined in Section II3.2 and II3.3.

II3.2 For periods prior to December 31, 2000, Service is defined as follows:

(a) Service means continuous service with the Employer as an Employee from the first day of employment as established by the personnel records of the Employer.

(b) A Year of Service is each 12 month period of Service.

Service means the aggregate of all periods of an Employee's employment from his date of hire with the Employer and counting as a complete month any month in which an Employee is paid, or entitled to payment, for the performance of duties. Service shall also include (i) a period of up to 12 months of absence from employment for any reason other than because of resignation, retirement, death or discharge, (ii) the period from the date the Employee resigns, retires or is

discharged to the date of his reemployment, if he returns to employment with the Employer or any member of such Employer's Group within 12 months of such resignation, retirement or discharge, (iii) any period that is required to be counted as Service under the applicable provisions of the Family and Medical Leave Act and (iv) in the case of an Employee who is absent from employment by reason of a maternity or paternity absence beyond the first anniversary of the date such absence began, the period that is the earlier of (a) the second anniversary of the beginning of such absence or (b) the date such maternity or paternity absence ceased.

(c) If a Member incurs a "break-in-service", his Service prior to such break shall not be included in the aggregate of his Service for eligibility for benefits unless (i) he had rights to deferred benefits at the commencement of such break, or (ii) the number of his consecutive one-year breaks in service is less than the greater of five and the aggregate number of years of his Service prior to the break or (iii) he re-pays his contributions in accordance with Section 5.2.

(d) A Member who left or leaves the employment of the Employer for military service with the United States, and who has reemployment rights under the applicable law and complies with the requirements of such law and returns within 90 days after he was entitled to be released (or at such later time as the Employer may approve or require), shall be deemed to have continued in employment during such period of absence at the average rate of hours per week he was employed in the calendar year preceding the year he left. Notwithstanding any provision of the ALICO Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

(e) A one year "break in service" means a period of at least 12 consecutive months beginning on the Employee's Severance Date during which the Employee did not perform any duties for the Employer. No break in service is deemed to have occurred for this purpose if at least 500 hours are worked in any year. Severance Date means the earlier of: (i) the date of the Employee's quit, discharge or retirement, or (ii) the first anniversary of the first day of absence from employment for any reason other than quit, discharge or retirement. Solely for purposes of determining whether a break in service has occurred, effective for ALICO Plan Years beginning on or after January 1, 1985, the Severance Date of an Employee who is absent from employment beyond such first anniversary date by reason of a maternity or paternity absence described in the next sentence is the second anniversary of the first day of such absence. A maternity or paternity absence means an absence by reason of the pregnancy of the Eligible Employee, the birth of a child of the Employee, the placement of the child with the Employee in connection with the adoption of the child by the Employee, or for purposes of caring for the child for a period beginning immediately after such birth or placement.

A Participant shall not incur a break in service because of an absence from work that is approved or authorized by the Employer as a leave of absence. A leave of absence shall mean an Employee's absence from employment with the Employer by reason of service in the armed forces of the United States, jury duty, sick or disability leave, or any other approved absence, provided that the Employee returns to the employment of the Employer on or before the expiration of his leave or while his reemployment rights are protected by applicable federal law.

II3.3 A year of Service after December 31, 2000 shall mean any Plan Year during which an Employee is credited with at least 1,000 Hours of Service, subject to Sections II3.5 through II3.7. An Employee's initial eligibility computation period shall be the twelve consecutive month period beginning with the date the Employee first performs an Hour of Service for an Employer or any other member of the controlled group. Thereafter, the eligibility computation period of an Employee who fails to complete at least 1,000 Hours of Service within said twelve consecutive month period shall be the Plan Year, commencing with the Plan Year that includes the first anniversary of the date of his first Hour of Service.

II3.4 Credited Service is computed in years and (prior to January 1, 2001) completed months and shall be used to determine a Member's pension under the ALICO Plan and is equal to the Member's Service (as defined in Section II3.1) excluding any period of employment due to an approved leave of absence without compensation but including any period of military service with the United States, as described in Section II3.2(d) and II3.7.

II3.5 For a former Member who previously satisfied the requirements for vested benefits, and who again is employed, his pre-break Service and Credited Service shall be restored as of his reemployment date in determining his rights and benefits under the ALICO Plan.

For a former Member who, at the time of a Break in Service, as defined in Section II3.5, had not fulfilled the requirements for vested benefits, and who again is employed, years of Service and Credited Service before the Break in Service shall be restored as of his reemployment date if the number of consecutive one year Breaks in Service was less than the greater of: (i) five, or (ii) the aggregate number of years of Service before the Break in Service.

Notwithstanding the foregoing, Members who work for the Employer and are receiving benefits under the Plan shall continue to receive benefits under the Plan, provided such Members do not work more than 18 hours per week for the Employer.

II3.6 Break in Service means a Plan Year during which an Employee has not completed more than 500 Hours of Service with the Employer, subject to "Leave of Absence" rules under Section II3.7.

II3.7 A "Leave of Absence" will mean an Employee's absence from active employment with ALICO by reason of service in the armed forces of the United States, jury duty, sick or disability leave, or any Employer-approved absence granted, provided that the Employee returns to active employment with the Company on or before the expiration of his leave

or while his re-employment rights are protected by applicable federal law. If he does not return to active employment, the period of absence shall not be taken into account in computing Hours of Service, and his employment shall be considered terminated as of the beginning of the absence.

An Employee shall be credited with 40 Hours of Service for each full week the Employee is on a Leave of Absence if he is not otherwise credited with such Hours of Service; however, if an Eligible Employee customarily worked fewer than 40 hours per week in the six months immediately preceding the beginning of his leave, then he shall be credited for each full week of such Leave of Absence with the customarily worked number of hours, if he is not otherwise credited with such Hours of Service.

For purposes of determining whether an Employee has a Break in Service, an Employee shall receive credit during a maternity/paternity absence for the Hours of Service which would otherwise normally have been credited to the Employee but for such absence. Hours of Service shall be credited in the Plan Year in which the absence begins if the crediting is necessary to prevent a Break in Service in that period, or, in all other cases, in the following Plan Year. However, in no event shall more than 501 Hours of Service be credited with respect to any such absence. A maternity/paternity absence shall mean an absence from work by reason of the pregnancy of the Employee, the birth of a child of the Employee, or the placement of a child with the Employee in connection with the adoption of such child by the Employee, or for purposes of caring for such a child for a period immediately following such birth or placement.

II3.8 Notwithstanding any provision of the Plan to the contrary, Arnold Shasun shall be permitted to receive benefits under the Plan and continue his employment with ALICO without a suspension of benefits until December 31, 2009.

The retirement dates of Participants covered by this Appendix II shall be in accordance with Sections II4.1 through II4.5, immediately following:

II4.1 A Member's Normal Retirement Date is the first day of the calendar month coinciding with or next following his 65th birthday. A Member may elect to retire on his Normal Retirement Date. A Member's right to his normal retirement benefit is non-forfeitable upon attainment of age 65.

II4.2 If a Member elects to continue in service with his Employer after his Normal Retirement Date, he may retire on the first day of any subsequent calendar month, which date shall be known as his "deferred retirement date". In no event shall such date be later than April 1 of the calendar year following the calendar year in which the employee attains age 70½.

II4.3 A Member who terminates from employment with an Employer prior to his Normal Retirement Date shall receive an Early Retirement Benefit if the Member satisfies (a) or (b) below:

(a) For benefits earned before January 1, 2015, a Member who is an active Employee may retire on the first day of any month between his 55th and his 65th birthday or, if

earlier, on the first day of any month after having 30 years of Credited Service ("Part A Early Retirement Date"). This portion of your Accrued Benefit is payable upon such Early Retirement Date.

(b) For benefits earned on or after January 1, 2015, a Member who is an active Employee may retire on the first day of any month between his 55th and his 65th birthday and provided that the Member has completed 15 Years of Credited Service ("Part B Early Retirement Date"). Such benefits shall not commence before attainment of age 55, even if the Member has commenced a benefit under section II.4.3(a)

(c) If a Member is eligible to retire under II.4.3(a) but not under II4.3(b), then the portion of the benefit earned before January 1, 2015 shall be payable upon the Part A Early Retirement Date, and the portion of the benefit earned on and after January 1, 2015 shall be payable upon the Part B Early Retirement Date or Normal Retirement Date, as applicable.

II4.4 A Member who becomes totally and permanently disabled while an Employee of the Employer and thereby becomes eligible for a disability benefit under Title II of the Federal Social Security Act and who, on his last day of active employment with the Employer, either:

(a) had 20 or more years of Service, or

(b) had reached his 55th (but not his 65th) birthday and had 15 or more years of Service

shall be retired on the first day of the month for which he first becomes entitled to such Social Security disability benefit payments as reflected by the Certificate of Award issued by the Federal Social Security Administration. Such date shall be known as his "disability retirement date".

II4.5 Unless otherwise specified, the term "retirement date" of a Member shall mean his normal, deferred, early or disability retirement date, whichever is applicable, and "retired" shall imply termination of active employment, except as specifically provided otherwise in this Appendix.

The benefit of a Participant covered by this Appendix II shall be determined in accordance with Sections II6.1 through II6.8, immediately following. All references in Sections II6.1 through II6.8 to April 1, 1998 apply only with respect to Members covered by a collective bargaining agreement. For Members not covered by a collective bargaining agreement, such date shall be replaced by May 1, 1997, wherever it appears in such Sections. For Members who are not covered by a Collective Bargaining Agreement who terminate employment on or after May 1, 2005, Sections II6.2, II6.7 and II6.8 shall not apply.

II6.1 Commencing on his retirement date, a Member who is retiring in accordance with Section II4.1 or II4.2 shall receive a monthly pension for life equal to the amount as specified in Section II6.7 and II6.8 plus the excess if any of (a) two and one-half percent (2.50%) of his Four Year Average Monthly Compensation at April 1, 1998 multiplied by

the number of years of his Credited Service at April 1, 1998, subject to a maximum of 75% of Four Year Average Monthly Compensation at April 1, 1998, over (b) the sum of (applies only with respect to those covered by a collective bargaining agreement who last terminated employment with the Employer prior to the expiration of the collective bargaining agreement in effect on January 1, 2002):

(i) the Actuarial Equivalent monthly annuity of the Member's Pension Plan Value of Savings Plan Account accrued prior to April 1, 1998 using the same factors and method as in Section II6.6, and

(ii) the Actuarial Equivalent monthly annuity of the excess of the value of the Member's Tax Deferred Contributions Account accrued prior to April 1, 1998, if any, over his Pension Plan Value of Savings Plan Account accrued prior to April 1, 1998.

For Plan Years beginning prior to January 1, 2001, each full calendar month of service in excess of a full year shall be counted as one-twelfth of a year of Credited Service. The monthly pension shall be computed to the nearest cent.

With respect to Employees who retired or terminated employment prior to July 1, 2001 (or for Employees covered under a collective bargaining agreement as of the date that the agreement changed), "2.50%" shall be replaced with 2.25%.

The above notwithstanding, the monthly benefit payable with respect to Employees not covered by a collective bargaining agreement who terminate employment after May 1, 2005 shall be equal to the excess of (a) two and one-half percent (2.50%) of his Ten Year Average Monthly Compensation multiplied by the number of years of his Credited Service, subject to a maximum of 75% of Four Year Average Monthly Compensation over (b) the sum of:

(i) the Actuarial Equivalent monthly annuity of the Member's Pension Plan Value of Savings Plan Account using the same factors and method as in Section II6.6, and

(ii) the Actuarial Equivalent monthly annuity of the excess of the value of the Member's Tax Deferred Contributions Account, if any, over his Pension Plan Value of Savings Plan Account.

In no event, however, will the total monthly pension exceed 75% of Four Year Average Monthly Compensation.

The monthly accrued benefit of a Member shall be increased by the amount, if any, necessary so that the accrued benefit is equal to the Actuarial Equivalent of his contributions With Credited Interest (less any refund of contributions under Section II6.6) based on the assumptions in Section A of Exhibit I, except that:

(a) When determining the annuity value, it will be assumed that the annuity will increase each January 1 following the October 1 following the pension commencement date by a percentage of the initial periodic amount. Such

percentage shall equal the lesser of (i) 3% and (ii) the average annual increase in the National Consumer Price Index over the five calendar years preceding the pension commencement date.

(b) Except in the case of a Member retiring under Section II4.3, the assumed annuity payment commencement date shall be the later of the Employee's Normal Retirement Date and his actual retirement date. In the case of a Member retiring under Section II4.3, the assumed annuity payment commencement date shall be the employee's early retirement date and the resulting annuity shall be increased by the reciprocal of the reduction factor applied in Section II6.4.

II6.2 An additional monthly annuity shall be payable equal to the excess, if any, of (a) $15 per month times years of Credited Service at April 1, 1998 over (b) the amount calculated in Section II6.1 reduced assuming return of employee contributions With Interest, as calculated in Section II6.6(b).

II6.3 Should the Participant have made an Eligible Rollover, his pension shall be calculated in Sections II6.1(a) without the offset described in Section II6.1(b), if any.

II6.4 If a Member retires under Section II4.3 (early retirement) the amount of monthly pension, commencing at his Normal Retirement Date, is determined pursuant to the formulas in Sections II6.1, II6.2, II6.7 and II6.8 (as applicable).

At the Member's request a reduced pension may become payable at any date between his retirement date and his Normal Retirement Date. For Participants who terminate employment on or after January 1, 2002 and for benefits earned prior to January 1, 2015, such reduced pension shall be the regular pension determined pursuant to Sections II6.1, II6.2, II6.7 and II6.8 multiplied by a percentage equal to (a) 100% minus (b)1/3% multiplied by the number of complete months from the later of the date of pension commencement and the first day of the month following or coinciding with the Member's 55th birthday to his Normal Retirement Date. For benefits earned on or after January 1, 2015, such reduced pension shall be the regular pension determined pursuant to Section II6.1, II6.2, II6.7 and II6.8 multiplied by a percentage equal to (a) 100% minus (b)1/2% multiplied by the number of complete months from the later of the date of pension commencement and the first day of the month following or coinciding with the Member's 55th birthday to his Normal Retirement Date.

II6.5 If a Member retires under Section II4.4 (disability retirement) the amount of monthly pension commencing immediately is determined pursuant to the formula in Sections II6.1 and II6.2 above and II6.7 and II6.8 (as applicable, and subject to his continuing to be totally and permanently disabled up to his 65th birthday). For benefit applications received on or after December 1, 2014 and benefit commencement dates on or after January 1, 2015, the amount of the disability retirement benefit shall be equal to (a) 70% of the annuity determined under Section II6.1 and II6.2 above and II6.7 and II6.8 (as applicable, and subject to his continuing to be totally and permanently disabled up to his 65th birthday or (b) 100% of the annuity determined under Section II6.4, and such amount shall be adjusted in accordance with Section 7.1(d)(ii) or Section 7.1(e)(ii) of the Base Plan.

At any time before his 65th birthday, but not more often than semi-annually, the Trustees may require that any such retired Member submit evidence of his continued eligibility for the Social Security disability benefit. If it is found that he is no longer entitled to such Social Security disability benefit, his disability retirement benefit shall cease. If such retired employee fails to submit evidence of his continued eligibility for such Social Security disability benefit, his disability retirement pension shall cease until he submits such evidence.

II6.6 A Member who is entitled to benefits under this Section 6 may elect to receive a lump sum payment of either (a) his contributions With Interest or (b) his contributions With Credited Interest. In such case, the benefit that he would otherwise be entitled to under this Section 6 shall be reduced by the Actuarial Equivalent (based on the assumptions in Section A of Exhibit I – modified in the same way as described at the end of Section II6.1) of such lump sum payment. In no event, however, will the reduction to the Accrued Benefit be greater than the amount determined by multiplying the value of such lump sum, projected to Normal Retirement Date With Interest, by one-twelfth of the appropriate factor from the following table:

Age at later of Commencement Age and Normal Retirement Age	Actuarial Factor
65	7.60%
66	7.60%
67	8.36%
68	8.36%
69	9.12%
70	9.12%

Notwithstanding the above, any payment other than in the form of a Qualified Joint and Survivor Annuity shall be made only with the consent of the Participant's spouse, as more fully detailed in Section II9.4 below.

II6.7 Commencing on his retirement date, a Member who is retiring in accordance with Sections II4.1 or II4.2 shall receive a monthly pension for life equal to the excess if any of (a) two and one-half percent (2.50%) of his Compensation earned after April 1, 1998 over (b) the sum of:

(i) the Actuarial Equivalent monthly annuity of the Member's Pension Plan Value of Savings Plan Account accrued subsequent to April 1, 1998 using the same factors and method as in Section II6.6, and

(ii) the Actuarial Equivalent monthly annuity of the excess of the value of the Member's Tax Deferred Contributions Account accrued subsequent to April 1, 1998, if any, over his Pension Plan Value of Savings Plan Account accrued subsequent to April 1, 1998.

Each full calendar month of service in excess of a full year shall be counted as one-twelfth of a year of Credited Service. The monthly pension shall be computed to the nearest cent.

With respect to Employees who retired or terminate employment prior to July 1, 2001, “2.50%” shall be replaced with 2.25% .

II6.8 An additional monthly annuity shall be payable equal to the excess, if any, of (a) $15 per month times years of Credited Service accrued after April 1, 1998 over (b) the amount calculated in Section II6.7.

In addition to a Participant’s right to receive payments under the provisions of the Base Plan document, the immediately following provisions of Sections II7.1 through II7.6 shall apply to Participants covered by this Appendix II.

II7.1 Except as otherwise provided below, upon termination of his status as an Employee, the Member shall be paid an amount equal to his own contributions to this Plan (if any) With Interest thereon within sixty (60) days after his termination.

II7.2 If the terminating Member has five (5) or more years of Service and elects to leave in his contributions in the Plan, he shall be entitled to receive, commencing at his Normal Retirement Date, the pension provided in Section II6.1, II6.2, II6.7 and II6.8 (as applicable), based on his Service and Compensation prior to his termination.

II7.3 A Member who is entitled to a vested pension in accordance with Section II7.2 may elect, by filing a written application with the Trustees, to commence receiving a reduced pension on the first day of any month after he has reached the age of 55. Such reduced pension shall be the pension determined pursuant to Sections II6.1, II6.2, II6.7 and II6.8 (as applicable) multiplied by a percentage equal to 100% minus 1/2 % a month (6% a year) for each month that the date of commencement precedes his Normal Retirement Date.

A Member who is entitled to benefits under Section II7.2 may elect to receive a lump sum payment of either (a) 100% of his contributions, or (b) 100% of his contributions With Interest. In such case, the benefit to which he would otherwise be entitled under Section II7.2 shall be reduced by the Accrued Benefit attributable to such lump sum payment. Such Accrued Benefit shall be pursuant to Section II6.6 assuming commencement at Normal Retirement Date, and may reduce the residual benefit to zero.

II7.4 If the Actuarial Equivalent lump sum of the total accrued benefit is not more than $5,000 (or such other amount prescribed by section 411(a)(11) of the Code), then the Actuarial Equivalent lump sum will be paid to the Member upon his termination of employment in which event the Member will be entitled to no further benefits under the Plan. This Section is deleted effective as of March 28, 2005.

II7.5 If a Member who is entitled to a vested pension in accordance with Sections II4.1, II4.2, II4.3 or II7.2 reenters the employ of the Employer as an Employee any pension he is then receiving shall cease, and the annuity payable upon subsequent termination or retirement shall be based on the aggregate of his Credited Service before and after such initial retirement or termination, his Compensation at the time of his subsequent termination or retirement, and the provisions of the Plan as in effect at such subsequent termination or retirement, and then converted to its Actuarial Equivalent annuity to reflect any pension payments or refunds received by him prior to such reemployment.

Participants who are reemployed or continue in employment past Normal Retirement Age for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month.

II7.6 Notwithstanding anything to the contrary above, any payment other than in the form of a Qualified Joint and Survivor Annuity shall be made only with the consent of the Participant's Spouse, as more fully detailed in Section II9.4 below.

In lieu of a Participant's right to death benefits under the provisions of the Base Plan document, except for the provisions of Section 7.1(e), the immediately following provisions of Sections II8.1 through II8.6 shall apply to Participants covered by this Appendix II.

II8.1 Unless the provisions of Section II8.6 are in effect, upon the death of a Member before his retirement date, an amount equal to his own contributions (if any) With Interest will be paid to his Beneficiary.

II8.2 Upon the death of a retired Member occurring before he has received in total pension payments an amount equal to his own contributions (if any) With Interest, the difference shall be paid to his Beneficiary.

II8.3 The Member's surviving Spouse shall be the Beneficiary entitled to receive all benefits payable on the death of the Member; provided, however, that if there is no surviving Spouse, or if the surviving Spouse had consented in writing to the designation of another Beneficiary or Beneficiaries, which consent was witnessed by a notary public, the Beneficiary or Beneficiaries entitled to receive benefits upon the Member's death shall be the person or persons designated as Beneficiary or Beneficiaries by the Member on the appropriate form. Subject to the foregoing requirements with respect to spousal consent, a Member may change his or her Beneficiary or Beneficiaries from time to time on an appropriate form without the consent of any previously designated Beneficiary or Beneficiaries. If more than one Beneficiary is designated at any time, the Member shall indicate the respective shares of each. In the absence of a designation of proper share interests, equal interest shall be assumed.

II8.4 If there is no Beneficiary designated by the Member at the Member's death, any payment which may otherwise be made to the Beneficiary will be made to the first surviving class of the following classes of successive preferential Beneficiaries:

The Member's (1) widow or widower; (2) surviving children; (3) surviving parents; (4) surviving brothers and sisters; (5) executor or administrator.

Any minor's share may be paid at a monthly rate as specified by the Trustees to such adult or adults as have in the opinion of the Trustees assumed the custody and principal support of such minor.

II8.5 The form of death benefit described in Section II8.2 shall apply only if there had not been in effect with respect to the retired Member an option elected pursuant to Section II9.2. If an option pursuant to Section II9.2 shall have been in effect, the death benefit, if any, applicable to the death of the Member shall be that provided for in Section II9.2.

II8.6 Pre-Retirement Surviving Spouse Benefits

(a) Upon completion of five (5) years of Service, a married Member shall automatically be covered by the pre-retirement surviving Spouse coverage described in this Section II8.6.

(b) Under this coverage a surviving Spouse lifetime pension would be payable in the event of a Member's death before retirement provided that such Spouse had been his Spouse for at least 1 year immediately preceding the date of death.

(c) The amount of the annuity that would be payable to such surviving Spouse is:

(i) with respect to a Member whose death occurs after he is eligible for early retirement an amount equal to 50% of the amount that would have been payable to the Member if he had separated from service on the date of his death and retired immediately having elected Option II (as described in Section II9.2) reduced as described in paragraph (d) below. Such benefit will become payable on the first of the month following the Member's death.

(ii) with respect to a Member or former Employee with a vested right to a deferred pension, an amount equal to 50% of the amount that would have been payable to the Member if he had separated from service on the date of death, or earlier date of termination in the case of former Employees, survived to the earliest retirement age, retired with an immediate annuity having elected Option II (as described in Section II9.2), reduced as described in paragraph (d) below. Such benefit will become payable when the Member would first have been eligible to begin receiving benefits.

(d) Upon the death of a Spouse who was receiving a surviving Spouse pension before such Spouse had received total pension payments equal to the Member's contributions With Interest, the difference shall be paid in a lump sum to the Spouse's Beneficiary.

(e) The surviving Spouse may elect to receive a lump sum payment of either (a) 100% of the Member's contributions or (b) 100% of the Member's contributions With Interest. In such case the Member's benefit described in Section II8.6(c) shall reflect the lump sum payment based on the assumption that the lump sum is received on the Member's date of death.

(f) Termination of Marriage – Except to the extent otherwise provided in Section 12 of the Base Plan document with respect to qualified domestic relations orders, the Spouse to whom the Member was married at the date of the Member's death is entitled to the survivor annuity, commencing to such Spouse at the times specified in Section II8.6(c).

(g) Claim for Benefit – The surviving Spouse must file a claim for benefits before payment of benefits will commence. The claim for benefits shall be in writing, on such forms as the Trustees shall designate, and shall include certifications as to the dates of birth of the Member and of such surviving Spouse, the date of marriage to the Member, and such other information with respect to any prior marriages of the Member as the Trustees shall deem necessary to determine the appropriate charge for pre-retirement surviving Spouse coverage.

In lieu of a Participant's right to receive payments in the forms of payment described under the provisions of the Base Plan document, the immediately following provisions of Sections II9.1 through II9.4 shall apply to Participants covered by this Appendix II.

II9.1 Unless an optional pension is in effect pursuant to this Section a Member's regular pension will be payable monthly for his lifetime with the final payment due as of the first day of the month in which his death occurs.

II9.2 Any Member may elect in writing filed with the Trustees to convert the pension payments otherwise payable to him after the effective date specified in the election into an Actuarial Equivalent benefit payable on and after that date, in accordance with either one of the optional forms specified below:

OPTION I. This option only applies to benefits earned prior to January 1, 2015. A reduced benefit payable during his life, with the provision that after his death such reduced benefit shall continue during the life of and shall be paid to his contingent annuitant.

OPTION II. This option only applies to benefits earned prior to January 1, 2015. If a Participant is married to his Spouse for at least five (5) years prior to his benefit commencement date, no reduction to the regular pension shall be applied under this Option II.

OPTION III. A reduced benefit payable during his life with ten (10) years of guaranteed payments. If a Participant retires between age 62 and age 65, the Participant's Beneficiary shall receive an amount equal to 96.0% of the Participant's reduced benefit. This factor shall be adjusted upward or downward for each year that retirement commences before or beyond the indicated age bracket.

For benefits earned on or after January 1, 2015, Option I and II above are replaced with the normal and optional joint and survivor forms of payment and adjustments described in Section 7.1(d) and 7.1(e) of the Base Plan.

II9.3 The following rules and requirements must be met in order that an optional form of pension shall apply with respect to Options I and II (for benefits earned prior to January 1, 2015) and Option III of Section II9.2. For benefits earned on or after January 1, 2015 that are subject to the rules in Section 7.1(d) and 7.1(e) of the Base Plan, this section shall not apply and the applicable rules and requirements of the Base Plan shall apply:

(a) The contingent annuitant shall be the person designated by the Member and shall be the Spouse, a parent, sister, brother or child of the Member. Election of either one of the Options described in Section II9.2 is conditional upon furnishing the Trustees, not later than ninety (90) days after the filing of such election, proof satisfactory of the age and relationship of the contingent annuitant.

(b) Any notice of change in the effective date of the option or in the designation of the contingent annuitant or any notice of revocation of the option must be filed by the Member with the Trustees and will take effect on the date specified in the notice. The designation of a contingent annuitant under the provisions of Section II9.2 shall not of itself constitute such person a Beneficiary with respect to any other payment provided under the Plan. If the election of an optional form of benefits would result in monthly payments to a contingent annuitant of less than $10 per month, the election shall not become operative.

(c) Anything to the contrary contained herein notwithstanding, the option or the change or revocation of the option, as the case may be, shall take effect only if the Member and the contingent annuitant are both alive on the effective date of the option, or the date specified for its change or revocation, as the case may be. If a Member who has elected one of these optional forms of benefit dies before its effective date so that no benefit is payable to the contingent annuitant, the death benefit shall be made as provided in Sections II8.1 through II8.6. If the contingent annuitant dies after the effective date of the option and while the same is in effect, the amount of the payments which the Member is receiving shall continue unchanged and shall cease upon the Member's death. If a Member who has elected an option to take effect at his Normal Retirement Date or thereafter dies while continuing in the active service of the Employer after the effective date of the option, his contingent annuitant shall receive the reduced retirement income under the option, conversely, should the contingent annuitant live to the effective date of the option but fail to survive the Member, the Member shall upon retirement receive the reduced retirement income under the option.

(d) If an adjustment of retirement income in accordance with Paragraph (e) below has previously been elected, the effective date of the option may not be before the Member's 62nd birthday.

(e) A Member retiring prior to age 62 in accordance with Section II4.3 of the Plan before Social Security payments under Title II of the Federal Social Security Act begin may elect, in writing filed with the Trustees, to receive an Actuarial Equivalent benefit providing larger monthly payments, in lieu of the benefit otherwise payable upon early retirement, until the date his Social Security payments are expected to commence; thereafter his monthly benefit will be reduced by the approximate amount of the Social Security benefit computed to commence on such date. In this way, insofar as practical, a level total retirement income will be available for the Member from combined sources of Federal Social Security and this Plan. The adjustment of the pension as provided herein may not be elected if the Member has previously elected an option as set forth in the foregoing paragraphs of this Section II9.2, the effective date of which is prior to the Social Security commencement date.

II9.4 (a) Notwithstanding anything above to the contrary, a Member who is married at the time his pension is scheduled to commence shall be deemed to have elected Option II with his Spouse as the contingent annuitant and the option to become effective as of that date.

(b) A married Member may elect in writing, during the 90-day period ending on the annuity starting date, to forgo this automatic Spouse's pension option, but before he does so, the Employer shall be required to furnish to such Member and his Spouse, within such 90-day period, a written explanation of the terms and conditions of such option and the effect of electing not to take advantage of it.

(c) If the Member makes the election to forego this automatic Spouse's pension option, the election shall not take effect unless the Member's Spouse consents to such election, the consent acknowledges the effect of such election, and the consent is witnessed by a notary public, or the Member establishes to the satisfaction of the Trustees that the consent may not be obtained because there is no Spouse, because the Spouse cannot be found, or because of other special circumstances as may be set forth in applicable law, regulations or rules. If the Member makes an election pursuant to Section II9.2 hereof, he must submit satisfactory proof of his Spouse's date of birth to the Trustees.

(d) Explanation

Within a reasonable period before the Member's pension commencement date the Trustees shall furnish the Member with a written explanation of (i) the terms and conditions of the qualified joint and survivor annuity form of benefit, (ii) the Member's right to make, and the effect of, an election to waive the joint and contingent annuity form of benefit, (iii) the rights of the Member's Spouse to consent, or refuse to consent, to such waiver, and (iv) the Member's right to make, and the effect of, a revocation of an election to waive.

(e) Termination of Marriage

The Spouse to whom the Member was married at the Member's pension commencement date is entitled to the contingent annuity upon the death of the Member after the pension commencement date, whether or not the Member and such Spouse were married at the date of the Member's death.

In addition to the pension computations set forth above, Sections II10.1 through II10.3, immediately following, shall apply to Participants covered by this Appendix II. The reference in Section II10.2 to April 1, 1998, however, applies only with respect to Members covered by a collective bargaining agreement. For Members not covered by a collective bargaining agreement, such date shall be replaced by May 1, 1997.

II10.1 For the purpose of this Section, the following words and phrases shall have the following meanings:

(a) "Cost-of-Living Index" shall mean the "Consumer Price Index for Urban Wage Earners and Clerical Workers" for the New York-Northeastern New Jersey Area (1967 - 100 basis) published by the United States Department of Labor, Bureau of Labor Statistics, or such other comparable index (equitably adjusted to reflect any revisions in basis) as may be published in lieu thereof by such Bureau of Labor Statistics or any successor thereto.

(b) "Base Month" of a Member shall mean October of the calendar year of his date of commencement of annuity benefits. For purposes of the foregoing sentence, January 1 commencements shall be deemed to be retirements of the immediately preceding calendar year.

(c) "Adjustment Factor" as of any January 1, with respect to a Member

(i) whose last date of employment was subsequent to December 31, 1993 shall mean the greater of 1.00000 and the ratio of

(A) the Cost of Living Index for October of the year preceding such January 1

over

(B) the Cost-of-Living Index for the Member's Base Month; provided, however, that the Adjustment Factor shall never be greater than 100% plus 3% times the number of years elapsed between his Base Month and October of the year referred to under (i) above.

II10.2 All retirement income payments made under the Plan with respect to benefits accrued prior to April 1, 1998 (May 1, 1997 for Members not covered by a collective bargaining agreement) based on the Plan in effect at January I, 2002 shall be equal to the product of (a) times (b) as follows:

(a) The amount of the payment which would have been made in the absence of this Section II10.

(b) The Adjustment Factor as of the most recent January 1 with respect to the Member to or on account of whom the benefit payment is being made.

II10.3 All cost-of-living adjustments made under this Section 10 shall be made annually, effective as of each January 1.

Appendix III - Chicago Plan Participants

CLOSED GROUP - December 31, 2002

The provisions of this Appendix III apply to (i) participants in the Amalgamated Chicago Group Employees Pension and Trust (the "Chicago Plan") prior to January 1, 1999 and to (ii) employees hired on or after January 1, 1999 (and prior to January 1, 2003) who meet the definition of Participating Employee as defined in this Appendix III. Employees of the Employer hired after December 31, 2002 shall be covered under the Base Plan document provisions. The Chicago Plan was merged into the Plan on January 1, 1999 and all participants in the Chicago Plan became participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix III, the terms of this Appendix III will control with respect to participants covered by this Appendix III. References in this Appendix to the Chicago Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix III, it is intended that the Plan and this Appendix III be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Chicago Plan as of January 1, 1999 shall not be decreased as a result of the merger of the Chicago Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to January 1, 1999.

The following definitions shall apply for purposes of this Appendix III:

"Base Salary" means the greater of (i) one thirty-sixth (1/36th) of the total of the Monthly Compensation received by a Participating Employee during the 36-month period in which the average of the Participating Employee's Monthly Compensation is the highest; and (ii) one-sixtieth (1/60th) of the total of the Monthly Compensation received by a Participating Employee during the 60-month period in which the average of the Participating Employee's Monthly Compensation is the highest.

In no event shall the "Base Salary" of a Participating Employee exceed $7,000 for purposes of this Appendix III. Effective as of January 1, 2002, the $7,000 in the preceding sentence is increased to $8,000. Effective January 1, 2005, there shall be no limit, except that the statutory limitations found in the Base Plan text also apply here.

"Disability Retirement" means the retirement of a Participating Employee because he has suffered a physical or mental disability which, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his normal duties as such employee, which opinion shall be final and conclusive on such employee, his employer and Trustees.

"Employer" means, collectively, the Chicago Joint Board of UNITE, Amalgamated Life & Health Insurance Company (Chicago), Amalgamated Social Benefits Association, and the Sidney Hillman Health Center.

"Former Participating Employee" means a person who was formerly employed by the Employer and was a Participating Employee but who is no longer so employed and is awaiting payment of a deferred annuity.

"Highly Compensated Employee" means any Employee who, (i) during the current Plan Year or the preceding Plan Year was at any time a five percent owner of any Employer, or (ii) during the preceding Plan Year had Compensation from any Employer in excess of $80,000 (or such greater amount provided by the Secretary of the Treasury pursuant to Section 414(c) of the Code).

"Monthly Compensation" means the total compensation, excluding (a) bonuses (if any), (b) severance pay, and (c) all overtime for work that is outside of an employee's regularly scheduled tour of duty, or which in any Plan Year aggregates more than 100 hours, paid to an Employee by an Employer in any month, except that with respect to each employee who is paid a salary on a weekly basis, the portion of his "Monthly Compensation" attributable to such salary shall be computed as four and one-third times his weekly salary.

"Participating Employee" means every Employee of an Employer who is not included as a participant in and entitled to benefits under a retirement income plan (other than this Chicago Plan or this Appendix III) sponsored by a UNITE Affiliate and meeting the requirements of Section 401(a) of the Code. Each Participating Employee shall participate in the Plan effective on the date he is first credited with an Hour of Service. Use of the term "Participating Employee" includes a Former Participating Employee unless otherwise stated or the context in which "Participating Employee" is used is inapplicable to a Former Participating Employee.

"Personal Annuity" means the payments made to any Participating Employee under the provisions of Section III4.01 hereof.

"Preferred Joint and Survivor Annuity" is defined in Section III4.03(g) .

"Week of Service" means any calendar week during which an Employee worked or was on Leave of Absence for not less than 35 hours for a Group Member, as defined in the Chicago Plan.

"Years of Service" means the number of annual periods of twelve months between the date on which a Participating Employee became an Employee of a Chicago UNITE Affiliate and his retirement date during which he completed either 1,000 Hours of Service or 26 Weeks of Service for one or more Chicago UNITE Affiliates.

Sections 4 and 5 of the Base Plan document shall not apply to Participants covered by this Appendix, but Participants covered by this Appendix shall be eligible for the optional forms of payment described in Section 7.2 of the Base Plan. The following provisions regarding the payment of annuities apply to Participants covered by this Appendix III:

III4.01.Personal Annuities.

(a) Participating Employees who are credited with an Hour of Service prior to January 1, 1996. After the retirement of each Participating Employee who is credited with an Hour of Service prior to January 1, 1996 and who shall retire having completed five (5) Years of Service, Trustees shall make the following payments to such Participating Employee:

(i) If such retirement is a non-Disability Retirement, then Trustees shall pay him a monthly Personal Annuity equal to the percentage of his Base Salary shown in Section III4.10 for his nearest birthday and Years of Service at his termination date. In the event the percentage so determined from Section III4.10 is "zero," such retiring Employee may elect one of the following options:

(A) To await any birthday, as he elects, shown on III4.10 which designates on the line showing such Participating Employee's Years of Service at his termination date a percentage other than "zero," in which event he shall receive the monthly Personal Annuity based on such percentage of his Base Salary, commencing the first day of the month in which such birthday occurs; or

(B) To receive a monthly Personal Annuity commencing on the later of his sixtieth (60th) birthday or his termination date, based on the percentage of his Base Salary at the earliest birthday specified in Section III4.10, but reduced to reflect the acceleration of the commencement of such annuity by 0.55% of the applicable percentage of Base Salary for each month that commencement precedes the earliest birthday referred to in Section III4.10.

(ii) If such retirement is a Disability Retirement, Trustees shall pay him a monthly Personal Annuity equal to the percentage of his Base Salary as shown in Section III4.10, except that such percentage shall be determined as if at the date of such retirement he were age 65 at his nearest birthday.

No monthly Personal Annuity shall be paid to any Participating Employee who retires after December 31, 1988 prior to completion of five (5) Years of Service. If a Participating Employee retires and the present value of his vested accrued benefit is zero (by reason of his having retired prior to the completion of five (5) Years of Service), he shall be deemed to have received a distribution of such vested Accrued Benefit. Each annuity payable hereunder (except for a deferred annuity as elected under subparagraph III4.01(a)(i)) shall commence as of the first day of the month following the Participating Employee's Retirement Date. A Personal Annuity is a straight life annuity for the Participating Employee, and monthly personal annuity payments shall be made to a Participating Employee only during the life of such Employee.

(b) Participating Employees who are first credited with an Hour of Service on or after January 1, 1996. The Personal Annuity of a Participating Employee who is first credited with an Hour of Service on or after January 1, 1996 shall be calculated as follows:

(i) The Participating Employee's Personal Annuity shall first be calculated in accordance with Section III4.01(a).

(ii) The amount calculated in accordance with Section III4.01(a) shall then be reduced by an amount equal to the product of one-twelfth (1/12th) of:

(A) 0.65% (.0065) multiplied by

(B) the Participating Employee's Final Average Compensation (as defined in Section III4.01(b)(iii)), but not to exceed Covered Compensation (as defined in Section III4.01(b)(iv)) multiplied by

(C) the Participating Employee's Years of Service up to a maximum of 30 Years of Service; provided, however, that the amount of the offset under this subparagraph III4.01(b)(ii) shall in no event be greater than one-half of the amount calculated under Section III4.01(b)(i). The resulting amount shall be the Participating Employee's Personal Annuity.

If commencement of benefits is prior to age 65, such offset under this sub- paragraph (ii) shall be reduced by 0.55% per month by which commencement of benefits precedes age 65.

(iii) "Final Average Compensation" for a Participating Employee means the average of the Participating Employee's annual section 414(s) compensation for the 3-consecutive-year period ending with or within the Plan Year or for the Participating Employee's period of employment if shorter. The year in which the Participating Employee terminates employment will be disregarded. This definition must be applied consistently for all Participating Employees. In determining a Participating Employee's Final Average Compensation, annual section 414(s) compensation for any year in excess of the Taxable Wage Base at the beginning of that year must not be taken into account. 414(s) compensation shall be determined in accordance with the regulations under section 414(s) of the Code, as in effect from time to time.

(iv) "Covered Compensation" means the average (without indexing) of the Taxable Wage Bases in effect for each calendar year during the 35-year period ending with the last day of the calendar year in which the Participating Employee attains (or will attain) Social Security Retirement Age, using Table II of the Covered Compensation Tables published by the IRS for the applicable year pursuant to Treasury Regulations section 1.401(1)-1(c)(7). No change in Covered Compensation shall decrease a

Participating Employee's Accrued Benefit under the Plan. In determining a Participating Employee's Covered Compensation for a Plan Year, the Taxable Wage Base for the current Plan Year and any subsequent Plan Year shall be assumed to be the same as the Taxable Wage Base in effect as of the beginning of the Plan Year for which the determination is being made. A Participating Employee's Covered Compensation for a Plan Year after such 35 year period is the Participating Employee's Covered Compensation for the Plan Year during which the Participating Employee's attained Social Security Retirement Age (as defined in Code Section 415). A Participating Employee's Covered Compensation for a Plan Year before the 35-year period ending with the last day of the calendar year in which the Participating Employee attains Social Security Retirement Age is the Taxable Wage Base in effect as of the beginning of the Plan Year. A Participating Employee's Covered Compensation shall be automatically adjusted for each Plan Year.

(v) "Taxable Wage Base" means with respect to any calendar year, the contribution and benefit base in effect under Section 230 of the Social Security Act at the beginning of the calendar year.

III4.02. A Participating Employee's "Normal Retirement Age" shall be the earlier of (i) the earliest age beyond which the annuitant's benefits under this Plan are not greater solely on account of his service, or (ii) the later of (I) age 65, or (II) the fifth anniversary of the date he commenced participation in the Plan.

III4.03.Joint and survivor annuities.

(a) This paragraph shall apply only to Participating Employees who are not credited with an Hour of Service on or after August 23, 1984 and for whom the payment of benefits has not commenced before August 23, 1984. Notwithstanding anything in Section III4.01, if a Participating Employee is legally married on his Retirement Date, Trustees shall pay him, in lieu of a personal annuity to which he would otherwise be entitled, a 50% Joint and Survivor Annuity with his Spouse, except that:

(i) A Participating Employee may elect, as hereinafter provided in Section III4.04, to receive a personal annuity under Section III4.01 instead of a 50% Joint and Survivor Annuity as hereinafter provided; and

(ii) A Participating Employee who has been married for 10 years of more on his Retirement Date may elect, as hereinafter provided in Section III4.04, to receive a Preferred Joint and Survivor Annuity if the conditions thereof are satisfied, determined by applying the percentages determined in accordance with Section III4.11 hereof.

(b) Paragraphs (c) through (f) shall apply only to Participating Employees who are credited with an Hour of Service on or after August 23, 1984.

(c) Unless otherwise elected as provided below, if a Participating Employee is legally married on his Retirement Date, the Trustees shall pay him in lieu of a Personal Annuity to which he would otherwise be entitled, a 50% Joint and Survivor Annuity with his Spouse which is the actuarial equivalent of his Personal Annuity. For purposes of this paragraph (c) only, the Retirement Date of a Former Participating Employee who has retired and is awaiting the commencement of a deferred annuity pursuant to Section III4.01(a)(i) or (ii) shall be deemed to be the first date of the month in which occurs his birthday entitling him to commencement of an annuity under Section III4.01(a)(i) or (ii).

(d) A Participating Employee may elect to waive a 50% Joint and Survivor Annuity and receive a personal annuity under Section III4.01. Any such election must be made by the Participating Employee in writing within the ninety (90) day period (the "Election Period") ending on the first day of the first month for which an amount is paid as an annuity (the "Annuity Starting Date").

(e) Any election under paragraph (d) must be consented to in writing by the Participating Employee's Spouse. Such Spouse's consent must acknowledge the effect of such election and be witnessed by a Plan representative or a notary public. Such consent shall not be required if it is established to the satisfaction of the Plan that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or there are other circumstances that may be prescribed by Treasury regulations. The election made by the Participating Employee and consented to by his Spouse may be revoked in writing by the participating employee at any time during the Election Period. A Spouse's consent may not be revoked after it has been given. Any new election must comply with the requirements of this Section. A former Spouse's consent shall not be binding on a new Spouse. The number of elections during the Election Period shall be unlimited.

(f) With regard to the aforesaid election, except as provided in Section 8.3(b)(5) of the Base Plan document, the Plan shall provide the Participating Employee within a reasonable period of time before the Annuity Starting Date (and consistent with Treasury regulations), a written explanation of:

(i) the terms and conditions of the 50% Joint and Survivor Annuity;

(ii) the Participating Employee's right to make an election to waive the 50% Joint and Survivor Annuity;

(iii) the right of the Participating Employee's Spouse to consent to any election to waive the 50% Joint and Survivor Annuity; and

(iv) the right of the Participating Employee to revoke such election, and the effect of such revocation.

(g) If a Participating Employee has been legally married to his then Spouse for 10 years or more on his Retirement Date, he may elect to receive a Preferred Joint

and Survivor Annuity, in lieu of a 50% Joint and Survivor Annuity, determined by applying the percentages and rules set forth in Section III4.11 hereof. Except as provided in the next sentence, (i) any such election must be made in writing during the Election Period and must comply with the requirements of paragraph (e); and (ii) the Plan shall provide the Participating Employee with a written explanation of the Preferred Joint and Survivor Annuity comparable to that required under subparagraph (f). The Plan need not comply with the foregoing sentence if the Preferred Joint and Survivor Annuity: (I) is for the life of the Participating Employee with a survivor annuity for the Spouse which is not less than 50% of (and is not greater than 100% of) the amount of the annuity which is payable during the joint lives of the Participating Employee and the Spouse; and (II) is at least the actuarial equivalent of a single annuity for the life of the Participating Employee.

III4.04. This section shall apply only to Participating Employees who are not credited with an Hour of Service on or after August 23, 1984.

(a) Within a six-month period from the date that each married Participating Employee attains the age of 55 and has completed nine Years of Service, the Trustees shall provide him with a written explanation of the provisions of Section III4.03(a) and the options available there under. Thereafter, each such Participating Employee may elect at any time prior to his Retirement Date to have his benefits paid under a personal annuity or under a Preferred Joint and Survivor Annuity (subject to the conditions and limitations of Section III4.03(a)). Any election made under this Section will be on such form as the Trustees shall specify.

(b) The type of annuity elected by a Participating Employee may be changed only by an instrument in writing signed by him and filed with the Trustees at least six (6) months prior to the date on which such Participating Employee or his surviving Spouse becomes entitled to receive any annuity payments under this Agreement; such instrument shall not be effective until six (6) months after it is so filed unless the Participating Employee and his Spouse are both living at the end of said six (6) months period; provided, however that any such instrument shall in all events be given effect in any case in which (i) a Participating Employee dies from accidental causes, (ii) a failure to give effect to such instrument would deprive a surviving Spouse of a survivor annuity, and (iii) the instrument is delivered prior to the occurrence of the accident. No election or revocation or change of election under this Section shall require the consent of the Participating Employee’s Spouse.

III4.05.Preretirement survivor annuities.

(a) If a Participating Employee (but not a Former Participating Employee) dies on a date on which, had he retired on the day prior to his date of death, he would have been entitled to an annuity under Section III4.01, his surviving Spouse (if any) shall be entitled to monthly payments under a 50% Joint and Survivor Annuity or

(if an election had been made to receive a Preferred Joint and Survivor Annuity and the Participating Employee and his Spouse were married 10 years or more on his Retirement Date) a Preferred Joint and Survivor Annuity, as the case may be, in the same manner and to the same extent as if the deceased Participating Employee had retired on the day prior to his date of death, except that, if he is less than age 65 on the date of such assumed retirement, the annuity shall be calculated as if he were age 65 at his nearest birthday as of the date of such assumed retirement. Payment of an annuity to a surviving Spouse under this paragraph shall commence as of the first day of the month following the Participating Employee's death.

(b) If a Former Participating Employee is awaiting commencement of an annuity under Section III4.01(a)(i) or (ii) at the time of his death, his surviving Spouse (if any) shall be entitled to monthly payments under a 50% Joint and Survivor Annuity or (if an election had been made to receive a Preferred Joint and Survivor Annuity and the Former Participating Employee and his surviving Spouse were married 10 years or more on his Retirement Date) a Preferred Joint and Survivor Annuity, as the case may be, in the same amount as if the Former Participating Employee had survived to the date at which he would have been entitled to commencement of his annuity payments in accordance with his Section III4.01(a)(i) or (ii) election and died on such date. Payment of an annuity to a surviving Spouse under this paragraph shall commence as of the first day of the month in which the Former Participating Employee would have reached the age at which he would have been entitled to commencement of his annuity payments in accordance with his Section III4.01(a) (i) or (ii) election. Payment of an annuity to a surviving Spouse of a Former Participating Employee who was not married to his surviving Spouse on his Retirement Date, who was not credited with any Hours of service on or after August 23, 1984 and for whom the payment of benefits has not commenced before August 23, 1984 shall be made under this paragraph only in accordance with the transitional rules of Section 303(e) of the Retirement Equity Act of 1984.

(c) A Participating Employee (but not a Former Participating Employee) may at any time elect, on such form as the Trustees may specify, a Preferred Joint and Survivor Annuity for the purpose of electing the Preferred form of survivor benefit if the Participating Employee dies before the payment of an annuity commences and the conditions of a Preferred Joint and Survivor Annuity have been satisfied as of the date of death or earlier Retirement Date of the Participating Employee. (A Former Participating Employee may have made such an election while he was a Participating Employee; but he may not make such election after he has become a Former Participating Employee.) However, for Participating or Former Participating Employees receiving credit for an Hour of Service on or after August 23, 1984, such election shall be valid to determine retirement benefits in joint and survivor annuity form for the Participating or Former Participating Employee and his Spouse on or after his retirement only if made at the time, and in accordance with the other requirements, set forth in Section III4.03 as applicable to Preferred Joint and Survivor Annuities.

(d) In addition to the foregoing provisions, Section 7.1(e) of the Base Plan shall apply.

III4.09. Cost of living adjustments.

(a) This subsection shall apply only with respect to benefits accrued prior to January 1, 1996 or to whom subsection III4.09(d)(i) is applicable. Effective January 1, 1976 and on January 1 of each year thereafter, the Trustees shall increase the monthly payments made under this Agreement to each annuitant, or surviving Spouse of an annuitant, whose retirement date had occurred at least one full calendar year preceding such January 1, by an amount equal to two percent (2%) of the monthly payment to which the annuitant or surviving Spouse, as the case may be, would be entitled without regard to the provisions of this Section III4.09; provided however, that if the Consumer Price Index for Urban Wage Earners and Clerical Workers - U.S. City Average, published by the Bureau of Labor Statistics, U.S. Department of Labor ("CPI") for the month of October immediately prior to the date of each such adjustment has increased by less than 2% of the CPI for the month of October in the immediately preceding calendar year, then the amount of such adjustment shall be such percentage increase in the CPI. Payments which will be made to any surviving Spouse under a joint and survivor annuity shall be adjusted by the same percentage of the payment to which such surviving Spouse would be entitled without regard to the provisions of this Section III4.09 as the payments then being made to annuitants and surviving Spouses.

(b) This subsection shall apply only with respect to monthly payments made under this Agreement to annuitants all of whose benefits accrued after December 31, 1995 or to whom Section III4.09(d)(ii) is applicable. Effective for the Plan Year commencing on January 1, 1996 and for each Plan Year thereafter, the Trustees shall determine in their discretion whether or not there shall be any cost-of-living increase in the monthly payments made under this Agreement to each annuitant, or surviving Spouse of an annuitant, whose retirement date had occurred at least one full calendar year prior to January 1 of the Plan Year for which such determination is made. In no event shall the increase in monthly payments for any Plan Year exceed an increase for such Plan Year calculated in the manner set forth in subsection II14.09(a). However, the Trustees shall have discretion to determine that the increase shall be in an amount less than an amount calculated under subsection III4.09(a). The determination for each Plan Year shall be made by the Trustees prior to the commencement of the Plan Year for which such determination applies.

(c) The Accrued Benefits of a Participating Employee at December 31, 1995 who continues to be an active Participating Employee after December 31, 1995 shall be frozen at December 31, 1995. Such frozen accrued benefit shall be the benefit to which such Participating Employee would have been entitled had he retired (within the meaning of Section 1.31 of the Chicago Plan) on December 31, 1995 with the following qualifications:

(i) If he is not fully vested on December 31, 1995, he shall continue to receive vesting credit for Years of Service completed after December 31, 1995.

(ii) If he and his Spouse have been married for less than ten years on December 31, 1995, then years in which he and his Spouse have been married after December 31, 1995 and prior to his annuity start date shall be included in determining whether or not he and his Spouse are eligible for a Preferred Joint and Survivor Annuity.

Commencing on January 1, 1996 (the "Fresh Start Date") the Participating Employee shall begin the new accrual of benefits.

(d) The monthly annuity of an annuitant, or the surviving Spouse of an annuitant, whose Accrued Benefits were frozen at December 31, 1995 as provided in subsection III4.09(c) shall be the greater of the following:

(i) A monthly annuity based upon the annuitant's accrued benefits frozen at December 31, 1995 with cost-of-living adjustments determined under subsection II14.09(a); or

(ii) A monthly annuity with cost-of-living adjustments, if any, determined under subsection III4.09(b).

The following special provisions shall apply to Participants covered by this Appendix III who were in the employ of the Cleveland Joint Board of the Amalgamated at January 1, 1989 ("Cleveland Employees") and who would have been covered prior to October 1, 1989 under the terms of the Staff Retirement Plan of the Cleveland Joint Board, Amalgamated Textile and Clothing Workers Union (the "Cleveland Plan"). Except as specifically provided herein, all of the other provisions of this Appendix III, and of the Plan, as applicable, shall apply to Cleveland Employees.

Cleveland 1. All Years of Service, if any, credited under the Cleveland Plan shall be credited as Years of Service under the Chicago Plan and all Hours of Service, if any, credited under the Cleveland Plan shall be credited as Hours of Service under the Chicago Plan.

Cleveland 2. Payment of Benefits to Cleveland/Chicago Participants. All benefits for Cleveland Employees, and for their Beneficiaries, shall be paid only in accordance with the provisions of the Chicago Plan; provided, however, that in no event shall the benefits payable to a Cleveland Employee immediately after the Merger be less than the benefits that such Cleveland Employee would have received under the Cleveland Plan if the Cleveland Plan had terminated immediately before October 1, 1989.

Cleveland 3. Payment of Benefits to Cleveland Retirees. All benefits payable to persons who had been participants in the Cleveland Plan and who were receiving benefits from the Cleveland Plan immediately prior to the Merger and to their Beneficiaries

(collectively, “Cleveland Retirees”) shall continue to be paid by the Chicago Plan in accordance with the terms of the Cleveland Plan as in effect immediately prior to October 1, 1989. In no event shall the benefits payable to a Cleveland Retiree immediately after October 1, 1989 be less than the benefits that such Cleveland Retiree would have received under the Cleveland Plan if the Cleveland Plan had terminated immediately before October 1, 1989.

III4.10 Benefit Percentages

Years of Service at **Date of Retirement**	59 OR **Less**	**60**	**61**	**62**	**63**	**64**	65 and Each Birthday **Thereafter**
5	0%	0%	0%	0%	0%	0%	**12.5%**
6	0	0	0	0	0	0	**15.0%**
7	0	0	0	0	0	0	**17.5%**
8	0	0	0	0	0	0	**20.0%**
9	0	0	0	0	0	0	**22.5%**
10	0	0	0	0	0	0	**25.0%**
11	0	0	0	0	0	0	**27.5%**
12	0	0	0	0		0	**30.0%**
13	0	0	0	0	0	0	**32.5%**
14	0	0	0	0	0	0	**35.0%**
15	0	0	0	**35**	**36**	**36**	**37.5%**
16	0	0	0	**38**	**39**	**39**	**40.0%**
17	0	0	0	**40**	**41**	**41**	**42.5%**
18	0	0	0	**42**	**43**	**44**	**45.0%**
19	0	0	0	**44**	**45**	**46**	**47.5%**
20	0	**44**	**46**	**47**	**48**	**49**	**50.0%**
21	0	**46**	**48**	**49**	**50**	**51**	**52.5%**
22	0	**49**	**50**	**52**	**53**	**54**	**55.0%**
23	0	**51**	**52**	**54**	**55**	**56**	**57.5%**
24	0	**53**	**55**	**56**	**58**	**59**	**60.0%**
25	0	**55**	**57**	**58**	**60**	**61**	**62.5%**
26	0	**58**	**60**	**61**	**62**	**64**	**65.0%**
27	0	**59**	**61**	**63**	**64**	**66**	**67.5%**
28	0	**62**	**64**	**65**	**67**	**69**	**70.0%**
29	0	**63**	**65**	**67**	**69**	**71**	**72.5%**
30	0	**66**	**68**	**70**	**72**	**73**	**75.0%**
31	0	**66**	**68**	**70**	**72**	**73**	**75.0%**
32	0	**66**	**68**	**70**	**72**	**73**	**75.0%**
33	0	**67**	**68**	**70**	**72**	**73**	**75.0%**
34 & over	0	**67**	68	**70**	**72**	**73**	**75.0%**

B-1 Election	Payable to to Annuitant	Payable to Surviving Spouse
Type of Joint Annuity elected:		
A	88%	Same as payable to annuitant
B	91	87% of amount payable to annuitant
C	94	75% of amount payable to annuitant
D	97	60% of amount payable to annuitant
E	100	50% of amount payable to annuitant

If the Spouse is more than five years younger than the annuitant, the percentage payable to the Spouse shall be based on the table for a B-2 election.

B-2 Election Number of Years Spouse's Age is Less Than Annuitant's Age	Spouse's Benefit as a Percent of Amount Payable to Annuitant Type of Joint Annuity Elected A	B	C	D	E
0-5	100%	87%	75%	60%	50%
6	97	84	70	58	48
7	94	81	67	56	46
8	91	78	64	54	45
9	89	75	62	52	43
10	87	73	60	50	43
11	84	70	58	48	41
12	81	67	56	46	39
13	78	64	54	45	38
14	75	62	52	44	37
15	73	60	50	43	36
16	70	58	48	41	34
17	67	56	46	39	33
18	64	54	45	38	32
19	62	52	44	37	31
20	60	50	43	36	30
21	58	48	41	34	29
22	56	46	39	33	28
23	54	45	38	32	27
24	52	44	37	31	26
25	50	43	36	30	25
More than 25	50	43	36	30	25

Appendix IV – New York Joint Board Plan Participants

CLOSED GROUP – December 31, 2002

The provisions of this Appendix IV apply to participants in the Staff Retirement Plan for Elected and Appointed Staff Members of the New York Joint Board (the "NYJB Plan") prior to June 1, 2000. The NYJB Plan was merged into the Plan on June 1, 2000 and all participants in the NYJB Plan became Participants in the Plan. Employees of the Employer hired after January 1, 2000 and prior to January 1, 2003 shall be covered under Appendix I (ACTWU provisions). Employees of the Employer hired after December 31, 2002 are covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix IV, the terms of this Appendix IV will control with respect to Participants covered by this Appendix IV. References in this Appendix to the NYJB Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix IV, it is intended that the Plan and this Appendix IV be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the NYJB Plan as of June 1, 2000 shall not be decreased as a result of the merger of the NYJB Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to June 1, 2000.

The following definitions shall apply for purposes of this Appendix IV:

"Average Salary" shall mean the average Salary rate received by a Participant during the highest consecutive two-year period preceding severance from employment.

"Credited Service" shall mean a Year of Service for which the required contribution, if any, for a Year is made. Any period of Service for which a Participant does not make any required contribution shall be disregarded for purposes of determining Credited Service. Periods of Credited Service may be disregarded upon application of Section 3.3.

"Employer" means, as to its respective Employees, the New York Joint Board and/or participating Locals of the Joint Board and the New York Joint Board of Neckwear Workers.

"Union's Matching Contribution" shall mean an amount equal to the Participant's Accumulated Contributions.

The following special provisions shall apply to Participants covered by the terms of this Appendix IV. Unless otherwise indicated, Section references refer to the corresponding section in the NYJB Plan.

1. For purposes of Participants covered by this Appendix IV, active service from January 1, 1989 shall be included as Credited Service for employees formerly covered under a collective bargaining agreement regardless of whether contributions were made for the period prior to July 1, 1994. Also, Participants who joined the Plan before January 1, 1991 can earn up to five years of Credited Service for employment in shops affiliated with the

New York Joint Board, if (a) the Participant had fifteen year of previous continuous employment in a Joint Board affiliated shop, and was a member of the New York Joint Board for that time, (b) the Participant had five years of Credited Service under this Plan, and (c) the Participant is not entitled to retirement benefits from the Amalgamated Insurance Fund for that same period of service.

2. This Section replaces Section 4.4 of the Base Plan document with respect to Participants covered by this Appendix IV. A Participant who has completed at least one Year of Credited Service, at any age and who suffers a physical or mental disability while he is employed by the Employer which, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his duties (or alternatively, if the Participant is determined to be disabled by the Social Security Administration) shall be retired on the first day of the month following such disability and thereupon continue to receive a Normal Retirement Benefit determined in accordance with the provisions of Section IV5.1. The Trustees shall have the right from time to time to examine the Participant receiving a disability benefit to determine if the disability is permanent and prevents him from performing his duties.

Section 5 of the Base Plan document is replaced with the following Sections IV5.1 through IV5.5 with respect to Participants covered by this Appendix IV:

IV5.1 The annual amount of Regular Annuity subject to the provisions of Sections IV5.3 and IV5.5, payable to a Participant retiring in accordance with Section 4.1 or 4.4 and commencing at retirement, shall be equal to, except as set forth in the following paragraph and except as specified in the "Neckwear" and "Local 340A" provisions at the end of this Appendix, the sum of (a) 4.0% of his Average Salary multiplied by his Credited Service accrued prior to 1/1/91 plus, (b) 2.50% of his Average Salary multiplied by his Credited Service accrued after 1/1/91. Effective for those terminating employment after 1/1/97, the Retirement Annuity shall be the sum of (a) 4.0% of his Average Salary multiplied by his Credited Service accrued prior to 1/1/91 plus, (b) 3.25% of his Average Salary multiplied by his Credited Service accrued after 1/1/91. However, the maximum benefit payable is 80% times Average Salary.

However, for employees formerly covered under a collective bargaining agreement who first entered the Plan on July 1, 1994, the benefit equals 2.50% (or 3.25% for terminations after 1/1/97) times Credited Service, maximum of 80% of Average Salary.

IV5.7 Section IV5.1 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) monthly annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are not withdrawn), plus (ii) $80 times Credited Service accrued after 1/1/89.

IV5.3 If a Participant retires under Section 4.2 of the Plan, the amount of Regular Benefit to which he is entitled, commencing at his Normal Retirement Date, is determined pursuant to the formula in Section IV5.1.

At the Participant's request a benefit may become payable on any date between his retirement date and his Normal Retirement Date. Such reduced benefit shall be the

Regular benefit determined pursuant to Section IV5.1(a) multiplied by a percentage equal to (a) 100% minus (b) 2.0% multiplied by the number of full years that the benefit commencement precedes his Normal Retirement Date plus the Actuarial Equivalent of the Regular Benefit determined pursuant to Section IV5.1(b) . For employees formerly covered under a collective bargaining agreement, the benefit shall be the Actuarial Equivalent of the Regular Benefit pursuant to Section IV5.1. Effective January 1, 2008, the entire Accrued Benefit for all Participants covered by this Appendix IV shall the Regular Annuity pursuant to IV5.1 multiplied by a percentage equal to (a) 100% minus (b) 2.0% multiplied by the number of full years that the benefit commencement precedes his Normal Retirement Date.

IV5.4 Section IV5.3 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) the monthly annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are not withdrawn) plus (ii) the Actuarial Equivalent of $80 times Credited Service.

IV5.5 If a Participant's employment with the Employer continues after his Normal Retirement Date, the amount of his Accrued Benefit shall be the benefit determined in accordance with Section IV5.1 on the basis of his Credited Service and his Average Salary as of his date of termination of employment. Any payments received by an active Participant pursuant to Section IV8.6 shall offset on an Actuarial Equivalent basis the benefit determined under this Section IV5.5, such benefit to be redetermined annually to reflect additional accruals due to active participation; however, in no event shall a Participant's redetermined benefit be less than the benefit which he was receiving immediately prior to the redetermination.

Section 3.7(a) of the Base Plan document is replaced with the following Section 3.7(a), applicable to Participants covered by this Appendix IV.

IV3.7 (a) Each Participant shall make contributions to the Fund in an amount equal to 5.0% of his Salary. Each such Participant shall authorize the Union to deduct from his Salary the percentage thereof so payable and to pay the same to the Fund. Contributions by a Participant shall be waived after such Participant has accrued the maximum 80% of Average Salary benefit. Employees over age 70½ may elect to waive contributions. In the event of such waiver, no further benefits shall accrue under the Plan. The above notwithstanding, effective January 1, 2007, Participant contributions are neither required nor permitted.

The following provisions regarding the benefits for those who terminate employment prior to Normal, Early or Disability Retirement Date eligibility shall apply to Participants subject to this Appendix IV in lieu of provisions of the Base Plan document dealing with the same issues.

IV7.1 If a Participant's employment relationship with the Union terminates for any reason such that he ceases to be a Participant in the Plan, before he is eligible for normal retirement or early retirement in accordance with Sections IV4.1 or IV4.2 and before he has completed five Years of Service, as determined in accordance with Section IV3.1, he shall be entitled to a lump sum payment of his Accumulated Contributions and, with respect to

contributions made prior to January 1, 1991, the Union's Matching Contributions, if any. In lieu of such lump sum payment, the Participant may elect a vested annuity based on his Accumulated Contributions, payable in accordance with Section IV8.4, to commence at age 65 and determined pursuant to the provisions of Section 411(c)(2) of the Internal Revenue Code. Such benefit shall be fully vested and subject to the terms and conditions of Sections IV7.3 and IV 8.9.

IV7.2 If a Participant's employment relationship with an Employer terminates for any reason such that he ceases to be a Participant in the Plan before he is eligible for normal retirement or early retirement in accordance with Sections 4.1 or 4.2, but after he has completed five Years of Service, as determined in accordance with Section 3.1, he shall be vested in an annuity commencing at his Normal Retirement Date equal to his accrued benefit.

IV7.3 A Participant who is entitled to a vested annuity in accordance with Section IV7.2 may elect, by filing a written application with the Committee, to commence receiving a reduced annuity on the first day of any month after he has reached the age of 55. Such reduced annuity shall be the annuity determined pursuant to Section 5.1 multiplied by a percentage equal to 100% minus 6% a year for each full year that the date of commencement precedes Normal Retirement Date, but in no event less than that provided in Section 5.4.

IV7.4 If a Participant receives a lump sum payment of his Accumulated Contributions at his termination date, pursuant to Section IV7.1 or IV8.9, then upon a subsequent reemployment date prior to his Annuity Starting Date he shall be permitted to repay the Accumulated Contributions previously withdrawn with Credited Interest to the date of repayment, provided that the repayment of previously withdrawn contributions shall be made within five years of reentry. Such repayment shall have the effect of restoring the annuity, or portion thereof, previously forfeited because of the withdrawal of his Accumulated Contributions in accordance with Section IV-8.9. Such repayment shall have the effect of restoring Credited Service previously forfeited because of withdrawal of Accumulated Contributions in accordance with Section IV-7.1. If a Participant has received a "deemed distribution" of the vested portion of his Accrued Benefit pursuant to the second paragraph of this Section IV-7.4, he shall be deemed to have repaid such distribution as of the date of his rehire

The following provisions regarding the pre-retirement death benefits and forms of payment shall apply to Participants subject to this Appendix IV in lieu of provisions of the Base Plan document dealing with the same issues.

IV8.3 The amount of the Qualified Preretirement Survivor Annuity is:

(a) If the Participant's death occurs while in active employment on or after completion of 5 Years of Service, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Participant's Surviving Spouse if such Participant and his Spouse were married for one year prior to his death, for the then remaining lifetime of the Surviving Spouse. The

Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after both the Participant's death and the date on which he would have attained age 55 if he had lived, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit under the benefit option selected under Section IV8.4, and died on the next day. The survivor annuity payment shall equal 50% of the amount of pension which would have been payable to the Participant under the provisions of Section IV5.1 if the Participant had retired on the day before death and pension payments had then commenced assuming coverage under Section IV8.4(d).

(b) In the case of a terminated vested participant who dies before the Annuity Starting Date and who has a Surviving Spouse, a Qualified Pre-retirement Survivor Annuity, as defined in Section IV8.3(a) above, shall be provided to the Surviving Spouse of such terminated vested participant.

(c) Upon the death of the Surviving Spouse, the Participant's contingent Beneficiary shall be paid a lump sum distribution equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account (as set forth in Section IV6.1) as of the Annuity Starting Date exceeds the aggregate benefit payments made to the Participant and the Spouse.

IV8.4 The normal forms of benefit payment at retirement shall be:

(a) Life Annuity: The normal form of payment for a single Participant is a benefit payable for his lifetime, as determined under Section IV5.1, with no further payments beyond the month of his death.

(b) Qualified Joint and Survivor Annuity:

(1) The normal form of payment for a married Participant is a Qualified Joint and Survivor Annuity which shall be equal to a percentage of the Regular Annuity as specified in Section IV8.4(c) or IV8.4(d) and payable in accordance with those Sections. In addition to those sections, Section 7.1(e) of the Base Plan shall apply.

(2) Notwithstanding paragraph (1), no benefit shall be payable to a Participant's Spouse under this Section IV8.4(b) unless the Participant and his Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his Spouse were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity; however, if the Participant dies within 12 months after the date of his marriage, the form of payment shall revert to the normal form of payment in Section IV8.4(a), and no benefit shall be payable to the Participant's Spouse except as otherwise provided in Section 8.5.

(3) An election not to take the Qualified Joint and Survivor Annuity shall be made on an appropriate election form filed with the Trustees no more than 90 days, and not less than 30 days, before the Annuity Starting Date, as specified by the Trustees. Such an election shall be effective only if accompanied by the written consent of the Participant's Spouse, witnessed by a member of the Trustees or a notary public, acknowledging the effect of the designation and the specific non-spouse Beneficiary, including any class of Beneficiaries or any contingent Beneficiary. Any consent of a Participant's Spouse shall be valid only with respect to that Spouse and shall be irrevocable as to that Spouse. Any such election may be revoked in writing by the Participant without spousal consent at any time before the Annuity Starting Date. After such election is revoked, another such election may be made at any time before the Annuity Starting Date; however, any new election will require a new spousal consent. Spousal consent shall not be required if it can be established to the satisfaction of the Trustees that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or there are other circumstances for which regulations do not require such consent.

(4) The Trustees shall provide to a Participant, before he makes any election with regard to a form of benefit payment (and within the time described in paragraph (3) for making the election), a written explanation of (i) the terms and conditions of the Qualified Joint and Survivor Annuity; (ii) the Participant's right to make an election to waive the Qualified Joint and Survivor Annuity and the effect of such election; (iii) the rights of the Participant's Spouse with respect to any election to waive the Qualified Joint and Survivor Annuity; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity.

(5) Notwithstanding the foregoing, an Annuity Starting Date which is not at least 30 days after the written explanation described in paragraph (4) above was provided to the Participant will be permitted if the following conditions are satisfied:

(i) the written explanation is provided to the Participant before the Annuity Starting Date;

(ii) the written explanation explains that the Participant has the right to at least 30 days to consider whether to make an election with regard to a form of benefit payment;

(iii) the Participant is permitted to revoke a benefit election at any time until the Annuity Starting Date, or if later, at any time before the end of the 7-day period beginning on the day after the written explanation is provided to the Participant; and

(iv) distribution of benefits does not begin before the date the 7-day period described above expires (which date may be later than the Annuity Starting Date).

(6) Payments under the Qualified Joint and Survivor Annuity shall begin on the Annuity Starting Date and shall end with the payment due as of the first day of the month in which occurs the death of the last person entitled to payments under the annuity.

(c) Any Participant who is married for one year to his present Spouse at the time retirement incomes commence under this Plan will continue to receive a life annuity unreduced by this joint and survivor annuity payable for his life; and upon his death his Surviving Spouse shall be entitled to receive an annuity for the rest of her life equal to 50% of the benefit the Participant was receiving at the date of his death.

(d) Automatic Post-Retirement Surviving Spouse Option

The provisions of this Section IV8.4(d) are applicable only to those Participants not covered by the joint annuity benefits described in Sections IV8.4(c). Subject to the conditions hereinafter set forth in this Section IV8.4(d), if a Participant shall be married for at least one year at the date of death, the amount of each such annuity payment which would otherwise be payable to such Participant shall be reduced to be the Actuarial Equivalent of the Regular Annuity and if the Participant's Spouse shall survive him, an annuity shall be payable under the Plan to the Spouse during such Spouse's remaining lifetime after the Participant's death in an amount equal to 50% of his reduced annuity payment.

IV8.5 The other Death Benefits shall be:

(a) Upon participation in the Plan, a Participant shall designate a Beneficiary on the appropriate form in accordance with Section 2.3. If a Beneficiary has not been designated, the any death benefit under the Plan shall be paid to (i) the Surviving Spouse, or (ii) if none, then to the surviving children in equal shares, or (iii) if none, to his estate.

(b) In the event of the death of a Participant prior to retirement who is not eligible for the Surviving Spouse benefit in Section IV8.3, his designated Beneficiary is entitled to the Participant's Accumulated Contributions.

(c) Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

(d) Notwithstanding any other provisions of this Section to the contrary, if payment of retirement benefits to a Participant has not commenced before his death, the entire death benefit payable hereunder shall be distributed by the December 31 coinciding with or next following the fifth anniversary of the Participant's death. However, if distribution of the survivorship benefit is to be made to a surviving Beneficiary over the life of such Beneficiary and the distribution begins by the December 31 coinciding with or next following the first anniversary of the Participant's death, benefits may be distributed over a period of longer than five years. In the event that the Participant's Spouse is his Beneficiary, the requirement that the distribution commence within one year of a Participant's death shall not apply, although the distribution must commence no later than April 1st following the calendar year in which the deceased Participant would have attained age 70½ .

(e) In addition to the Death Benefits available under this Section IV8.5, Participants covered under this Appendix IV shall be eligible for the optional forms of payment set forth in Section 7.2 of the Base Plan, and shall continue to be eligible after January 1, 2015.

IV8.9 Accumulated Contributions:

A Participant who is entitled to benefits under Section IV7.2 or IV5.1 or IV5.3 may elect to receive a lump sum payment of his Accumulated Contributions and/or the Union's Matching Contributions, referred to hereinafter as a "refund", in lieu of the normal form of benefit in accordance with Section IV8.4. On the date as of which such refund is paid (hereinafter referred to as the "refund date"), the benefit to which he would otherwise be entitled shall be reduced by the Actuarial Equivalent of the refund amount. Notwithstanding the above, any payment other than in the form of a Qualified Joint and Survivor Annuity shall be made only with the consent of the Participant's Spouse, as more fully detailed in Section IV8.4.

The following special provisions shall apply to Participants covered by this Appendix IV who were in the employ of the New York Joint Board Neckwear and Accessories Division Workers at June 30, 1994 ("Neckwear Employees"). Except as specifically provided herein, all of the other provisions of this Appendix IV, and of the Plan, as applicable, shall apply to Neckwear Employees.

Neckwear 1. Credit for Prior Service:

(a) For purposes of determining where a Participant has completed an "Hour of Service" under the NYJB Plan, his or her "Hours of Service" as credited under the New York Joint Board of Neckwear Workers Staff Retirement Plan (the "Neckwear Plan") as it existed immediately prior to its merger into the NYJB Plan as of June 30, 1994 shall be included.

(b) For purposes of determining a Participant's "Salary" under the NYJB Plan, the "Salary" received under the Neckwear Plan as it existed immediately prior to its merger into the NYJB Plan as of June 30, 1994 shall be included.

Neckwear 2. Definitions:

(a) "Neckwear Credited Service" means a Neckwear Employee's "Credited Service" as of June 30, 1994 as defined under the Neckwear Plan as it existed immediately prior to its merger into the Plan as of June 30, 1994.

(b) "Neckwear Accrued Benefit" shall be 2% times the product of:

(i) the Neckwear Employee's Average Salary determined in accordance with the NYJB Plan

multiplied by

(ii) the Neckwear Employee's Neckwear Credited Service

(c) "New York Credited Service" means a Neckwear Employee's Credited Service under the NYJB Plan, less his Neckwear Credited Service.

Neckwear 3. Amount of Regular Annuities:

(a) The amount of Regular Benefit payable to a Neckwear Employee under Section IV5.1 of the Plan shall be determined as the sum of:

(i) the Neckwear Employee's Regular Benefit as determined under Section IV5.1 of the Plan. For purposes of this determination only, a Neckwear Employee's Credited Service shall be equal to his "New York Credited Service".

plus

(ii) the Neckwear Employee's Neckwear Accrued Benefit

(b) A Neckwear Employee who elects to retire under Section IV4.2 of the Plan may elect to commence benefits at any date between his retirement date and his Normal Retirement Date. Such benefit shall be determined in Section IV5.4 or the sum of:

(i) the Actuarial Equivalent of the benefit determined under Section IV5(a)(i) of this Section

plus

(ii) the Neckwear Employee's Neckwear Accrued Benefit, reduced by 2.0% for each full year that commencement precedes his Normal Retirement Date.

The following special provisions shall apply to Participants covered by this Appendix IV who were in the employ of Local 340A on or after December 31, 1996 ("Local 340A Employees") and who would have been covered prior to such date under the terms of the Local 340A Staff Retirement Plan (the "Local 340A Plan"). Except as specifically provided herein, all of the other provisions of this Appendix IV, and of the Plan, as applicable, shall apply to Local 340A Employees.

Local 340A 1. Credit for Prior Service:

(a) For purposes of determining where a Participant has completed an "Hour of Service" under the Plan, his or her "Hours of Service" as credited under the Local 340A Plan as it existed immediately prior to its merger into the Plan as of December 31, 1996 shall be included.

(b) For purposes of determining a Participant's "Salary" under the Plan, the "Salary" received under the Local 340A Plan as it existed immediately prior to its merger into the Plan as of December 31, 1996 shall be included.

Local 340A 2. Definitions:

(a) "Local 340A Credited Service" means a Local 340A Employee's "Credited Service" as of December 31, 1996 as defined under the Local 340A Plan as it existed immediately prior to its merger into the NYJB Plan as of December 31, 1996.

(b) "Local 340A Accrued Benefit" shall be 2.50% times the product of:

(i) the Local 340A Employee's final average pay (highest 3 of the last 5 years) including any Salary paid after December 31, 1996.

multiplied by

(ii) the Local 340A Employee's Credited Service to December 31, 1996 (maximum of 20 years).

Local 340A 3. Amount of Regular Annuities:

(a) The amount of Regular Benefit payable to a Local 340A Employee under Section IV5.1 of the Plan shall be determined as the sum of:

(i) the regular accrual under Section IV5.1 of the Plan with respect to service rendered after December 31, 1996

plus

(ii) the Local 340A Accrued Benefit.

However, in no event will the benefit payable exceed 80% of Average Salary.

(b) A Local 340A Employee who elects to retire under Section 4.2 of the Plan may elect to commence benefits at any date between his retirement date and his Normal Retirement Date. Such benefit shall be determined in Section IV5.4 or the sum of:

(i) the Actuarial Equivalent of the benefit determined under Section IV5(a)(i) of this Section

plus

(ii) the Local 340A Accrued Benefit, reduced by 6.0% for each Year that commencement precedes his Normal Retirement Date. With respect to the Local 340A Accrued Benefit, the eligibility provision is age 55 with 10 years of Service.

Appendix V – Service (New York Laundry) Plan Participants

CLOSED GROUP – December 31, 2002

The provisions of this Appendix V apply to (i) participants in the Amalgamated Service & Allied Industries Joint Board Staff Retirement Plan (the "Service Plan") prior to December 31, 1999 and to (ii) employees hired prior to December 31, 1999 who would have been eligible to join the Service Plan in the future under the terms of the Service Plan as in effect on December 31, 1999. Employees hired after January 1, 2000 and prior to January 1, 2003 who would otherwise have been covered by the Service Plan are covered under Appendix I (ACTWU). Employees hired after December 31, 2002 are covered under the Base Plan provisions. The Service Plan was merged into the Plan on December 31, 1999 and all participants in the Service Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix V, the terms of this Appendix V will control with respect to Participants covered by this Appendix V. References in this Appendix to the Service Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix V, it is intended that the Plan and this Appendix V be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Service Plan as of December 31, 1999 shall not be decreased as a result of the merger of the Service Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 1999.

The following definitions shall apply for purposes of this Appendix V:

"Age Retirement Date" means the first day of the month after the 65th birthday of a Participant or the first day of any month thereafter at which time he actually retires from service, provided that he shall have completed not less than five (5) Years of Service on that date.

"Average Monthly Salary" shall mean the average Salary rate received by a Participant during the two-year period immediately preceding the date upon which he becomes an Annuitant or during the ten-year period immediately preceding such date, whichever average amount is the greater.

"Salary" with respect to any Participant means total annual compensation paid by the Joint Board and/or Joint Board Affiliate for a calendar year excluding the following: (1) amounts contributed under this Plan, (2) any reimbursements or other expense allowances, fringe benefits, and welfare benefits provided by the Joint Board and/or Joint Board Affiliate, and (3) salary reduction contributions made on behalf of the Participant to a Code Section 401(k), 125, 401(h) or 403(b) Plan maintained by the Joint Board and/or Joint Board Affiliate. Effective January 1, 2011, Salary shall not include severance pay.

For Plan Years beginning after December 31, 1988 and ending December 31, 1993, Salary in excess of $200,000 shall be disregarded. For Plan Years beginning on and after January 1, 1994, Salary in excess of $150,000 shall be disregarded. Such amount shall be adjusted at the same time and in such a manner as permitted under Section 401(a)(17) of the Code.

An individual subject to the terms of this Appendix V who became an Eligible Employee prior to December 31, 1999 and who was not a Participant in the Service Plan as of such date shall become a Participant in the Plan commencing with the Plan Year in which he first completes 1,000 Hours of Service.

The following special provisions regarding Service and Credited Service apply to Participants subject to the terms of this Appendix V in lieu of the provisions of the Base Plan document regarding the same issues.

V3.01 In accordance with this Section V3.01, a Participant's period of Service for vesting shall be the sum of (a) and (b) as follows:

(a) A Participant's vesting in benefits under the Service Plan prior to January 1, 1989 shall be determined in accordance with the terms of the Service Plan prior to January 1, 1989

(b) On or after January 1, 1989, a Participant's vesting in benefits shall be determined by his period of Service.

Service means the aggregate of all periods of an Eligible Employee's employment from his date of hire with the Joint Board and/or Joint Board Affiliate, whether or not consecutive, and counting as a complete month any month in which an Eligible Employee is paid, or entitled to payment, for the performance of duties. Service shall also include (i) a period of up to 12 months of absence from employment for any reason other than because of resignation, retirement, death or discharge, (ii) the period from the date the Staff Member resigns, retires or is discharged to the date of his re-employment, if he returns to employment Joint Board and/or Joint Board Affiliate within 12 months of such resignation, retirement or discharge, and (iii) in the case of a Staff Member who is absent from employment by reason of a maternity or paternity absence beyond the first anniversary of the date such absence began, the period that is the earlier of (a) the second anniversary of the beginning of such absence or (b) the date such maternity or paternity absence ceased.

A Year of Service is each 12 month period of Service.

Years of Service with any member of a Joint Board Affiliate shall be recognized for purposes of vesting in benefits.

Years of Service may be disregarded upon application of Section V3.03.

V3.02 The amount of benefit payable to or on behalf of a Participant shall be determined on the basis of his Credited Service and shall mean the sum of

(a) Prior to January 1, 1989, Credited Service shall be determined in accordance with the terms of the Service Plan Prior to January 1, 1989

(b) With respect to service after December 31, 1988, Credited Service shall be the number of years and fractions thereof, counting each calendar month as one- twelfth (1/12th) of a year, measured during each Participant's calendar year of employment on or after January 1, 1989, reduced as provided in sections (c) and (d) below.

Periods of Credited Service may be further disregarded upon application of Section V3.03.

(c) If during any calendar year after December 31, 1988 included in a Participant's Credited Service, such Participant was employed (or, in the year in which his employment ceases, would have been so employed had his service continued at the same rate of hours to the end of such calendar year) for a number of hours less than 1,000, such Participant's Credited Service for such calendar year shall be reduced to zero.

(d) Any period of Service for which a Participant does not make contributions where required shall be disregarded for purposes of determining Credited Service. An individual who was a Staff Member prior to January 1, 1957 shall be given credit for all such years of Credited Service, notwithstanding the preceding sentence.

V3.03 For a former Participant who previously satisfied the requirements of Section V6 for vested benefits, and who again is employed, his pre-break Service and Credited Service shall be restored as of his re-employment date in determining his rights and benefits under the Service Plan. A former Participant who previously received any distribution of his benefits under the Service Plan shall be subject to the requirements of Section V6.

For a former Participant who, at the time of a Break in Service, as defined in Section V3.04, had not fulfilled the requirements for vested benefits, and who again is employed, Years of Service and Credited Service before the Break in Service shall be restored as of his re-employment date if the number of consecutive one year Breaks in Service was less than the greater of: (i) five, or (ii) the aggregate number of years of Service before the Break in Service.

V3.04 Break in Service means a period of at least 12 consecutive months beginning on the Eligible Employee's Severance Date during which the Eligible Employee did not perform any duties for the Employer. Severance Date means the earlier of: (i) the date of the Eligible Employee's quit, discharge or retirement, or (ii) the first anniversary of the first day of absence from employment for any reason other than quit, discharge or retirement. Solely for purposes of determining whether a Break in Service has occurred, effective for Plan Years beginning on or after January 1, 1985, the Severance Date of an Eligible Employee who is absent from employment beyond such first anniversary date by reason of a maternity or paternity absence described in the next sentence is the second anniversary of the first day of such absence. A maternity or paternity absence means an absence by reason of the pregnancy of the Eligible Employee, the birth of a child of the Eligible Employee, the placement of the child with the Eligible Employee in connection with the adoption of the child by the Eligible Employee, or for purposes of caring for the child for a period beginning immediately after such birth or placement.

A Participant shall not incur a Break in Service because of an absence from work that is approved or authorized by the Joint Board as a leave of absence. A leave of absence shall mean an Eligible Employee's absence from employment with the Joint Board by reason of service in the armed forces of the United States, jury duty, sick or disability leave, or any other approved absence under uniform rules uniformly applied, provided that the Eligible Employee returns to the employment of the Joint Board on or before the expiration of his leave or while his re-employment rights are protected by applicable federal law.

The following special provisions regarding eligibility for retirement apply to Participants subject to the terms of this Appendix, in lieu of the provisions of the Base Plan document dealing with the same matters.

V4.01 Each Participant who retires from employment as a Staff Member on or after his Age Retirement Date shall receive a Regular Benefit as determined in Section V5.01. Each Participant, upon attainment of his Age Retirement Age shall have a nonforfeitable right in his Accrued Benefit.

V4.02 Each Participant may elect to retire from employment as a Staff Member prior to his Age Retirement Date if he has attained the age of 53 and completed 15 Years of Service.

In the event of retirement pursuant to this Section V4.02, a Participant shall receive a benefit determined in accordance with Section V5.02.

V4.03 If a Participant continues his employment beyond the Participant's Age Retirement Date, the Participant shall be able to retire at any time thereafter and shall be eligible for a Late Retirement Benefit in accordance with Section V5.04.

V4.04 A Participant who has completed at least 15 Years of Service, at any age and who suffers a physical or mental disability while he is employed as a Staff Member which, in the opinion of the Social Security Administration, is permanent and prevents him from performing his duties shall be retired on the first day of the month that the Social Security Administration starts making payment to the Participating Staff Member on the basis of total and permanent disability and thereupon continue to receive a benefit determined in accordance with the provisions of Section V5.03.

The following special provisions regarding the amount of the annuity payable apply to Participants subject to the terms of this Appendix V in lieu of the provisions of the Base Plan document dealing with the same issues.

V5.01 Age Retirement Annuity: An amount equal to two and one half percent (2-1/2%) of the Participant's Average Monthly Salary during the twenty-four (24) calendar months preceding his retirement date multiplied by his years (and fractions) of Service. Such benefit shall not exceed an amount equal to eighty percent (80%) of the Participant's Average Monthly Salary during the twenty-four (24) calendar months preceding his retirement date.

V5.02 Early Retirement Annuity: If a Participant retires under Section V4.02 of the Plan, the amount of Regular Benefit to which he is entitled, commencing on his Age Retirement Date is determined pursuant to the formula in Section V5.01 and based on his Average Monthly Salary during the applicable number of months preceding his retirement, and his Years of Service at such time.

In lieu of a benefit commencing at his Age Retirement Date, a Participant may, at any time between the date of his retirement date and his Age Retirement Date, elect a reduced retirement income payable in accordance with Section V7, to commence on the first day of any month (to be selected by him) between the date of retirement and his Age Retirement Date. Such reduced benefit shall be the Regular Benefit determined pursuant to Section V5.01 reduced by 1/4 of 1% for each month (3% per year) that such commencement date precedes the Age Retirement Date.

V5.03 Disability Retirement Annuity: If a Participant retires under Section V4.04 of the Plan, he shall receive a monthly annuity determined as follows:

An amount computed as provided in the applicable subsection of Section V5.01 but based on his Average Monthly Salary during the applicable number of months preceding his disability retirement date and his Years of Service at such date. The monthly annuity thus computed will be reduced in accordance with the following schedule of percentages:

Number of Integral Years from Annuity Start Date to Age Retirement Date	Percentage of Annuity Payable
15 or more	55%
14	58%
13	61%
12	64%
11	67%
10	70%
9	73%
8	76%
7	79%
6	82%
5	85%
4	88%
3	91%
2	94%
1	97%

V5.04 Late Retirement Annuity: If a Participant continues his employment as a Staff Member beyond the Participant's Age Retirement Date, the Participant shall be eligible for a Late Retirement Benefit determined as follows:

If a Participant's employment with the Joint Board continues after his Age Retirement Date, the amount of his Accrued Benefit shall be the benefit determined in accordance with Section V5.01 on the basis of his Credited Service and his Average Monthly Salary as of his date of termination of employment. Any payments received by an active Participant pursuant to Section 8.6 of the Base Plan document shall offset on an Actuarial Equivalent basis the benefit determined under this Section V5.04, such benefit to be redetermined at periodic intervals to reflect additional accruals due to active participation; however, in no event shall a Participant's redetermined benefit be less than the benefit which he was receiving immediately prior to the redetermination.

V5.05 If any person entitled to benefits under this Plan shall be entitled to benefits under any benefit plan of any Joint Board Affiliate by reason of the Joint Board's contribution to that plan on behalf of the Participant, and that plan does not provide for a deduction of benefits payable under this Plan, the benefits under this Plan, which are not attributable to employee contributions, shall be reduced to the extent that a Participant does not receive a combined benefit that would exceed the benefits permitted under this Plan.

The following special provisions regarding payments to terminated vested Participants shall apply to Participants subject to the terms of this Appendix V in lieu of the provisions of the Base Plan document dealing with the same issues.

V6.01 Vested Termination of Employment Benefits (Vested Retirement Annuity)

Upon termination of employment on or after January 1, 1976, for any reason other than those specified in Section V4 or due to death, a Participant who shall have completed five (5) Years of Service, as determined in accordance with Section V3.01, shall be entitled to receive a monthly vested Annuity commencing at his Age Retirement Date based on his Accrued Benefit determined pursuant to Section V5.01 as of his date of termination. Such monthly Vested Retirement Annuity shall be at least equal to the amount of monthly Age Retirement Annuity payable upon the Participant's Age Retirement Date multiplied by a fraction, the numerator of which shall be Participant's months of Credited Service in the Plan and the denominator of which shall be the number of months of Credited Service which the Participant would have had at his earliest Age Retirement Date had he continued in service thereto.

V6.02 Early Commencement of Vested Retirement Annuity

A Participant who has completed fifteen (15) Years of Service, may, at his option, elect earlier payment commencing at any time after he has attained the age of fifty-three (53). In the event such Participant makes the election of earlier commencement of his Annuity, the amount of his Vested Retirement Annuity shall be determined in accordance with the Schedule of Percentages as stated in Section V5.02 hereof.

Any Participant who does not have 15 Years of Service but is eligible for a vested retirement annuity under Section V6.01 may elect early commencement of such benefit as of the first of any month on or after his fifty-third birthday, provided that the otherwise payable annuity is reduced by one-half of one percent for each month (six percent per year) that such early commencement date precedes his Age Retirement Date.

The following Sections V7.03 through V7.05 replace Sections 7.1. through 7.3, respectively, of the Base Plan document, with respect to Participants covered by this Appendix V.

V7.03 The amount of the Qualified Pre-Retirement Survivor Annuity is:

(a) If the Participant's death occurs on or after the date on which the Participant attains age 53, survivor annuity payments shall commence on the Participant's Age Retirement Date and shall be made to the Participant's Surviving Spouse for the then remaining lifetime of the Surviving Spouse. The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after the Participant's death but prior to his Age Retirement Date, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit under the benefit option selected under Section V7.04, and died on the next day.

(1) If the Participant meets the requirements of Section V4.02 at date of death then the survivor annuity payment shall equal 50% of the amount of pension which would have been payable to the Participant under the provisions of Sections V5.02 and V7.04 if the Participant had retired on the day before death and pension payments had then commenced, multiplied by the percentage in (c) below if the Participant's age last birthday exceeds his Spouse's age last birthday by more than 5 years.

(2) If the Participant does not meet the requirements of Section V4.02 at date of death then the survivor annuity payment shall equal 50% of the amount of pension payable to the Participant under the provisions of Sections V6.01 and V7.04, assuming pension payments commence at date of death, multiplied by the percentage in (c) below if the Participant's age last birthday exceeds his Spouse's age last birthday by more than 5 years.

(b) If the Participant's death occurs before the Participant attains age 53 and after he had completed five Years of Service, survivor annuity payments shall commence on the date one month after the Participant's fifty-third birthday and shall be made to the Surviving Spouse of the Participant for the then remaining lifetime of the Surviving Spouse in an amount equal to 50% of the amount of benefit which the Participant had accrued at the date of death in accordance with the formula in Section V5.01 multiplied by the percentage in (c) below if the Participant's age last birthday exceeds his Spouse's age last birthday by more than 5 years.

(c) Percentage equals (i) 100% minus (ii) 0.4% multiplied by the number of years by which such difference in ages between Participant and Spouse exceeds 5 years.

V7.04 The normal forms of benefit payment at retirement shall be:

(a) Life Annuity: The normal form of payment for a single Participant is a benefit payable for his lifetime, as determined under Section V5.01, with no further payments beyond the month of his death.

(b) Qualified Joint and Survivor Annuity:

(1) The normal form of payment for a married Participant is a Qualified Joint and Survivor Annuity. The Qualified Joint and Survivor Annuity shall be equal to the Regular Joint Annuity Option E as determined under Section V7.04(c) if the Participant and Spouse meet the requirements of Section V7.04(c). Otherwise, if the Participant or the Spouse does not meet the requirements of V7.04(c), the Qualified Joint and Survivor Annuity shall be 90%, adjusted in accordance with Section V7.03(a)(2), of the normal form of payment in Section V7.04(a).

(2) Notwithstanding paragraph (1), no benefit shall be payable to a Participant's Spouse under this Section V7.04(b) unless the Participant and his Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his Spouse

were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity; however, if the Participant dies within 12 months after the date of his marriage, the form of payment shall revert to the normal form of payment in Section V7.04(a), and no benefit shall be payable to the Participant's Spouse except as otherwise provided in Section 7.06 of the Service Plan.

(3) An election not to take the Qualified Joint and Survivor Annuity shall be made on an appropriate election form filed with the Trustees no more than 90 days, and not less than 30 days, before the Annuity Starting Date, as specified by the Trustees. Such an election shall be effective only if accompanied by the written consent of the Participant's Spouse, witnessed by a member of the Trustees or a notary public, acknowledging the effect of the designation and the specific non-Spouse Beneficiary, including any class of Beneficiaries or any contingent Beneficiary. Any consent of a Participant's Spouse shall be valid only with respect to that Spouse and shall be irrevocable as to that Spouse. Any such election may be revoked in writing by the Participant without spousal consent at any time before the Annuity Starting Date. After such election is revoked, another such election may be made at any time before the Annuity Starting Date; however, any new election will require a new spousal consent. Spousal consent shall not be required if it can be established to the satisfaction of the Trustees that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or there are other circumstances for which regulations do not require such consent.

(4) The Trustees shall provide to a Participant, before he makes any election with regard to a form of benefit payment (and within the time described in paragraph (3) for making the election), a written explanation of (1) the terms and conditions of the Qualified Joint and Survivor Annuity; (ii) the Participant's right to make an election to waive the Qualified Joint and Survivor Annuity and the effect of such election; (iii) the rights of the Participant's Spouse with respect to any election to waive the Qualified Joint and Survivor Annuity; and (iv) the right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity.

(5) Notwithstanding the foregoing, an Annuity Starting Date which is not at least 30 days after the written explanation described in paragraph (4) above was provided to the Participant will be permitted if the following conditions are satisfied:

(i) the written explanation is provided to the Participant before the Annuity Starting Date;

(ii) the written explanation explains that the Participant has the right to at least 30 days to consider whether to make an election with regard to a form of benefit payment;

(iii) the Participant is permitted to revoke a benefit election at any time until the Annuity Starting Date, or if later, at any time before the end of the 7-day period beginning on the day after the written explanation is provided to the Participant; and

(iv) distribution of benefits does not begin before the date the 7-day period described above expires (which date may be later than the Annuity Starting Date).

(6) Payments under the Qualified Joint and Survivor Annuity shall begin on the Annuity Starting Date and shall end with the payment due as of the first day of the month in which occurs the death of the last person entitled to payments under the annuity.

(c) Regular Joint Annuity

The amount of the monthly payments to an annuitant who has elected the Regular Joint Annuity or to his Surviving Spouse, shall be computed by applying the percentage determined in accordance with the following table to the normal form of payment in Section V7.04(a):

Type of Joint Annuity	To Participant	To Surviving Spouse
A	88%	Same as payable to Participant.
B	91%	87% of amount payable to Participant.
C	94%	75% of amount payable to Participant.
D	97%	60% of amount payable to Participant.
E	100%	50% of amount payable to Participant.

The foregoing percentages applicable to the Participant shall be reduced by one percent (1%) for each year in excess of five (5) that the age of the Participant's Surviving Spouse is less than the age of the Participant when all three of the following conditions (i), (ii) and (iii) apply:

(i) the Spouse is more than five years younger than the Participant;

(ii) the Participant and his Surviving Spouse have not been married for at least twenty (20) Years, irrespective of the difference of their ages; and

(iii) the Spouse of a Participant shall not have attained age 60 upon becoming eligible to receive and does not commence receiving any annuity under this Plan.

In calculating differences under Section V7.04, a fraction of a year of six (6) months or less shall be disregarded, and a fraction of a year of more than six (6) months shall be considered a full year.

For the purposes of this Section V7.04(c) the Surviving Spouse of any Participant or Participant electing the Regular Joint Annuity shall not be eligible to receive any annuity unless married to such Participant for at least ten (10) years prior to the earlier of his retirement under the Plan or his death. A Participant who dies before his retirement and before the marriage to his Spouse has lasted for at least 10 years shall be automatically considered to have elected the Qualified Joint and Survivor Annuity under Section V7.04(b) hereof. A Participant who elects the Regular Joint Annuity and who does not designate the type of annuity shall be deemed to have designated option E.

(d) Guaranteed Payment Life Annuity

A Participant who retires pursuant to any provision of Section V3 hereof, who does not have a Spouse eligible for a Joint Annuity pursuant to Section V7.04, but who has a natural child or children, may elect (on a form provided by the Trustees and filed with it) to receive a reduced monthly annuity payable for life with 120 monthly payments guaranteed in any event.

The guaranteed payment life annuity shall be the amount of annuity determined in accordance with the applicable provision of Section V5 reduced in accordance with the following schedule of percentages:

Number of Integral Years from Annuity Starting Date to Age Retirement Date	Percentage of Annuity Payable
0	94.0
1	94.5
2	95.0
3	95.5
4	96.0
5	96.5
6	97.0
7	97.5
8	98.0
9	98.5
10 or more	99.0

V7.05 The other death benefits shall be:

(a) Upon participation in the Plan, a Participant shall designate a Beneficiary on the appropriate form

(b) If the Participant dies before he has completed five (5) years of Service, his Spouse shall not be entitled to any annuity payment hereunder other than a refund of the Participant's contributions improved with interest to date of death, if any.

(c) The Spouse of a deceased Participant who has not made an election in accordance with Section V7.01 and who becomes eligible for benefits under Section V7.03 above shall have the option to receive in a lump sum any residue of Accumulated Contributions thereon made by the Participant under the Plan.

(d) Upon the death of:

(i) a Participant before becoming an Annuitant (and, if he elected a Regular Joint Annuity or Qualified Joint Annuity, before the date on which his Spouse is entitled to receive annuity payments); or

(ii) (1) a Participant who has not elected a Regular Joint Annuity or Qualified Joint Annuity;

(2) a Participant who has elected a Regular Joint Annuity or Qualified Joint Annuity but dies without a Surviving Spouse, or with a Surviving Spouse not entitled to an annuity hereunder; or

(3) a Surviving Spouse entitled to an annuity hereunder;

before receiving aggregate annuity payments (including payments received by his surviving Spouse in the case of a joint annuity) equal to the Accumulated Contributions made by such Participant to the Trustee, then a lump equal to such difference shall be paid to his designated Beneficiary or Beneficiaries, or if none so designated, either (1) to his surviving Spouse or (ii) if none, to his children in equal shares, or (iii) if none, to his estate.

Appendix VI – Provisions Applicable to Certain Canadian Employees

Benefits for certain Canadian Employees of UNITE HERE were formerly provided under the Textile Staff Retirement Plan of the Amalgamated Clothing and Textile Workers Union for Canadian Participants (the "Prior Canadian Plan"), formerly the Textile Workers Union of America, effective January 1, 1949. These provisions later became the Textile I section of the Prior Canadian Plan, which became closed to new participants.

In 1979, two additional benefit schedules were added to the Prior Canadian Plan, called Textile II and Textile III respectively.

The Prior Canadian Plan was subsequently amended and restated several times.

Effective as of December 31, 2007, the Prior Canadian Plan was wound up with no further accruals occurring and benefits commencing to be distributed.

Effective January 1, 2008, a new Canadian Plan (the "Canadian Plan") of the UNITE HERE Consolidated Retirement Fund was adopted to provide pension benefits to Canadian Employees of UNITE HERE, including recognition of service while participating in the Prior Canadian Plan. Benefits payable under this Canadian Plan are offset by any amounts paid, or deemed to be paid, from the Prior Canadian Plan.

The Canadian Plan is an unregistered pension plan that is designated as a "foreign plan" under the Income Tax Act (Canada). However, an application for registration of the Canadian Plan as the "UNITE HERE Canadian Staff Retirement Plan" has been filed with the Financial Services Commission of Ontario on a voluntary basis.

In 2009, a component of the UNITE HERE union disaffiliated with UNITE HERE to form a new trade union, "Workers United," in affiliation with the Service Employees International Union. The staff of both unions (UNITE HERE and Workers United) continue to participate in the Plan, including the Canadian Plan.

Effective April 26, 2010, the UNITE HERE Consolidated Retirement Fund was renamed the "Consolidated Retirement Fund" and the Canadian Plan was subsequently renamed the "Consolidated Retirement Fund Canadian Plan."

Although the Canadian Plan is a part of the Consolidated Retirement Plan (US) (the "Plan") and provides similar benefits to the Plan, the Canadian Plan is being administered as a standalone plan.

The provisions of this Appendix VI apply to Employees of the Employer, as those terms are defined in this Appendix VI. The Canadian Plan was merged into the Plan on January 1, 2008 and all participants in the Canadian Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix VI, the terms of this Appendix VI will control with respect to Participants covered by this Appendix VI.

Notwithstanding anything to the contrary in the Plan or in this Appendix VI, it is intended that the Plan and this Appendix VI be interpreted, in accordance with Section 411(d)(6) of the Code,

in such manner as shall insure that the accrued benefit of participants in the Canadian Plan as of January 1, 2008 shall not be decreased as a result of the merger of the Canadian Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to January 1, 2008.

1. Definitions

In the Canadian Plan, references to the masculine include the feminine and vice versa; references to the singular shall include the plural and vice versa, as the context shall require; and references to a subsection, section, paragraph or subparagraph mean a subsection, section, paragraph or subparagraph of the Canadian Plan unless otherwise identified.

The Canadian Plan shall be governed and administered in accordance with Applicable Pension Laws, and shall be construed in accordance with the laws of the Province of Ontario unless otherwise specified.

All amounts payable under the Canadian Plan are expressed in the lawful currency of Canada.

If any provision of the Canadian Plan or part thereof is determined to be void or unenforceable in whole or in part, such determination shall not affect the validity or enforcement of any other provision or part thereof.

Headings, wherever used herein, are for reference purposes only, and do not limit or extend the meaning of any of the Canadian Plan's provisions.

The following words and phrases as used in the Canadian Plan shall have the following meanings unless, in any case, a different meaning is required by the context.

"Accrued Benefit" shall mean a Participant's benefit payable as a single life annuity calculated in accordance with the benefit formula set forth in Section 6.

"Actuarial Equivalent" means a benefit of same value but of different form of payment, as determined on a basis of calculation adopted by the Employer on the advice of the Actuary, in accordance with Applicable Pension Laws, and in effect on the date such determination is being made. Notwithstanding the foregoing, the Employer may adopt a basis that eases administration of the Prior Canadian Plan, including the use of unisex factors, provided that such basis is not precluded by Applicable Pension Laws.

"Actuary" means a Fellow of the Canadian Institute of Actuaries, or a firm employing at least one Fellow of the Canadian Institute of Actuaries appointed, by the Employer to render actuarial services to it for purposes of the Prior Canadian Plan.

"Administrative Agent" means any person or persons delegated administrative authority by the Trustees.

"Affiliate" means a local union or joint board affiliated with the Union, the Amalgamated Life Insurance Company, Inc., the Amalgamated Bank, Union Health Center, or any other fund which is created or exists for the benefit of the Union, its members or any corporation the majority of stock of which is held by or for the benefit of the Union, its members or a local union or joint board affiliated with the Union.

"Annuity Starting Date" means the first day of the first period for which an amount is payable as an annuity to a Participant or his Beneficiary.

"Applicable Pension Laws" shall mean, as applicable, the Employee Retirement Income Security Act of 1974, as amended, the Pension Benefits Act of Ontario and any regulation thereunder and any amendments thereto or substitute therefor as well as any similar provincial statute applicable in a particular circumstance.

"Average Salary" shall mean

(a) for Pre-2005 Participants, the greater of the average of the Participant's last two years of Salary or the average of the Participant's last 10 years of Salary.

(b) for Post-2004 Participants, the average Salary received during the highest consecutive 10 year period preceding the earliest of the Participant's termination, retirement, or death.

If the Participant is employed on a less than full-time basis, then the Participant's Salary shall be deemed to be the Salary that would have been earned by the Participant if the Participant had been employed on a full-time basis.

"Beneficiary" means the individual(s) or entity designated by the Participant to receive benefits under the Canadian Plan in accordance with Canadian Plan procedures. In the absence of a named Beneficiary, benefits otherwise payable from the Fund will be paid in the following order: Spouse, children, parent(s), brother(s) and sister(s), and the Participant's estate.

"Commuted Value" means the value at any specified date, calculated in the manner prescribed by the Applicable Pension Laws, of any benefit to which a person is or will become entitled under the Canadian Plan.

"Credited Service" shall be used to determine a Participant's amount of retirement annuity payable under the Canadian Plan and shall be determined pursuant to Section 4.

"Custodian Agreement" shall mean the written agreement entered into by the Trustees with a trust corporation registered under the Ontario *Loan and Trust Corporations Act*, or any other financial institution, pursuant to which assets of the Fund may be held and administered in Canada.

"Effective Date" means January 1, 2008.

"Eligible Employee" shall mean an active member of the Prior Canadian Plan on December 31, 2007 who has maintained employment with the Employer in Canada up to the Effective Date of the Canadian Plan and any Employee hired on or after January 1, 2008 to work in Canada. An Eligible Employee must remain employed in Canada in order to remain an Eligible Employee.

“Employee” means any person (including general officers and council members) who is in the employment of the Employer in Canada. For the above purposes, Employees shall include part-time Employees.

“Employer” means the Union, and any Affiliate that has adopted the Canadian Plan. As of January 1, 2008, the following Affiliates are Employers for the purposes of the Canadian Plan:

(a) The UNITE HERE Ontario Council.

(b) The UNITE HERE Quebec Council.

(c) The Amalgamated Clothing Workers Insurance Fund (CATAV-ACWIF)

“Fund” shall mean the fund or funds established under the terms of the Trust Agreement or agreements.

“Hours of Service” shall mean each hour for which the Employee receives compensation from the Employer.

“Participant” shall mean an Eligible Employee who meets the eligibility requirements provided in Section 2. Participant also means any Employee or former Employee who is receiving or entitled to receive benefits under the Canadian Plan. Participant shall include a Pre-2005 Participant and a Post-2004 Participant.

“Post-2004 Participant” shall mean a Participant who is not a Pre-2005 Participant.

“Pre-2005 Participant” shall mean a Participant who was an active member of the Prior Canadian Plan on December 31, 2004,

“Prior Canadian Plan” means the UNITE HERE pension plan registered in Canada prior to January 1, 2008, and formerly known as the Textile Staff Retirement Plan of the Amalgamated Clothing and Textile Workers Union for Canadian Participants.

“Salary” with respect to any Participant means the basic compensation rate paid by an Employer.

“Spouse” in relation to a Participant, shall mean the person who is the Participant’s “spouse” as that term is defined in the provincial pension legislation applicable to the Participant, as determined at the relevant time.

“Totally and Permanently Disabled” means a person with a physical or mental disability that, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his duties.

“Trust Agreement” means the Agreement and Declaration of Trust for the Consolidated Retirement Fund, as amended and restated.

"Trustees" means the Board of Trustees and their successors thereto as provided for in the Trust Agreement.

"Union" means, prior to February 1, 2009, UNITE HERE, UNITE or any successor organization. On and after February 1, 2009, Union means Workers United, UNITE HERE and any entity that was affiliated with UNITE HERE on December 31, 2008, and any entity affiliated with any entity that was affiliated with UNITE HERE on December 31, 2008.

"Vested" means:

(a) immediately for a Participant who at the time of termination is employed in the province of Quebec, Ontario (for terminations effective on or after July 2012) and Manitoba (for terminations effective on or after May 31, 2010), and Participants in any other provinces which adopt immediate vesting; or

(b) the completion of two years of participation in the Canadian Plan for any Participant who does not fall under (a) above at the time of termination.

2. Participation

2.01 Members on Effective Date

Each person who is an Eligible Employee and who was an active member of the Prior Canadian Plan on December 31, 2007 shall become a Participant effective January 1, 2008.

2.02 Other Full-Time Employees

Each other person who became a full-time Eligible Employee on or after January 1, 2008, and who was employed in Canada shall become a Participant on the 1st day of the month coincident with or immediately following the Employee's completion of three months of employment with the Employer.

2.03 Part-Time Employees

Each person who is an Employee on a part-time basis and has not waived membership in the Canadian Plan in accordance with Section 2.05 will become a Participant on the 1st day of the month coincident with or next following the completion of:

(a) For persons employed in Ontario and Manitoba, 24 months of Continuous Service, provided that he has:

(i) earned at least 35% of the YMPE, or

(ii) Hours of Service equal to at least 700 hours,

in each of the 2 consecutive calendar years immediately prior to membership in the Canadian Plan;

(b) For persons employed in Quebec, provided that he has:

(i) Earned at least 35% of the YMPE, or

(ii) Hours of Service equal to at least 700 hours,

in the calendar year immediately prior to membership in the Canadian Plan; or

(c) For persons employed in British Columbia, 24 months of Continuous Service, provided that he has earned at least 35% of the YMPE for 2 consecutive calendar years immediately prior to membership in the Canadian Plan.

2.04 **Enrollment**

Each Eligible Employee shall be automatically enrolled in the Canadian Plan and shall be notified by the Administrative Agent by letter. Upon joining the Canadian Plan, the Eligible Employee shall designate a Beneficiary.

2.05 **Waiver of Participation**

An Eligible Employee who is employed on a part-time basis may waive membership in the Canadian Plan at any time. However, the Employee will not be permitted to join at a later date.

2.06 **No Discontinuance of Membership**

While an Employee, a Participant may not terminate, suspend or withdraw from participation in the Canadian Plan except in accordance with the provisions of the Canadian Plan or as permitted or required by, and in accordance with, the Applicable Pension Law.

2.07 **Transfer of Employment**

(a) **Eligible Employee to Non-Eligible Employee**

If an Eligible Employee transfers employment to a different category of employment with the Employer or transfers employment to an Affiliate such that the Eligible Employee is no longer an Eligible Employee then

(i) this transfer shall not constitute a termination of employment for the purposes of Section 10;

(ii) the Participant’s Continuous Service shall continue to accrue;

(iii) the Participant’s Credited Service shall cease to accrue; and

(iv) the Participant’s Average Salary shall be based on Continuous Service prior to the date of transfer of employment or, if the Participant transfers employment to an Affiliate or commences participation in the US Plan, the Participant’s Continuous Service as at termination, retirement or death.

(b) **Non-Eligible Employee to Eligible Employee**

If an individual who is not an Eligible Employee transfers employment to a different category of employment with the Employer or transfers employment to an Affiliate such that the individual is now an Eligible Employee, then the Eligible Employee shall be eligible to join the Canadian Plan subject to subsections 4.02 and 4.03 with the understanding that Credited Service will only be provided for Continuous Service after joining the Canadian Plan.

3. Contributions

3.01 Participant Contributions

Participants are not required nor permitted to contribute to the Canadian Plan.

3.02 Employer Contributions

Based upon the amounts estimated by the Actuary and subject to subsection 3.03, the Employer will contribute to the Fund such amounts as determined by the Trustees and in accordance with Applicable Pension Laws.

The liability of the Employer at any time is limited to such contributions as should have been made by it in accordance with the determination of the Trustees and Applicable Pension Laws.

3.03 Surplus

At the discretion of the Trustees, any amount by which the assets of the Fund exceed the liabilities, on any basis determined by the Actuary, may be used in whole or in part to reduce the contributions of the Employer under the Canadian Plan.

At the discretion of the Trustees, any amount by which the assets of the Fund exceed the liabilities, on any basis determined by the Actuary, may be returned to the Employer.

The use of any surplus assets in any way is subject to any conditions or approval procedures under Applicable Pension Laws.

3.04 Timing of Contributions

Contributions made by the Employer must be made on a monthly basis with the contribution for a particular month being made within at least 30 days after the end of the particular month.

4. Service

4.01 Continuous Service

A Participant’s Continuous Service accrued in a calendar year shall be equal to the number of Hours of Service earned by the Participant in the calendar year divided by 1,000, such amount not to exceed 1.

4.02 **Credited Service — Prior Canadian Plan**

Any service accrued under the Prior Canadian Plan, including any service purchased in a buyback program, shall be included in the Participant's Continuous Service and Credited Service.

4.03 **Credited Service**

A Participant who is employed on a full-time basis shall accrue one month of Credited Service for every month of Continuous Service.

In the Participant's final month of service, a Participant who has accrued at least 120 hours (15 days) of Hours of Service in that month shall receive 1 month of Credited Service. A Participant who has accrued less than 120 hours (15 days) shall not receive a Month of Credited Service for the final month of service.

A Participant who is employed on a Less than full-time basis shall accrue a fraction of a month of Credited Service for each month of part-time employment equal to the number of Hours of Service accrued in that month to the Hours of Service that would have been accrued in that month by a full-time Employee.

4.04 **Credited Service — Suspension**

A Participant who has a period of Continuous Service that exceeds 501 hours of compensated Hours of Service without performing any duties for the Employer during that period shall cease to accrue any further Credited Service until such time as the Participant begins to again perform duties for the Employer, subject to subsections 4.06 and 4.07 below.

4.05 **Credited Service — Cap**

The maximum amount of Credited Service that a Participant may accrue is 30 years (360 months).

4.06 **Disability Service**

(a) A Participant who becomes disabled and is receiving benefits from the Workplace Safety and Insurance Board (or similar program provided by another province) and is not eligible under subparagraph 4.06(b) will continue to accrue Continuous and Credited Service in the same annual amount as the Participant accrued immediately prior to becoming disabled.

The Participant's Average Salary shall be the Average Salary determined at the time the Participant became disabled.

(b) Prior to January 1, 2015, Participant who is Totally and Permanently Disabled, and who has completed at least 15 years of Continuous Service will be entitled to an immediate unreduced pension equal to the pension payable on the Participant's Normal Retirement Date based on Credited Service and Average Salary as at the time the Participant became disabled. Effective for disability applications received on or after December 1, 2014 and that are first payable on or after January 1, 2015, a Participant who is Totally and Permanently Disabled, and

who has completed at least 15 years of Continuous Service will be entitled to a pension equal to the greater of 70% of the pension payable under Section 6 on the Participant's Normal Retirement Date based on Credited Service and Average Salary as at the time the Participant became disabled or 100% of the pension payable under Sections 7.02, 7.03 or 7.04, as applicable.

(c) A disabled Participant who does not qualify under (a) or (b) above will have his participation in the Canadian Plan suspended and will be entitled to a deferred pension.

(d) In the event that the Participant recovers and returns to work, the Participant will continue to participate in the Canadian Plan.

However, if a Participant who has recovered fails to return to work, the Participant shall be deemed to have terminated employment on the date of the Participant's recovery.

4.07 **Maternity or Parental Leave of Absence**

A Participant who is on maternity or parental leave shall continue to participate in the Canadian Plan and accrue Credited Service as required by the appropriate provincial employment standards legislation. The Participant's Salary for the period of leave shall be deemed to be equal to the Salary the Participant earned immediately prior to the leave of absence.

5. Retirement Dates

5.01 **Normal Retirement Date**

Except as provided otherwise, payment of the Participant's pension will commence on the 1st day of the month coincident with or next following the Participant's attainment of age 65.

5.02 **Early Retirement Date**

An active Vested Participant who is at least 55 years of age and who terminates employment from the Employer may elect to commence his pension on the 1st day of any month coincident with or subsequent to his termination of employment.

A Participant who terminates employment after attaining age 55 but prior to his Normal Retirement Date who does not elect to commence his pension on the 1st day of the month coincident with or immediately subsequent to his termination of employment shall be considered to have terminated employment and not an early retirement.

5.03 **Postponed Retirement**

If a Participant remains in the service of the Employer after reaching the Normal Retirement Date, the Participant shall continue to accrue Credited Service. A Participant's pension must commence to be paid no later than the April 1st coincident with or next following the Participant's attainment of age 70.5.

6. Amount of Regular Annuities

6.01 Amount of Pension

A Participant who retires on or after his Normal Retirement Date shall be entitled to an annual pension equal to:

2.5% x Average Salary x Credited Service — Offset Pension

6.02 Minimum Pension

A Pre-2005 Participant whose annual pension is less than $300 per year of Credited Service will instead receive an annual pension equal to $300 per year of Credited Service.

6.03 Maximum Pension

The annual pension payable to a Participant cannot exceed 75% of the Participant's Average Salary.

6.04 Offset Pension

The amount of the Offset Pension shall be equal to the amount paid, or deemed to be paid, to the Participant from the Prior Canadian Plan, including any payments in respect of service purchased during a buyback program, or the plan of any other Affiliate which does not provide for a deduction of benefits payable from the Canadian Plan.

6.05 Continued Employment beyond Age 70.5

The pension payable to a Participant who continues to be employed by the Employer beyond the Participant's attainment of age 70.5 shall commence to be paid on the 1st day of April coincident with or next following the Participant's attainment of age 70.5.

Provided that the Participant has not accrued 30 years of Credited Service, the Participant shall continue to accrue Credited Service until the earlier of his termination or 30 years of Credited Service has been attained.

The Participant's pension shall be recalculated every January 1st to account for the additional Credited Service accrued by the Participant.

7. Early Retirement

7.01 Application

For benefits earned prior to January 1, 2015, Sections 7.02 or 7.03, as applicable, shall apply to:

(a) a Pre-2005 Participant who terminates employment on or after the attainment of age 55 but prior to his Normal Retirement Date and who commences a pension on the 1st day of the month coincident with or immediately following termination of employment;

(b) a Pre-2005 Participant who terminates employment prior to his Normal Retirement Date but with at least 15 years of Credited Service; and

(c) a Post-2004 Participant who terminates employment on or after the attainment of age 55 but prior to his Normal Retirement Date.

For benefits earned on or after January 1, 2015, Section 7.04 shall apply to all Participants who terminate employment prior to Normal Retirement Date.

7.02 **Pre-2005 Participants, for benefits earned prior to January 1, 2015**

A Pre-2005 Participant who elects to commence his pension on his Early Retirement Date shall receive the following amounts:

(a) a Pre-2005 Participant who has at least 15 years of Credited Service may retire with no reduction in pension payments on the date the Participant attains the earliest of:

(i) age 60,

(ii) Continuous Service equal to at least 30 years, or

(iii) age plus Continuous Service equal to at least 80.

In the event that the Participant does not meet the requirements of (i), (ii), or (iii) above, then the Participant shall be entitled to a pension that is the greater of:

(A) the pension payable to the Participant at the Participant's Normal Retirement Date reduced by 3/12% for each month between the Participant's Annuity Starting Date and the earliest of (i), (ii), or (iii) above, and

(B) the pension payable to the Participant under subparagraph 8.02 below.

(b) for a Pre-2005 Participant with less than 15 years of Credited Service who commences his pension immediately upon retirement, the pension payable from the Canadian Plan will be reduced by 2/12% per month for each month between the Participant's Annuity Starting Date and the Participant's Normal Retirement Date.

7.03 **Post-2004 Participants, for benefits earned prior to January 1, 2015**

A Post-2004 Participant who elects to commence his pension prior to his Normal Retirement Date shall receive a pension payable from the Canadian Plan reduced by 1/2% for each month between the Participant's Annuity Starting Date and the Participant's Normal Retirement Date or, if greater, the Actuarial Equivalent of the pension payable on the Participant's Normal Retirement Date.

7.04 **All Participants for benefits earned on or after January 1, 2015**

For benefits earned on or after January 1, 2015, a Participant shall be entitled to a pension on the Participant's Early Retirement Date calculated in accordance with the rules of Section 7.03.

8. Pre-Retirement Death Benefits

The pre-retirement death benefits payable in accordance with this Section 8 are subject to the requirements of any Applicable Pension Law, including the waiver of entitlements that may be required to pay the pre-retirement death benefits in accordance with this Section 8.

8.01 **Benefit Payable to Spouse on Participant's Death**

In the event that a Participant dies prior to retirement while still in active employment with the Employer, and the Participant has at least 15 years of Credited Service and has been with his current Spouse for at least 5 years, the benefit payable to the Spouse of the Participant will be an annual pension equal to 75% of the benefit that would have been payable to the Participant had the Participant retired with an unreduced pension immediately prior to death.

In the event that the Participant was less than 55 years of age at death, the benefit payable to the Participant at Normal Retirement Date will be reduced by 2/12% for each month between the Spouse's Annuity Starting Date and the date the Participant would have attained age 55.

The pension payable to the Spouse will be reduced by a further 0.5% for every year in excess of 5 years by which the Spouse is younger than the Participant.

In the event that the Commuted Value of the benefit paid under this subsection 8.01 is less than the benefit paid under subsection 8.02, the difference shall be paid to the Spouse as a lump sum cash payment.

8.02 **Other Benefits Payable to Spouse or non-Spouse**

If, at the time of death, an active Vested Participant does not have at least 15 years of Credited Service or has been with his Spouse for less than 5 years, then the benefit payable to the Spouse is the Commuted Value of the pension payable to the Participant.

In the event that the Participant has no Spouse at the time of death, or the Participant's Spouse has filed with the Trustees, a valid waiver of entitlement to a pre-retirement death benefit in accordance with the Applicable Pension Law, the benefit will be paid to the Beneficiary designated to the Administrative Agent by the Participant.

8.03 **Death of Non-Vested Participant**

No benefit shall be payable in the event of the death of a Participant who is not Vested.

8.04 **Benefits Payable on Death of Inactive Participant**

In the event of the death of an inactive Participant who has a deferred pension entitlement, the benefit payable shall be:

(a) if the Participant had a Spouse at the time of death, 60% of the pension payable to the Participant assuming that that Participant elected a joint and survivor 60% form of pension to start as soon as possible, or

(b) if the Participant did not have a Spouse at the time of death, or the Participant's Spouse has filed with the Trustees, a valid waiver of entitlement to a pre-retirement death benefit in accordance with the Applicable Pension Law, the Commuted Value of the deferred pension owed to the Participant.

In the event that the Commuted Value of the benefit paid to a Spouse under paragraph 8.04(a) is less than the benefit paid to a Beneficiary under paragraph 8.04(b) (assuming that the Participant has no Spouse), the difference shall be paid to the Spouse as a lump sum cash payment.

9. Post-Retirement Death Benefits

9.01 **Normal Form: Participant with No Spouse**

A Participant who does not have a Spouse at the time of his Annuity Starting Date will receive a pension payable for the Participant's life and ending on the 1st day of the month the Participant's death occurs.

9.02 **Normal Form: Pre-2005 Participants with a Spouse**

(a) Participants with a Spouse for at least 5 years

The Spouse of a Pre-2005 Participant, who has commenced his pension and who was with his Spouse for at least 5 years prior to his date of termination, will continue to receive 60% of the pension payable to the Pre-2005 Participant until the 1st day of the month in which the Spouse's death occurs. The Participant's pension under this normal form is the amount payable under Option D of subparagraph 9.05(a) .

(b) Participants with a Spouse for less than 5 years

A Pre-2005 Participant, who has been with his Spouse for less than 5 years prior to his date of termination, shall be entitled to an annual pension payment of 90% of the pension payable to a Participant without a Spouse.

In the event that the Spouse is younger than the Pre-2005 Participant, the 90% factor noted above shall be reduced by 0.3% for each year by which the Spouse is younger.

In the event that the Spouse is older than the Pre-2005 Participant, the 90% factor noted above shall be increased by 0.3% for each year by which the Spouse is older. The total amount of pension payable to the Pre-2005 Participant cannot exceed 99% of the pension payable to a Participant with no Spouse.

Upon the death of the Pre-2005 Participant, the Spouse will continue to receive 60% of the pension payable to the Participant until the 1st day of the month in which the Spouse's death occurs.

9.03 **Normal Form: Post-2004 Participants with a Spouse**

(a) At least 10 years of Credited Service and retiring from active employment

The Spouse of a Post-2004 Participant, who has at least 10 years of Credited Service, and retires under Sections 4.06, 5.01, 5.02 or 5.03, and has commenced his pension, will continue to receive 60% of the pension payable to the Post-2004 Participant until the 1st day of the month in which the Spouse's death occurs. The Participant's pension payable under this normal form is the amount payable under Option D of subparagraph 9.05(a).

(b) Less than 10 years of Credited Service or retiring under Section 11

A Post-2004 Participant who has less than 10 years of Credited Service prior to his date of termination or is collecting a pension under Section 11, shall be entitled to an annual pension payment of 90% of the pension payable to a Participant without a Spouse.

Upon the death of the Post-2004 Participant, the Spouse will continue to receive 60% of the pension payable to the Participant until the 1st day of the month in which the Spouse's death occurs.

In the event that the Spouse is younger than the Post-2004 Participant, the 90% factor noted above shall be reduced by 0.3% for each year by which the Spouse is younger.

In the event that the Spouse is older than the Post-2004 Participant, the 90% factor noted above shall be increased by 0.3% for each year by which the Spouse is older. The total amount of pension payable to the Post-2004 Participant cannot exceed 99% of the pension payable to a Participant with no Spouse.

9.04 **Optional Forms — Participants with no Spouse**

Participants with no Spouse may elect a reduced pension paid under a single life and ten year guarantee form of payment. Under this form, the Participant receives a reduced pension but, in the event that the Participant dies prior to receiving 120 monthly payments, his Beneficiary shall receive the remainder of the 120 guaranteed payments.

Such reduced amount shall be 96% of the benefit otherwise payable if the Participant is between age 62 and age 65. Such 96% factor shall be increased by 0.3% for each year (or partial year) that the commencement age is less than age 62 (to a maximum of 98.8% and decreased by 0.6% for each year (or partial year) that the commencement age exceeds age 65 (to a minimum of 93%)

9.05 **Optional Forms — Participants with a Spouse**

(a) For benefits earned prior to January 1, 2015, Participants meeting the requirements of subparagraphs 9.02(a) or 9.03(a) may elect from the following options:

Option	Benefit as a % of the Normal Form Benefit	Survivor Benefit
A	88%	100%
B	91%	87%
C	94%	75%
D	97%	60%
E	100%	50%

In the event that the Spouse is more than 5 years younger than the Participant, the benefit payable to the Spouse shall be reduced by 0.5% per year for each year in excess of 5 years by which the Spouse is younger.

A Participant electing Option E must, along with his Spouse, sign a waiver of the normal form under Option D in a form prescribed under the Applicable Pension Law in a form prescribed under the Applicable Pension Law.

For benefits earned on or after January 1, 2015, the joint and survivor options in the Base Plan shall apply, in addition to the 60% survivor option, which is required under Canadian law. Thus, Participants may elect from the following options:

Option	Benefit as a % of the Normal Form Benefit		Survivor Benefit
	Non-Disabled Participants	Disabled Participants	
C	89.5%	69.0%	75%
D	90.0%	76.0%	60%
E	93.0%	79.0%	50%

The factors in the table above are adjusted as follows:

Option C: plus 0.45% (0.6% for Disabled Participants) for each year that the Beneficiary's age is greater than the Participant's or minus 0.45% (0.6% for Disabled Participants) for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 99%.

Option D: plus 0.3% (0.5% for Disabled Participants) for each year that the Beneficiary's age is greater than the Participant's or minus 0.3% (0.5% for Disabled Participants) for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 99%.

Option E: plus 0.3% (0.4% for Disabled Participants) for each year that the Beneficiary's age is greater than the Participant's or minus 0.3% (0.4% for Disabled Participants) for each year that the Beneficiary's age is less than the Participant's age with a maximum factor of 98%.

A Participant electing Option E must, along with his Spouse, sign a waiver of the normal form under Option D in a form prescribed under the Applicable Pension Law.

(b) All other Participants with a Spouse may elect, by filing with the Trustees, a signed waiver in a form prescribed under, and in accordance with, the Applicable Pension Law to receive a single life annuity (without applying the reduction set forth in subparagraph 9.02(b) or 9.03(b)) with no benefits payable after the Participant's death.

10. Termination of Employment

10.01 Application

This Section shall apply to:

(a) a Participant who terminates employment prior to attaining age 55; or

(b) a Pre-2005 Participant who terminates employment after attaining age 55 but prior to his Normal Retirement Date with less than 15 years of Credited Service who elects to defer his pension.

10.02 Terminated — Non-Vested

A Participant who terminates employment prior to Vesting shall not receive any benefit from this Canadian Plan.

10.03 Terminated — Vested

A Participant who terminates employment after Vesting shall be entitled to a deferred pension calculated in accordance with subsection 7.01 payable on the Participant's Normal Retirement Date.

10.04 Terminated — Early Commencement of Pension

A Participant who terminated employment and is entitled to a deferred pension may elect to commence pension payments on the 1st day of any month coincident with or following the Participant's attainment of age 55. The annual pension payable shall be the greater of:

(a) the deferred pension reduced by 1/2% for each month between the Participant's Annuity Starting Date and his Normal Retirement Date, or

(b) the Actuarial Equivalent of the deferred pension.

11. Administration of the Canadian Plan

11.01 Canadian Plan Administrator

The administration of the Canadian Plan shall be the responsibility of the Trustees, which for the purposes of Applicable Pension Laws shall constitute a "pension committee" composed of one or more representatives of the Employer and the Eligible Employees, except to the extent that:

(a) authority to construe, administer and interpret the Canadian Plan is delegated to the Administrative Agent, which may be a committee;

(b) authority to hold the Fund and to invest, control and disburse funds thereunder has been delegated to a custodian pursuant to a Custodian Agreement in accordance with the Trust Agreement.

11.02 Interpretation

The Trustees or the Administrative Agent delegated this authority, may from time to time establish rules for its administration of the Canadian Plan, adopt and prescribe appropriate forms and procedures for handling claims and the denial of claims. Except as herein otherwise expressly provided, the Trustees or the Administrative Agent delegated this authority, shall have the sole and exclusive discretion to interpret and apply the terms of the Canadian Plan and the rules thereunder, including, but not limited to, all questions of coverage, eligibility, and methods of providing benefits. The decisions and the records of the Trustees or the Administrative Agent shall be conclusive and binding upon the Employer, Participants, and all other persons having any interest in the Canadian Plan.

11.03 Reliance

The Trustees and the Administrative Agent shall be entitled to rely upon all tables, valuations, certificates and reports furnished by the Actuary, upon all certificates and reports made by any accountant, and upon all opinions given by any legal counsel. The Trustees and the Administrative Agent shall be fully protected against any action taken in good faith in reliance upon any such tables, valuations, certificates, reports or opinions. All actions so taken shall be conclusive upon each of them and upon all persons having any interest under the Canadian Plan. No Trustee or Administrative Agent shall be personally liable by virtue of any instrument executed by him or on his behalf as a Trustee or Administrative Agent, or for any neglect, omission or wrongdoing of any other Trustee or Administrative Agent or of anyone employed by the Trustees, the Administrative Agent or the Employer, or for any loss unless resulting from his own gross negligence or willful misconduct. The Trustees and the Administrative Agent shall be indemnified by the Fund against expenses, including legal fees, reasonably incurred by him in connection with any action to which he may be a party by reason of his being a Trustee or an Administrative Agent, except in relation to matters as to which he shall be adjudged in such action to be liable for gross negligence or willful misconduct in the performance of his duty as such member. The foregoing right of indemnification shall be in addition to any other rights to which any such member may be entitled as a matter of law.

12. Funding of the Canadian Plan

12.01 **Fund**

(a) Subject to Applicable Pension Laws, benefits provided under the Canadian Plan shall only be paid to the extent that they are provided for by the assets held in the Fund, and no liability or obligation to make any contributions thereto or otherwise shall be imposed upon the Trustees or any Employer other than in accordance with Section 4.

(b) The fees properly paid and the expenses reasonably incurred in respect of the Canadian Plan may be paid from the Fund, including but not restricted to:

(i) the expenses incurred by the Trustees on behalf of the Canadian Plan or the Fund;

(ii) custodial fees;

(iii) the fees and disbursements of the agents of the Trustees and/or the Administrative Agent with respect to the Canadian Plan or the Fund;

(iv) the fees and disbursements of the advisors with respect to the Canadian Plan or the Fund, including actuarial, consulting, legal and accounting; and

(v) costs related to the investments of the Fund, including brokerage, commissions and transfer taxes, and costs related to investment counsel and investment management services;

The Trustees and/or the Administrative Agent may pay any such fees and expenses on behalf of the Canadian Plan or the Fund.

12.02 **Investments**

(a) The investment of the Fund shall be made in accordance with Applicable Pension Laws.

(b) The Trustees shall establish a written investment policy statement in accordance with Applicable Pension Law.

12.03 **Borrowing**

Neither the Trustees nor the Administrative Agent shall borrow money for the purposes of the Canadian Plan except as allowed under Applicable Pension Laws.

12.04 **Claims on the Fund**

No Participant or any person claiming through a Participant shall have any right to, or any interest in, any part of the Fund except to the extent specifically provided from time to time under the Canadian Plan, a funding agreement or Applicable Pension Laws, and any Participant or other person having any claim through the Participant shall have recourse solely to the Fund for payment of any benefits hereunder. Under no circumstances shall any liability attach to an Employer, a Trustee, the Administrative Agent or custodian, or any director, officer or employee of an Employer for payment of any benefits or claims hereunder.

13. Miscellaneous Provisions

13.01 No Right of Employment

Neither the establishment of the Canadian Plan nor the making of any Employer contribution thereunder nor the creation of any fund or account thereunder nor the payment of any benefits shall be construed as giving to any Participant or any other person any legal or equitable right against the Employer unless conferred by written affirmative action of the Employer in accordance with the terms of the Canadian Plan. No Participant shall have any right to be retained in the employ of the Employer by reason of the existence of the Canadian Plan, and all Participants shall remain subject to discharge to the same extent as if the Canadian Plan had never been established.

13.02 Non-alienation of benefits

Subject to Applicable Pension Law, no benefit under the Canadian Plan shall be subject in any manner to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance or charge, and any attempt so to anticipate, alienate, sell, transfer, assign, pledge, encumber or charge the same shall be void; nor shall any such benefit be in any manner liable for or subject to the debts, contracts, liabilities, engagements or torts of the person entitled to such benefits; except as specifically provided in the Canadian Plan.

13.03 Domestic Relations Orders

(a) Subject to Applicable Pension Laws and pursuant to a written agreement, decree, order or judgment of a competent tribunal, a benefit payable under the Canadian Plan may be subject to execution, seizure or attachment in satisfaction of an order for support or maintenance or may be assigned, pledged, charged, encumbered or alienated to satisfy a division of matrimonial property.

(b) The determination of the benefit payable to a person under paragraph (a) above and of the Participant’s remaining benefit entitlements shall be subject to Applicable Pension Laws.

(c) The Participant’s benefit entitlements shall be reduced to account for the value of any settlement made under paragraph (a) above. Such reduction shall be determined in accordance with Applicable Pension Law.

13.04 Payment in Case of Incapacity

If any person to whom a benefit is payable is under legal disability or is, in the sole judgment of the Trustees, otherwise unable to manage his financial affairs, the Trustees may, in its discretion, direct that any payment due to such person be made to (a) such person, (b) his legal guardian or conservator, (c) a custodian for him, or (d) his Spouse or any other person, to be expended for his benefit. The decision of the Trustees shall in each case be binding on all persons, and it shall be under no duty to see to the proper application of such payments.

13.05 **Participants to Furnish Required Information**

(a) Every Participant shall furnish to the Trustees such information as the Trustees considers necessary or desirable for purposes of administering the Canadian Plan. If a Participant, in his application for his retirement benefit or in response to any request by the Trustees for information, makes any statement which is erroneous, or omits any material fact, or fails before receiving his first payment to correct any information which he previously incorrectly furnished to the Trustees for its records, then the amount of his benefit shall be adjusted accordingly, if necessary, and the amount of any overpayment theretofore made to the Participant shall be deducted from his next succeeding payments as the Trustees shall direct.

(b) Every Participant and other person entitled to benefits hereunder shall file with the Trustees from time to time, in writing, his post office address and each change of post office address. Any check representing payment hereunder, and any communication addressed to a Participant or other person at his last address filed with the Trustees (or, if no such address has been filed, then at his last address as indicated on the records of an Employer), shall be binding on such person for all purposes of the Canadian Plan, and neither the Trustees nor an Employer shall be obligated to search for the location of any such person.

13.06 **Commutation of Benefits**

A pension payable from the Canadian Plan may be commuted and paid in a lump-sum cash payment where permitted or required by, and in accordance with Applicable Pension Law.

14. Disclosure

14.01 **Plan Explanation**

Within the period prescribed by Applicable Pension Laws, the Administrative Agent shall provide a written description of the Canadian Plan to each Employee who becomes eligible for membership in the Plan. Such description shall explain the terms and conditions of the Canadian Plan and amendments thereto applicable to the Eligible Employee and the rights and obligations of the Eligible Employee in respect of the Canadian Plan.

Except as otherwise permitted or required under Applicable Pension Laws, the Administrative Agent shall provide a written explanation of an amendment to each Employee affected by the amendment not later than 60 days after registration of any amendment to the Canadian Plan.

14.02 **Inspection**

The Administrative Agent or the Employer shall permit a Participant, or such person as is required to be permitted under Applicable Pension Laws, to inspect, or make extracts from, the Canadian Plan text and any other related documents required to be made available under Applicable Pension Laws, at such times and places as may be required by Applicable Pension Laws.

14.03 **Benefits Statement**

(a) Within the period prescribed by Applicable Pension Laws, the Administrative Agent shall provide to each Participant a written statement describing the benefits the Participant has earned to date and such other information as required under Applicable Pension Laws.

(b) Upon cessation of employment of a Participant or upon termination of the Participant's active membership in the Canadian Plan, the Administrative Agent shall provide to the Participant (or the person entitled to benefits in the event of the Participant's death) within the period prescribed by Applicable Pension Laws, a written statement of the benefits and options to which the Participant is entitled.

14.04 **Other Information**

The Administrative Agent or the Employer shall provide such other information regarding the Canadian Plan, statistical or otherwise, as is required under Applicable Pension Laws.

14.05 **Limitation**

An explanation, statement or right of disclosure pursuant to Section 14 of the Canadian Plan text provided under any document shall have no effect on the rights or obligations of any person under the Canadian Plan, and shall not be referred to in interpreting or giving effect to the provisions of the Canadian Plan. Neither the Trustees, the Administrative Agent, the Employer, nor any Employee, officer or director of the Employer who is involved in the administration of the Canadian Plan shall be liable for any loss or damage claimed by any person to have been caused by any error or omission in such explanation, statement or other information.

15. Right to Alter and Terminate

15.01 **Payment of Benefits**

Upon the termination of the Canadian Plan, Participants shall be paid their accrued benefits in the form of cash, the purchase of annuity contracts, the transfer of monies to other pension plans or to approved registered vehicles, or the continuation of the Fund or a combination thereof, at the discretion of the Trustees and as permitted under Applicable Pension Laws and the *Income Tax Act (Canada)*.

15.02 **Wind-Up Surplus**

Upon the termination of the Canadian Plan, in whole or in part, any assets of the Fund (or the appropriate portion of the Fund in the case of a partial discontinuance) in excess of those required to discharge all liability for accrued benefits shall be paid to the Employer, except to the extent that Applicable Pension Laws otherwise require.

Appendix VII – Provisions Applicable to Certain Canadian Employees

CLOSED Group – January 1, 2008

This appendix describes how the Plan is modified with respect to participants who are otherwise covered under the Plan or any Appendix and who are working from a Canadian office of an Employer and reside in Canada prior to January 1, 2008 and who are not Participants in the Consolidated Retirement Fund Canadian Plan.

1. Vesting override: any Plan provision to the contrary notwithstanding, two years of Service will be required for purposes of Section 4 of the Base Plan in order to be vested.

2. 50% rule refund: any Plan provision to the contrary notwithstanding, any Participant who terminates employment with a vested benefit shall receive an additional lump sum benefit to the extent that the present value of his accrued benefit (as calculated on the minimum basis as specified under applicable law) is less than two times the value of his own contributions with interest.

3. Contribution with interest: Exhibit 1 to the Plan notwithstanding, the interest rate applied will be the average rate for the prior calendar year as specified under applicable law.

4. Pre-retirement death benefit override: any Plan provision to the contrary notwithstanding, the minimum benefit payable under the plan shall a benefit equal in value to 100% of the benefit that would be applicable to the employee had he terminated employment instead, and shall be paid as a lump sum to a non-Spouse Beneficiary or as lump sum or life annuity at the election of a Spouse Beneficiary.

5. Optional forms: unless properly rejected, in no event shall a Participant be permitted to commence a benefit that does not provide, upon his death, that at least 60% of the amount the participant was receiving will continue to his Spouse for the remainder of her lifetime.

Appendix VIII – ILGWU Plan Participants

CLOSED GROUP – December 31, 2002

The provisions of this Appendix VIII apply to (i) participants in the UNITE Staff Retirement Plan, ILGWU Unit (the "ILGWU Plan") prior to December 31, 2001 and to (ii) employees hired prior to December 31, 2001 who would have been eligible to join the ILGWU Plan in the future under the terms of the ILGWU Plan as in effect on December 31, 2001. This includes employees of UNITE hired after July 1, 1995 and prior to January 1, 2003, and employees of former ILGWU affiliates hired prior to January 1, 2003. In no event shall any Participant hired after January 1, 2003 be covered by this Appendix. Employees hired after December 31, 2002 shall be covered under the Base Plan provisions. The ILGWU Plan was merged into the Plan on December 31, 2001 and all participants in the ILGWU Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix VIII, the terms of this Appendix VIII will control with respect to Participants covered by this Appendix VIII. References in this Appendix to the ILGWU Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix VIII, it is intended that the Plan and this Appendix VIII be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the ILGWU Plan as of December 31, 2001 shall not be decreased as a result of the merger of the ILGWU Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 2001.

The following definitions shall apply for purposes of this Appendix VIII:

"Affiliated Organizations" - shall mean the General Office, joint boards, district councils, local unions and such other organizational sections of the Union as are now, or may hereafter be, established by or pursuant to the Constitution of the Union and employees of the Amalgamated Life Insurance Company who as of December 31, 2001, were participants in the ILGWU Plan.

"Credited Employment" or "Covered Employment" - shall mean, as applied to each participant, the number of years or fraction thereof for which contributions are made, or are required to be made, by or on behalf of such participants under the Plan, the ILGWU Plan or the Predecessor Plan. For the purpose of determining a participant's eligibility for a retirement benefit or the amount of such benefit, years of credited employment before any permanent break in service shall be disregarded unless, pursuant to the applicable provisions of the Plan, credit for such years is restored. If a participant's scheduled number of hours of duty in a month is less than the normally scheduled number of hours, his credited employment for that month shall be a fraction equal to the number of his scheduled hours divided by the normally scheduled number, unless such change in the normally scheduled number of hours is temporary in nature. The above notwithstanding, Participant Jean Hansen shall, commencing on January 1, 2000, be credited with three months of Credited Employment and Covered Employment for each month of Credited Employment or Covered Employment which would otherwise be credited each year to a maximum total of 30 years. In addition, Participant Darlene Bilicik shall be credited with ten additional years of Credited and Covered Employment upon hire at October 1, 2002.

“Break in Service” - shall mean any plan year, beginning after 1975, in which an employee does not complete at least 501 hours of service. An employee who has completed less than 5 years of service and incurs a number of consecutive one-year breaks in service equal to or more than 5 years or, if longer, his number of years of service preceding such break shall incur a permanent break in service when he incurs the last of such one-year breaks in service. An employee shall also be deemed to have incurred a permanent break in service (a) upon any termination of employment before 1975 or (b) as of the end of 1975, if he was involuntarily terminated that year after completing less than 501 hours of service, or if he voluntarily terminated in that year after completing less than 1,000 hours of service.

“Salary” - shall mean, subject to the limitations of Code Section 401(a)(17), the regular weekly rate of compensation paid to a participant that:

(a) conforms to the policies or recommendations on salaries or salary increases of the UNITE or ILGWU Convention, UNITE or ILGWU General Executive Board or UNITE or ILGWU Personnel Review Trustees; or

(b) is paid under the terms of a collective bargaining agreement applicable to the participant. An increase based on a bona fide job change, bona fide promotion, or bona fide merit adjustment shall be included in “salary”, or

(c) with respect to an employee of Amalgamated Life Insurance Company, means total remuneration of an Employee on account of his employment with the Employer, including but not limited to salary, overtime, sick pay and the Employee’s Tax Deferred Contributions and Supplemental Tax Deferred Contributions under the Savings Plan.

With respect to (a) and (b) above, bonuses, payment of overtime, reimbursement for expenses or expense allowances shall be excluded from Salary.

Effective January 1, 2011, “Salary” shall mean Salary as defined in Section 1.29 of the Base Plan except that for employees of ALICO who participate in the Plan under Appendix VIII, Salary shall have the meaning given for Compensation under Appendix II for ALICO.

“Final Average Annual Salary” - shall mean the annual average calculated based on the participant’s salary during his last 104 regular weekly payrolls immediately prior to his retirement date. For any month for which he receives a fraction of a month of credited employment, because his scheduled number of hours of duty is less than the normally scheduled number of hours, his salary for this purpose shall be deemed to be his actual salary divided by such fraction. For employees of ALICO who participate in the Plan under Appendix VIII, Final Average Annual Salary shall mean the average Salary during the two-year period preceding the Participant’s retirement or severance from employment.

“With Interest” - shall mean, when used in connection with the return of a participant’s personal contributions made prior to May 1991, as provided under the Plan, interest at an annual rate as

declared by the Trustees, compounded annually based on the cumulative returnable personal contributions at the end of each calendar year. For 1976, the rate shall be 5%. Thereafter, at the beginning of any calendar year, the Trustees may, in its discretion, adjust the rate applicable to each year, provided that such rate is not less than the rate required by Income Tax Regulations under Section 411 of the Internal Revenue Code.

“Normal Retirement Age” - shall mean age 62.

“Predecessor Plan” - shall mean the International Ladies’ Garment Workers’ Union Staff Retirement Plan, as in effect on June 30, 1995.

“Predecessor Employer” - shall mean the International Ladies’ Garment Workers’ Union or any of its affiliates.

“Member” or “Participant” - shall mean an Employee covered by the terms of this Appendix VIII.

Where inconsistent with the terms of the Base Plan, participation and contributions shall be determined pursuant to the following sections VIII2.1 -2.3:

(a) VIII2.1 - Participation - A Participant in the Appendix VIII of the Plan on December 31, 2002 shall remain a Participant in this Appendix. There shall be no new Participants in the Appendix VIII after December 31, 2002.

The retirement dates of Participants covered by this Appendix VIII shall be in accordance with Sections VIII4.1 through VIII4.4, immediately following:

VIII4.1 - Regular Retirement Age and Service Requirements -

(a) Any participant with 25 or more years of credited employment who has attained age 60; or

(b) Any participant with 24 or more years of credited employment who has attained age 61; or

(c) Any participant with 5 or more years of credited employment who has attained age 62 while in the employ of the Predecessor Employer or the Union, shall be eligible for regular retirement on the first day of the month next following his retirement birthday (or the retirement birthday itself, if that be the first day of the month), and may apply, in such form as the Trustees may prescribe, for the regular benefits provided under this Plan effective such date or any other first day of a month thereafter.

VIII4.2 - Regular Disability Retirement Benefits - Any participant with 15 or more years of credited employment who has not attained age 62 and while still in the employ of the Union is totally and permanently disabled for 6 months, shall be eligible for regular disability retirement benefits upon application therefore by or on behalf of the participant, in such form as the Trustees may prescribe. A participant shall be deemed totally and permanently disabled for

purposes of this Plan, only if the participant has received a Social Security Disability Award or the New York Union Health Center, or such medical institution or medical agency as may be designated by the Trustees, certifies that the participant is unable to perform the regular functions of his position because of a presumably permanent or indefinitely continuing disability and such disability continues thereafter as the Trustees may from time to time determine prior to the participant's 62nd birthday.

VIII4.3 - Late Retirement - Any participant who continues in the employ of the Employer after reaching his Normal Retirement Age shall not be entitled to receive retirement benefits until he actually retires. Retirement benefits for such participant shall commence on the first day of any month selected by the participant subsequent to his attainment of Normal Retirement Age but prior to his required beginning date.

Notwithstanding the foregoing, a participant who continues in the employ of the employer after his Normal Retirement Age but prior to his required beginning date shall be entitled to receive a pension with respect to any month in which he has less than 40 hours of service. Once a participant reaches his required beginning date, he shall be entitled to receive a pension without regard to his employment status.

VIII4.4 - Early Retirement - Any Participant with 15 or more years of credited employment who has attained age 55 while in the employ of the Union shall be eligible for a reduced early retirement benefit upon application therefore. Up to 10 years of Union membership immediately prior to employment with the Union can be used towards satisfying the required 15 years of credited employment. Such benefit shall be the regular retirement benefit determined pursuant to this Appendix VIII, less 3% per each full year under age 62, and fractionally for each month not part of a full year, to a maximum of 20%. This reduction shall not apply to participants who meet the requirements of Section VIII4.1(a) or (b).

VIII4.5 - Deferred Vested Retirement - A Participant who has five (5) Years of Service, but is not eligible for regular retirement under Section VIII4.1, shall have a vested right to receive a retirement benefit effective as of the earliest of the March 1 following the year in which the Participant attained his 62nd birthday or terminated his employment, whichever is later. However, in the event a Participant has ten (10) Years of Credited Employment and such Participant's termination is due to total and permanent disability as determined under Section VIII4.2, he shall receive a vested retirement benefit effective as of March 1 following the year in he was so disabled. Notwithstanding the foregoing, in no event may a Participant entitled to receive a vested retirement benefit postpone the commencement of benefits to a date later than his required beginning date. The provisions of Sections VIII5.3 and VIII5.4 shall apply to retirees who receive a vested retirement benefit under this Section VIII4.5.

The benefit of a Participant covered by this Appendix VIII shall be determined in accordance with Sections VIII5.1 through VIII5.5, immediately following:

VIII5.1 - Monthly Regular Retirement Benefits Amount - A participant who is eligible for regular retirement shall be entitled to receive an annual retirement benefit payable monthly for life, including the month in which he dies, computed by multiplying all years of credited employment by two and one-half percent (2½%) of his Final Average Annual Salary, provided

that no annual retirement benefit shall exceed a maximum of seventy-five percent (75%) of such participant's Final Average Annual Salary. For employees who were participants on July 1, 1991, the benefit shall be 104% of the computed amount. The annual benefit amount shall then be divided by twelve (12) to determine the participant's monthly retirement benefit amount.

Notwithstanding the foregoing, in the event a participant who has elected a late retirement date has not been furnished a notice required under Section 203(a)(3)(B) of ERISA, the retirement benefit determined under this Section VIII5.1 shall not be less than the actuarial equivalent of the amount that would have been paid had the participant retired on the first day of the month following the month in which he attained normal retirement age.

VIII5.2 - Time of Payment - Retirement benefits as calculated in Section VIII5.1 shall be paid to eligible participants monthly, on or about the first day of each month, but shall be deemed effective as of the first day of each such month, commencing as of the annuity starting date. In no event, unless the participant elects otherwise, shall the commencement date be later than the 60th day after the close of the plan year in which he attained age 62 or, if later, the plan year in which he terminated his covered employment, provided that no such election may postpone the commencement of benefits to a date later than the participant's required beginning date.

VIII5.3 - Termination of Benefits - Monthly retirement benefits to a retiree shall terminate:

(a) In the month in which the retiree dies; or

(b) With respect to any period, before normal retirement age, in which a disability retiree is determined by the Trustees to be no longer totally and permanently disabled.

VIII5.4 - Suspension of Benefits -

(a) Monthly retirement benefits to a retiree shall be suspended except in cases of part- time or temporary reemployment approved by the Trustees effective the first day of the month following the date he again becomes an employee and shall be resumed effective the first day of the month following the date he again ceases to be an employee. However, monthly retirement benefits to a participant who has attained normal retirement age shall not be suspended for any month in which the participant is employed in credited employment for 83 hours of service or fewer per month. Notwithstanding the foregoing, commencing on a participant's required beginning date, there are no restrictions regarding employment after retirement and there shall be no suspension of benefits.

(b) The Trustees shall notify a participant or retiree of any suspension of benefits by notice given by personal delivery or first class mail during the first calendar month in which his benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, a description and a copy of the relevant plan provisions, reference of the applicable regulations of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension.

(c) The monthly retirement benefit payable to a retiree who returns to credited employment shall, upon his subsequent retirement, be adjusted to reflect additional years of credited employment and the most recent final average annual salary earned during his subsequent period(s) of work in credited employment (subject to the maximums provided by the Plan). However, any benefits then payable shall be reduced by the actuarial equivalent of any benefits the participant received during his previous period(s) of retirement and prior to his normal retirement age except that in no event shall the monthly amount be less than the amount paid to him at the time he returned to credited employment.

(d) Participants who either continue in employment past Normal Retirement Age or are reemployed for 83 hours of service or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours of service or fewer per month.

VIII5.5 - Lump Sum Settlement - Except as provided in Sections VIII6.4 and VIII7.4, the Plan does not provide for a lump sum settlement of any pension payable to a retiree or Beneficiary.

VIII5.6 - Vested Retirement Age and Service Requirements - A Participant who has completed 5 Years of Service, but is not eligible for a regular retirement, shall have a vested right to receive a retirement benefit effective as of the earliest of the March 1 following the year in which the Participant attained his 62nd birthday or terminated his employment, whichever is later.

Notwithstanding the foregoing, in no event may a Participant entitled to a vested retirement benefit postpone the commencement of benefits to a date later than his required beginning date.

The provisions of Sections VIII5.3(a) and VIII5.4 shall apply to retirees who receive a vested retirement benefit under this Section.

VIII5.7 - Monthly Vested Retirement Benefit Amount - A Participant who is eligible for vested retirement under Section VIII5.6 shall be entitled to receive an annual retirement benefit payable monthly for life, including the month in which he dies, computed by multiplying the number of years of credited employment by two and one-quarter percent (2¼%) of his Final Average Annual Salary, provided that no annual retirement benefit shall exceed a maximum of seventy-five percent (75%) of such Participant's Final Average Annual Salary. For employees who were participants on July 1, 1991, the benefit shall be 104% of the computed amount. The annual benefit amount shall then be divided by twelve (12) to determine the Participant's monthly retirement benefit amount.

Notwithstanding the foregoing, in the event a Participant who has attained Normal Retirement Age has not been furnished a notice required under Section 203(a)(3)(B) of ERISA, the retirement benefit determined under this Section VIII5.7 shall not be less than the actuarial equivalent of the amount that would have been paid had the Participant retired on the first day of the month following the month in which be attained Normal Retirement Age.

In lieu of a Participant's right to benefits and death benefits under the provisions of the Base Plan document, the immediately following provisions of Sections VIII6.1 through VIII6.8 shall apply to Participants covered by this Appendix VIII. Notwithstanding the foregoing, Section 7.2 of the Base Plan shall apply to Participants covered by this Appendix VIII.

VIII6.1 - Survivor's Benefit on Death of a Retiree - See Base Plan text – Section 7, with the following changes:

I-7.1(c) A Participant who has completed ten (10) years of credited employment and is an active Employee on the date of his death may elect from various joint annuity options in accordance with Table A. A joint annuity shall be payable to the annuitant during his life and, after his death, to his Spouse, if surviving, during her life. The amount of the monthly payments to an annuitant who has elected a joint annuity and to his Surviving Spouse, shall be computed by applying the monthly Regular Annuity to which the annuitant would otherwise have been entitled, the percentage determined in accordance with Table A, annexed hereto. If no election is made, option E will be deemed to have been elected.

I-7.3 Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

VIII6.2 - Survivor's Benefit on Death of an Active Participant – see Section 6 of Base Plan text, with the following added to the end of Section 6.2 and replacing Section 6.3 as follows:

I-6.2

(e) Upon the death of the Surviving Spouse, the Participant's contingent Beneficiary shall be paid a lump sum distribution equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and the Spouse.

Section 6.3 – replace the Base Plan document with the following:

I-6.3 The other pre-retirement Death Benefits shall be:

(a) In the event of the death of a Participant prior to retirement who is not eligible for the Surviving Spouse benefit in Section 6.1, his Beneficiary is entitled to the amount specified in Section I-6.2(d).

(b) Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Spouse, if any, or Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

(c) Notwithstanding any other provisions of this Section to the contrary, if payment of retirement benefits to a Participant has not commenced before his death, the entire death benefit payable hereunder shall be distributed by the December 31 coinciding with or next following the fifth anniversary of the Participant's death. However, if distribution of the survivorship benefit is to be made to a surviving Beneficiary over the life of such Beneficiary and the distribution begins by the December 31 coinciding with or next following the first anniversary of the Participant's death, benefits may be distributed over a period of longer than five years. In the event that the Participant's Spouse is his Beneficiary, the requirement that the distribution commence within one year of a Participant's death shall not apply, although the distribution must commence no later than April 1st following the calendar year in which the deceased Participant would have attained age 70½.

VIII6.3 - Eligible Survivor - A survivor for the payment of monthly survivor benefits hereunder must be designated by the Participant with spousal consent as prescribed in the Plan and on forms prescribed by the Trustees from the following only: (i) Spouse, however no benefit shall be payable to a designated Spouse who was married to a retiree or active Participant for less than one year prior to death; or (ii) unmarried children up to the December 31st of the year of their 23rd birthday. The failure to designate an eligible survivor shall be deemed to be a waiver of the survivor benefit under this Section. The survivor benefit under Section VIII6.2 will not be payable to a Spouse who is receiving a statutory joint and survivor annuity. The Participant may change his designation at any time before his retirement, but no change shall be permitted thereafter.

VIII6.4 - Survivor's Lump Sum Election - When a monthly survivor's benefit is payable under Section VIII6.2(a) as the result of the death of a Participant before actual retirement and before the Participant has met the retirement eligibility requirements, the survivor may elect to receive, instead of the monthly survivor's benefit, a lump sum settlement equal to the Participant's personal contributions to the Plan with interest.

However, if the eligible survivor electing to receive the lump sum settlement is the Participant's Spouse and the actuarial present value of the statutory joint and survivor annuity is greater than the amount of the lump sum settlement, then the amount of the lump sum settlement will be increased so that the total amount of the lump sum settlement is equal to the Actuarial Equivalent of the statutory joint and survivor annuity.

VIII6.5 - Termination of Survivor's Benefits - The monthly survivor's benefit payable to a designated eligible surviving Spouse under this Section shall be payable monthly for her life and shall terminate on her death. If, on the Spouse's death, there are any unmarried children of the Participant under age 23, the monthly survivor's benefit shall continue to be paid to such children until the last child reaches age 23. Monthly survivor's benefit payable to designated surviving unmarried children under age 23 shall terminate December 31 of the year of the 23rd birthday, or on the marriage or death of any such child, whichever sooner occurs, and such portion of the benefit shall be added to the benefit of any unmarried surviving child under age 23. In no event

shall any survivor receive more than a single survivor's benefit hereunder. In cases where more than one survivor's benefit may be due, the survivor shall be eligible to receive only the single highest survivor benefit payable hereunder.

VIII6.6 - At Retirement - A Participant who was an employee after 1975, and is married on the date as of which his retirement benefit has become effective, and who either had less than 10 years of credited employment or failed to designate an eligible survivor under the Plan, shall receive his retirement benefit in an adjusted amount which is the Actuarial Equivalent of a single-life annuity, payable in the form of a joint and survivor annuity with 50% of such reduced amount payable to his surviving spouse for life, unless he has filed with the Trustees a written notice rejecting such joint and survivor annuity, with appropriate spousal consent.

Subject to the requirements of spousal consent, a Participant may reject the statutory joint and survivor annuity (or revoke a previous rejection) at any time during the Election Period. The Election Period shall be the period not more than 90 days prior to the annuity starting date or less than 30 days after the Participant is provided a general description or explanation of the statutory joint and survivor annuity, the circumstances under which it will be provided unless the Participant elects not to have benefits provided in that form, the availability of such election, a general explanation of any other available optional form of payment and the relative financial effect on a Participant's pension of such election, the availability of additional information and how such additional information can be obtained. If a Participant requests additional information on or before the last day of the election period, such election period shall be extended to include at least 7 calendar days immediately following the date on which the additional information requested is personally delivered or mailed to the Participant. However, any rejection of the statutory joint and survivor annuity which is dated more than 90 days before the Participant's annuity starting date shall be deemed invalid. For notices given in plan years beginning after December 31, 2006, such notification shall also include a description of how much larger benefits will be if the commencement of distributions is deferred.

VIII6.8 - Adjustment of Pension Amount - When a statutory joint and survivor annuity becomes effective, the amount of the participant's monthly pension shall be reduced in accordance with the following factors to be multiplied by the benefit payable under the normal form:

Regular Retirement - 93% plus .3% for each year that the Beneficiary's age is greater than the participant's or minus .3% for each year that the Beneficiary's age is less than the participant's age with a maximum factor of 99%. (For example: participant is age 65 and Spouse is age 62; factor = 92.1%).

Disability Retirement - 79% plus .4% for each year that the Beneficiary's age is greater than the participant's age or minus .4% for each year that the Beneficiary's age is less than the participant's age with a maximum factor of 99%.

These factors are not in any respect to be deemed a vested right of any participant nor part of his accrued benefit and is subject to change by the Trustees for future annuities or elections as may be permitted by law.

In lieu of any other rules regarding a participant's personal contributions, the following provisions of Sections VIII7.1 through VIII7.3 shall apply to participants covered by the terms of this Appendix VIII:

VIII7.1 - Termination of Covered Employment - If a participant terminates employment before he has become eligible for a retirement benefit, or earned a vested right to a deferred retirement benefit, his total personal contributions shall be returned to him with interest. A terminated participant who has earned a vested right to a deferred retirement benefit shall have the option to request within 6 months after his termination of employment a return of his personal contributions with interest and to receive a deferred retirement benefit based only on the contributions of the UNITE and the Predecessor Employer instead of a full deferred retirement benefit based on the joint contributions of the participant and the Union and the Predecessor Employer. The deferred retirement benefit derived from the Union and Predecessor Employer contributions shall be the excess, if any, of:

(a) the full deferred benefit provided under the Plan as of age 62, over

(b) the accrued benefit derived from participant's personal contributions as of age 62.

For this purpose, the accrued benefit from participant's contributions as of age 62 is an amount equal to the participant's total person contributions expressed as an annual benefit commencing at age 62 (in the form of a single life annuity), using the following the assumptions from Appendix I.

If a Participant resumes employment, he shall have the right to repay the amount returned with interest and, upon such repayment, credit for those years of credited employment earned prior to such termination of employment shall be restored. The right of repayment described in the preceding sentence shall not apply to (1) in the case of a withdrawal on account of a separation from service, before the earlier of five years after the first date on which the Participant is later reemployed by the Employer, or (2) in the case of any other withdrawal, before five years have passed since the withdrawal.

VIII7.2 - Death Without Eligible Survivors - If, on the death of a Participant, no benefits are payable to a survivor or to his Spouse, the deceased's personal contributions less all retirement benefits paid, if any, shall be returned with interest to his designated Beneficiary or, if none, to his estate.

VIII7.3 - Remaining Personal Contributions - If all retirement and survivor or joint and survivor benefits terminate before the Participant's personal contributions have been exhausted, the balance of such contributions shall be returned, with interest, calculated up to the date of retirement, to his designated Beneficiary or, if none, to the Participant's estate. Effective as of January 1, 2003, only 50% of retirement and survivor or joint and survivor benefits paid shall be taken into account for purposes of this benefit.

VIII7.4 - Cash-out of Accrued Benefit and Retirement Benefit. Effective as of January 1, 2002, the ILGWU Plan shall make a lump sum distribution of the Actuarial Equivalent of the Vested Accrued Benefit derived from Employer and/or Employee Contributions of a terminated or retired Participant, provided that the amount of such lump sum distribution is not in excess of

$5,000 at the time of distribution. Such distribution may be made only on account of termination of participation in the ILGWU Plan. The ILGWU Plan may make immediate distribution of such benefit to a Participant without such Participant's consent. No distribution may be made under this section after the Annuity Starting Date. This Section is deleted effective as of March 28, 2005.

Appendix IX – Mid-Atlantic Plan Participants

CLOSED GROUP – January 1, 2002

The provisions of this Appendix IX apply to (i) participants in the Mid-Atlantic Regional Staff Retirement Plan, (the "Mid-Atlantic Plan") prior to December 31, 2001 and to (ii) employees hired prior to December 31, 2001 who would have been eligible to join the Mid-Atlantic Plan in the future under the terms of the Mid-Atlantic Plan as in effect on December 31, 2001. The Mid-Atlantic Plan was merged into the Plan on December 31, 2001 and all participants in the Mid-Atlantic Plan became Participants in the Plan. Employees of the Employer hired during 2002 shall be covered under Appendix I (ACTWU). Employees of the Employer hired after 2002 shall be covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix IX, the terms of this Appendix IX will control with respect to Participants covered by this Appendix IX. References in this Appendix to the Mid-Atlantic Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix IX, it is intended that the Plan and this Appendix IX be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Mid-Atlantic Plan as of December 31, 2001 shall not be decreased as a result of the merger of the Mid-Atlantic Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 2001.

The following definitions shall apply for purposes of this Appendix IX:

"Accumulated Contributions" shall mean the aggregate of a Participant's Contributions, as made under the Mid-Atlantic Plan in accordance with Section IX3.2, together with credited interest pursuant to Section IX5.8.

"Average Compensation" shall mean the gross monthly Compensation received by the Participant averaged over the 24 consecutive month period which produces the highest monthly average prior to the earliest of retirement, termination of employment, or cessation of all Employee contributions under the Mid-Atlantic Plan.

"Compensation" shall mean the gross monthly salary of the Participant including but not limited to payment for overtime, and any other emoluments. Effective January 1, 2011, Compensation shall not include severance pay.

"Early Retirement Date" shall mean in the case of each Participant the first day of the month on or following the date he attains his 55th birthday and completes 10 Years of Service but before his Normal Retirement Date.

"Employer" shall mean the Mid-Atlantic Regional Board, UNITE, and/or participating Locals of the Joint Board and any predecessor employer. Effective September 1, 1996, Employer also includes the former Pennsylvania Joint Board, UNITE. Employer also includes any other employer required to be aggregated with such Employer under Code Sections 414(b), (c), (m) or (o).

“Former Plan” shall mean the Pennsylvania Joint Board Staff Retirement Plan as in effect on August 31, 1996.

“Normal Retirement Date” shall mean the first day of the month coincident with or next following the Participant’s Normal Retirement Age which is the earlier of

(a) the later of the Participant’s 65th birthday or the fifth anniversary of the date the Participant commenced participation in the Mid-Atlantic Plan; or

(b) the later of the date the Participant attains his 62nd birthday and completes 10 Years of Service.

“Union” shall mean Mid-Atlantic Regional Joint Board, UNITE.

“UNITE Affiliate” shall mean a local union or joint board affiliated with UNITE, including The Amalgamated Bank of New York, The Amalgamated Life Insurance Company, Inc., the Amalgamated Insurance Fund, or any other fund which is created or exists for the benefit of the Union of Needletrades, Industrial and Textile Employees, its members or any corporation, the majority of stock of which is held by or for the benefit of the Union of Needletrades, Industrial and Textile Employees, its members or local union or joint board affiliated with UNITE.

“Year of Credited Service” for purposes of determining a Participant’s Accrued Benefit shall mean

(a) for service prior to January 1, 1976, continuous and uninterrupted service shall be credited as in accordance with the provisions of the Mid-Atlantic Plan in effect prior to such date during which the Employee was a Participant in the Mid-Atlantic Plan and made the required contributions; plus

(b) for service on or after January 1, 1976, each “full year” the Employee is a Participant and makes the required contributions commencing with an Employee’s first day of employment in which he completes an Hour of Service. For purposes of this section “full year” means the number of years, counting six months or more of a fractional year as a full year and less than six months of a fractional year as zero years.

However, in the event a Participant does not complete a “full year” of service, a Year of Credited Service shall be credited if the Participant completes at least 1000 Hours of Service during the 12-month period commencing with an Employee’s first day of employment in which he completes an Hour of Service with the Employer and anniversaries of such date.

Former participants of the Scranton-Wilkes Barre Joint Board Severance Pay Program, a predecessor plan, who are employed by the Employer as of January 1, 1985 and are Participants on January 1, 1985, shall receive one-half Year of Credited Service for each year of credited service in the Scranton-Wilkes Barre Joint Board Severance Pay Program, that was earned before January 1, 1980.

Years of Credited Service for Participants of the former Pennsylvania Joint Board Staff Retirement Plan (Former Plan) as of September 1, 1996, the effective date of its merger into this Mid-Atlantic Plan, shall include all service earned under the provisions of the Former Plan.

"Year of Service" for purposes of determining a Participant's eligibility for benefits under the Mid-Atlantic Plan shall mean service as provided in the definition of Year of Credited Service except service prior to January 1, 1976 shall mean the number of "full years" as an Employee of the Employer which were continuous and without interruption and shall not be limited to years the Employer was a Participant in the Mid-Atlantic Plan. Years of Service shall not include Years of Service prior to a break in Service except as otherwise provided in the Mid-Atlantic Plan or in the Plan.

Years of Service with any corporation, trade or business which is a member of a controlled group of corporations or under common control (as defined by Sections 414(a) and 414(c) of the Code), or is a member of an affiliated service group (as defined by Section 414(m) of the Code) or is an entity required to be aggregated pursuant to Regulations under Code Section 414(o) shall be recognized for vesting and eligibility for benefits, but only during the period such corporation, trade, or business, as applicable, is under common control with Employer or in a controlled group of corporations with Employer.

Where inconsistent with the terms of the Base Plan, contributions shall be determined pursuant to the following Sections IX3.2 and IX3.3:

Section IX3.2 Employee Contributions. A Participant is required to make contributions equal to 5% of his Compensation to be eligible for a Benefit in accordance with Section IX5.1. Each such Participant shall authorize the Employer, in writing, to deduct from his salary the percentage thereof so payable. The failure of an Employee to authorize the deduction in writing shall be deemed a waiver of participation.

Contributions required by a Participant pursuant to this Section shall be made as long as such Participant remains an Employee and shall be considered Accumulated Contributions.

Section IX3.3 Voluntary Contributions.

(a) Each Participant may elect, effective January 1, 1994, to voluntarily contribute an additional portion of his Compensation while a Participant under this Mid-Atlantic Plan. Such contributions shall be paid to the Trustee within a reasonable period of time but in no event later than 90 days after the receipt of the contributions. The balance in each Participant's Voluntary Contribution Account shall be fully vested at all times and shall not be subject to forfeiture for any reason.

(b) The Trustees shall maintain a separate Participant's Voluntary Contribution Account for Participant's Voluntary Contributions made pursuant to this Section. The Account will be valued at fair market value as of the last day of each Plan Year, or more frequently as decided by the Trustee. On such valuation date, the earnings and losses of the Plan attributable to Voluntary Contributions of all Participants will be allocated to each Participant's Voluntary Contributions Account in the ratio that such Account balance bears to all such Account Balances.

(c) Employee contributions made pursuant to this Section shall be considered as a separate defined contribution plan for the purposes of applying the limitations of Code Section 415.

The eligibility for retirement benefits of Participants covered by this Appendix IX shall be in accordance with Sections IX4.1 through IX4.6, immediately following:

Section IX4.1 Normal Retirement Benefit. A Participant who has retired from all employment with the Employer on or after attaining the Normal Retirement Age shall have a non-forfeitable right to receive a Normal Retirement Benefit.

Section IX4.2 Late Retirement Benefit. A Participant upon reaching his Normal Retirement Date may continue in the employ of the Employer. Upon retirement be shall have a non-forfeitable right to receive a Late Retirement Benefit.

Section IX4.3 Early Retirement Benefit. A Participant who retires from all employment with the Employer after attaining the age of fifty-five (55) and after completing ten (10) Years of Service shall have a non-forfeitable right to receive an Early Retirement Benefit.

Section IX4.4 Disability Retirement Benefit. A Participant whose employment terminates as a result of having become totally and permanently disabled after completing five (5) Years of Service and who satisfies the Trustees as to his Permanent and Total Disability upon certification by a physician selected by the Trustees shall be eligible to receive a Disability Retirement Benefit.

Section IX4.5 Deferred Vested Retirement Benefit. A Participant who is not otherwise entitled to receive a Benefit hereunder but whose employment ceases after he has completed five (5) or more Years of Credited Service shall have a non-forfeitable right to receive a Deferred Vested Retirement Benefit.

Section IX4.6 Nonvested Retirement Benefit. A Participant who is not otherwise entitled to receive a Benefit hereunder and whose employment ceases prior to completing five (5) Years of Credited Service shall be entitled to his Accumulated Contributions. The benefit attributable to Employer contributions shall be forfeited upon termination of employment.

The amount and payment of retirement benefits of Participants covered by this Appendix IX shall be determined in accordance with Sections IX5.1 through IX5.11, immediately following:

Section IX5.1 Normal Retirement Benefit. A Participant who is eligible for a Normal Retirement Benefit in accordance with Section IX4.1 shall receive a monthly benefit equal to 2.5% multiplied by the Participant's Average Compensation multiplied by his Years of Credited Service.

In no event shall a Participant's Accrued Benefit exceed 75% of Annual Average Compensation.

Normal Retirement Benefit payments shall commence on the Normal Retirement Date and shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

Section IX5.2 Late Retirement Benefit. A Participant who is eligible for a Late Retirement Benefit in accordance with Section IX4.2 shall receive a monthly benefit equal to the Accrued Benefit.

Late Retirement Benefit payments shall commence on the first day of the month coincident with or next following his Late Retirement Date and shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

Section IX5.3 Early Retirement Benefit. A Participant who is eligible for an Early Retirement Benefit in accordance with Section IX4.3 shall receive a monthly benefit equal to the Accrued Benefit.

Early Retirement Benefit payments shall commence on the Normal Retirement Date and shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

In lieu of the Early Retirement Benefit payments commencing on the Normal Retirement Date, such payments may commence on the first day of any month following early retirement and prior to the Normal Retirement Date in an amount equal to the Early Retirement Benefit that would otherwise be paid commencing on the Normal Retirement Date reduced by 2% for each year and fractions thereof by which the Annuity Starting Date of the Early Retirement Benefit precedes such Participant's Normal Retirement Date and shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

Section IX5.4 Disability Retirement Benefit. A Participant who is eligible for a Disability Retirement Benefit in accordance with Section IX4.4 shall receive a monthly benefit equal to the Accrued Benefit.

Such Disability Retirement Benefit shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

Section IX5.5 Deferred Vested Retirement Benefit. A Participant who is eligible for a Deferred Vested Retirement Benefit in accordance with Section IX4.5 shall receive a monthly benefit equal to the Accrued Benefit. Benefit payments shall commence on the Normal Retirement Date and shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

In lieu thereof, a Deferred Vested Participant who satisfies the Years of Service requirement for Early Retirement but who terminated employment with the Employer before the attainment of age 55 may upon the attainment of age 55 elect to receive his monthly Retirement Benefit

commencing on the first day of any month following the attainment of age 55 and prior to his Normal Retirement Date reduced by 6% for each year and fractions thereof by which the Annuity Starting Date precedes such Participant's Normal Retirement Date.

Section IX5.6 Nonvested Retirement Benefit. A Participant who is eligible for a Nonvested Retirement Benefit in accordance with Section IX4.6 shall receive a monthly benefit equal to the Accrued Benefit attributable to his Accumulated Contributions as determined pursuant to Section IX5.8 if he has not elected to receive his Accumulated Contributions in a lump sum payment pursuant to Section IX5.8.

Such Nonvested Retirement Benefit shall be paid monthly for life unless a Qualified Joint and Survivor Annuity is in effect.

Section IX5.7 Cash-out of Accrued Benefit and Retirement Benefit. The Mid-Atlantic Plan shall make a lump sum distribution of the Actuarial Equivalent of the Vested Accrued Benefit derived from Employer and/or Employee Contributions of a terminated or retired Participant, provided that the amount of such lump sum distribution is not in excess of $5,000 at the time of distribution. Such distribution may be made only on account of termination of participation in the Mid-Atlantic Plan. The Mid-Atlantic Plan may make immediate distribution of such benefit to a Participant without such Participant's consent. No distribution may be made under this section after the Annuity Starting Date. This Section is deleted effective as of March 28, 2005.

Section IX5.8 Withdrawal of Employee Contributions. A Participant whose employment relationship with the Employer has terminated may elect to receive a lump sum payment of his Accumulated Contributions. In such case, the benefit to which he would be entitled under this Section shall be reduced by the accrued benefit attributable to his Accumulated Contributions. The accrued benefit attributable to his Accumulated Contributions as of any applicable date is the amount equal to his Accumulated Contributions expressed as an annual benefit commencing at Normal Retirement Age, using an interest rate which would be used under the Mid-Atlantic Plan under Code Section 417(e)(3) (as of the determination date). The Accumulated Contributions shall be the total of:

(a) Participant's Employee contributions;

(b) interest (if any) on such contributions, computed at the rate as follows for Plan Years prior to January 1976:

1965 – 1971	2% per annum, compounded annually
1971 – 1975	4% per annum, compounded annually

(c) interest on the sum of (a) and (b) above compounded annually at the rate of 5 percent per annum from the beginning of the Plan Year to which Code Section 411(a)(2) applies (January 1, 1976) or the date the Participant began participation in the Mid-Atlantic Plan, whichever is later, to December 31, 1987 or the date on which the Participant would attain Normal Retirement Age, if earlier; and

(d) interest on the sum of (a), (b) and (c) above compounded annually:

(i) at the rate of 120 percent of the federal mid-term rate (as in effect under Code Section 1274 for the first month of a Plan Year) from January 1, 1988 or the date the Participant began participation in the Mid-Atlantic Plan, whichever is later, and ending with the date on which the determination is being made, and

(ii) at the interest rate used under the Mid-Atlantic Plan pursuant to Code Section 417(e)(3) (as of the determination date) for the period beginning with the determination date and ending on the date on which the Participant would attain Normal Retirement Age.

Withdrawal of Accumulated Contributions under this Section IX5.8 shall be made subject to the procedures in Section Eight of the Base Plan.

Section IX5.9 Reemployment of Former Participant. If a former Participant again becomes a Participant, such renewed participation shall not result in duplication of benefits. Accordingly, if he has received or was deemed to have received a distribution of a Vested Accrued Benefit under the Mid-Atlantic Plan by reason of prior participation (and such distribution has not been repaid to the Mid-Atlantic Plan with interest within a period of the earlier of 5 years after the first date on which the Participant is subsequently reemployed by the Employer or the close of the first period of 5 consecutive one-year Breaks in Service commencing after the distribution), his Normal Retirement Benefit and Accrued Benefit shall be reduced by the Actuarial Equivalent (at the date of distribution) of the present value of the Accrued Benefit as of the date of distribution. Any repayment by a Participant shall be equal to the total of:

(a) the amount of the distribution,

(b) interest on such distribution compounded annually at the rate of 5 percent per annum from the date of distribution to the date of repayment or to the last day of the first Plan Year ending on or after December 31, 1987, if earlier, and

(c) interest on the sum of (a) and (b) above compounded annually at the rate of 120 percent of the federal mid-term rate (as in effect under Code Section 1274 for the first month of a Plan Year) from the beginning of the first Plan Year beginning after December 31, 1987 or the date of distribution, whichever is later, to the date of repayment.

Section IX5.10 Withdrawal of Voluntary Contributions. At Normal Retirement Date, or such other date when a Participant shall be entitled to receive benefits, the Voluntary Contribution Account shall be used to provide an additional benefit to the Participant. A Participant may elect to receive a lump sum payment of his Voluntary Contribution Account in accordance with the election procedures in Section Eight of the Base Plan. Should the Participant die before he is entitled to receive payment of his Voluntary Contribution Account, his Beneficiary may elect to receive a lump sum payment of the Account.

Section IX5.11 Additional Lump Sum Benefit at Retirement. A Participant who retires from active employment under Section IX4.1, IX4.2 or IX4.3 on or after January 1, 1999 shall receive at retirement an additional lump sum benefit equal to $1,000 for each Year of Credited Service earned after January 1, 1998.

The following provisions apply to Participants covered by this Appendix and supersede the provisions in Section Four of the Base Plan with respect to such Participants, to the extent these provisions are inconsistent with those provisions.

Section IX6.1 Qualified Joint and Survivor Annuity. In addition to Section 7.1(e) of the Base Plan, the following provisions shall apply:

(a) If a Participant is married on his Annuity Starting Date, his benefit shall be paid in the form of a Qualified Joint and Survivor Annuity. Under the Qualified Joint and Survivor Annuity, the Retirement Benefit payable to the retired Participant shall be reduced by 15% and shall be paid to the retired Participant for his lifetime; and at his death, his Eligible Surviving Spouse shall be entitled to 50% of such reduced Retirement Benefit. However, for each year the retired Participant's birthday exceeds his Eligible Surviving Spouse's birthday by 5 years, the Benefit payable to his Surviving Spouse shall be multiplied by a percentage equal to (i) 100% minus (ii) ½% for each year his birthday exceeds his Eligible Surviving Spouse's by 5 years. The survivor annuity shall commence on the first day of the month following the date of the retired Participant's death and shall continue during the lifetime of the Eligible Surviving Spouse.

(b) A married Participant may elect not to take the Qualified Joint and Survivor Annuity during an election period which shall be the 90 day period ending on his Annuity Starting Date. Any election to waive the Qualified Joint and Survivor Annuity must be made by the Participant, in writing during the election period and be consented to by the Participant's Eligible Surviving Spouse. Such election shall designate a Beneficiary (or a form of benefit) that may not be changed without spousal consent (unless the consent of the Spouse expressly permits designation by the Participant without the requirements of further consent by the Spouse). Such Spouse's consent shall be irrevocable and must acknowledge the effect of such election and be witnessed by a Plan representative or a notary public. Such consent shall not be required it if is established to the satisfaction of the Trustees that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or other circumstances that may be prescribed by Treasury regulations. The election made by the Participant and consented to by his Spouse may be revoked by the Participant in writing without the consent of the Spouse at any time during the election period. The number of revocations shall not be limited. Any new election must comply with the requirements of this Section IX6.1. A former spouse's waiver shall not be binding on a new spouse.

(c) With regard to the election, the Trustees shall provide the Participant, no less than 30 days and no more than 90 days before the Annuity Starting Date (and consistent with Treasury regulations), a written explanation of:

(i) the terms and conditions of the Qualified Joint and Survivor Annuity;

(ii) the Participant's right to make an election to waive the Qualified Joint and Survivor Annuity;

(iii) the right of the Participant's Spouse to consent to any election to waive the Qualified Joint and Survivor Annuity;

(iv) the right of the Participant to revoke such election, and the effect of such revocation; and

(v) the relative values of the various optional forms of benefit under the Plan.

Notwithstanding the foregoing, however, a Participant (or his spouse, if applicable) may commence distribution earlier than the expiration of the 90 day period described above, if the applicable election period to waive the Qualified Joint and Survivor Annuity shall not end before the 30th day after the date of which such explanation is provided. Moreover, a Participant may elect (with any applicable spousal consent) to waive the requirement that the written explanation be provided at least 30 days before the Annuity Starting Date if the distribution commences more than 7 days after such explanation is provided. For notices given in plan years beginning after December 31, 2006, such notification shall also include a description of how much larger benefits will be if the commencement of distributions is deferred.

(d) "Eligible Surviving Spouse" means the Spouse of a Participant who was legally married to such Participant throughout the one year period ending on the earlier of the Participant's Annuity Starting Date or the date of death of the Participant. However, if a Participant marries within one year before the Annuity Starting Date and the Participant and the Participant's Spouse have been married for at least a one year period ending on or before the date of the Participant's death, the Spouse shall be treated as an Eligible Surviving Spouse as of the Annuity Starting Date.

(e) An official marriage certificate and birth certificate of the Participant and his Spouse and/or other documentation must be submitted to the Trustees showing evidence of the legal marriage and ages of the Participant and his Spouse.

(f) Upon the death of a Participant who has no Eligible Surviving Spouse, no Qualified Joint and Survivor Annuity shall be payable under this Section IX6.1.

(g) If a Participant's Spouse dies before the Participant's Annuity Starting Date, his election of the Qualified Joint and Survivor Annuity shall automatically be revoked.

Section IX6.2 Single Life Annuity. If a Participant is not married on his Annuity Starting Date, or if he elected not to provide the Qualified Joint and Survivor Annuity for his Spouse, in accordance with Section IX6.1(b), he shall receive his monthly benefit in the form of a Single Life Annuity, payable for his life and terminating upon his death.

Section IX6.3 Pre-Retirement Death Benefit.

(a) A married Participant or married former Participant who is entitled to a Vested Accrued Benefit and who dies prior to Retirement shall be deemed automatically to have elected a Pre-Retirement Surviving Spouse Annuity. If the Participant dies after attaining the earliest retirement age, such Pre-Retirement Surviving Spouse Annuity shall provide a lifetime monthly pension benefit for the Participant's Eligible Surviving Spouse as defined in Section IX6.1(d) equal to the amount the Spouse would have been entitled to receive under the Qualified Joint and Survivor Annuity if the Participant had retired on the day immediately preceding his death and shall commence on the first day of the month coincident with or next following his date of death.

If the Participant dies prior to attaining the earliest retirement age, his Eligible Surviving Spouse shall be entitled to a lifetime monthly benefit equal to the amount that would have been payable under the Qualified Joint and Survivor Annuity if the Participant had terminated employment on the day of his death, survived to his earliest retirement age, retired with an immediate Qualified Joint and Survivor Annuity and died on the day on which such Participant would have attained his earliest retirement age. Such Pre-Retirement Surviving Spouse Annuity shall commence on the first day of the month in which the Participant would have attained his earliest retirement age unless the Surviving Spouse elects a later date, Benefits commencing after the earliest retirement age will be the Actuarial Equivalent of the benefit to which the Eligible Surviving Spouse would have been entitled if benefits had commenced at the earliest retirement age.

The earliest retirement age, as used in this Section IX6.3, shall be defined as the earliest age at which a Participant could separate from service and immediately receive a Retirement Benefit.

(b) If the Actuarial Equivalent of the Pre-Retirement Surviving Spouse Annuity is $5,000 or less, the Trustees shall direct the immediate distribution of such amount to the Participant's Eligible Surviving Spouse. No distribution may be made under this preceding sentence after the Annuity Starting Date unless the Spouse consents in writing. If the value of the Actuarial Equivalent is in excess of $5,000, payment may not be made without the consent of the Participant's Eligible Surviving Spouse, with such consent obtained in the manner described in Section IX6.1(b).

(c) In the event the Participant is not married as of the date of death, or if he is married, but dies before attaining eligibility for a vested benefit, his designated Beneficiary shall be entitled to receive a lump sum death benefit equal to his

Accumulated Contributions and Voluntary Contribution Account. The designated Beneficiary of a married Participant shall be the spouse, unless such spouse consents in writing to an alternate designation and the terms of such consent acknowledge the effect of such alternate designation and the consent is witnessed by a representative of the Plan or by a notary public. If a Beneficiary has not been designated, the amount shall be paid to (i) the surviving spouse, or (ii) if none, then to the surviving children in equal shares, or (iii) if none, to his estate.

(d) In addition to the Pre-Retirement Death Benefit described in Section IX6.3(a) and (c), an active Participant who dies on or after January 1, 1999 shall be entitled to an additional lump sum death benefit equal to 100% of his annual salary in effect as of the date of his death, up to a maximum of $35,000.

Appendix X – California Plan Participants

CLOSED GROUP – December 31, 2002

The provisions of this Appendix X apply to (i) participants in the Staff Retirement Plan of the California Joint Board Amalgamated Clothing and Textile Workers Union, (the "California Plan") prior to December 31, 2001 and to (ii) employees hired prior to December 31, 2001 who would have been eligible to join the California Plan in the future under the terms of the California Plan as in effect on December 31, 2001. Employees of the Employer hired during 2002 shall be covered under Appendix I (ACTWU), Employees of the Employer hired after 2002 shall be covered under the Base Plan provisions. The California Plan was merged into the Plan on December 31, 2001 and all participants in the California Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix X, the terms of this Appendix X will control with respect to Participants covered by this Appendix X. References in this Appendix to the California Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix X, it is intended that the Plan and this Appendix X be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the California Plan as of December 31, 2001 shall not be decreased as a result of the merger of the California Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 2001.

The following definitions shall apply for purposes of this Appendix X:

"Accumulated Contributions" shall mean the aggregate of a Participant's contributions, as made in accordance with Section X6.1, together with Credited Interest.

"Amalgamated" means Amalgamated Clothing and Textile Workers Union.

"Amalgamated Affiliate" means a local union or joint board affiliated with Amalgamated, The Amalgamated Bank of New York, The Amalgamated Life Insurance Company, Inc., The Amalgamated Insurance Fund, or any other fund which is created or exists for the benefit of Amalgamated Clothing and Textile Workers Union, its members or any corporation the majority of stock of which is held by or for the benefit of Amalgamated Clothing and Textile Workers Union, its members or a local union or joint board affiliated with Amalgamated. Amalgamated Affiliate shall also mean any other entity which is related to the Employer as a member of a controlled group of corporations in accordance with Section 414(b) of the Code or as a trade or business under common control in accordance with Section 414(c) of the Code, any organization which is part of an affiliated service group in accordance with Section 414(m) of the Code, or any entity required to be aggregated with the Employer in accordance with Section 414(o) of the Code and the regulations there under.

“Average Salary” shall mean the average Salary rate received by a Participant during the two-year period immediately preceding the date upon which he/she becomes an Annuitant or during the ten-year period immediately preceding such date, whichever average amount is the greater.

“California Plan” means the Staff Retirement California Plan of the California Joint Board Amalgamated Clothing and Textile Workers Union, as amended from time to time. “Prior California Plan” means the Staff Retirement Plan of the California Joint Board which was in effect on December 31, 1975.

“Credited Interest” means interest computed at such rate per annum on the Accumulated Contributions, compounded annually, as the Trustees may determine from time to time, and as specified in Exhibit I of the Base Plan as in effect on the appropriate date.

“Employer” means the California Joint Board Amalgamated Clothing and Textile Workers Union.

“Old Law Accumulated Contributions” shall mean the same as Accumulated Contributions except that Credited Interest shall be 5% per year, compounded annually, for 1988 and later.

“Salary” with respect to any Participant means basic compensation paid by the Employer for a calendar year. Amounts contributed under this California Plan and any nontaxable fringe benefits provided by the Employer shall not be considered as Salary. In addition, Salary shall not include salary reduction contributions made on behalf of the Participant to a Code Section 401(k), 125, 401(h) or 403(b) plan maintained by the Employer. Effective January 1, 2011, Salary shall not include severance pay.

“Union” means the Joint Board and/or participating Locals of the California Joint Board.

Service of Participants covered by this Appendix X shall be determined in accordance with Sections X3.1 through X3.5, immediately following:

X3.1 In accordance with this Section X3.1, a Participant’s period of Service for vesting shall be the sum of (a) and (b) as follows:

(a) A Participant’s vesting in benefits under the California Plan prior to January 1, 1989 shall be determined in accordance with the terms of the California Plan prior to January 1, 1989.

(b) On or after January 1, 1989, a Participant’s vesting in benefits shall be determined by his/her period of Service.

Service means the aggregate of all periods of an Eligible Employee’s employment from his/her date of hire with the Employer or an Amalgamated Affiliate, whether or not consecutive, and counting as a complete month any month in which an Eligible Employee is paid, or entitled to payment, for the performance of duties. Service shall also include (i) a period of up to 12 months of absence from employment for any reason other than because of resignation, retirement, death or discharge, (ii) the period from the date the Employee resigns, retires or is discharged to the date of his/her reemployment, if

he/she returns to employment with the Employer or any member of such Employer's Group within 12 months of such resignation, retirement or discharge, and (iii) in the case of an Employee who is absent from employment by reason of a maternity or paternity absence beyond the first anniversary of the date such absence began, the period that is the earlier of (a) the second anniversary of the beginning of such absence or (b) the date such maternity or paternity absence ceased.

A Year of Service is each 12 month period of Service.

Any period of Service for which a Participant voluntarily declines to make required contributions while a Participant in the California Plan shall be disregarded for the purpose of determining a Year of Service. Years of Service, however, with any member of an Amalgamated Affiliate shall be recognized for purposes of vesting in benefits.

Years of Service may be disregarded upon application of Section X3.3.

X3.2 The amount of the benefit payable to or on behalf of a Participant shall be determined on the basis of his/her Credited Service. Credited Service shall mean a Participant's period of employment with the Employer from his/her date of hire. A person's period of employment shall be computed in years and months, with each calendar month in which the Participant is credited with at least one Hour of Service counting as one-twelfth of a year.

Any period of service for which a Participant does not make required contributions shall be disregarded for purposes of determining Credited Service. An individual who was a Staff Member of the Union prior to January 1, 1968 shall be given credit for all such years of Credited Service, notwithstanding the preceding sentence.

Periods of Credited Service may be disregarded upon application of Section X3.3.

X3.3 For a former Participant who previously satisfied the requirements for vested benefits, and who again is employed, his/her pre-break Service and Credited Service shall be restored as of his/her reemployment date in determining his/her rights and benefits under the California Plan. A former Participant who previously received any distribution of his/her benefits under the California Plan shall be permitted to repay such distribution upon rehire to the extent permitted by law.

For a former Participant who, at the time of a Break in Service, as defined in Section X3.4, had not fulfilled the requirements for vested benefits, and who again is employed, years of Service and Credited Service before the Break in Service shall be restored as of his/her reemployment date if the number of consecutive one year Breaks in Service was less than the greater of: (i) five, or (ii) the aggregate number of years of Service before the Break in Service.

X3.4 Break in Service means a period of at least 12 consecutive months beginning on the Eligible Employee's Severance Date during which the Eligible Employee did not perform any duties for the Employer. Severance Date means the earlier of: (i) the date of the Eligible Employee's quit, discharge or retirement, or (ii) the first anniversary of the first

day of absence from employment for any reason other than quit, discharge or retirement. Solely for purposes of determining whether a Break in Service has occurred, effective for Plan Years beginning on or after January 1, 1985, the Severance Date of an Eligible Employee who is absent from employment beyond such first anniversary date by reason of a maternity or paternity absence described in the next sentence is the second anniversary of the first day of such absence. A maternity or paternity absence means an absence by reason of the pregnancy of the Eligible Employee, the birth of a child of the Eligible Employee, the placement of the child with the Eligible Employee in connection with the adoption of the child by the Eligible Employee, or for purposes of caring for the child for a period beginning immediately after such birth or placement.

A Participant shall not incur a Break in Service because of an absence from work that is approved or authorized by the Employer as a leave of absence. A leave of absence shall mean an Eligible Employee's absence from employment with the Employer by reason of service in the armed forces of the United States, jury duty, sick or disability leave, or any other approved absence under uniform rules uniformly applied, provided that the Eligible Employee returns to the employment of the Employer on or before the expiration of his/her leave or while his/her reemployment rights are protected by applicable federal law.

X3.5 If a Participant receiving or entitled to receive benefits under the California Plan is reemployed by the Employer, any benefit payments then being made to him/her shall be suspended during the period of such reemployment for each calendar month prior to age 70½ (or the date specified in accordance with Section 401(a)(9) of the Code, if later) in which he/she works more than 83 hours. Participants who are reemployed for 83 hours or fewer per month shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month. On the Participant's subsequent termination of employment, the amount of his/her benefit shall be redetermined in accordance with the provisions of the California Plan as then in effect. For such purpose, his/her Credited Service as of the date of his/her original termination shall be added to the Credited Service, if any, earned during the period of reemployment The amount of benefit payable on his/her subsequent termination of employment shall be reduced by an amount which is the Actuarial Equivalent of any benefits previously paid to him/her under the California Plan. Notwithstanding the foregoing, in no event shall the amount of benefit payable to a Participant on his/her subsequent termination of employment be less than the amount of benefit (under the same form of payment) which he/she was receiving, or entitled to receive, as of the date preceding his/her reemployment.

Suspension of benefits shall be made in accordance with Department of Labor Regulation Section 2530.203-3 with regard to: (1) notifying a Participant that his/her benefits are suspended, (2) responding to a Participant's request for a specific determination as to whether his/her employment will result in a suspension of benefits, (3) resumption of payments, and (4) permissible offsets to resumed benefits in the case of benefits previously paid when such benefits should have been suspended.

For purposes of suspending benefits, a Participant who continues his/her employment with the Employer beyond his/her Normal Retirement Date shall be subject to the notification requirements in this Section X3.5 and shall not be eligible to receive benefits unless he/she works 83 hours or less in a calendar month. Participants who continue employment with the Employer beyond his/her Normal Retirement Date for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month.

The following special provisions regarding eligibility for retirement apply to Participants subject to the terms of this Appendix, in lieu of the provisions of the Base Plan document dealing with the same matters.

X4.1 Each Participant who retires from employment on or after his Normal Retirement Date shall receive a Regular Benefit as determined in Section X5.1. Each Participant, upon attainment of his Normal Retirement Age shall have a nonforfeitable right in his Accrued Benefit.

X4.2 Each Participant may elect to retire from employment as a Staff Member prior to his Normal Retirement Date if he has attained the age of 60 and completed 10 Years of Service. In the event of retirement pursuant to this Section X4.2, a Participant shall receive a benefit determined in accordance with Section X5.2.

X4.3 If a Participant continues his employment beyond the Participant's Normal Retirement Date, the Participant shall be able to retire at any time thereafter and shall be eligible for a Late Retirement Benefit in accordance with Section X5.3.

X4.4 A Participant who has completed at least 10 Years of Service, at any age and who suffers a physical or mental disability while he is employed by the Employer which, in the opinion of the Social Security Administration, is permanent and prevents him from performing his duties shall be retired on the first day of the month that the Social Security Administration starts making payment to the Participant on the basis of total and permanent disability and thereupon continue to receive a benefit determined in accordance with the provisions of Section X5.1.

The amount of the regular annuities of Participants covered by the terms of this Appendix shall be determined in accordance with the following Sections X5.1 through X5.6.

X5.1 The annual amount of Regular Annuity subject to the provisions of Section X5.3, payable to a Participant retiring in accordance with Section X4.1 or 4.4 and commencing at retirement, shall be equal to 2.5% of his/her Average Salary multiplied by his/her Credited Service. In no event may the amount exceed 75% of such Participant's Average Salary.

X5.2 Section X5.1 notwithstanding, in no event shall the annual Regular Annuity be less than the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are left in the California Plan).

X5.3 If a Participant retires under Section X4.2 of the California Plan, the amount of Regular Benefit to which he/she is entitled, commencing at his/her Normal Retirement Date, is determined pursuant to the formula in Section X5.1.

At the Participant's request a benefit may become payable on any date between his/her retirement date and his/her Normal Retirement Date. Such reduced benefit shall be the Regular benefit determined pursuant to Section X5.1 multiplied by a percentage equal to (a) 100% minus (b) .5% multiplied by the number of months that the benefit commencement precedes his/her Normal Retirement Date.

X5.4 Section X5.3 notwithstanding, in no event shall the annual Regular Annuity be less than the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are left in the California Plan).

X5.5 If a Participant's employment with the Employer continues after his/her Normal Retirement Date, the amount of his/her Accrued Benefit shall be the benefit determined in accordance with Section X5.1 on the basis of his/her Credited Service and his/her Average Salary as of his/her date of termination of employment. Any payments received from the Plan or the California Plan by an active Participant shall offset on an Actuarial Equivalent basis the benefit determined under this Section X5.3, such benefit to be redetermined at periodic intervals to reflect additional accruals due to active participation; however, in no event shall a Participant's redetermined benefit be less than the benefit which he/she was receiving immediately prior to the redetermination.

X5.6 If any person entitled to benefits under this California Plan shall be entitled to benefits under any benefit plan of any Amalgamated Affiliate by reason of the Union's contribution to that plan on behalf of the Participant, and that plan does not provide for a deduction of benefits payable under this California Plan, the benefits under this California Plan, which are not attributable to Employee contributions, shall be reduced to the extent that an Employee does not receive a combined benefit that would exceed the benefits permitted under this California Plan.

The following special provisions set forth in Sections X6.1 and X6.2 relate to Employee contributions apply to Participants covered by the terms of this Appendix.

X6.1 (a) A Participant shall make contributions to the Fund in an amount equal to 6.0% of his/her Salary. Each such Participant shall authorize the Union to deduct from his/her Salary the percentage thereof so payable and to pay the same to the Fund. Prior to October 30, 1983, the failure of a Participant to authorize the deduction in writing shall be deemed a waiver of participation.

(b) An Accumulated Contributions Account shall be maintained for each Participant and shall be credited with his/her aggregate contribution together with Credited Interest.

(c) A Participant's Accrued Benefit derived from his/her Accumulated Contributions shall be determined by converting, on an Actuarial Equivalent basis, the balance in his/her Accumulated Contributions Account as of the date of distribution or his/her Accumulated Contributions Account (or his/her Annuity Starting Date, if earlier) into a life annuity benefit at his/her Normal Retirement Date (or as of his/her Annuity Starting Date, if later). The Participant's Accrued Benefit derived from Employer contributions shall be the excess, if any, of his/her Accrued Benefit over his/her Accrued Benefit derived from his/her Accumulated Contributions.

6.2 Contributions by a Participant shall be made as long as such Participant remains in active employment as an Eligible Employee. The above notwithstanding, effective January 1, 2007, employee contributions are neither required nor permitted.

The following special provisions relating to deferred vested benefits are applicable to Participants covered by the terms of this Appendix and are set forth in Sections X7.1 through X7.4.

X7.1 If a Participant's employment relationship with the Union terminates for any reason such that he/she ceases to be a Participant in the California Plan, before he/she is eligible for normal retirement or early retirement in accordance with Sections X4.1 or X4.2 and before he/she has completed five Years of Service, as determined in accordance with Section X3.1, he/she shall be entitled to his/her Accumulated Contributions, if any, payable as otherwise set forth in the Plan or in this Appendix, to commence at age 65 and determined pursuant to the provisions of Section 411(c)(2) of the Internal Revenue Code. Such benefit shall be fully vested and subject to the terms and conditions of Section X7.3.

X7.2 If a Participant's employment relationship with the Union terminates for any reason such that he/she ceases to be a Participant in the California Plan, before he/she is eligible for normal retirement or early retirement in accordance with Sections X4.1 or X4.2, but after he/she has completed five Years of Service, as determined in accordance with Section X3.1, he/she shall be entitled to an annuity commencing at his/her Normal Retirement Date based on his/her Accrued Benefit determined pursuant to Section X5.1 as of his/her date of termination.

X7.3 A Participant who is entitled to a vested annuity in accordance with Section X7.2 may elect, by filing a written application with the Trustees, to commence receiving a reduced annuity on the first day of any month after he/she has reached the age of 60 provided he/she has at least 10 years of Service. Such reduced annuity shall be the annuity determined pursuant to Section X5.1 multiplied by a percentage equal to 100% minus 6% a year for each full year that the date of commencement precedes Normal Retirement Date.

X7.4 If a Participant receives a lump sum payment of his/her Accumulated Contributions at his/her termination date, pursuant to Section X7.5, then upon a subsequent re-employment date prior to his/her Annuity Starting Date he/she shall be permitted to repay the Accumulated Contributions previously withdrawn with Credited Interest to the date

of repayment. Such repayment shall have the effect of restoring the annuity, or portion thereof, previously forfeited because of the previous withdrawal of his/her Accumulated Contributions.

X7.5 A Participant who is entitled to benefits under Section X7.2 may elect to receive a lump sum payment of his/her Accumulated Contributions, referred to hereinafter as a "refund", in lieu of the Qualified Joint and Survivor Annuity form of benefit. On the date as of which such refund is paid (hereinafter referred to as the "refund date"), the benefit to which he/she would otherwise be entitled under this Appendix shall be reduced by the Actuarial Equivalent of the Participant's Accumulated Contributions.

The following special provisions shall apply to the Qualified Pre-Retirement Survivor Annuity payable with respect to a Participant covered by this Appendix.

The amount of the Qualified Pre-Retirement Survivor Annuity is:

(1) If the Participant's death occurs on or after the date on which the Participant attains age 60, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Participant's Surviving Spouse for the then remaining lifetime of the Surviving Spouse. The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after the Participant's death but prior to his/her Normal Retirement Date, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his/her death, elected to commence receiving his/her benefit in the form of a Qualified Joint and Survivor Annuity, and died on the next day.

(i) if the Participant meets the requirements of Section X4.2 at date of death then the survivor annuity payment shall equal 42.5% of the amount of pension which would have been payable to the Participant under the provisions of Section X5.2 if the Participant had retired on, the day before death and pension payments had then commenced, multiplied by the percentage in (3) below if the Participant's age last birthday exceeds his/her Spouse's age last birthday by more than 5 years.

(ii) If the Participant does not meet the requirements of Section X4.2 at date of death then the survivor annuity payment shall equal 42.5% of the amount of pension payable to the Participant under the provisions of Section X7.3, assuming pension payments commence at date of death, multiplied by the percentage in (3) below if the Participant's age last birthday exceeds his/her Spouse's age last birthday by more than 5 years.

(2) If the Participant's death occurs before the Participant attains age 60, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Surviving Spouse of the Participant for the then remaining lifetime of the Surviving Spouse in an amount equal to 42.5% of the

amount of benefit which the Participant had accrued at the date of death in accordance with the formula in Section X5.1 multiplied by the percentage in (3) below if the Participant's age last birthday exceeds his/her Spouse's age last birthday by more than 5 years. The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after both the Participant's death and the date on which he/she would have attained age 60 if he/she had lived, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his/her death, elected to commence receiving his/her benefit under a Qualified Joint and Survivor Annuity, and died on the next day.

(3) Percentage equals (i) 100% minus (ii) ½% multiplied by the number of years by which such difference in ages between Participant and Spouse exceeds 5 years.

(4) Upon the death of the Surviving Spouse, the Participant's contingent Beneficiary shall be paid a lump sum distribution equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds the aggregate benefit payments made to the spouse.

In addition to the provisions of Section 7.1 of the Base Plan, which shall continue to apply after January 1, 2015, and Section 7.2(b) of the Base Plan, the following special provisions shall apply to forms of benefit payable at retirement to a Participant covered by this Appendix.

(a) Life Annuity: The normal form of payment for a single Participant is a benefit payable for his or her lifetime, with no further payments beyond the month of his or her death.

(b) Qualified Joint and Survivor Annuity. In addition to Section 7.1(e) of the Base Plan, the following provisions shall apply:

(1) The normal form of payment for a married Participant is a Qualified Joint and Survivor Annuity which shall be 90% times the amount payable as a Life Annuity. This percentage shall be increased by .50% for each whole year (not to exceed 5) by which the Participant is younger than age 62. This percentage shall be decreased by .50% for each whole year (not to exceed 10) by which the Spouse is younger than the Participant increased by .50% for each whole year (not to exceed 10) by which the Spouse is older than the Participant.

(2) Notwithstanding paragraph (1), no benefit shall be payable to a Participant's Spouse under this Section unless the Participant and his or her Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his or her Spouse were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity, however, if the Participant dies

within 12 months after the date of his or her marriage, the form of payment shall revert to a Life Annuity and no benefit shah be payable to the Participant's Spouse.

(3) An election not to take the Qualified Joint and Survivor Annuity shall be made on an appropriate election form filed with the Trustees no more than 90 days, and not less than 30 days, before the Annuity Starting Date, as specified by the Trustees. Such an election shall be effective only if accompanied by the written consent of the Participant's Spouse, witnessed by a member of the Trustees or a notary public, acknowledging the effect of the designation and the specific non-spouse beneficiary, including any class of beneficiaries or any contingent beneficiary. Any consent of a Participant's Spouse shall be valid only with respect to that Spouse and shall be irrevocable as to that Spouse. Any such election may be revoked in writing by the Participant without spousal consent at any time before the Annuity Starting Date. After such election is revoked, another such election may be made at any time before the Annuity Starting Date; however, any new election will require a new spousal consent. Spousal consent shall not be required if it can be established to the satisfaction of the Trustees that the required consent cannot be obtained because there is no spouse, the spouse cannot be located, or there are other circumstances for which regulations do not require such consent.

(4) Payments under the Qualified Joint and Survivor Annuity shall begin on the Annuity Starting Date and shall end with the payment due as of the first day of the month in which occurs the death of the last person entitled to payments under the annuity.

Notwithstanding any provision of the Plan to the contrary, the Trustees shall specify that the Actuarial Equivalent value of any benefit (derived from both Employer and Employee contributions) payable hereunder be paid in a lump sum, provided that if such Actuarial Equivalent value is in excess of $5,000, payment may not be made without the Participant's consent prior to age 65 and, if the Participant is married, such payment may not be made without the consent of the Participant's Spouse. This paragraph is deleted effective as of March 28, 2005.

Any Participant who terminates employment and is not vested shall be deemed to have received a distribution of the present value of his/her vested Accrued Benefit equal to zero.

Appendix XI – OCME Plan Participants

CLOSED GROUP – January 1, 2003

The provisions of this Appendix XI apply to participants in the UNITE Office, Clerical and Miscellaneous Employees Retirement Plan, ILGWU Unit (the "OCME Plan") prior to December 31, 2001. The OCME Plan was merged into the Plan on December 31, 2001 and all participants in the OCME Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XI, the terms of this Appendix XI will control with respect to Participants covered by this Appendix XI. References in this Appendix to the OCME Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XI, it is intended that the Plan and this Appendix XI be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the OCME Plan as of December 31, 2001 shall not be decreased as a result of the merger of the OCME Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 2001.

Section 5.6 of the Base Plan shall not apply to Participants covered under this Appendix and Participants covered under this Appendix may also be covered for some of the same service earned after January 1, 1974 under Appendix VIII (ILGWU Participants). Consequently, in applying the limits of Section 9.1 of the Base Plan, the benefits of a Participant under all other retirement plans sponsored by the Company shall be taken into consideration, except for multiemployer plans.

The following definitions shall apply for purposes of this Appendix XI:

"Employee" means any person employed by the Union prior to January 1, 1974, in an office, clerical or miscellaneous job category covered by any collective bargaining agreement with the Union, whether or not such person is actually covered by such a collective bargaining agreement. The term "Employee" includes a Leased Employee, who otherwise meets the conditions for participation, vesting and/or benefit accrual under the Plan.

"Union" means the International Ladies' Garment Workers' Union and any successor union and its local unions, joint boards, district councils, departments, regions and subordinate organizations in the United States of America.

For purposes of this Appendix XI, the following special rule shall apply to participation in the OCME Plan:

Each Employee on the Union payroll as of December 31, 1973 who at that time was not a Participant in the Plan now known as UNITE Staff Retirement Plan, ILGWU Unit and was not covered under any other Union financed retirement program, shall be deemed a Participant of the OCME Plan as of the date she became an Employee or after January 1, 1944, whichever is later. Any person who became an Employee after January 1, 1974 shall not be eligible to become a Participant and is not covered by this OCME Plan.

The following rules concerning eligibility for, computation of, and commencement of, both regular pension benefits and disability pension benefits, shall apply to all Participants covered by the terms of this Appendix XI:

Eligibility Requirements

(a) 20 Year Regular Pension Benefit. A Participant shall be eligible for a 20 year Regular Pension Benefit if she meets all of the following requirements as of her Benefit Commencement Date:

(1) she has attained age 62 while still in the employ of the Union; and

(2) as of the prior December 31st she has completed and maintained at least 20 Years of Service; and

(3) as of the prior December 31st she has completed and maintained at least 5 Years of Service during the 7 Plan Years immediately preceding.

(b) 20 Year Disability Pension Benefit. A Participant shall be eligible for a 20 Year Disability Pension Benefit if she meets all of the following requirements as of her Benefit Commencement Date:

(1) she becomes Totally and Permanently Disabled while still in the employ of the Union; and

(2) she remains Totally and Permanently Disabled for at least 6 months; and

(3) as of the prior December 31st she has completed and maintained at least 20 Years of Service; and

(4) as of the prior December 31st she has completed and maintained at least 5 Years of Service during the 7 Plan Years immediately preceding.

A Retiree receiving a 20 Year Disability Pension Benefit may be required to submit to a physical examination or otherwise establish the continuation of Total and Permanent Disability as often as may be required by the Trustees, but not after the Retiree has reached the age of 65.

Benefit Amount

(a) 20 Year Regular Pension Benefit A Participant whose application for a 20 year Regular Pension Benefit has been approved in accordance with the provisions of this Appendix XI shall be entitled to receive the following monthly pension benefit based upon the age she attained as of her Benefit Commencement Date:

(1)

at age 65 or older	$100.00 per month
at age 64 but before age 65	93.00 per month
at age 63 but before age 64	86.00 per month
at age 62 but before age 63	80.00 per month

(2) For Retirees not receiving benefits from the UNITE Staff Retirement Plan, ILGWU Unit, the following monthly benefit schedule shall apply effective as of July 1, 1980:

at age 65 or older	$112.50 per month
at age 64 but before age 65	105.00 per month
at age 63 but before age 64	97.50 per month
at age 62 but before age 63	90.00 per month

(3) The provisions of paragraph (1) above shall not apply to Participants who are Employees of the St. Louis Joint Board or its successors, or the Central States Regional Office, if such Participants are covered by a collective bargaining agreement with the Office and Professional Employees International Union. Such Participants shall receive a benefit of $60.00 per month at age 65 and older, which amount shall be actuarially reduced for early retirement at or after Early Retirement Age but before age 65.

(b) 20 Year Disability Pension Benefit A Participant whose application for a 20 Year Disability Pension Benefit has been approved in accordance with the provisions of this Appendix XI shall be entitled to receive the following monthly benefit:

(1) at any age, $100 per month.

(2) for those disability Retirees not receiving benefits from the UNITE Staff Retirement Plan, ILGWU Unit, the monthly benefit shall be $112.50 per month.

(3) the provisions of paragraph (1) above shall not apply to Participants who are Employees of the St. Louis Joint Board or its successors, of the Central States Regional Office, if such Participants are covered by a Collective

Bargaining Agreement with the Office and Professional Employees International Union. Such Participants shall receive a benefit of $60.00 per month.

(c) The benefit amounts listed above are subject to reduction if the Qualified Joint and Survivor Annuity is elected or not rejected. Also, the benefits payable under this Appendix, when combined with the benefits payable under Appendix VIII (ILGWU Participants) to Participants covered under both Appendices, shall not exceed the benefit calculated under Appendix VIII, aggregating all service for this purpose.

Benefit Commencement Date.

(a) The Benefit Commencement Date for a Participant eligible for a 20 Year Regular Pension Benefit shall be the first day of any month following her 62nd birthday (or on the 62nd birthday itself, if that is the first day of the month) provided she files an application therefore in such form as the Trustees may prescribe, and stops working for the Union by such Benefit Commencement Date.

(b) The Benefit Commencement Date for a Participant eligible for a 20 Year Disability Pension Benefit shall be the first day of the month following the date she becomes eligible for such pension benefit provided an application is filed therefore by or on behalf of such Participant in such form as may be prescribed by the Trustees.

The following rules concerning eligibility for, computation of, and commencement of, deferred vested pension benefits, shall apply to all Participants covered by the terms of this Appendix XI:

Eligibility Requirements. Effective January 1, 1976, a Participant shall be eligible for a vested pension benefit if she meets all of the following requirements as of the December 31st prior to her Benefit Commencement Date:

(a) she has attained age 62; and

(b) she has completed and maintained at least 10 (5, effective January 1, 1997) Years of Service; and

(c) she has completed and maintained at least 3 Years of Service after December 31, 1970.

Deferred Benefit. A Participant who terminates her employment with the Union after she has satisfied the service requirements listed above but before she has satisfied the age requirement, shall have a deferred right to a vested pension benefit.

Benefit Amount

(a) A Participant whose application for a vested pension benefit has been approved in accordance with the provisions of this Appendix shall be entitled to receive the following monthly benefit based upon the age she has attained as of the December 31st prior to her Benefit Commencement Date:

(1)

At age 65 or older	$3.00 times the number of her Years of Service up to a maximum of $100.00
At age 64 but before age 65	$2.80 times the number of her Years of Service up to a maximum of $93.00
At age 63 but before age 64	$2.60 times the number of Years of Service up to a maximum of $86.00
At age 62 but before age 63	$2.40 times the number of Years of Service up to a maximum of $80.00

(2) For those vested Retirees not receiving a benefit from the UNITE Staff Retirement Plan, ILGWU Unit, the following monthly pension benefit schedule shall apply effective as of July 1, 1980:

At age 65 or older	$3.38 times the number of her Years of Service up to a maximum of $112.50
At age 64 but before age 65	$3.15 times the number of her Years of Service up to a maximum of $105.00
At age 63 but before age 64	$2.93 times the number of Years of Service up to a maximum of $97.50
At age 62 but before age 63	$2.70 times the number of Years of Service up to a maximum of $90.00

(3) The benefit amounts contained in paragraph (1) above shall not apply to Participants who are Employees of the St. Louis Joint Board or its successors, or the Central States Regional Office, if such Participants are covered by a collective bargaining agreement with the Office and Professional Employees International Union. Such a Participant shall be entitled to receive the following monthly benefit based on the age she has attained as for the December 31 prior to her Benefit Commencement Date:

At age 65 or older	$1.80 times the number of her Years of Service up to a maximum of $60.00
At age 64 but before age 65	$1.68 times the number of her Years of Service up to a maximum of $56.00
At age 63 but before age 64	$1.56 times the number of Years of Service up to a maximum of $52.00
At age 62 but before age 63	$1.44 times the number of Years of Service up to a maximum of $48.00

(b) The benefit amounts listed in Section 4.3(a)(1) and (2) are subject to reduction if the Qualified Joint and Survivor Annuity is elected or not rejected. Also, the benefits payable under this Appendix, when combined with the benefits payable under Appendix VIII (ILGWU Participants) to Participants covered under both Appendices, shall not exceed the benefit calculated under Appendix VIII, aggregating all service for this purpose.

Benefit Commencement Date

(a) The Benefit Commencement Date for Participants eligible for a vested pension benefit shall be the March 1st following the end of any Plan Year in which the Participant satisfied all the requirements for a vested pension or terminated her employment with the Union, whichever is later, provided she files an application therefore in such form as the Trustees may prescribe. In no event, unless the Participant elects otherwise, shall her Benefit Commencement Date be later than the March 1st following the Plan Year in which she satisfied all the requirements for a vested pension, attained age 65, or terminated her employment with the Union, whichever is later.

(b) Notwithstanding the provisions of Section (a) above, the Benefit Commencement Date for a Participant whose application for a Vested Pension Benefit has been approved in accordance with the provisions of this Appendix and whose termination of employment with the Union is due to layoff, shall be the first day of the month following her termination of employment with the Union.

In addition to Sections 7.1(e) and 7.2(b) of the Base Plan, the following rules apply to the payment of regular and survivor benefits for Participants covered by this Appendix.

The Qualified Joint and Survivor Annuity provides a life annuity for the Participant plus a life annuity for her surviving Spouse starting in the month after the death of the Participant and is equal to the Actuarial Equivalent of a single-life annuity, which is the optional form of benefit. When a Qualified Joint and Survivor Annuity is in effect, the monthly amount of the Participant's pension is reduced as provided below from the full amount otherwise payable. The monthly amount to be paid to the surviving Spouse is one-half the monthly amount paid or due to the Participant.

These provisions apply only to a Participant who was an Employee after 1975, and to a pension benefit, the effective date of which is on or after January 1, 1976.

After Retirement

(a) All pension benefits shall be paid in the form of a Qualified Joint and Survivor Annuity, unless the Participant has filed with the Plan a timely written rejection of the Qualified Joint and Survivor Annuity, with the Spouse's consent. When a Qualified Joint and Survivor Annuity is in effect, the Participant's surviving Spouse will be eligible for her life annuity benefit the month following the Participant's death. The Participant will be furnished with an explanation of the relative financial effect the Qualified Joint and Survivor Annuity will have on her pension. For notices given in plan years beginning after December 31, 2006, such notification shall also include a description of how much larger benefits will be if the commencement of distributions is deferred.

(b) A Participant may reject the Qualified Joint and Survivor Annuity (or revoke a previous rejection) in writing, with the Spouse's consent, at any time not less than 30 days nor greater than 90 days before the Benefit Commencement Date.

After Separation From Service But Before Retirement

A Participant who separates from the employ of the Union after becoming vested but before her Benefit Commencement Date, shall be entitled to a Qualified Pre-Retirement Survivor Annuity. A Qualified Pre-Retirement Survivor Annuity is a pension which provides for a monthly benefit payment to the surviving Spouse for the Participant's lifetime in an amount equal to the amount of benefit which the surviving Spouse would have received had the participant retired on the day before she dies with a Qualified Joint and Survivor Annuity being payable to the Participant.

The surviving Spouse may direct the commencement of payments under the Qualified Pre-Retirement Survivor Annuity no later than the month in which the Participant would have attained the earliest retirement age under the Plan.

If a Participant dies before reaching Normal Retirement Age, any Qualified Pre-Retirement Survivor Annuity with respect to that Participant shall be paid starting as of no later than the first day of the month following the day the Participant would have reached Normal Retirement Age.

If a Participant dies on or after Normal Retirement Age, any Qualified Pre-Retirement Survivor Annuity with respect to that Participant shall be paid starting as of the first day of the month following the Participant's death.

Subject to the provisions of this Appendix and the Plan regarding lump sum settlements, the Qualified Pre-Retirement Survivor Annuity shall be payable to the surviving Spouse as a single-life annuity unless another form of payment has been properly elected.

If for any reason payments have not already begun as prescribed in this Subsection, payment of the Qualified Pre-Retirement Survivor Annuity must start no later than December 1 of the calendar year in which the Participant would have reached age 70½ or, if later, December 1 of the calendar year following the year of the Participant's death. If the Trustees confirm the identify and whereabouts of a surviving Spouse who has not applied for benefits by that time, payments to that surviving Spouse in the form of a single-life annuity (subject to the provisions of this Appendix and the Plan regarding lump sum settlements) will begin automatically as of that date.

During Active Service

Unless rejected in writing, with spousal consent, and timely filed with the Retirement Trustees, a Participant who is in the employ of the Union and who has become vested shall be deemed to have elected the Qualified Joint and Survivor Annuity payable to the Participant's Spouse starting in the month following the Participant's death, but not before the first Benefit Commencement Date which is applicable to the Participant and occurs after her death.

When a Qualified Joint and Survivor Annuity becomes effective, the amount of the Participant's monthly pension shall be reduced in accordance with the following factors to be multiplied by the benefit payable under the normal form:

Regular Retirement

93% plus .3% for each year that the Beneficiary's age is greater than the Employee's age or minus .3% for each year that the Beneficiary's age is less than the Employee's age with a maximum factor of 99%. (For example, Employee is age 65 and Spouse is age 62; factor is 92.1%).

Disability Retirement

79% plus .4% for each year that the Beneficiary's age is greater than the Employee's age or minus .4% for each year that the Beneficiary's age is less than the Employee's age with a maximum factor of 99%.

A Qualified Joint and Survivor Annuity shall not be effective under the following circumstances:

(a) The Participant and Spouse were not married to each other when pension benefit payments began.

(b) The Participant and Spouse were married to each other for less than a year before the Participant died.

(c) The Spouse died before the Participant's pension benefit began or before the Participant's death.

(d) The Participant and the Spouse were divorced from each other before the Participant's pension benefit began.

The Trustees shall be entitled to rely on a written representation last filed by the Participant before the Benefit Commencement Date of her pension benefit as to whether she is married. This reliance shall include the right to deny benefits to a person claiming to be the Spouse of a Participant in contradiction to the aforementioned representation of the Participant.

Lump Sum Settlement

The Trustees may provide for payment of an appropriate lump sum on termination of participation in the OCME Plan in full settlement of any vested pension benefit or annuity payable to a Participant, Retiree or Beneficiary if the Actuarial Equivalent of such Accrued Benefit does not exceed $5,000, and, with the consent of the Retiree or Beneficiary, in such greater amounts as may be determined by the Trustees and permitted by law. The amount of the lump sum payment shall be determined using the Applicable Interest Rate and the Applicable Mortality Table. In no event, however, will a lump sum payment be made before the Participant's Benefit Commencement Date. This paragraph is deleted effective as of March 28, 2005.

Notwithstanding the preceding paragraph or any provision of this Appendix or the Plan to the contrary, upon termination of employment with the Union of a Participant who has no vested Accrued Benefit from the Plan, the Participant will be deemed to have received a distribution of her entire vested interest in her Accrued Benefit which shall be equal to zero.

Appendix XII – Amalgamated Bank Plan Participants

The provisions of this Appendix XII apply to (i) participants in the Employee Retirement Plan of Amalgamated Bank and Subsidiaries (the "Amalgamated Bank Plan") prior to July 1, 2002 and to (ii) employees hired on or after July 1, 2002 who meet the definition of Employee in this Appendix XII. The Amalgamated Bank Plan was merged into the Plan on July 1, 2002 and all participants in the Amalgamated Bank Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XII, the terms of this Appendix XII will control with respect to Participants covered by this Appendix XII. References in this Appendix to the Amalgamated Bank Plan or to the Plan shall be deemed to refer to the provisions of this Appendix as well.

Notwithstanding anything to the contrary in the Plan or in this Appendix XII, it is intended that the Plan and this Appendix XII be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Amalgamated Bank Plan as of July 1, 2002 shall not be decreased as a result of the merger of the Amalgamated Bank Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to July 1, 2002.

The following definitions shall apply for purposes of this Appendix XII:

"Average Monthly Salary" means the sum of the highest Salary received by an Employee in 60 consecutive calendar months during the 120 months preceding his termination of employment, divided by 60. If the Employee receives a Salary for fewer than 60 months, the Average Monthly Salary shall be the total Salary received divided by the number of months for which such Salary was received.

"Bank" means The Amalgamated Bank.

"Employee" means any person employed by the Employer, including an Officer of the Employer and a Leased Employee, whether or not he is also a Director. Any person acting only as a Director shall not be considered an Employee.

However, "Employee" shall exclude any individual retained by an Employer to perform services for such Employer (for either a definite or indefinite duration) and is characterized thereby as a fee-for-service worker or independent contractor or in a similar capacity (rather than in the capacity of an employee), regardless of such individual's status under common law, including, without limitation, any such individual who is or has been determined by a third party, including, without limitation, a government agency or board or court or arbitrator, to be an employee of an Employer for any purpose, including, without limitation, for purposes of any employee benefit plan of an Employer (including this Plan) or for purposes of federal, state or local tax withholding, employment tax or employment law.

"Employer" means The Amalgamated Bank and Subsidiaries.

“Normal Retirement Age” means the later of age 65 or the age of the Participant on the fifth anniversary of his participation. Participation before a Permanent Break in Service shall not be counted. An Employee who is not vested incurs a Permanent Break in Service if the number of consecutive Breaks in Service equals or exceeds the number of Years of Vesting Service with which he has been credited, provided, however, that a Participant will not incur a Permanent Break in Service unless the number of consecutive Breaks in Service is greater than five.

“Pensioner” means a person to whom a pension is being paid under this Plan or to whom a pension would be paid but for time for administrative processing.

“Salary” or “Compensation” means the amount received from the Employer by an Employee as regular compensation (base pay) for services, and shall not include any commissions, severance pay, bonus, overtime pay, premium pay, expenses, pension, retirement allowance or any other payment of like or different nature, or retainer or fee, under contract for special services or otherwise. The limitations found in the Base Plan document under the definition of Salary shall apply to the definition of Salary or Compensation herein.

“Year of Service” means each 12 consecutive month period commencing on an Employee’s date of employment or reemployment, or anniversary of such date of employment or reemployment, throughout which said Employee remains employed by the Employer, pursuant to the rules of Treas. Regulation Section 1.410(a)(7). Fractional Years shall be granted for each month during which an Employee completed Hours of Service as 1/12 of a year for each such month. For vesting purposes, a Participant shall be credited with one Year of Vesting Service as described in Sections XII5.1 through XII5.3 of this Appendix. Notwithstanding the foregoing, no credit will be granted for union Bank Participants for the period from August 1, 2011 through July 31, 2014. Notwithstanding the foregoing, no credit will be granted for non-union Bank Participants for the period from July 1, 2011 through July 31, 2014.

Where inconsistent with the terms of the Base Plan, participation shall be determined pursuant to the following Sections XII2.2 through XII2.4:

XII2.2 PARTICIPATION

An Employee shall become a Participant in the Plan on the earliest January 1 or July 1 following the completion of a 12 consecutive month period during which he completed at least 1,000 Hours of Service and attains age 21. The first 12 consecutive month period for an Employee shall begin on the first date that the Employee performs work for the Employer. The second 12 consecutive month period for that Employee shall be the calendar year beginning within the first such period. All succeeding 12-month periods for that Employee shall be the succeeding calendar years. Each week during which a salaried Employee performs one Hour of Service shall be treated as 45 Hours of Service for purposes of determining when such an Employee becomes a Participant.

XII2.3 TERMINATION OF PARTICIPATION

A person who incurs a Break in Service shall cease to be a Participant as of the last day of the calendar year which constituted the Break in Service, unless such Participant is a Pensioner, or has acquired the vested right to a pension, whether immediate or deferred.

XII2.4 REINSTATEMENT OF PARTICIPATION

An Employee who has lost his status as a Participant, in accordance with Section XII2.3, shall again become a Participant by meeting the requirements of Section XII2.2 within 12 months after returning on the basis of Hours of Service after the calendar year during which his participation terminated. An Employee who has not forfeited his service shall become a Participant upon his date of reemployment.

Where inconsistent with the terms of the Base Plan, pension eligibility and amounts shall be determined pursuant to the following Sections XII3.2 through XII3.7:

XII3.2 NORMAL RETIREMENT

The monthly Normal Retirement income for a Participant who retires on his Normal Retirement Date, provided such date occurs on or after July 1, 1980 and for a former Participant who ceased to be a Participant on or after July 1, 1980 while eligible for a Deferred Retirement benefit, shall be equal to the sum of:

(a) 1.65% of his Average Monthly Salary multiplied by the number of his Years of Service up to 15.

plus

(b) 1.925% of his Average Monthly Salary multiplied by the number of his Years of Service in excess of 15. However, no Participant shall receive credit for service in excess of fifty years.

XII3.3 POSTPONED RETIREMENT

If a Participant continues in active service after his Normal Retirement Date, the retirement income shall commence on the first of the month following his actual Retirement. The monthly retirement income for a Participant who retires after his Normal Retirement Date on or after July 1, 1980 shall be equal to the sum of: (1) For benefits earned before January 1, 2015, the percentage of his Average Monthly Salary set forth in the Table in Section XII3.6 based on his age and Years of Service on his Annuity Starting Date, and (2) for benefits earned on or after January 1, 2015, the Normal Retirement Benefit, adjusted in accordance with Sections 5.4(c) and 5.4(d) of the Base Plan. No Participant shall receive credit for any Years of Service in excess of fifty years. Any Participant whose age at retirement is greater than 70 shall be presumed to be 70 years of age for the purpose of application of Section XII3.6.

XII3.4 EARLY RETIREMENT

On the first day of any month on or after the Participant's fifty-fifth (55) birthday and before his sixty-fifth (65) birthday, a Participant who has fifteen or more Years of Service is eligible to retire on an Early Retirement Pension. The monthly Early Retirement Benefit for a Participant who is retired at an Early Retirement date pursuant to this Section on or after July 1, 1980 shall be equal to the sum of: (1) For benefits earned before January 1, 2015, the percentage of his Average Monthly Salary set forth in the Table in Section XII.6, based on his age at and on his Years of Service on his Annuity Starting Date, and (2) For benefits earned on or after January 1, 2015, the Normal Retirement Benefit, multiplied by a percentage equal to 100% minus 0.5% multiplied times the number of full months that the date of commencement precedes his Normal Retirement Date. No Participant shall receive credit for any Years of Service in excess of fifty years.

XII3.5 DEFERRED RETIREMENT

A Participant who has at least five Years of Vesting Service and thereafter ceases to be an Employee shall be eligible for a Deferred Retirement Benefit payable the first of the month next following the month the Participant attains Normal Retirement Age. A Participant who has at least fifteen Years of Vesting Service, and thereafter terminates employment shall be eligible for a Deferred Retirement benefit payable on the first of the month next following the month in which the Participant attains age 55. The monthly amount of such retirement income shall be determined in accordance with Section XII3.6, and shall depend on the Participant's age (but not greater than Normal Retirement Age) when benefits commence.

XII3.6 TABLE OF PERCENTAGE FOR POSTPONED OR EARLY RETIREMENT ON OR AFTER 7/1/80 (FOR BENEFITS EARNED BEFORE JANUARY 1, 2015)

Age on Annuity Starting Date	**Years of Service at Retirement**									
	5	**10**	**15**	**20**	**25**	**30**	**35**	**40**	**45**	**50**
70	9.625	19.250	28.875	39.875	50.875	61.875	72.875	83.875	94.875	100.000
69	9.350	18.700	28.050	38.775	49.500	60.225	70.950	81.675	92.400	100.000
68	9.075	18.150	27.225	37.675	48.125	58.575	69.025	79.475	89.925	100.000
67	8.800	17.600	26.400	36.575	46.750	56.925	67.100	77.275	87.450	97.625
66	8.525	17.050	25.575	35.475	45.375	55.275	65.175	75.075	84.975	94.875
65	8.250	16.500	24.750	34.375	44.000	53.625	63.250	72.875	82.500	92.125
64			23.925	33.275	42.625	51.975	61.325	70.675	80.025	
63			23.100	32.175	41.250	50.325	59.400	68.475	77.550	
62			22.275	31.075	39.875	48.675	57.475	66.275	75.075	
61			21.450	29.975	38.500	47.025	55.550	64.075	72.600	
60			20.625	28.875	37.125	45.375	53.625	61.875	70.125	
59			19.800	27.775	35.750	43.725	51.700	59.675		
58			18.975	26.675	34.375	42.075	49.775	57.475		
57			18.150	25.575	33.000	40.425	47.850	55.275		
56			17.325	24.475	31.675	38.775	45.925	53.075		
55			16.500	23.375	30.250	37.125	44.000	50.875		

The percentage for an age other than integral year and for Years of Service not shown in the Table shall be obtained by direct (straight-line) interpolation.

XII3.7 APPLICATION OF BENEFIT INCREASES

The pension to which a Participant is entitled shall be determined under the terms of the Plan as in effect at the time the Participant separates from employment. For purposes of this Section, a Participant shall be deemed to have separated from such employment on the last day of work. If a Participant returns to such employment after he suffers a Break in Service, he must complete a Year of Vesting Service subsequent to his return to such employment in order to be subject to any Plan provision which may have become effective after he initially ceased such employment.

XII3.8 ADJUSTED CONTRIBUTION RATES

Effective July 1, 2011, the Trustees shall adjust the contribution rate for the period July 1, 2011 through July 31, 2014 to account for the elimination of crediting a year of service Years of Service for such period for non-union Participants. The Trustees shall also adjust the contribution rate for the period from the Effective Date August 1, 2011 through July 31, 2014 to account for the elimination of crediting a year of service Years of Service for such period for union Participants.

Where inconsistent with the terms of the Base Plan, the forms of pension payments and the amounts of such payments shall be determined pursuant to the following Sections XII4.1 through XII4.6:

XII4.1 UNMARRIED PARTICIPANT

The normal form of benefit payment for an unmarried Participant is a single life annuity.

XII4.2 MARRIED PARTICIPANT

The normal form of benefit payment for a married Participant is a Qualified Joint and Survivor Annuity. For benefits earned before January 1, 2015, the amount of the Qualified Joint and Survivor Annuity is an unreduced pension benefit payable to the Participant during his lifetime and, upon his death, 50 percent of the benefit payable to the Participant shall be payable to the Participant's Spouse for the remainder of the Spouse's lifetime. For benefits earned on or after January 1, 2015, the amount of the Qualified Joint and Survivor Annuity is adjusted in accordance with Section 7.1(d) of the Base Plan.

XII4.3 OPTIONAL FORMS OF BENEFIT

In addition to the form of payment set forth in Section 7.2 of the Base Plan, a Participant may waive the normal form of benefit payment and elect one of the optional forms of payment described in (a) or (b) below or the Social Security Level Income option described in Section XII4.5, provided that if the Participant is married, such election is subject to the notice and consent provisions described in the Base document.

For benefits earned before January 1, 2015, the following options apply:

(a) Option 1 – 100% Joint and Survivor Pension:

A reduced monthly benefit payable during the Participant's life, with a lifetime benefit payable to the Joint Annuitant after his death equal to 100% of monthly benefit payable to the Participant.

(b) Option 2 – 50% Joint and Survivor Pension (For non-spouse beneficiaries only):

A reduced monthly benefit payable during the Participant's life, with a lifetime benefit payable to the Joint Annuitant equal to 50% of the monthly benefit payable to the Participant.

For benefits earned on or after January 1, 2015, only the option described in Section 7.1(e) of the Base Plan applies.

XII4.4 ADJUSTMENT OF PENSION AMOUNT

Any pension payable in either of the optional forms described in Section XII4.3 which becomes effective on July 1, 1990 or thereafter shall be adjusted for the Joint and Survivor benefit by multiplying the full amount otherwise payable by the following factors:

For benefits earned prior to January 1, 2015:

Option 1:

87.6% plus 0.4% for each year that the Beneficiary's age is greater than the Employees age or minus 0.4% for each year that the Beneficiary's age is less than the employees age with a maximum factor of 99%.

Option 2:

88.6% plus 0.4% for each year that the Beneficiary's age is greater than the Employees age or minus 0.4% for each year that the Beneficiary's age is less than the Employees age with a maximum factor of 99%.

For benefits earned on or after January 1, 2015, the adjustment described in Section 7.1(e) of the Base Plan applies.

XII4.5 SOCIAL SECURITY LEVEL INCOME OPTION

Any Participant retiring in accordance with the provisions of the Plan before Social Security payments begin may elect in writing filed with the Trustees to receive retirement income providing larger monthly payments, in lieu of the retirement income otherwise payable upon early retirement, until his sixty-second birthday is reached, but thereafter his monthly payments will be reduced, provided, however, that the projected increase in total retirement income payment until his sixty-second birthday and the projected decrease in such payments on and after his sixty-second birthday shall be actuarially equivalent. Through the means of this Social Security Level Income Option, insofar as is practicable, a level total retirement income will be available to the Participant. The Social Security Level Income Option shall be the Actuarial Equivalent of a straight life annuity where actuarial equivalence is determined using the mortality table and interest rate specified in Section A of Exhibit I.

XII4.6 PRE-RETIREMENT DEATH BENEFIT

(a) If a Participant dies before his pension payments start but at a time when he had earned a vested right to a pension, a Pre-Retirement Death Benefit shall be paid to his Qualified Spouse or designated Beneficiary.

(b) A Spouse is a Qualified Spouse for the purpose of this Section if the Participant and Spouse have been married to each other for 12 consecutive months immediately prior to his death, or if the couple were divorced after being married for at least one year and the former spouse is required to be treated as a Spouse or surviving Spouse under a QDRO.

(c) If the Participant described in (a) above died at a time when he would have been eligible to begin receiving payment of a pension had he retired, he shall be conclusively presumed to have retired on the day preceding death and to have elected the optional 100% Joint and Survivor Pension under Section XII4.3. If the Participant was married to a Qualified Spouse at the time of his death, the beneficiary will be the Qualified Spouse, unless the spouse consented to another beneficiary as provided in subsection (e) below.

(d) If the Participant described in (a) above died before he would have been eligible to begin receiving pension payments had he retired, the surviving Qualified Spouse or designated Beneficiary shall be entitled to a Pre-Retirement Death Benefit determined as if the Participant had separated from service under the Plan on the earlier of the date he last worked or the date of his death, had survived to the earliest age at which a pension would be payable to him under the Plan, had retired at that age with an immediate 100% Joint and Survivor Pension under Section XII4.3, and had died the next day. In other words, the Pre-Retirement Death Benefit begins when the Participant would have attained the earliest retirement age for which he would have qualified for a pension and the amount is 100% of what the Participant's pension amount would have been, after adjustment, if any, (i) for early retirement and (ii) for the election of the 100% Joint-and-Survivor Pension option. In order to collect the Pre-Retirement Death Benefit, the Qualified Spouse or designated Beneficiary may apply for the Participant's benefit any time after the Participant would have been eligible to begin collecting his or her benefit. The amount shall be determined under the terms and benefit level of the Plan in effect when the Participant last worked, unless otherwise expressly specified.

(e) Notwithstanding any other provision of this Section, a Pre-Retirement Death Benefit shall not be paid in the form, manner or amount described above if one of the alternatives set forth in this subsection applies.

(i) If the Actuarial Present Value of the benefit is less than $5,000, the Committee shall make a single sum payment to the Spouse or Beneficiary in an amount equal to that Actuarial Present Value, in full discharge of the Pre-Retirement Death Benefit.

(ii) The Spouse may elect in writing, filed with the Committee, and on whatever form they may prescribe, to defer commencement of the Pre- Retirement Death Benefit until a specified date that is no later than the December 31st of the calendar year in which the Participant would have reached age 70-1/2. The amount payable at that time shall be determined as described in paragraphs (c) and (d) of this Section, except that the benefit shall be paid in accordance with the terms of the Plan and benefit level in effect when the Participant last worked as if the Participant had

begun to receive payments in the form of a 100% Joint and Survivor Pension on the day before the surviving Spouse's payments are scheduled to start, and died the next day.

(f) A Spouse's consent to a waiver of the Pre-Retirement Death Benefit shall be effective only with respect to that Spouse, and shall be irrevocable unless the Participant revokes the waiver to which it relates.

(g) Notwithstanding any other provision of the Plan, all distributions shall comply with the limits of Code Section 401(a)(9) and the incidental benefit rules and Regulations prescribed there under including proposed Treasury Regulation Section 1.401(a)(9)(1) and (2), including specifically the following:

(i) When distribution of a Participant's entire interest is not made in a lump sum, the distribution will be made in one or more of the following ways: over the life of the Participant; over the life of the Participant and designated Beneficiary; over a period certain not extending beyond the life expectancy of the Participant; or over a period certain not extending beyond the joint life and last survivor expectancy of the Participant and designated Beneficiary.

(ii) If distribution is considered to have commenced in accordance with IRS Regulations before the Participant's death the remaining interest will be distributed at least as rapidly as under the method of distribution being used as of the date of the Participant's death.

(iii) If the Participant dies before the time when distribution is considered to have commenced in accordance with IRS Regulations: (I) any remaining portion of the Participant's interest that is not payable to a "designated beneficiary", as defined in the regulations issued under Code Section 401(a)(9), of the Participant will be distributed within five years after the Participant's death; and (II) any portion of the Participant's interest that is payable to a "designated beneficiary" of the Participant will be distributed either (1) within five years after the Participant's death, or (2) over the life of such Beneficiary or over a period certain not extending beyond the life expectancy of such Beneficiary, commencing not later than the end of the calendar year following the calendar year in which the Participant died (or, if such Beneficiary of the Participant is the surviving Spouse, commencing not later than the end of the calendar year following the calendar year in which the Participant would have attained age 70½).

XII4.7 SUSPENSION OF BENEFITS

(a) Suspension

(i) If a Participant has attained Normal Retirement Age, the monthly benefit shall be suspended for any month in which the Participant is employed or was paid for more than 83 hours by the Employer. Participants who are

employed for 83 hours or fewer (which is deemed to be the equivalent of less than 12 days per month) by the Employer after attaining Normal Retirement Age shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month. In no event shall benefits be suspended after the Participant has reached his or her Required Beginning Date.

(ii) If a Pensioner returns to work, the monthly benefit shall be suspended for any month in which such Pensioner is employed or was paid for more than 83 hours by the Employer. Participants who return to work for 83 hours or fewer (which is deemed to be the equivalent of less than 12 days per month) by the Employer after attaining Normal Retirement Age shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month. In no event shall benefits be suspended after the Pensioner has reached his or her Required Beginning Date.

(b) Definition of Suspension of Benefits.

"Suspension of benefits" for a month means non-entitlement to benefits for the month.

(c) Notices.

(i) Upon attainment of Normal Retirement Age, the Trustees shall notify the Participant of the Plan rules governing suspension of benefits. If benefits have been suspended, new notification shall, upon resumption of benefits, be given to the Participant if there has been any material changes in the suspension rules.

(ii) The Trustees shall inform a Participant of any suspension of benefits by notice given by personal delivery or first class mail during the first calendar month in which his benefits are withheld.

(d) Review.

A Participant shall be entitled to a review of a determination suspending his benefits by written request filed with the Trustees within 60 days of the notice of suspension.

(e) Resumption of Benefit Payments.

(i) Benefits shall be resumed for the month after the last month for which benefits were suspended, with payments beginning no later than the third month after the last calendar month for which the Participant's benefit was suspended.

(ii) Overpayments attributable to payments made for any month or months for which the Participant is credited with 40 or more Hours of Service shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Participant attained Normal Retirement Age shall not exceed 25% of the pension amount (before deduction), except that the Trustees may withhold up to 100% of the first monthly pension payment made upon resumption of benefits after a suspension.

(iii) If a Pensioner dies before overpayments have been recovered, deductions shall be made from the benefits payable to his Beneficiary or surviving Spouse, subject to the above percentage limitations on the rate of deduction in Subparagraph (ii) above.

XII4.8 BENEFIT PAYMENTS FOLLOWING SUSPENSION

(a) The monthly amount of pension when resumed after suspension shall be determined under paragraphs (i) and (ii) and adjusted for any optional form of payment in accordance with paragraph (iii). Nothing in this section shall be understood to extend any benefit increase or adjustment effective after the Participant's initial retirement to the amount of pension upon resumption of payment, except to the extent that it may be expressly directed by other provisions of the Plan.

(i) The amount shall be determined under Section XII-3.2 through 3.7 as if it were being determined for the first time.

(ii) The amount calculated in paragraph (i) above, shall be reduced by the Actuarial Equivalent of benefits received before the benefits suspended. For these purposes, Actuarial Equivalent shall be determined using the factor contained in Exhibit I – Item J (d). Notwithstanding anything to the contrary, the reduced amount shall not be less than the amount of the monthly benefit received prior to the suspension.

(iii) The amount determined under the above paragraphs shall be adjusted for any optional form of benefit in accordance with which the benefits of the Participant and any Beneficiary are payable.

(b) A Pensioner who returns to covered employment for an insufficient period of time to complete a Year of Service, shall not, on subsequent termination of employment, be entitled to a recomputation of pension amount based on the

additional service. If a Pensioner who returns to covered employment completes a Year of Service, he shall, upon his subsequent retirement, be entitled to a recomputation of his pension amount, based on any additional Years of Service, notwithstanding any Service earned during a month in which the Pensioner was credited with less than 40 Hours of Service.

(c) A Qualified Joint and Survivor Annuity in effect immediately prior to suspension of benefits and any other benefit following the death of the Pensioner shall remain effective if the Pensioner's death occurs while his benefits are in suspension. If a Pensioner has returned to covered employment, he shall not be entitled to a new election as to the Qualified Joint and Survivor Annuity or any other optional form of benefit.

XII4.9 ACTUARIAL ADJUSTMENT FOR DELAYED RETIREMENT

(a) If a Participant does not retire directly from active service, and the Annuity Starting Date is after the Participant's Normal Retirement Age, the monthly benefit will be the Retirement Benefit based on age and Years of Service at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the Annuity Starting Date for which benefits were not suspended, and then converted as of the Annuity Starting Date to the benefit payment form elected in the pension application or to the automatic form of Husband-and-Wife Pension if no other form is elected.

(b) If a Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits will start from the date they would first have been paid rather than Normal Retirement Age.

(c) The actuarial increase will be 1% per month for the first 60 months after Normal Retirement Age and 1.5% per month for each month thereafter.

Where inconsistent with the terms of the Base Plan, Years of Vesting Service shall be credited as described in the following Sections XII5.1 through XII5.3:

XII5.1 VESTING SERVICE FOR NONWORKING PERIODS

A Participant who is absent from employment because of one of the following reasons, shall be credited with Years of Vesting Service as if he were at Work.

(a) Military Service.

Service in the armed forces of the United States shall be credited to the extent required by law. Notwithstanding any provision of this Plan to the contrary, effective December 12, 1994, contributions, benefits and service credit with respect to military service will be provided in accordance with §414(u) of the Code. To protect his full rights, a Participant who left employment to enter such military service must apply for reemployment with his Employer within the time prescribed by law. Furthermore, he must call his claim for credit for military service to the attention of the Trustees and be prepared to supply the evidence that the Trustees will need in order to determine his rights.

(b) Disability.

Periods of temporary and total disability arising from occupational accident or disease compensated under a worker's compensation law, shall be credited, but limited to a maximum period of 2 years for each separate and unrelated accident or disease. Periods of disability shall also be credited for which disability benefits are paid from the Employer or by the State of New York Temporary Disability Benefits Fund but limited to a maximum period of 26 weeks.

(c) Pending Arbitration.

In the event an arbitrator's award is rendered in a Participant's favor regarding the appropriateness of a discharge from employment by the Employer, the Participant shall retroactively receive credit for periods of non-employment that occur after the discharge and before the rendering of the award.

XII5.2 YEARS OF VESTING SERVICE

(a) General Rule.

A Participant shall be credited with one Year of Vesting Service for each calendar year in which he completes at least 1,000 Hours of Service. This rule is subject to the provisions of the following Subsections.

(b) Exceptions.

A Participant shall not be entitled to credit for years preceding a Permanent Break in Service as defined in Section XII5.3.

XII5.3 BREAKS IN SERVICE

(a) General.

If a person has a Break in Service before he has earned Vested Status, it has the effect of canceling his standing under this Plan, that is, his previous Years of Vesting Service and credited Years of Service. However, a Break may be temporary, subject to repair by a sufficient amount of subsequent service. A longer Break may be permanent.

(b) Break in Service.

(i) A person has a Break in Service in any calendar year after 1975 in which he fails to complete 501 Hours of Service.

(ii) A Break in Service is repairable, in the sense that its effects are eliminated if, before incurring a Permanent Break in Service, the Employee subsequently earns a Year of Vesting Service (1,000 hours). More specifically:

(A) Participation is restored in accordance with the provisions of Section XII2.4; and

(B) Previously earned Years of Vesting Service are restored.

(C) Nothing in this paragraph (ii) shall change the effect of a Permanent Break in Service.

(c) Permanent Break in Service 1976 and Thereafter.

An Employee who has not attained Vested Status incurs a Permanent Break in Service if the number of consecutive Breaks in Service equals or exceeds the number of Years of Vesting Service with which he has been credited, however a Participant will not incur a Permanent Break in Service after December 31, 1985 unless the number of consecutive Breaks in Service is greater than five.

(d) Effect of Permanent Break in Service.

If a person who has not achieved Vested Status has a Permanent Break in Service:

(i) his previous Years of Vesting Service and credited Years of Service are canceled, and

(ii) his participation is canceled, new participation being subject to the provisions of Section XII2.4.

(e) Grace Periods.

Solely for the purpose of determining whether or not a Break in Service has occurred, there shall be credited to each person absent from service on a “Parenthood Leave” or an unpaid leave of absence granted by the Employer, up to 12 weeks, that qualifies under the Family and Medical Leave Act, the lesser of (a) the number of Hours of Service that would normally have been credited but for such absence or (b) five hundred and one (501) Hours of Service. “Parenthood Leave” shall mean an absence from work (a) due to the pregnancy of the

individual, (b) due to the birth of a child to the individual, (c) due to the placement of a child in connection with the adoption of that child by the individual, or (d) for purposes of caring for a child during the period immediately following the birth or placement for adoption of such child. Such Hours of Service shall be credited to the participation and vesting computation period in which the absence begins if necessary to avoid a Break in Service in such computation period, or if not so necessary, then in the next following participation and vesting computation period after which the absence begins.

Appendix XIII – Union Health Center Plan Participants

CLOSED GROUP – December 31, 2002

The provisions of this Appendix XIII apply to participants in the Union Health Center Staff Retirement Plan (the "Union Health Center Plan") prior to October 1, 2002. The Union Health Center Plan was merged into the Plan on October 1, 2002 and all participants in the Union Health Center Plan became Participants in the Plan. Employees hired after October 1, 2002 and prior to January 1, 2003 shall be covered under Appendix VIII (ILGWU). Employees hired after December 31, 2002 shall be covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix XIII, the terms of this Appendix XIII will control with respect to Participants covered by this Appendix XIII. References in this Appendix to the Union Health Center Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XIII, it is intended that the Plan and this Appendix XIII be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Union Health Center Plan as of September 30, 2002 shall not be decreased as a result of the merger of the Union Health Center Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to October 1, 2002.

The following definitions shall apply for purposes of this Appendix XIII:

"Credited Employment or Covered Employment" - The term "Credited Employment or Covered Employment" means, as applied to each Participant, the number of Years or fraction thereof, for which contributions are made by and on behalf of such Participant there under. If a Participant's scheduled number of hours of duty in a month is less than his normally scheduled number of hours, his Credited Employment for that mouth shall be a fraction equal to the number of his scheduled hours divided by his normally scheduled number, unless such change in his normally scheduled number of hours is temporary in nature. For the purpose of computing a, Participant's total Years of Credited Employment, each 3 Years of Credited Employment prior to July 1, 1959 shall be counted as 1 Year of Credited Employment. For the purpose of determining a Participant's eligibility for a pension benefit or the amount of such benefit, Years of Credited Employment before any Permanent Break-in-Service shall be disregarded.

"Employee" - The term "Employee" means any person employed by the Union Health Center, including a Leased Employee.

However, "Employee" shall exclude any individual retained by an Employer to perform services for such Employer (for either a definite or indefinite duration) and is characterized thereby as a fee-for-service worker or independent contractor or in a similar capacity (rather than in the capacity of an employee), regardless of such individual's status under common law, including, without limitation, any such individual who is or has been determined by a third party, including, without limitation, a government agency or board or court or arbitrator, to be an employee of an Employer for any purpose, including, without limitation, for purposes of any employee benefit plan of an Employer (including this Plan) or for purposes of federal, state or local tax withholding, employment tax or employment law.

“Final Average Salary” - The term “Final Average Salary” means the annual average calculated based on the Participant’s Salary during his last 156 regular weekly payrolls immediately prior to his Benefit Commencement Date. However, effective January 1, 1994, the annual average shall be based on the Participant’s salary during the last 104 regular weekly payrolls immediately prior to his Benefit Commencement Date. For active participants in the Union Health Center Staff Retirement Plan employed on December 31, 1991, the Final Average Salary shall be increased by 4%. For any month for which a Participant receives a fraction of a month of Credited Employment, because his scheduled number of hours of duty is less than his normally scheduled number of hours, his Salary for this purpose shall be deemed to be his actual Salary divided by such fraction.

“Normal Retirement Age” - The term “Normal Retirement Age” means the later of age 65 or the date of the fifth anniversary of the commencement of participation in the plan. Such participation before a Break in Service shall not be counted unless such Break in Service is repaired by subsequent service.

“Permanent Break-in-Service” - A “Permanent Break-in-Service” occurs when an Employee who has not completed at least 5 Years of Service incurs a number of consecutive one year Breaks-in-Service which equal or exceeds the greater of five consecutive years of service, or the number of his prior completed Years of Service before such break. In computing the number of an Employee’s Years of Service, Years of Service which were canceled and forfeited because of a prior Break in-Service shall be disregarded. An Employee shall also be deemed to have incurred a Permanent Break-in-Service (a) upon any termination of employment before 1975, or (b) as of the end of 1975, if his employment was involuntarily terminated in that year before he completed at least 501 Hours of Service, or if his employment was voluntarily terminated in that year before he completed at least 1,000 Hours of Service.

“Salary” - The term “Salary” means compensation paid to a Participant, excluding reimbursement fur expenses or expense allowances, fringe benefits (cash and non-cash), moving expenses, deferred compensation and welfare benefits. Effective January 1, 2011, Salary shall not include severance pay.

“Totally and Permanently Disabled” - A Participant shall be deemed “Totally and Permanently Disabled” only if he has received a Social Security Disability Award or the New York Union Health Center, or such other medical institution or medical agency as may be designated by the Trustees, certifies the Participant is unable to perform the regular functions of his position because of a presumably permanent or indefinitely continuing disability and such disability continues thereafter as the Trustees may from time to time determine prior to the Participant’s 65th birthday.

Where inconsistent with the terms of the Base Plan, the forms of pension payments and the amounts of such payments shall be determined pursuant to the following Sections:

VESTED PENSION BENEFITS

“Eligibility Requirements”

(a) A participant who attains Normal Retirement Age while in the employ of the Union Health Center and who is not otherwise eligible for a pension benefit shall be eligible for a Vested Pension Benefit.

(b) A Participant whose employment is terminated after he has completed at least 5 Years of Service, but before he has become eligible for a pension benefit, shall have a deferred right to a Vested Pension Benefit.

“Benefit Amount” - A Participant whose application for a Vested Pension Benefit has been approved in accordance with the provisions of this Plan shall be entitled to receive an annual pension benefit which shall be payable monthly and which shall be computed by multiplying the total number of the Participant’s years earned by two and one-quarter percent (2.25 %) of his Final Average Salary, provided that no annual retirement benefit shall exceed a maximum of seventy-five percent of such Participant’s Final Avenge Salary. The annual pension amount shall then be divided by twelve (12) to determine the Participant’s monthly benefit amount.

Notwithstanding the foregoing, in the event a participant who has attained normal retirement age has not been furnished a notice required under Section 203(a)(3)(B) of ERISA, the retirement benefit determined under this Section shall not be less than the actuarial equivalent of the amount that would have been paid had the participant retired on the first day of the month following the month in which he attained normal retirement age.

“Benefit Commencement Date” - The “Benefit Commencement Date” for a Participant eligible for a Vested Pension Benefit shall be the March 1st following the Plan Year in which the Participant attained Normal Retirement Age or terminated his employment, whichever is later. However, in the event that a Participant’s termination of employment is due to the fact that the Participant is Totally and Permanently Disabled, as defined in this Appendix, the Benefit Commencement Date of his Vested Pension Benefit shall be the March 1st following the Plan Year in which he was so disabled, and for which an application was filed by or on behalf of such Participant.

“Late Retirement” - Any participant who continues in the employ of the Employer after reaching his normal retirement age shall not be entitled to receive retirement benefits until he actually retires. Retirement benefits for such participant shall commence on the first day of any month selected by the participant subsequent to his attainment of normal retirement age but prior to his required beginning date.

Notwithstanding the foregoing, a Participant who continues in the employ of the employer after his normal retirement age but prior to his required beginning date shall be entitled to receive a pension with respect to any month in which he has less than 40 hours of service, Once a Participant reaches his required beginning date, he shall be entitled to receive a pension without regard to his employment status.

REGULAR PENSION BENEFIT AND REGULAR DISABILITY PENSION BENEFIT

Regular Pension Benefit - A Participant shall be eligible for a Regular Pension Benefit if he meets all of the following requirements:

(i) he has attained age 65 while still in the employ of the Union Health Center; and

(ii) he has completed at least 6 Years of Credited Employment.

Regular Disability Pension Benefit - A Participant shall be eligible for a Regular Disability Pension Benefit if he meets all of the following requirements:

(i) he becomes Totally and Permanently Disabled while still in the employ of the Union Health Center; and

(ii) he has completed at least 10 Years of Credited Employment.

“Benefit Amount” - A Participant whose application for a regular Pension Benefit or a Regular Disability Pension Benefit has been approved in accordance with the provisions of this Plan shall be entitled to receive an annual pension benefit which shall be payable monthly and which shall be computed by multiplying the total number of the Participant’s years earned by two and one-half percent (2.5 %) of his Final Average Salary, provided that no annual retirement benefit shall exceed a maximum of seventy-five percent of such Participant’s Final Avenge Salary. The annual pension amount shall then be divided by twelve (12) to determine the Participant’s monthly benefit amount.

Notwithstanding the foregoing, in the event a Participant who has elected a late retirement date has not been furnished a notice required under Section 203(a)(3)(B) of ERISA, the retirement benefit determined under this Section shall not be less than the actuarial equivalent of the amount that would have been paid had the Participant retired on the first day of the month following the month in which he attained normal retirement age.

“Benefit Commencement Date”

(I) The Benefit Commencement Date for a Participant eligible for a Regular Pension Benefit shall be the first day of the month following his 65th birthday (or on his 65th birthday itself, if that be the first day of the month) provided he files an application therefore and stops working for the Union Health Center by such Benefit Commencement Date. In no event, unless the Participant elects otherwise, shall his Benefit Commencement Date be later than the 60th day after the close of the Plan Year in which he attained age 65, or, if later, the Plan Year in which he terminated his employment. In no event, unless the Participant elects otherwise, shall the commencement date be later than the 60th day after the close of the Plan Year in which be attained age 62 or, if later, the Plan Year in which he terminated his covered employment, provided that no such election filed on or after January 1, 1989 may postpone the commencement of benefits to a date later than the participant’s required beginning date.

(ii) The Benefit Commencement Date for a Participant eligible for a Regular Disability Pension Benefit shall be the first day of the month following the date he becomes eligible for such pension benefit provided an application is filed therefore by or on behalf of such Participant and the Participant stops working for the Union Health Center by such Benefit Commencement Date.

EARLY RETIREMENT PENSION BENEFIT

A Participant who has met the Credited Employment requirement for a Regular Pension Benefit may retire as of the first day of any month following his 62nd birthday (or on his 62nd birthday if that be the first day of the month), provided he is actively employed at age 62, files an application and stops working for the Union Health Center prior to the Benefit Commencement Date. The monthly benefit payable as an Early Retirement Pension Benefit shall be equal to the amount of the Regular Pension Benefit reduced by 1/2 of 1% for each month by which the commencement of the Early Retirement Pension Benefit precedes the Participant's 65th birthday.

QUALIFIED JOINT AND SURVIVOR ANNUITY

A Qualified Joint and Survivor Annuity is the normal form payable to a married Participant and is equal to a reduced benefit that would otherwise be payable, which in the event that the Participant dies prior to his spouse, pays 50% of the benefit to the surviving spouse for the remainder of her lifetime. When a Qualified Joint and Survivor Annuity becomes effective, the amount of the Participant's monthly pension shall be reduced in accordance with the following factors to be multiplied by the benefit payable under the normal form:

Regular Retirement - 90% plus .4% for each year that the beneficiary's age is greater than the employee's age or minus .4% for each year that the beneficiary's age is less than the employee's age with a maximum factor of 99%. (For example: Employee is age 65 and spouse is age 62; factor = 88.8%) .

Disability Retirement - 78% plus .4% for each year that the beneficiary's age is greater than the employee's age or minus .4% for each year that the beneficiary's age is less than the employee's age, with a maximum factor of 99%.

The monthly amount of the Joint and Survivor Annuity, once it has become payable, shall not be increased if the spouse is subsequently divorced from the Retiree or if the spouse predeceases the Retiree.

In addition to the foregoing, the provisions of Sections 7.1(c) and 7.1(e) of the Base Plan shall also continue to apply after January 1, 2015.

QUALIFIED PRE-RETIREMENT JOINT & SURVIVOR ANNUITY

Active employees with five years of service receive a 50% of accrued monthly pension, reduced 5% per year for each year (up to 5) that the Participant is under age 65 and 3% for each year the Participant is under age 60, to a maximum reduction of 50%. To the extent that the designated surviving spouse is under age 55 and more than 8 years younger than the Participant, then the benefit shall be further reduced by 5% per year for the first five years of such age difference and

3% per year for the next years to a maximum of 50% with no further reductions. Such benefit will not be less than the Qualified Pre-Retirement Joint & Survivor Annuity amount payable under the following paragraph.

A Qualified Pre-Retirement Joint & Survivor Annuity shall be payable to the spouse of any vested participant who has been married for at least one year at the time of his death equal to the amount of the benefit that would have been payable to the spouse under a Qualified Joint and Survivor Annuity, assuming, in the event that the Participant was not yet eligible for an immediate pension, that the Participant terminated employment on the date of his death, and lived to his earliest retirement date.

RETURN OF PERSONAL CONTRIBUTIONS

Termination of Covered Employment - If a Participant terminates employment before he has become eligible for a Pension Benefit, or earned a deferred right to a Vested Pension Benefit, his total personal contributions shall be returned to him with Credited Interest. A terminated Participant who has earned a vested right to a deferred retirement benefit shall have the option to request within 6 months of his termination of employment the return of his personal contributions with Credited Interest and to receive a deferred retirement benefit based only on the Union Health Center's contributions instead of a full deferred retirement benefit based on the joint contributions of the Participant and the Union Health Center. If the Participant resumes employment before he has incurred a Permanent Break-in-Service, he shall be required to repay the amount received with Credited Interest over a period of time to be determined by the Retirement Trustees in accordance with law. A Participant's Personal Contributions, which were made prior to January 1, 1992, shall be nonforfeitable at all times.

Death Without Eligible Survivor - If, on the death of a Participant, no annuity benefits are payable to his spouse, the deceased's personal contributions less all pension benefits paid, if any, shall be returned with Credited Interest to his designated beneficiary or, if none, to his estate.

Remaining Personal Contributions - If all pension and joint and survivor benefits terminate before the Participant's personal contributions have been exhausted, the balance of such contributions shall be returned, with Credited Interest, calculated up to the date of retirement, to his designated beneficiary or, if none, to the Participant's estate.

Appendix XIV – Baltimore Medical Staff Retirement Plan Participants

CLOSED GROUP – November 1, 2004

The provisions of this Appendix XIV apply to participants in the Retirement Plan for the Medical Staff Employees of the Day Care Centers of the Baltimore Regional Joint Board (UNITE) Health and Welfare Fund (the "Baltimore Retirement Plan") prior to November 1, 2004. The Baltimore Retirement Plan was merged into the Plan on November 1, 2004 and all participants in the Baltimore Retirement Plan became Participants in the Plan. Employee hired after November 1, 2004 are covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix XIV, the terms of this Appendix XIV will control with respect to Participants covered by this Appendix XIV. References in this Appendix to the Baltimore Retirement Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XIV, it is intended that the Plan and this Appendix XIV be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Baltimore Retirement Plan as of October 31, 2004 shall not be decreased as a result of the merger of the Baltimore Retirement Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to November 1, 2004.

The following definitions shall apply for purposes of this Appendix XIV:

"Affiliated Employer" – shall mean the Baltimore Regional Joint Board--UNITE, a local union or joint board with the Amalgamated Clothing Workers of America, the Amalgamated Bank of New York, the Amalgamated Life Insurance Company, the Amalgamated Insurance Fund or any other fund which is created or exists for the benefit of UNITE, its members or any corporation the majority of stock of which is held by or for the benefit of UNITE, its members or any local union or joint board affiliated with UNITE.

"Age" – shall mean age at last birthday.

"Break in Service" - Occurs during a twelve (12) consecutive month period, beginning on a Severance from Service Date and ending on the first anniversary of such date, during which the Employee fails to receive at least one (1) Hour of Service. For the purpose of determining a Break in Service, service as a Leased Employee shall be treated as service with the Employer.

"Compensation" - The term "Compensation" as used herein shall mean an Employee's earned income, wages and other amounts received for personal services actually rendered in the course of employment with an Employer. Amounts included as Compensation are those actually paid or made available to a Participant within the calendar year. Compensation shall also include elective deferrals within the meaning of Section 402(g) of the Code, and amounts excludible from gross income pursuant to an election by the Participant under Sections 125, 132(f)(4) and 457 of the Code. Effective January 1, 2011, Compensation does not include severance pay.

“Continuous Service” - Shall mean the Period of Service as an Employee commencing with the Participant’s most recent date of employment with the Employer.

“Credited Future Service” - Shall mean the sum of (i) the period of Continuous Service earned on or after January 1, 1983 through December 31, 1983, plus (ii) the period of Continuous Service earned on or after January 1, 1984. For this purpose, a Participant shall receive a full month’s Credited Future Service for any month he made the Required Employee Contributions.

“Credited Past Service” - Shall mean the period of Continuous Service earned prior to January 1, 1983 as an Employee. For this purpose, a partial calendar month’s service shall be treated as a full month of Credited Service.

“Credited Service”

(a) Shall mean the sum of Credited Future Service and Reinstated Service.

(b) Service in uniformed service of the United States shall be counted as service under this Plan for all purposes, including benefit accrual, vesting, and participation, provided that all of the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA), or applicable prior federal veteran’s reemployment rights laws, are satisfied. Generally such requirements relate to advance notice of such service to the employer, application for employment in covered employment within the required time limits, the furnishing of documentation of such service, and an honorable discharge or satisfactory completion of service.

An aggregate minimum of five years of service or less shall be granted for service in the uniformed services, unless extended service is required as part of an Employee’s initial period of obligation or, if the service is otherwise involuntarily extended, such as during a war or operations mission.

“Normal Retirement Date”

(a) Shall mean the later of (i) the Participant’s sixty-fifth (65th) birthday; (ii) the tenth (10th) anniversary of his date of participation in the Plan or the completion of ten (10) years of Vesting Service, whichever is earlier; and (iii) January 1, 1988.

(b) For any Participant who completes one hour of service on or after January 1, 1989, Normal Retirement Date shall mean the later of (i) the Participant’s sixty-fifth (65th) birthday, and (ii) the fifth (5th) anniversary of his date of participation in the Program or the completion of five (5) years of Vesting Service, whichever is earlier.

“Period of Service” - Shall mean the period of time commencing with the Employee’s most recent date of employment and ending on the Severance from Service Date.

“Period of Severance” - Shall mean the period of time commencing on the Severance from Service Date and ending on the date on which the Employee again receives one (1) Hour of Service.

“Reinstated Service” - Shall mean, for a former Employee who terminates his employment with the Employer after January 1, 1983, who again becomes an Employee after incurring a Break-in-Service, and who completes a one (1) year Period of Service after again becoming an Employee, all Credited Service credited on his behalf at the time of his earlier termination of employment provided one of the following conditions is satisfied:

(a) the Participant was entitled to a Deferred Vested Retirement Pension at the time of his Break-in-Service;

(b) the Participant’s Period of Severance did not equal or exceed his prior Vesting Service;

(c) (i) the Participant’s Break-in-Service commenced after December 31, 1984; and (ii) the Participant’s Period of Severance did not equal or exceed five (5) years; or

(d) (i) the Participant’s Break-in-Service commenced before January 1, 1985; (ii) the Participant returned to employment on or after January 1, 1985; (iii) the Participant would have been entitled to Reinstated Service if he had returned to employment on December 31, 1984; and (iv) the Participant’s Period of Severance did not equal or exceed five (5) years.

Except for eligibility and vesting, a former Employee who received the full value of his nonforfeitable benefits upon his earlier termination of employment will not be entitled to Reinstated Service unless he repays the entire amount of his distribution together with interest at the rate of five percent (5%) compounded annually, to the Trustees within two (2) years of the date he again becomes an Employee.

“Severance from Service Date” - Shall mean the earlier of:

(a) the date on which an Employee quits, is discharged, retires or dies; and

(b) the first anniversary of the commencement of a period during which an Employee takes an approved Leave of Absence. In the case of military service, the Severance from Service Date shall be the ninetieth (90th) day following his release from military service or such longer period during which his employment rights are protected by law.

“Vesting Service” - Shall mean the sum of the Employee’s (i) Credited Service; (ii) Credited Past Service; and (iii) any periods of Severance of a duration of less than twelve (12) months. For this purpose, twelve (12) months of Vesting Service, whether or not continuous, shall constitute a year of Vesting Service. In determining the number of years of Vesting Service, service with a predecessor organization of the Employer and/or an Affiliated Employer to a maximum of five (5) years, shall be credited. For purposes of determining Vesting Service, Service as a Leased Employee shall be treated as service with the Employer.

Where inconsistent with the terms of the Base Plan, the following provisions shall be applied to Participants covered by this Appendix XIV in lieu of, or in addition to, as appropriate, the provisions of the Base Plan.

Required Employee Contributions - Each Participant shall contribute for the benefits provided for him under this Plan, at the rate of three and one-half percent (3½%) of his annual Compensation. The above notwithstanding, effective January 1, 2007, employee contributions are neither required nor permitted.

Normal and Late Retirement Pension - The annual Normal and Late Retirement Pension benefit payable to an eligible Participant shall be equal to two and one-half percent (2½%) of the Participant's total Compensation received during the Participant's period of Credited Service; provided, however, that in no event shall such sum exceed seventy-five (75%) of the Participant's average annual Compensation received during the five (5) consecutive calendar years out of the ten (10) calendar years prior to termination of employment which produces the highest average. A Participant shall mandatorily retire upon the attainment of Age 70.

Minimum Normal and Late Retirement Pension - The minimum Normal Retirement Pension shall be equal to a monthly benefit of fifty dollars ($50) provided the Participant has completed ten (10) years of Credited Service, and shall be increased by five dollars ($5) per month for each additional year of Credited Service, to a maximum of one hundred dollars ($100).

Early Retirement Pension – Eligibility - An Early Retirement Pension shall be granted to each Participant of the Plan who ceases to be an Employee of the Employer prior to becoming eligible to receive a Normal Retirement Pension but on or after the date the Participant either: (i) completes thirty (30) years of Vesting Service; or (ii) both attains age sixty (60) and completes ten (10) years of Vesting Service.

Early Retirement Pension – Amount - The monthly Early Retirement Pension shall be the Participant's accrued pension benefit determined in accordance with the Normal Retirement Pension formula based on Credited Service and Compensation earned as of the date of termination of employment. A Participant who terminates employment with the Employer may elect to have benefit payments commence on his Normal Retirement Date or on the first of any month following or coinciding with his sixtieth (60th) birthday. A Participant who elects to have benefit payments commence prior to his sixty-second (62nd) birthday shall have the amount determined above reduced by one-half of one percent (0.5%) for each complete or partial month that the Participant's actual retirement date precedes his Normal Retirement Date; provided, however, no reduction shall be made if the Participant has completed thirty (30) years of Vesting Service.

Minimum Early Retirement Pension - The minimum Early Retirement Pension shall be equal to the minimum Normal Retirement Pension reduced by one-half of one percent (0.5%) for each complete or partial month that the Participant's actual retirement date precedes his Normal Retirement Date.

Disability Retirement Pension – Eligibility - A Disability Retirement Pension shall be granted to any disabled Participant of the Plan who at the time of his disability;(i) had earned ten (10) years

of Vesting Service; (ii) was an active Employee of the Employer; (iii) is found by the Trustees to be unable to engage in any substantially gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration; and (iv) applies for and is determined to be eligible to receive Social Security Disability benefits. In the determination of disability, the Trustees may establish rules which are uniformly and consistently applied to all Participants in similar circumstances.

Disability Retirement Pension – Amount - The amount of the Participant's Disability Retirement Pension shall be the Participant's accrued pension benefit based on Credited Service and Compensation earned as of the date of disability.

Disability Retirement Pension – Period of Payment - The Disability Retirement Pension shall commence as of the first of the month coincident with or next following the date he satisfies all the eligibility requirements described above and shall continue in equal monthly installments. The Trustees may verify by medical examination at any time whether a Participant who is receiving a Disability Retirement Pension benefit has ceased to be totally and permanently disabled. If any such Participant should refuse to permit such examination, such refusal shall be justification for the discontinuance of his benefits under this section. If it is determined that total and permanent disability no longer exists, the Participant may be employed by the Employer and upon such reemployment, shall be credited with the years of Continuous Service, Credited Service and Vesting Service which he had earned to the date he absented himself from the employment of the Employer due to the disability; provided, however, the benefits to which he may become entitled to thereafter under the Plan shall be reduced by the Actuarial Equivalent of the disability payment received hereunder.

Deferred Vested Retirement Pension – Eligibility - A Participant shall be entitled to a Deferred Vested Retirement Pension upon attaining Normal Retirement Age if he has completed at least five Years of Vesting Service. Any Participant of the Plan who ceases to be an Employee for reasons other than death or disability, prior to becoming eligible for a Normal Retirement Pension or an Early Retirement Pension, and who is ineligible to receive a Deferred Vested Retirement Pension shall be ineligible to receive any benefit from the Plan, except for Withdrawal Benefits or Top-Heavy benefits, if applicable.

Deferred Vested Retirement Pension – Amount - The amount of the Deferred Vested Retirement Pension shall be the Participant's accrued pension benefit based on Credited Service and Compensation earned as of the date of termination of employment. A Participant who terminates employment with the Employer may elect to have benefit payments commence on his Normal Retirement Date or on the first of any month following or coinciding with his sixtieth (60th) birthday. A Participant who elects to have benefit payments commence prior to his Normal Retirement Date shall have the amount determined above reduced by one-half of one percent (0.5%) for each month his Annuity Starting Date precedes his Normal Retirement Date.

Pre-Retirement Death Benefit – Eligibility - If a Participant dies prior to termination of employment but after completing five (5) years of Vesting Service, the Surviving Spouse of the deceased Participant shall be entitled to a death benefit in the form of a Survivor's Pension as provided below. In the event the eligible Participant is not survived by a Spouse eligible to receive a benefit under the Plan, the surviving children of the Participant shall be eligible to

receive the Survivor's Pension. For the purpose of this benefit, children of the Participant shall only mean the surviving natural issue and adopted children of the Participant under Age of eighteen (18) if not a full-time student, under Age twenty-three (23) if a full-time student, or institutionalized on the date of the Participant's death. If the eligible Participant dies without a Surviving Spouse or child eligible to receive a Survivor's Pension, his designated Beneficiary shall be entitled to a Lump Sum Death Benefit as provided below. The designated Beneficiary of each other Participant who dies prior to his Annuity Starting Date shall receive a Withdrawal Benefit as provided below.

Survivor's Pension - The amount of the Survivor's Pension shall be equal to fifty percent (50%) of the Participant's Accrued Benefit. In the event the benefit amount is payable to eligible children of the Participant, the amount determined above shall be allocated in equal shares to the eligible children surviving on the date of the benefit payment being made. The Survivor's Pension shall commence as of the first of the month following the Participant's death and shall continue in monthly installments through the month in which the Spouse dies. In the absence of a Spouse eligible to receive the Survivor's Pension, the Survivor's Pension payable to the Participant's children shall commence on the first day of the month following the death of the Participant, and shall continue through the first of the month in which the last of the surviving children of the Participant attains Age eighteen (18), or Age twenty-three (23) if a full-time student, or ceases to be institutionalized if such child had been institutionalized on the date of the Participant's death. If an applicable law or regulations limits the number of years over which a Survivor's Pension may be paid, at the end of such period, monthly payments shall cease and a lump sum of Actuarial Equivalent value to the remaining unpaid payments shall be paid to the eligible survivor(s). In no event shall the total payments under this Section be less than the Lump Sum Death Benefit provided below.

Lump Sum Death Benefit - The amount of the Lump Sum Death Benefit shall be equal to two (2) times the Withdrawal Benefit as determined below. Such Lump Sum Death Benefit shall be paid to the designated Beneficiary within ninety (90) days of the date of death of the Participant. In lieu of a Lump sum Death Benefit, the designated Beneficiary may elect to receive a life period certain pension for a period of not more than ten (10) years which shall be the Actuarial Equivalent of the Lump Sum Death Benefit and shall commence as of the first of the month following the Participant's death.

Withdrawal Benefit – Eligibility - Each Participant of the Plan who ceases to be an Employee for reasons other than death or disability, prior to becoming eligible for a Normal Retirement Pension or Late Retirement Pension shall receive a Withdrawal Benefit. Each other Participant who ceases to be an Employee for reasons other than death or disability prior to becoming eligible for a pension commencing within one (1) month of the date he ceases to be an Employee, may elect to receive a Withdrawal Benefit. The designated beneficiary of an active Participant or of a Participant entitled to a Deferred Vested Retirement Pension who has not previously elected a Withdrawal Benefit who dies prior to his actual retirement date without being covered under the provisions regarding the Survivor's Pension will receive a Withdrawal Benefit.

Withdrawal Benefit – Amount - The amount of the Withdrawal Benefit shall be the Participant's Required Employee Contributions plus Credited Interest thereon to the date the Withdrawal Benefit is paid.

Effect of Withdrawal Benefit on Other Benefits - If a Participant who is eligible for a Deferred Vested Retirement Pension elects to receive a Withdrawal Benefit, his Deferred Vested Retirement Pension will be reduced by the Employee Paid Benefit defined below. If the Employee Paid Benefit is greater than the Deferred Vested Retirement Pension, then the Participant shall cease to be a Participant of the Plan. Notwithstanding the language of the preceding sentence, if the Participant has accrued a minimum benefit for any year in which the Plan was Top-Heavy, this Minimum Annual Retirement Benefit shall not be reduced by the Employee Paid Benefit and the Participant will remain a Participant in this Plan.

Employee Paid Benefit - The Employee Paid Benefit shall mean the benefit that can be provided by Required Employee Contributions. The Employee Paid Benefit commencing at the Participant's Normal Retirement Date under the normal form shall be determined by adding interest at the rate of five percent (5%) per annum to the Participant's Required Employee Contribution account (including accrued Credited Interest thereon) from the date of determination to his Normal Retirement Date and multiplying the result by one-tenth (0.10) . The resulting Employee Paid Benefit made payable at other ages or in other optional forms shall be the Actuarial Equivalent of the Employee Paid Benefit payable at the Participant's Normal Retirement Date under the normal form.

Repayment of Withdrawal Benefit - Any Participant who received a Withdrawal Benefit upon termination of employment and is subsequently rehired by the Employee and is eligible for Reinstated Service, may repay his Withdrawal Benefit with interest at the rate of five percent (5%) compounded annually within the end of a period of two (2) consecutive one-year breaks in service and thereby restore his rights to any benefits accrued during his prior period of participation in the Plan which were forfeited upon the Participant's termination of employment.

Automatic Form of Pension - The provisions of Section 7.1 of the Base Plan with respect to automatic payment forms shall apply to all Participants covered by this Appendix, and shall continue to apply after January 1, 2015. Any provisions herein set forth regarding distributions must take into account the provisions of Section 7.1 of the Base Plan.

Normal Form of Pension - The normal form of pension for a Participant eligible for a Normal, Late, Early, Disability or Deferred Vested Retirement Pension shall be a pension payable monthly for the life of the Participant continuing through the month in which the Participant dies. Upon the death of a Participant receiving the normal form of pension, his designated beneficiary or beneficiaries shall receive, in a lump sum, the amount of the Participant's contributions to the Plan, together with Credited Interest, which are in excess of the total benefit payments paid to the Participant.

Optional Forms of Pension - In lieu of any other form of pension, a Participant may elect, at the time and in the manner prescribed by the Trustees, to receive a pension of Actuarial Equivalent value in accordance with any of the following options.

(a) A joint and contingent survivor pension providing for an actuarially adjusted pension payable to and during the lifetime of the retired Participant with the provision that following his death after his benefit commencement date, such adjusted pension shall continue to be paid to and during the lifetime of the Participant's spouse at the same rate or at the rate of two-thirds (2/3rds) or one-half (1/2) of his adjusted pension.

(b) A life period certain pension providing for an actuarially adjusted pension payable to and during the lifetime of the retired Participant with the provision that, in the event the Participant shall die before he shall have received payment of such adjusted pension for a period of one hundred twenty (120) months or one hundred eighty (180) months ("Select Period"), as selected by the Participant, after his death such adjusted pension shall continue for the remainder of said Select Period to the Participant's designated Beneficiary as he shall nominate by written designation filed with the Trustees. If the Participant's designated Beneficiary dies before payment of all payments provided in this option, payment will be made to the Participant's estate.

(c) Any other option including a single lump sum payment (except an "interest only" option); provided, however, that such option is approved by the Trustees; and, provided further, that such option provides for equal or decreasing installments (payable not less frequently than annually) and does not provide for a certain period longer than the life expectancy of the last to die of the Participant or his spouse.

In no event, however, shall the actuarial value (determined as of the Benefit Commencement Date) of the benefits payable following the death of a Participant to a person other than the Participant's spouse equal or exceed fifty percent (50%) of the actuarial value of the pension payable to the Participant.

Appendix XV – Baltimore Severance Plan Participants

CLOSED GROUP – November 1, 2004

The provisions of this Appendix XV apply to participants in the Severance Pay Program of the Baltimore Regional Joint Board, Amalgamated Clothing Workers of America (the "Baltimore Severance Plan") prior to November 1, 2004. Employees hired after November 1, 2004 shall be covered under the Base Plan provisions. The Baltimore Severance Plan was merged into the Plan on November 1, 2004 and all participants in the Baltimore Severance Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XV, the terms of this Appendix XV will control with respect to Participants covered by this Appendix XV. References in this Appendix to the Baltimore Severance Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XV, it is intended that the Plan and this Appendix XV be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Baltimore Severance Plan as of October 31, 2004 shall not be decreased as a result of the merger of the Baltimore Severance Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to November 1, 2004.

The following definitions shall apply for purposes of this Appendix XV:

"Affiliated Employer" – Shall mean the Amalgamated Clothing Workers of America, a local union or joint board with Amalgamated Clothing Workers of America, The Amalgamated Bank of New York, The Amalgamated Life Insurance Company, The Amalgamated Insurance Fund, or any other fund which is created or exists for the benefit of Amalgamated Clothing Workers of America, its members and any corporation the majority stock of which is held by or for the benefit of Amalgamated Clothing Workers of America, its members or any local union or joint board affiliated with Amalgamated.

"Age" – Shall mean age at last birthday.

"Break in Service" - Occurs during a twelve (12) consecutive month period, beginning on a Severance from Service Date and ending on the first anniversary of such date, during which the Employee fails to receive at least one (1) Hour of Service. For the purpose of determining a Break in Service, service as a Leased Employee shall be treated as service with the Joint Board.

"Compensation" - The term "Compensation" as used herein shall mean an Employee's earned income, wages and other amounts received for personal services actually rendered in the course of employment with an Employer. Amounts included as Compensation are those actually paid or made available to a Participant within the calendar year. Compensation shall also include elective deferrals within the meaning of Section 402(g) of the Code, and amounts excludible from gross income pursuant to an election by the Participant under Sections 125, 132(f)(4) and 457 of the Code. Effective January 1, 2011, Compensation does not include severance pay.

“Continuous Service” - Shall mean the Period of Service as an Employee commencing with the Participant’s most recent date of employment with the Joint Board.

“Credited Future Service” - Shall mean the period of Continuous Service earned on or after January 1, 1980 during which a Participant made the Required Employee Contributions to the Plan. For this purpose, a Participant shall receive a full month’s Credited Future Service for any month he made the Required Employee Contributions.

“Credited Past Service” - Shall mean the sum of (i) the period of Continuous Service earned prior to January 1, 1967 as an Employee, plus (ii) the period of Continuous Service earned from January 1, 1967 through December 31, 1979 during which the Participant made the Required Employee Contributions to the Plan. For this purpose, a partial calendar month’s service shall be treated as a full month of Credited Service.

“Credited Service”

(a) Shall mean the sum of Credited Future Service, Credited Past Service, Prior Industry Service and Reinstated Service.

(b) Service in uniformed service of the United States shall be counted as service under this Plan for all purposes, including benefit accrual, vesting, and participation, provided that all of the requirements of the Uniformed Services Employment and Reemployment Rights Act (USERRA), or applicable prior federal veteran’s reemployment rights laws, are satisfied. Generally such requirements relate to advance notice of such service to the employer, application for employment in covered employment within the required time limits, the furnishing of documentation of such service, and an honorable discharge or satisfactory completion of service.

(c) An aggregate minimum of five years of service or less shall be granted for service in the uniformed services, unless extended service is required as part of an Employee’s initial period of obligation or, if the service is otherwise involuntarily extended, such as during a war or operations mission.

“Joint Board” – The Baltimore Regional Joint Board, Amalgamated Clothing Workers of America.

“Normal Retirement Age”

(a) For any Participant who has not completed one hour of service on or after January 1, 1989, Normal Retirement Age shall mean the later of (i) the Participant’s sixty-fifth (65th) birthday and (ii) the tenth (10th) anniversary of his date of participation in the Plan or the completion of ten (10) years of Vesting Service, whichever is earlier.

(b) For any Participant who completes one hour of service on or after January 1, 1989, Normal Retirement Age shall mean the later of (i) the Participant’s sixty-fifth (65^{th}) birthday, and (ii) the fifth (5^{th}) anniversary of his date of participation in the Plan or the completion of five (5) years of Vesting Service, whichever is earlier.

“Period of Service” - Shall mean the period of time commencing with the Employee’s most recent date of employment and ending on the Severance from Service Date.

“Period of Severance” - Shall mean the period of time commencing on the Severance from Service Date and ending on the date on which the Employee again receives one (1) Hour of Service.

“Prior Industry Service” - Shall mean, for a Participant with at least ten (10) years of Continuous Service, the period of employment within the industry prior to becoming an Employee of the Joint Board up to a maximum of ten (10) years.

“Reinstated Service” - Shall mean, for a former Employee who terminates his employment with the Joint Board after January 1, 1976, who again becomes an Employee after incurring a Break-in-Service, and who completes a one (1) year Period of Service after again becoming an Employee, all Credited Service credited on his behalf at the time of his earlier termination of employment provided one of the following conditions is satisfied:

(a) the Participant was entitled to a Deferred Vested Retirement Pension at the time of his Break-in-Service;

(b) the Participant’s Period of Severance did not equal or exceed his prior Vesting Service;

(c) (i) the Participant’s Break-in-Service commenced after December 31, 1984; and (ii) the Participant’s Period of Severance did not equal or exceed five (5) years; or

(d) (i) the Participant’s Break-in-Service commenced before January 1, 1985; (ii) the Participant returned to employment on or after January 1, 1985; (iii) the Participant would have been entitled to Reinstated Service if he had returned to employment on December 31, 1984; and (iv) the Participant’s Period of Severance did not equal or exceed five (5) years.

Except for eligibility and vesting, a former Employee who received the full value of his nonforfeitable benefits upon his earlier termination of employment will not be entitled to Reinstated Service unless he repays the entire amount of his distribution together with interest at the rate of five percent (5%) compounded annually, to the Trustees within two (2) years of the date he again becomes an Employee.

“Severance from Service Date” - Shall mean the earlier of:

(a) the date on which an Employee quits, is discharged, retires or dies; and

(b) the first anniversary of the commencement of a period during which an Employee takes an approved Leave of Absence. In the case of military service, the Severance from Service Date shall be the ninetieth (90th) day following his release from military service or such longer period during which his employment rights are protected by law.

“Vesting Service” - Shall mean the sum of the Employee’s (i) Credited Service; and (ii) any Period of Severance of a duration of less than twelve (12) months. For this purpose, twelve (12) months of Vesting Service, whether or not continuous, shall constitute a year of Vesting Service, In determining the number of years of Vesting Service, service with a predecessor organization of the Joint Board and/or an Affiliated Employer to a maximum of five (5) years, shall be credited. For purposes of determining Vesting Service, Service as a Leased Employee shall be treated as service with the Joint Board.

Where inconsistent with the terms of the Base Plan, the following provisions shall be applied to Participants covered by this Appendix XV in lieu of, or in addition to, as appropriate, the provisions of the Base Plan.

Required Employee Contributions - Each Participant shall contribute for the benefits provided for him under this Plan, at the rate of three and one-half percent (3½%) of his annual Compensation. The above notwithstanding, effective January 1, 2007, employee contributions are neither required nor permitted.

Normal and Late Retirement Pension - The annual Normal and Late Retirement Pension benefit payable to an eligible Participant shall be equal to two and one-half percent (2½ %) of the Participant’s average annual Compensation received during the three (3) consecutive calendar years out of the ten (10) calendar years prior to or including his termination of employment which produces the highest average, or if the Participant has fewer than three (3) complete calendar years of employment with the Joint Board, the average annual Compensation received from the Joint Board during all complete calendar years prior to his termination of employment, multiplied by the Participant’s years of Credited Service; provided, however, that in no event shall such sum exceed seventy-five (75%) of the Participant’s average annual Compensation received during the three (3) consecutive calendar years out of the ten (10) calendar years prior to termination of employment which produces the highest average. Notwithstanding the foregoing, in the case of a Participant who would have been entitled to an Early Retirement Pension as provided below if he had retired early, in no event shall his Normal Retirement Pension be less than the largest Early Retirement Pension to which he would have been entitled. A Participant shall be mandatorily retired upon attainment of Age seventy (70).

Minimum Normal and Late Retirement Pension - The minimum Normal Retirement Pension shall be equal to a monthly benefit of fifty dollars ($50) provided the Participant has completed ten (10) years of Credited Service, and shall be increased by five dollars ($5) per month for each additional year of Credited Service, to a maximum of one hundred dollars ($100).

Early Retirement Pension – Eligibility - An Early Retirement Pension shall be granted to each Participant of the Plan who ceases to be an Employee of the Joint Board or any Affiliated Employer prior to becoming eligible to receive a Normal Retirement Pension but on or after the date the Participant either: (i) completes thirty (30) years of Vesting Service; or (ii) both attains age fifty-five (55) and completes ten (10) years of Vesting Service.

Early Retirement Pension – Amount - The monthly Early Retirement Pension shall be the Participant's Accrued Benefit determined in accordance with the Normal Retirement Pension formula based on Credited Service and Compensation earned as of the date of termination of employment. A Participant who terminates employment with the Joint Board may elect to have benefit payments commence on his Normal Retirement Date or on the first of any month following or coinciding with his fifty-fifth (55th) birthday. A Participant who elects to have benefit payments commence prior to his sixty-second (62nd) birthday shall have the amount determined above reduced by one-half of one percent (0.5%) for each complete or partial month that the Participant's actual retirement date precedes his Normal Retirement Date; provided, however, that no reduction shall be made if (a) the sum of the Participant's attained Age and Vesting Service is at least seventy (70) and the Employee has attained age fifty-five (55) and completed ten (10) years of Vesting Service or (b) the Participant has completed thirty (30) years of Vesting Service.

Minimum Early Retirement Pension - The minimum Early Retirement Pension shall be equal to the minimum Normal Retirement Pension reduced by one-half of one percent (0.5%) for each complete or partial month that the Participant's actual retirement date precedes his Normal Retirement Date; provided, however, that no reduction shall be made if the Participant has completed thirty (30) years of Vesting Service.

Disability Retirement Pension – Eligibility - A Disability Retirement Pension shall be granted to any disabled Participant of the Plan who at the time of his disability; (i) had earned ten (10) years of Vesting Service; (ii) was an active Employee of the Joint Board; (iii) is found by the Trustees to be unable to engage in any substantially gainful activity by reason of a medically determinable physical or mental impairment which can be expected to result in death or to be of long, continued and indefinite duration; and (iv) applies for and is determined to be eligible to receive Social Security Disability benefits. In the determination of disability, the Trustees may establish rules which are uniformly and consistently applied to all Participants in similar circumstances.

Disability Retirement Pension – Amount - The amount of the Participant's Disability Retirement Pension shall be the Participant's Accrued Benefit based on Credited Service and Compensation earned as of the date of disability.

Disability Retirement Pension – Period of Payment - The Disability Retirement Pension shall commence as of the first of the month coincident with or next following the date he satisfies all the eligibility requirements described above and shall continue in equal monthly installments. The Trustees may verify by medical examination at any time whether a Participant who is receiving a Disability Retirement Pension benefit has ceased to be totally and permanently disabled. If any such Participant should refuse to permit such examination, such refusal shall be justification for the discontinuance of his benefits under this section. If it is determined that total and permanent disability no longer exists, the Participant may be employed by the Joint Board and upon such reemployment, shall be credited with the years of Continuous Service, Credited Service and Vesting Service which he had earned to the date he absented himself from the employment of the Joint Board due to the disability; provided, however, the benefits to which he may become entitled to thereafter under the Plan shall be reduced by the Actuarial Equivalent of the disability payment received hereunder.

Deferred Vested Retirement Pension — Eligibility - A Participant shall be entitled to a Deferred Vested Retirement Pension upon attaining Normal Retirement Age if he has completed at least five Years of Vesting Service. Any Participant of the Plan who ceases to be an Employee for reasons other than death or disability, prior to becoming eligible for a Normal Retirement Pension or an Early Retirement Pension, and who is ineligible to receive a Deferred Vested Retirement Pension shall be ineligible to receive any benefit from the Plan, except for Withdrawal Benefits or Top-Heavy benefits, if applicable.

Deferred Vested Retirement Pension — Amount - The amount of the Deferred Vested Retirement Pension shall be the Participant's Accrued Pension Benefit based on Credited Service and Compensation earned as of the date of termination of employment. A Participant who terminates employment with the Joint Board may elect to have benefit payments commence on his Normal Retirement Date or on the first of any month following or coinciding with his fifty-fifth (55th) birthday. A Participant who elects to have benefit payments commence prior to his Normal Retirement Date shall have the amount determined above reduced by one-half of one percent (0.5%) for each month his Benefit Commencement Date precedes his Normal Retirement Date.

Pre-Retirement Death Benefit — Eligibility - If a Participant dies prior to termination of employment but after completing five (5) years of Vesting Service, the Surviving Spouse of the deceased Participant shall be entitled to a death benefit in the form of a Survivor's Pension as provided below. In the event the eligible Participant is not survived by a Spouse eligible to receive a benefit under the Plan, the surviving children of the Participant shall be eligible to receive the Survivor's Pension. For the purpose of this benefit, children of the Participant shall only mean the surviving natural issue and adopted children of the Participant under Age of eighteen (18) if not a full-time student, under Age twenty-three (23) if a full-time student, or institutionalized on the date of the Participant's death. If the eligible Participant dies without a Surviving Spouse or child eligible to receive a Survivor's Pension, his designated Beneficiary shall be entitled to a Lump Sum Death Benefit as provided below. The designated Beneficiary of each other Participant who dies prior to his Benefit Commencement Date shall receive a Withdrawal Benefit as provided below.

Survivor's Pension - The amount of the Survivor's Pension shall be equal to fifty percent (50%) of the Participant's Accrued Benefit. In the event the benefit amount is payable to eligible children of the Participant, the amount determined above shall be allocated in equal shares to the eligible children surviving on the date of the benefit payment being made. The Survivor's Pension shall commence as of the first of the month following the Participant's death and shall continue in monthly installments through the month in which the Spouse dies. In the absence of a Spouse eligible to receive the Survivor's Pension, the Survivor's Pension payable to the Participant's children shall commence on the first day of the month following the death of the Participant, and shall continue through the first of the month in which the last of the surviving children of the Participant attains Age eighteen (18), or Age twenty-three (23) if a full-time student, or ceases to be institutionalized if such child had been institutionalized on the date of the Participant's death. If an applicable law or regulation limits the number of years over which a Survivor's Pension may be paid, at the end of such period, monthly payments shall cease and a lump sum of Actuarial Equivalent value to the remaining unpaid payments shall be paid to the eligible survivor(s). In no event shall the total payments under this Section be less than the Lump Sum Death Benefit provided below.

Lump Sum Death Benefit - The amount of the Lump Sum Death Benefit shall be equal to two (2) times the Withdrawal Benefit as determined below. Such Lump Sum Death Benefit shall be paid to the designated Beneficiary within ninety (90) days of the date of death of the Participant. In lieu of a Lump Sum Death Benefit, the designated Beneficiary may elect to receive a life period certain pension for a period of not more than ten (10) years which shall be the Actuarial Equivalent of the Lump Sum Death Benefit and shall commence as of the first of the month following the Participant's death.

Withdrawal Benefit — Eligibility - Each Participant of the Plan who ceases to be an Employee for reasons other than death or disability, prior to becoming eligible for a Normal Retirement Pension or Late Retirement Pension shall receive a Withdrawal Benefit. Each other Participant who ceases to be an Employee for reasons other than death or disability prior to becoming eligible for a pension commencing within one (1) month of the date he ceases to be an Employee, may elect to receive a Withdrawal Benefit. The designated Beneficiary of an active Participant or of a Participant entitled to a Deferred Vested Retirement Pension who has not previously elected a Withdrawal Benefit who dies prior to his actual retirement date without being covered under the provisions regarding the Survivor's Pension will receive a Withdrawal Benefit.

Withdrawal Benefit — Amount - The amount of the Withdrawal Benefit shall be the Participant's Required Employee Contributions plus Credited Interest thereon to the date the Withdrawal Benefit is paid.

Effect of Withdrawal Benefit on Other Benefits - If a Participant who is eligible for a Deferred Vested Retirement Pension elects to receive a Withdrawal Benefit, his Deferred Vested Retirement Pension will be reduced by the Employee Paid Benefit defined below. If the Employee Paid Benefit is greater than the Deferred Vested Retirement Pension, then the Participant shall cease to be a Participant of the Plan. Notwithstanding the language of the preceding sentence, if the Participant has accrued a minimum benefit for any year in which the Plan was Top-Heavy, this Minimum Annual Retirement Benefit shall not be reduced by the Employee Paid Benefit and the Participant will remain a Participant in this Plan.

Employee Paid Benefit - The Employee Paid benefit shall mean the benefit that can be provided by Required Employee Contributions. The Employee Paid Benefit commencing at the Participant's Normal Retirement Date under the normal form shall be determined by adding interest at the rate of five percent (5%) per annum to the Participant's Required Employee Contribution account (including accrued Credited Interest thereon) from the date of determination to his Normal Retirement Date and multiplying the result by one-tenth (0.10) . The resulting Employee Paid Benefit made payable at other ages or in other optional forms shall be the Actuarial Equivalent of the Employee Paid Benefit payable at the Participant's Normal Retirement Date under the normal form.

Repayment of Withdrawal Benefit - Any Participant who received a Withdrawal Benefit upon termination of employment and is subsequently rehired by the Employer and is eligible for Reinstated Service, may repay his Withdrawal Benefit with interest at the rate of five percent (5%) compounded annually within the end of a period of two (2) consecutive one-year breaks in service and thereby restore his rights to any benefits accrued during his prior period of participation in the Program which were forfeited upon the Participant's termination of employment.

Automatic Form of Pension - The provisions of Section 7.1 of the Base Plan shall apply with respect to forms of payment to all Participants covered by this Appendix, and shall continue to apply after January 1, 2015. Any provisions herein set forth regarding distributions must take into account the provisions of Section 7.1 of the Base Plan.

Normal Form of Pension - The normal form of pension for a Participant eligible for a Normal, Late, Early, Disability or Deferred Vested Retirement Pension shall be a pension payable monthly for the life of the Participant continuing through the month in which the Participant dies. Upon the death of a Participant receiving the normal form of pension, his designated Beneficiary or Beneficiaries shall receive, in a lump sum, the amount of the Participant's contributions to the Plan, together with Credited Interest, which are in excess of the total benefit payments paid to the Participant.

Optional Forms of Pension - In lieu of any other form of pension, a Participant may elect, at the time and in the manner prescribed by the Trustees, to receive a pension of Actuarial Equivalent value in accordance with any of the following options.

(a) A joint and contingent survivor pension providing for an actuarially adjusted pension payable to and during the lifetime of the retired Participant with the provision that following his death after his benefit commencement date, such adjusted pension shall continue to be paid to and during the lifetime of the Participant's Spouse at the same rate or at the rate of two-thirds (2/3rds) or one- half (1/2) of his adjusted pension.

(b) A life period certain pension providing for an actuarially adjusted pension payable to and during the lifetime of the retired Participant with the provision that, in the event the Participant shall die before he shall have received payment of such adjusted pension for a period of one hundred twenty (120) months or one hundred eighty (180) months ("Select Period"), as selected by the Participant, after his death such adjusted pension shall continue for the remainder of said Select Period to the Participant's designated Beneficiary as he shall nominate by written designation filed with the Trustees. If the Participant's designated Beneficiary dies before payment of all payments provided in this option, payment will be made to the Participant's estate.

(c) Any other option including a single lump sum payment (except an "interest only" option); provided, however, that such option is approved by the Trustees; and, provided further, that such option provides for equal or decreasing installments (payable not less frequently than annually) and does not provide for a certain period longer than the life expectancy of the last to die of the Participant or his Spouse.

(d) In no event, however, shall the actuarial value (determined as of the Annuity Starting Date) of the benefits payable following the death of a Participant to a person other than the Participant's Spouse equal or exceed fifty percent (50%) of the actuarial value of the pension payable to the Participant.

(c) Distribution may also be paid in the following manner:

(1) Over the life of the Participant;

(2) Over the life of the Participant and the designated Beneficiary;

(3) Over a period certain not extending beyond the life expectancy of the Participant; and

(4) Over a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a designated Beneficiary.

Appendix XVI — Local 169 Plan Participants

CLOSED GROUP — December 1, 2004

The provisions of this Appendix XVI apply to (i) participants in the Staff Retirement Plan of Local 169, Union of Needletrades, Industrial and Textile Employees (the "Local 169 Plan") prior to December 1, 2004 and to (ii) employees hired prior to December 1, 2004 who would have been eligible to join the Local 169 Plan in the future under the terms of the Local 169 Plan as in effect on December 1, 2004. Employees hired after December 1, 2004 shall be covered under the Base Plan provisions. The Local 169 Plan was merged into the Plan on December 1, 2004 and all participants in the Local 169 Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XVI, the terms of this Appendix XVI will control with respect to Participants covered by this Appendix XVI. References in this Appendix to the Local 169 Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XVI, it is intended that the Plan and this Appendix XVI be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the Accrued Benefit of participants in the Local 169 Plan as of December 1, 2004 shall not be decreased as a result of the merger of the Local 169 Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 1, 2004.

The following definitions shall apply for purposes of this Appendix XVI:

"Average Salary" shall mean the average Salary rate received by a Participant during the highest consecutive two-year period preceding severance from employment.

"Credited Service" shall mean Service except for the following: if a Participant makes any portion of the required employee contribution, the Credited Service attributable to the period for which the contribution was made will be counted for Credited Service. Any period of service for which a Participant does not make any required contributions shall be disregarded for purposes of determining Credited Service.

"Employer" means the Union.

"Full Years" means the number of integral years, counting 6 months or more as one year and less than six months as zero years.

"Regular Benefit" or "Regular Annuity" means the form of benefit payable under the plan and is a straight lifetime annuity payable in equal monthly installments.

"Salary" with respect to any Participant means basic compensation rate paid by the Employer. Amounts contributed under this Plan and any nontaxable fringe benefits provided by the Employer shall not be considered as Salary. In addition, Salary shall include salary reduction contributions made on behalf of the Participant to a Code Sections 132(f)(4), 401(k), 125, 401(h) or 403(b) Plan maintained by the Employer. The limitations found in the Base Plan document under the definition of Salary shall apply to the definition of Salary or compensation herein.

“Service” — a year of Service shall mean any Plan Year during which an Employee is credited with at least 1,000 Hours of Service.

“Union” means Local 169 and all Local 169 Affiliates. For the purposes of this Plan, “Local 169 Affiliates” shall mean the Amalgamated Washable Clothing, Sportswear and Allied Industries Insurance Fund and the Vacation and Holiday Fund of Washable Clothing, Sportswear and Novelty Workers Union, Local 169 of UNITE HERE.

The following special provisions shall apply to Participants covered by the terms of this Appendix XVI. Unless otherwise indicated, Section references refer to the corresponding section in the Local 169 Plan.

For purposes of determining Service and Credited Service credit shall be provided if the Eligible Employee makes payment of all required contributions. Provided, however, an Eligible Employee who was excluded from participating in the Plan prior to January 1, 1988, because they were not eligible because of the maximum age restriction, shall be permitted to obtain credit for Service prior to January 1, 1988, if the Eligible Employee makes the payment of all such required contributions. Effective January 1, 1997, Participants shall not be required nor permitted to make contributions to the Plan.

Where inconsistent with the terms of the Base Plan, pension amounts shall be determined pursuant to the following Sections XVI4.1 through XVI4.2:

XVI4.1 Each Participant may elect to retire from employment with the Employer prior to his Normal Retirement Date if he has attained the age of 55 and completed 10 Years of Service.

XVI4.2 A Participant who has completed at least 15 Years of Credited Service, at any age and who suffers a physical or mental disability while he is employed by the Employer which, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his duties shall be retired on the first day of the month following such disability and thereupon commence to receive a Regular Annuity determined in accordance with the provisions of Section XVI5.1 except that an additional 7 years of Credited Service shall be provided (to a maximum total of 31). The Trustees shall have the right from time to time to examine a Participant receiving a disability benefit to determine if the disability is permanent and prevents him from performing his duties.

Where inconsistent with the terms of the Base Plan, pension amounts shall be determined pursuant to the following Sections XVI5.1 through XVI5.6:

XVI5.1 The annual amount of the Regular Annuity payable to a Participant commencing at retirement, shall be equal to 2.75% of his Average Salary multiplied by his Credited Service (not to exceed 31 years). The Regular Annuity of the Participants who were active Employees of the Employer on January 1, 1997, shall upon retirement, be 104% of the otherwise computed amount.

XVI5.2 Section XVI5.1 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) the annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions (assuming they are not withdrawn) based on the Participant's age in years and completed months as of the benefit commencement plus (ii) $60 times Credited Service (not to exceed 7 years for this purpose).

XVI5.3 If a Participant retires under Section XVI4.1 of the Plan, the amount of the Regular Benefit to which he is entitled, commencing at his Normal Retirement Date, is determined pursuant to the formula in Section XVI5.1.

At the Participant's request a benefit may become payable on any date between his retirement date and his Normal Retirement Date. Such reduced benefit shall be the Regular Benefit determined pursuant to Section XVI5.1 multiplied by a percentage equal to (a) 100% minus (b) 2.0% multiplied by the number of Full Years that the benefit commencement precedes his Normal Retirement Date. If the Participant has 30 or more Years of Credited Service, no reduction for early commencement shall apply.

XVI5.4 Section XVI5.3 notwithstanding, in no event shall the annual Regular Annuity be less than the sum of (i) annuity which is the Actuarial Equivalent of the Participant's Accumulated Contributions as of the Annuity Starting Date based on the Participant's age in years and completed months as of the Annuity Starting Date plus (ii) $60 times Credited Service (not to exceed 7 years for this purpose), multiplied by a percentage equal to (a) 100% minus (b) 2.0% multiplied by the number of Full Years that the benefit commencement precedes his Normal Retirement Date.

XVI5.5 If a Participant's employment with the Employer continues after his Normal Retirement Date, the amount of his Accrued Benefit shall be the benefit determined in accordance with Section XVI5.1 on the basis of his Credited Service and his Average Salary as of his date of termination of employment. Any payments received by an active Participant prior to his termination of employment shall offset on an Actuarial Equivalent basis the benefit determined under this Section XVI5.5, such benefit to be redetermined annually to reflect additional accruals due to active participation; however, in no event shall a Participant's redetermined benefit be less than the benefit which he was receiving immediately prior to the redetermination.

XVI5.6 If a Participant's employment relationship with the Union terminates for any reason such that he ceases to be a Participant in the Plan, before he is eligible for normal retirement or early retirement but after he has completed five Years of Service, he shall be vested in an annuity commencing at his Normal Retirement Date based on his Accrued Benefit determined pursuant to Section XVI5.1 or XVI5.2 as of his date of termination, or as provided in Appendix I, Section I-5.9. A Participant who is entitled to a vested annuity may elect, by filing a written application with the Trustees, to commence receiving a reduced annuity on the first day of any month after he has

reached the age of 55. Such reduced annuity shall be the annuity determined pursuant to Section XVI5.1 multiplied by a percentage equal to 100% minus 6% a year for each Full Year that the date of commencement precedes the Normal Retirement Date, but in no event less than that provided in Section XVI5.4.

The following provisions apply to Participants covered by this Appendix and supersede the provisions in Sections Six and Seven of the Base Plan with respect to such Participants.

XVI8.1 Any Participant who is married shall be provided with information regarding his entitlements under subsections (a) and (b) below:

(a) The Surviving Spouse of a married vested Participant shall be entitled to a Surviving Spouse benefit which shall be in the event of death of the Participant prior to his Annuity Starting Date in accordance with the rules and procedures set forth in Section XVI8.3.

(b) A married Participant is given the option to waive the normal form of benefit payment at retirement, by electing to receive payment in the form of a single life annuity in lieu of a Qualified Joint and Survivor Annuity, in accordance with the rules and procedures set forth in Section XVI8.4.

(c) All of the provisions of this Section XVI8, regarding the entitlements described above, shall apply to the Participant's entire Accrued Benefit under the Plan, including his Accumulated Contributions.

XVI8.2 The Trustees shall provide to a Participant, before he makes any election with regard to Section XVI8.1, a written explanation of:

(a) The terms and conditions of the Qualified Joint and Survivor Annuity;

(b) The Participant's right to make an election to waive the Qualified Joint and Survivor Annuity, and the effect of such election;

(c) The rights of the Participant's Spouse with respect to any election to waive the Qualified Joint and Survivor Annuity; and

(d) The right to make, and the effect of, a revocation of a previous election to waive the Qualified Joint and Survivor Annuity.

XVI8.3(a) In accordance with Section XVI8.1(a), the amount of the Qualified Pre-Retirement Survivor Annuity is:

(1) If the Participant's death occurs on or after the date on which the Participant attains age 55, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Participant's Surviving Spouse for the then remaining lifetime of the Surviving Spouse. The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as

of the first day of any month after the Participant's death but prior to his Normal Retirement Date, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit under the benefit option selected under Section XVI8.4, and died on the next day, as follows:

(i) If the Participant meets the requirements of Section XVI4.2 at date of death then the survivor annuity payment shall equal 50% of the amount of pension which would have been payable to the Participant under the provisions of Section XVI5.2 if the Participant had retired on the day before death and pension payments had then commenced assuming coverage under Section XVI8.4(g).

(ii) If the Participant does not meet the requirements of Section XVI4.2 at date of death then the survivor annuity payment shall equal 50% of the amount of pension payable to the Participant under the provisions of Section XVI5.6, assuming coverage under Section XVI8.4(g) and assuming pension payments commence at the date of death.

(2) If the Participant's death occurs before the Participant attains age 55, survivor annuity payments shall commence on the Participant's Normal Retirement Date and shall be made to the Surviving Spouse of the Participant for the then remaining lifetime of the Surviving Spouse in an amount equal to 50% of the amount of benefit which the Participant had accrued at the date of death in accordance with the formula in Section XVI5.1 assuming coverage under Section XVI8.4(g). The Surviving Spouse may, at any time after the Participant's death, elect to commence receiving an annuity for her life as of the first day of any month after both the Participant's death and the date on which he would have attained age 55 if he had lived, in which case the benefit to the Surviving Spouse will be equal to the amount of benefit to which such Surviving Spouse would have been entitled had the Participant retired on the day before his death, elected to commence receiving his benefit under the benefit option selected under Section XVI8.4, and died on the next day.

(3) In addition to the foregoing, Section 7.1(e) of the Base Plan shall apply.

(b) Section XVI8.3(a) notwithstanding, the Spouse of a Participant shall, in the event of the Participant's death after he has completed 15 or more Years of Service and prior to his retirement, be entitled to receive an annuity commencing on the first day of the calendar month following the Participant's death. Such annuity shall equal a percentage (as determined in accordance with Table A-1, at the end of this Appendix) of the amount which would have been payable to the Participant

commencing on the aforementioned date pursuant to Section XVI5.1 based on his Average Salary and Credited Service at his date of death, plus an additional seven Years (to a maximum of 31 in total). The provisions of this Section XVI8.3(b) are applicable only in the event that a joint annuity option is in effect (based on the terms and conditions of option elections as stated in Section XVI8.4(c) and (f)) at the date of the Participant's death.

(c) Upon the death of the Surviving Spouse, the Participant's contingent Beneficiary shall be paid a lump sum distribution equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions account as of the Annuity Starting Date exceeds the aggregate benefit payments made to the Participant and the Spouse.

XVI8.4 The normal forms of benefit payment at retirement shall be:

(a) Life Annuity: The normal form of payment for a single Participant is a benefit payable for his lifetime, as determined under Section XVI5.1, with no further payments beyond the month of his death.

(b) Qualified Joint and Survivor Annuity:

(1) The normal form of payment for a married Participant is a Qualified Joint and Survivor Annuity which shall be equal to a percentage of the Regular Annuity as specified in Section XVI8.4(c) or XVI8.4(g) and payable in accordance with those Sections.

(2) Notwithstanding paragraph (1), no benefit shall be payable to a Participant's Spouse under this Section XVI8.4(b) unless the Participant and his Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his Spouse were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity; however, if the Participant dies within 12 months after the date of his marriage, the form of payment shall revert to the normal form of payment in Section XVI8.4(a), and no benefit shall be payable to the Participant's Spouse except as otherwise provided in Section XVI8.5.

(3) An election not to take the Qualified Joint and Survivor Annuity shall be made on an appropriate election form filed with the Trustees no more than 90 days, and not less than 30 days, before the Annuity Starting Date, as specified by the Trustees. Such an election shall be effective only if accompanied by the written consent of the Participant's Spouse, witnessed by a Plan official or a notary public, acknowledging the effect of the designation and the specific non-Spouse Beneficiary, including any class of Beneficiaries or any contingent Beneficiary. Any consent of a Participant's Spouse shall be valid only with respect to that Spouse and

shall be irrevocable as to that Spouse. Any such election may be revoked in writing by the Participant without spousal consent at any time before the Annuity Starting Date. After such election is revoked, another such election may be made at any time before the Annuity Starting Date; however, any new election will require a new spousal consent. Spousal consent shall not be required if it can be established to the satisfaction of the Committee that the required consent cannot be obtained because there is no Spouse, the Spouse cannot be located, or there are other circumstances for which regulations do not require such consent.

(4) Notwithstanding the foregoing, an Annuity Starting Date which is not at least 30 days after the written explanation described above was provided to the Employee will be permitted if the following conditions are satisfied: (i) the written explanation is provided to the Employee before the Annuity Starting Date, (ii) the written explanation explains that the Employee has the right to at least 30 days to consider whether to make an election regarding a form of benefit, (iii) the Employee is permitted to revoke such election at any time until the Annuity Starting Date, or if later, the end of the seven day period beginning on the day after the written explanation is provided, and (iv) distribution of benefits does not begin before the seven day period described above expires.

(5) The Trustees shall provide the written explanations described in Section XVI8.2 to each Participant.

(6) Payments under the Qualified Joint and Survivor Annuity shall begin on the Annuity Starting Date and shall end with the payment due as of the first day of the month in which occurs the death of the last person entitled to payments under the annuity.

(c) In lieu of a Regular Annuity, a Participant may elect to receive a joint annuity. A joint annuity shall be payable to the annuitant during his life and, after his death, to his Spouse, if surviving, during her life. The amount of the monthly payments to an annuitant who has elected a joint annuity and to his Surviving Spouse, shall be computed by applying to the monthly Regular Annuity to which the annuitant would otherwise have been entitled, the percentage determined in accordance with Table A-1 annexed hereto at the end of this Appendix.

(d) An election to receive a joint annuity and the designation of the type annuity elected (from those types provided in Table A-1, at the end of this Appendix) shall be made by the Participant by an instrument signed by him and filed with the Trustees at least six months prior to the date on which the Participant shall become eligible to receive, or commence receiving, any annuity payment under this Plan, or at least six months prior to death on or after the date that the Participant becomes eligible to receive any annuity payment under this Plan. As a condition of such election, the Trustees shall require proof satisfactory to it of the age of the Participant’s Spouse. In the event that any election to receive a joint annuity, filed or deemed filed, does not designate the type of joint annuity elected, the Participant shall be deemed to have designated Type C.

(e) The election by a Participant to receive a joint annuity may be revoked or the type of joint annuity elected may be changed, only by an instrument signed by him and filed with the Trustees at least six months prior to the date on which the Participant shall become eligible to receive, or commences receiving, any annuity payment under this Plan. Such instrument of revocation or change shall not be effective until one year after it is filed and unless the Participant and his Spouse are both living at the end of said one year. No election or revocation or change shall require the consent of the Participant's Spouse, if another joint annuity option with the Participant's Spouse as the annuitant is elected. However, if a single life annuity is elected, the consent of the Participant's Spouse shall be required.

(f) Notwithstanding the provisions of Sections XVI8.4(c) and XVI8.4(d) the Surviving Spouse of any annuitant or Participant electing a joint annuity shall not be eligible to receive such annuity unless married to such annuitant or Participant for at least five (5) years prior to the earliest date: (i) of his severance, or (ii) of his retirement under the Plan, or (iii) of his death during the period provided in Section XVI8.3(b).

(g) Automatic Post-Retirement Surviving Spouse Option

The provisions of this Section XVI8.4(g) are applicable only to those Participants not covered by the joint annuity benefits described in Sections XVI8.4(c) through XVI8.4(f) above. Subject to the conditions hereinafter set forth in this Section XVI8.4(g), if a Participant shall be married for at least one year at the Annuity Starting Date, the amount of each such annuity payment which would otherwise be payable to such Participant shall be reduced to be the Actuarial Equivalent of the Regular Annuity and if the Participant's Spouse shall survive him, an annuity shall be payable under the Plan to the Spouse during such Spouse's remaining lifetime after the Participant's death in an amount equal to 50% of his reduced annuity payment.

XVI8.5 The other Death Benefits shall be:

(a) Upon participation in the Plan, a Participant shall designate a Beneficiary on the appropriate form.

(b) In the event of the death of a Participant prior to retirement who is not eligible for the Surviving Spouse benefit in Section XVI8.3, his designated Beneficiary is entitled to the amount specified in Section XVI8.3(c), paid in accordance with Section XVI8.4. If a Beneficiary has not been designated, the amount shall be paid to (i) the Surviving Spouse, or (ii) if none, then to the surviving children in equal shares, or (iii) if none, to his estate.

(c) Upon the death of a Participant (and of his Spouse, if a Qualified Joint and Survivor Annuity is in effect) after his Annuity Starting Date, his Beneficiary shall be entitled to receive a lump sum payment equal to the amount, if any, by which the balance in the Participant's Accumulated Contributions Account as of the Annuity Starting Date exceeds one-half of the aggregate benefit payments made to the Participant and, if applicable, his Spouse.

(d) Notwithstanding any other provisions of this Section to the contrary, if payment of retirement benefits to a Participant has not commenced before his death, the entire death benefit payable hereunder shall be distributed by the December 31 coinciding with or next following the fifth anniversary of the Participant's death. However, if distribution of the survivorship benefit is to be made to a surviving Beneficiary over the life of such Beneficiary and the distribution begins by the December 31 coinciding with or next following the first anniversary of the Participant's death, benefits may be distributed over a period of longer than five years. In the event that the Participant's Spouse is his Beneficiary, the requirement that the distribution commence within one year of a Participant's death shall not apply, although the distribution must commence no later than April 1st following the calendar year in which the deceased Participant would have attained age 70 1/2.

(e) In addition to the forms of payment set forth in this Appendix XVI, Participants covered under this Appendix XVI shall be eligible for the optional form of payment set forth in Section 7.2(b) of the Base Plan.

XVI8.9 Accumulated Contributions:

A Participant who is entitled to benefits under this Appendix may elect to receive a lump sum payment of his Accumulated Contributions, referred to hereinafter as a "refund", in lieu of the normal form of benefit in accordance with Section XVI8.4. On the date as of which such refund is paid (hereinafter referred to as the "refund date"), the benefit to which he would otherwise be entitled under this Section XVI-Eight shall be reduced by the Actuarial Equivalent of the Accumulated Contributions.

TABLE A-1 -JOINT ANNUITIES - Percentage of Monthly Annuity When Joint Annuity is Elected - For Purposes of this Appendix XVI:

(1) Type of Joint Annuity	(2) To Annuitant	(3) To His Surviving Spouse
A	90%	Same as payable to annuitant
B	95%	75% of amount payable to annuitant
C	100%	50% of amount payable to annuitant

Appendix XVII — John Kenneally OEL Plan Participants

The provisions of this Appendix XVII apply to participants in the John Kenneally OEL Plan (previously known as the Officers and Employees of the Locals of the Hotel Employees and Restaurant Employees International Union Pension Plan) prior to December 31, 2004, and unless an Employer covered under this Appendix elects the Base Plan provisions (with correspondingly higher contribution rates), such Employer's Employees hired after December 31, 2004 are covered under this Appendix XVII as well . See the chart below for a listing of such employers and the effective date of the transition. All other former HERE IU locals who contribute to this Plan are covered under this Appendix. Employees of any employer who elects coverage under the Base Plan provisions shall accrue benefits under the Base Plan after the effective date of such election — benefits accrued prior to that transition date are payable under the terms of this Appendix XVII, except that service will count for eligibility and vesting purposes under both the Base Plan and this Appendix XVII. The John Kenneally OEL Plan was merged into the Plan on December 31, 2004 and all participants in the John Kenneally OEL Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XVII, the terms of this Appendix XVII will control with respect to Participants covered by this Appendix XVII. References in this Appendix to the John Kenneally OEL Plan shall be deemed to refer as well to the provisions of this Appendix.

Local number	Transition Date
6	January 1, 2005
7	N/A
17	January 1, 2008
21	January 1, 2005
23	N/A
24	January 1, 2008
25	February 1, 2011
26	November 1, 2010
49	January 1, 2005
74	January 1, 2008
450	March 1, 2006
688	N/A
2850	April 1, 2007

Notwithstanding anything to the contrary in the Plan or in this Appendix XVII, it is intended that the Plan and this Appendix XVII be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the John Kenneally OEL Plan as of December 30, 2004 shall not be decreased as a result of the merger of the John Kenneally OEL Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to December 31, 2004.

The following definitions shall apply for purposes of this Appendix XVII:

“Authorized Leave of Absence” - An Authorized Leave of Absence is any absence authorized by an Employer under the Employer’s standard personnel practices, provided that all persons under similar circumstances are treated alike in the granting of such Authorized Leaves of Absence, and further provided that the Participant returns or Retires within the period specified in the Authorized Leave of Absence. Participants on Authorized Leaves of Absence due to reasons other than “qualified military service” under Code Section 414(u) shall earn no more than one Year of Service during such Authorized Leaves of Absence, effective May 14, 2000. An absence due to “qualified military service” under Code Section 414(u) shall be considered an Authorized Leave of Absence, provided that the Employee complies with all of the requirements of federal law in order to be entitled to re-employment, and further provided that the Employee returns to employment with the Employer within the period provided by law. Notwithstanding any provision of this Plan to the contrary, contributions, benefits, and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

“Average Annual Salary” - Average Annual Salary is the result obtained by dividing the total Salary of a Participant during his or her last five (5) completed consecutive calendar Years of Service (or during the actual number of Years of Service, if fewer than five (5)) by five (5) (or by the actual number of Years of Service or partial Years of Service, if fewer than five (5)).

“Contiguous Noncovered Service” - Contiguous Noncovered Service means noncovered service which precedes or follows Covered Service, provided no quit, discharge, or Retirement occurs between such Covered Service and noncovered service.

“Covered Service” - Covered Service means service with an Employer within a class of Employees covered under a participation agreement between the Employer and the Union.

“Credited Service” - A Participant shall accrue one month of Credited Service for each month in which a contribution was required to be made during a Year of Service earned from and after the June 1st to May 31st year in which his or her participation in the Plan commenced.

“Disability” - Disability is a physical condition which entitles the Participant to a Social Security Disability Insurance benefit under the Social Security Act, as evidenced by a determination letter from the Social Security Administration establishing such disability.

“Earliest Retirement Age” - Earliest Retirement Age is the earliest age at which a Participant is eligible to receive his or her vested accrued benefit, provided the Participant has a nonforfeitable right to such benefit.

“Early Retirement Age” - A Participant attains Early Retirement Age on the date on which he or she has reached age 55 and has earned thirty-six (36) months of Credited Service.

“Employee” - An Employee is:

(a) any common law employee of an Employer who is receiving remuneration for personal services rendered to the Employer (or would be receiving such remuneration except for an Authorized Leave of Absence), and

(b) any Leased Employee.

Employee shall not include:

(a) any person employed by the Employer in a capacity covered by a collective bargaining agreement requiring pension contributions to be made on his or her behalf to another pension plan;

(b) temporary employees of a local union hired specifically to assist in special projects related to the organizing duties of the local union and whose remuneration is subsidized by the Union or any other person or organization, provided that any such temporary employee who works more than twelve (12) months in any consecutive twenty-four (24) month period for such local union shall not be excluded under this exception;

(c) Employees working less than one thousand (1,000) Hours of Service per year; and

(d) an individual who is identified on the books and records of the Employee as other than a common law employee, regardless of a later agency or judicial determination to the effect that such individual is a common law employee of the Employer.

“Employer” - An Employer is any local union, Joint Executive Board, or Support Organization that has adopted the Plan with the Union’s consent and has agreed in writing to make contributions to the Fund on behalf of its Employees.

“Normal Retirement Age” - A Participant attains Normal Retirement Age on the later of:

(a) the date on which he or she has reached age 65; or

(b) the earlier of:

(i) the date on which he or she has earned three (3) years of Credited Service, or

(ii) the 5th anniversary of the date that he or she commenced participation in the Plan.

For Plan Years beginning before January 1, 1995, Normal Retirement Age shall be determined in accordance with the plan document in effect for those years.

“Prohibited Employment” - For a Participant who has attained Normal Retirement Age, Prohibited Employment occurs when such Participant begins receiving his or her vested accrued benefit, then returns to employment with an Employer maintaining the Plan and is compensated for at least seventeen (17) days in a calendar month. For a Participant who has not yet attained Normal Retirement Age, Prohibited Employment occurs when such Participant Retires and begins receiving his or her vested accrued benefit, then returns to employment with an Employer maintaining the Plan for more than 83 hours per month (which is deemed to be the equivalent of less than 12 days per month).

“Qualified Election” - A Qualified Election is a waiver of a 50% Joint and Survivor Annuity. Any waiver of a 50% Joint and Survivor Annuity shall not be effective unless:

(a) the Participant’s eligible Spouse consents in writing to the election;

(b) the election designates a specific alternate beneficiary, including any class of beneficiaries or any contingent beneficiaries, which may not be changed without spousal consent (or the eligible Spouse expressly permits designations by the Participant without any further spousal consent);

(c) the election designates a form of benefit payment, which may not be changed without spousal consent (or the eligible Spouse expressly permits designations by the Participant without any further spousal consent);

(d) the eligible Spouse’s consent acknowledges the effect of the election; and

(e) the eligible Spouse’s consent is witnessed by a Plan representative or a notary public.

If it is established to the satisfaction of a Plan representative that such written consent may not be obtained because there is no eligible Spouse or the eligible Spouse cannot be located, a waiver will be deemed a Qualified Election. Any consent by an eligible Spouse obtained under this provision (or establishment that the consent of an eligible Spouse may not be obtained) shall be effective only with respect to such eligible Spouse. A consent that permits designations by the Participant without any requirement of further consent by such eligible Spouse must acknowledge that the eligible Spouse has the right to limit consent to a specific beneficiary, and a specific form of benefit, where applicable, and that the eligible Spouse voluntarily elects to relinquish either or both of such rights. A revocation of a prior waiver may be made by a Participant without the consent of the eligible Spouse at any time prior to the commencement of benefits.

“Required Contributions” - Required Contributions are, over any given period of time, all contributions required to be made by an Employer under the Plan.

“Retire/Retirement” - Retirement is termination of employment for reasons other than death after a Participant has fulfilled all requirements for a Normal Retirement Pension, an Early Retirement Pension, a Deferred Vested Pension, a Disability Retirement, or a 30-and-Out Pension. Retirement shall be considered as commencing on the day immediately following a Participant’s last day of employment with an Employer, or, if later, the last day of an Authorized Leave of Absence.

“Salary” - Salary means “wage,” as defined in Section 3121(a) of the Code for purposes of calculating Social Security taxes, but determined without regard to the wage base limitation in Section 3121(a)(1) of the Code, the special rules in Section 3121(v) of the Code (applicable to certain elective contributions and non-qualified deferred compensation), any rules that limit Covered Service based on the type or location of an Employee’s Employer, and any rules that limit the remuneration included in wages based on familial relationship or based on the nature or location of the employment or the services performed (such as the exceptions to the definition of employment in Sections 3121(b)(1) through (20) of the Code). Effective January 1, 2011, Salary shall not include severance pay.

“Support Organization” - A Support Organization is any organization that is an exempt organization under Code Section 501 and that performs services or administrative functions for the Union and/or any other Employer. Such organization must have adopted the Plan on or before March 31, 1984, and only employees employed by such organization on March 31,1984, shall be considered Employees under the Plan. The effective date of adoption for such organization shall be March 31, 1984. Effective as of December 31, 2002, the preceding two sentences shall be of no further force and effect.

“Union” - The Union is the Hotel Employees and Restaurant Employees International Union, or its successor or successors.

“Vesting Computation Period” - The Vesting Computation Period is the twelve (12) consecutive month period commencing on June 1st and ending on May 31st.

“Voluntary Employer Contributions” - Voluntary Employer Contributions are contributions made on a voluntary basis by an Employer, in excess of the contribution level required under the Plan, and made for the sole purpose of providing increased benefits only for the Employees of that contributing Employer.

“Year of Service” - A Participant shall earn a Year of Service in any twelve (12) month period commencing June 1st and ending May 31st in which he or she is credited with 1000 Hours of Service.

Participation

Participation begins on the later of: (i) the date the local union, Joint Executive Board or Support Organization adopted the Plan; or (ii) the first day of the month after an Employee completes at least 1,000 Hours of Service in a 12-consecutive month period following the Employee’s date of hire or anniversary thereof.

Eligibility

An Employee shall become eligible to participate in the Plan on the later of: (i) the date that the Employee’s Employer adopts the Plan; or (ii) the first day of the month after the Employee has completed at least 1,000 Hours of Service in a 12-consecutive month period following his date of hire or anniversary thereof.

An Employee shall be credited with 190 Hours of Service in any calendar month in which he or she completes at least one Hour of Service. All Employers maintaining the Plan shall be treated as constituting a single Employer, so long as an Employee is employed in either Covered Service or Contiguous Noncovered Service, and all Covered Service and all Contiguous Noncovered Service with Employers maintaining the Plan shall be taken into account in determining whether an Employee has completed 1,000 Hours of Service (a "Year of Service") during the 12-consecutive month period referred to in section (ii) above.

A former employee entitled to receive a vested accrued benefit from the Plan shall continue as a Participant until the date of his or her death.

Notwithstanding the foregoing, for Employers who initially adopted the John Kenneally OEL Plan (previously known as the Officers and Employees of the Locals of the Hotel Employees and Restaurant Employees International Union Pension Plan) and then transitioned into the Base Plan, all years of service will be counted for purposes of determining eligibility for benefits under Sections 4.2 and 4.5 of the Base Plan.

Vesting Schedule

Notwithstanding any Plan provision to the contrary, a Participant shall have a nonforfeitable ("vested") right to a Normal Retirement Pension (as defined in the Benefit Amount section of this Appendix) if he or she is employed with an Employer upon attainment of Normal Retirement Age. A Participant shall also have a vested right to a Normal Retirement Pension upon termination or partial termination of the Plan, to the extent funded as of such date. In all other cases, a Participant shall have a vested right to a Deferred Vested Pension as described below.

In the case of a Participant who completes at least one Hour of Service on or after January 1, 1995, such percentage shall be determined in accordance with the following table:

Years of Service	Vested Percentage
Less than 5	0%
5 or more	100%

A Participant who, as of January 1, 1995, had three (3), but less than five (5), Years of Service shall continue to vest in accordance with the following schedule:

Years of Service	Vested Percentage
Less than 3	0%
3, but less than 4	20%
4, but less than 5	40%
5 or more	100%

In the event a Participant separates from Covered Service, but returns prior to losing his or her Years of Service for purposes of vesting under the Break in Service rules (see the Base Plan Section Three), such Participant shall continue vesting in accordance with the applicable schedule immediately upon his or her return to Covered Service.

An Employee or Participant shall be credited with a Year of Service for purposes of vesting if he is credited with at least 1000 Hours of Service during a Vesting Computation Period, An Employee or Participant shall be credited with 190 Hours of Service for purposes of vesting in any calendar month in which he or she completes one Hour of Service.

A Participant shall also be credited with a Year of Service for a period of employment with any local union affiliated with the Union, provided that:

(a) the Participant had at least 1000 Hours of Service in the twelve (12) month period commencing on June 1st and ending on May 31st;

(b) there is no duplication of service for the same Hours of Service;

(c) an actuarial review determines that granting the Years of Service is supported by future anticipated contributions; and

(d) the Employer agrees in writing to make the additional contributions, consistent with the actuarial review described in (c) above, for the Years of Service.

A Participant shall also be credited with a Year of Service for a period of employment with the Union, provided that:

(a) the Participant had at least 1000 Hours of Service in the twelve (12) month period commencing on June 1st and ending on May 31st;

(b) there is no duplication of service for the same Hours of Service;

(c) with respect to employment prior to June 5, 1997, the Employer agrees in writing to make the additional contributions for the Years of Service; and

(d) with respect to employment from and after June 5, 1997, an actuarial review determines that granting the Years of Service is supported by future anticipated contributions and the Employer agrees in writing to make the additional contributions, consistent with the actuarial review for the Years of Service.

Effective December 1, 2002, a Participant shall also be credited with a Year of Service for a period of employment with any Support Organization, provided that:

(a) the Participant had at least 1,000 Hours of Service in the twelve (12) month period commencing on June 1st and ending on May 31st;

(b) there is no duplication of service for the same Hours of Service;

(c) an actuarial review determines that granting the Years of Service is supported by future anticipated contributions; and

(d) the employer agrees in writing to make the additional contributions, consistent with the actuarial review described in (c) above, for the Years of Service.

All Years of Service with employers who are members of a controlled group of corporations, trades or businesses under common control, and affiliated services groups shall be included for purposes of determining an Employee or Participant's Years of Service for purposes of vesting in accordance with Code Sections 414(b), (c), and (m). All Employers maintaining the Plan shall be treated as constituting a single Employer, so long as an Employee is employed in either Covered Service or Contiguous Noncovered Service, and all Covered Service and all Contiguous Noncovered Service with Employers maintaining the Plan shall be taken into account in determining whether an Employee has completed a Year of Service during a Plan Year for purposes of vesting, except:

(a) Years of Service before age 18;

(b) Years of Service before the Employer maintained this Plan or a predecessor plan, except as otherwise provided herein;

(c) Years of Service not required to be counted under the Plan's Break in Service Rules;

(d) Years of Service before the effective date of ERISA, if such service would have been disregarded under the break in service rules of the prior plan;

(e) Years of Service with an Employer after a complete withdrawal from the Plan or a partial withdrawal from the Plan in connection with the decertification of the collective bargaining representative; and

(f) Years of Service with an Employer after the termination date of the Plan.

Eligibility for Benefits

Normal Retirement Pension

A Participant shall be eligible for a Normal Retirement Pension if he or she:

(a) has attained Normal Retirement Age; and

(b) terminated employment upon or after attaining Normal Retirement Age.

Early Retirement Pension

A Participant shall be eligible for an Early Retirement Pension if he or she:

(a) has reached age 55 and has earned thirty-six (36) months of Credited Service (i.e., he or she has attained Early Retirement Age); and

(b) terminated employment upon or after attaining Early Retirement Age.

Disability Retirement Pension

A Participant shall be eligible for a Disability Retirement Pension if he or she;

(a) has earned thirty-six (36) months of Credited Service; and

(b) terminated employment due to Disability.

Disability shall be considered to have ended and entitlement to a Disability Retirement Pension shall cease if, prior to attainment of age 55, the Participant (a) is re-employed by an Employer, or (b) is no longer entitled to a Social Security Disability Insurance benefit, as determined by the Social Security Administration ("SSA"). If entitlement to a Disability Retirement Pension ceases, a Participant shall not be prevented from qualifying for a pension under another provision of the Plan, and he or she shall be granted Years of Service and months of Credited Service for the period of Disability, disregarding any Disability Retirement Pension payments which were made during the period of Disability.

Deferred Vested Pension

A Participant shall be eligible for a Deferred Vested Pension if he or she:

(a) has earned five (5) Years of Service;

(b) terminated employment prior to satisfying the requirements for a Normal Retirement Pension, a 30 and Out Pension, an Early Retirement Pension, or a Disability Retirement Pension; and

(c) has attained age 55.

In the event a Participant Retires with a Deferred Vested Pension, and later receives a determination letter from the Social Security Administration establishing that he or she is disabled, the Trustees may, upon the Participants request, convert the Participant's Deferred Vested Pension to a Disability Retirement Pension, provided the Participant otherwise satisfies the eligibility requirements for a Disability Retirement Pension. Such a conversion may enable the Participant to receive payments retroactive to the date on which SSA determined that he or she first became disabled, provided the conditions set forth above are satisfied.

30 and Out Pension

A Participant shall be eligible for a 30 and Out Pension if he or she;

(a) has earned twenty (20) years of Credited Service;

(b) has earned thirty (30) Years of Service; and

(c) terminated employment upon or after attaining age 55.

Benefit Amount

Normal Retirement Pension

The monthly amount of the Normal Retirement Pension paid as a single life pension shall be equal to the sum of (a) and (b) below:

(a) the greater of (i) one and a quarter percent (1 1/4%) of the "annualized contribution" (as defined in (c) below) multiplied by the number of Years of Service earned prior to June 1, 1999 or (ii) the amount accrued under the prior plan at June 1, 1999 set forth in (d) below; in addition to

(b) one and a quarter percent (1 1/4%) of the sum of the Voluntary Employer Contributions and Required Contributions, computed separately for each Year of Service earned after May 31, 1999 (no pension accrual is earned for any Year in which the Participant earns less than 1,000 Hours of Service).

(c) The "annualized contribution" is determined by multiplying the Employer contribution for January 1999 by twelve (12).

(d) The monthly amount of the Normal Retirement Pension paid as a Single Life Pension shall be equal to one-twelfth (1/12th) of the product of (i), (ii), and (iii) below:

(i) two and a half percent ($2^{1/2}$ %) of the Participant's Average Annual Salary as of June 1, 1999, up to a maximum of $35,000; multiplied by

(ii) the Participant's Years of Service as of June 1, 1999, up to a maximum of fifteen (15) Years of Service; multiplied by

(iii) a fraction, not exceeding one, of which the numerator is the Participant's months of Credited Service (as of June 1, 1999) and the denominator is thirty-six (36).

In no event shall the benefit determined for any Participant be less than the amount he or she would have been entitled to receive had his or her employment terminated at an earlier date. If a Participant's Retirement occurs after his or her Normal Retirement Age and after he has completed fifteen (15) Years of Service and thirty-six (36) months of Credited Service, his or her Normal Retirement Pension, as determined above, shall be actuarially increased in accordance with the factors set forth in Appendix B.

Notwithstanding the foregoing, the monthly amount of the Normal Retirement Pension paid to Local 362 Participants as a single life annuity shall be 1.25% of the monthly contributions made on their behalf.

Early Retirement Pension

The monthly amount of the Early Retirement Pension paid as a single life pension and calculated as of the Participant's effective date shall be equal to his or her vested accrued benefit, reduced by 1/180th for each month that the effective date of the Early Retirement Pension precedes the Participant's Normal Retirement Date.

Disability Retirement Pension

The monthly amount of the Disability Retirement Pension paid as a single life pension shall be determined in the same manner as an Early Retirement Pension, except that, solely for the purpose of determining the amount of a Disability Retirement Pension, the following assumption shall be made: If Disability occurs prior to the Participant's attainment of age 55, the Participant shall be deemed to have attained age 55 as of the date of his or her disability Retirement, and any Years of Service and Credited Service he or she would have earned had his or her employment actually continued until age 55 shall be granted.

Deferred Vested Pension

The amount of a Participant's Deferred Vested Pension paid as a single life pension, commencing as of his or her Normal Retirement Date shall be equal to his or her Vested Accrued Benefit. If payment of a Deferred Vested Pension commences prior to the Participant's Normal Retirement Date, the amount of the Deferred Vested Pension shall be reduced by 1/180th for each month that the effective date of the pension precedes the Participant's Normal Retirement Date.

30 and Out Pension

The monthly amount of a 30 and Out Pension paid as a single life pension and calculated as of the Participant's effective date shall equal the Participant's vested accrued benefit.

Employment after Required Beginning Date

If a Participant retires after attaining his or her Normal Retirement Age, his or her accrued benefit shall be actuarially increased to take into account any period after Normal Retirement Age in which he or she was not receiving benefits under the Plan. The actuarial increase shall be provided for the period beginning on the date that the Participant attains his or her Normal Retirement Age and ending on the date on which benefits commence after Retirement. The actuarial increase shall be determined using a five percent (5%) interest rate and the Applicable Mortality Table (Exhibit I, Section A) and shall be the same as, and not in addition to, any actuarial increase required for the same period under Code Section 411 to reflect any delay in the payment of benefits after Normal Retirement Age. However, the actuarial increase required under this section shall be provided even during any period in which benefits are suspended in accordance with ERISA Section 203(a)(3)(B). The benefit payable with respect to a Participant as of the end of the period for which the actuarial increase was made shall be no less than:

(i) the actuarial equivalent of the benefit that would have been payable as of the Participant's Normal Retirement Age if distributions had commenced on that date; plus

(ii) the actuarial equivalent of any additional benefits accrued after the Participant's Normal Retirement Age; reduced by

(iii) the actuarial equivalent of any distributions made to the Participant after his or her Normal Retirement Age.

For purposes of (i), (ii) and (iii) above the actuarial equivalent benefit shall be determined using the Applicable Mortality Table and interest at a rate of five percent (5%). However, if, as of December 31, 2003, a Participant earned at least 15 Years of Service and 36 months of Credited Service, the actuarial equivalence shall be determined using the greater of the above and the factors from Appendix B.

Standard Distribution Options

50% Joint and Survivor Pension/Single Life Pension

Unless an optional form of payment is selected pursuant to a Qualified Election within the ninety (90) day period ending on a Participant's Annuity Starting Date, the vested accrued benefit of a Participant who has an eligible Spouse shall be paid in the form of a 50% Joint and Survivor Pension, and the Vested Accrued Benefit of all other Participants shall be paid in the form of a Single Life Pension. The 50% Joint and Survivor Pension shall be at least the Actuarial Equivalent of a Single Life Pension, based on the applicable factor set forth in Appendix A. Once benefit payments have begun under a 50% Joint and Survivor Pension, if a Participant's eligible Spouse predeceases the Participant, the Participant shall not be permitted to change the form of benefit payments from the 50% Joint and Survivor Pension to any other form of payment under the Plan, and there shall not be any increase in the benefit payments made to the Participant as a result of the Eligible Spouse's death.

The above paragraph notwithstanding, no benefit shall be payable to a Participant's Spouse under this provision unless the Participant and his Spouse were legally married throughout the 12-month period ending on the date of the Participant's death. If the Participant and his Spouse were not legally married for at least 12 months before the Annuity Starting Date, the normal form of payment nevertheless shall be a Qualified Joint and Survivor Annuity; however, if the Participant dies within 12 months after the date of his marriage, the form of payment shall revert to the normal form for a unmarried Participant, and no benefit shall be payable to the Participant's Spouse

Optional Forms of Pension Payments

In lieu of a Participant's right to receive payments in the forms described under the provisions of the Base Plan document, the immediately following provisions shall apply to Participants covered by this Appendix XVII.

Single Life Pension

A married Participant who has properly waived the 50% Joint and Survivor Pension by making a Qualified Election may elect to receive his or her vested accrued benefit in the form of a single life pension, providing for monthly benefit payments to the Participant for his or her life only.

Ten-Year Certain and Life Option

A married Participant who has properly waived the 50% Joint and Survivor Pension by making a Qualified Election, or an unmarried Participant who has rejected payment in the form of single life pension, may elect to receive his or her vested accrued benefit as a ten-year certain and life option. Under this option, a Participant shall receive a reduced pension payable until his or her death, and in the event his or her death occurs within a period of ten (10) years after payments commence, payment of the pension will be continued in the same amount to the person or persons designated by the Participant for the balance of the ten (10) year period; provided that, if no beneficiary has been designated by the Participant, any pension payments to be made after the Participant's death shall be paid out within five (5) years of the death of the Participant.

The ten-year certain and life option shall be elected in writing on a form approved by the Trustees, and the aggregate of the pension payments expected to be made shall be the Actuarial Equivalent of the single life pension computed for the Participant based on the applicable factor set forth in Appendix A. The option may not be elected, changed, or revoked after payments have commenced. If the beneficiary is other than the Participant's eligible Spouse, then the eligible Spouse must consent to the Participant's election of the ten-year certain and life option within the ninety (90) day period preceding the Participant's Annuity Starting Date.

Notwithstanding the foregoing, the benefits payable under this option in the event of the death of a Participant attributable to accruals earned in any Plan Year after the Plan Year in which the Participant reached age 70½, shall be paid monthly until the expiration of the ten (10) year period of the initial 70½ effective date. The balance of any payments due shall be paid as a lump sum at the expiration of this initial ten (10) year period.

In addition to the foregoing, Section 7.1(e) of the Base Plan shall apply.

Death Benefits

If a vested Participant dies before the effective date of his or her pension under the Plan, and on or before attaining Earliest Retirement Age, the Participant's Surviving Spouse, if any, shall receive the same benefit that would be payable if the Participant had (i) separated from employment on the date of death (or the date of separation from service, if earlier); (ii) survived to Earliest Retirement Age; (iii) Retired with an immediate 50% Joint and Survivor Pension at the Earliest Retirement Age; and (iv) died on the day after the Earliest Retirement Age. For this purpose, the benefit payable to the Surviving Spouse shall be payable on or before the month in which the Participant would have reached his or her Earliest Retirement Age, as directed by the Surviving Spouse. The benefit payable to the Surviving Spouse shall be calculated as of the Participant's Earliest Retirement Age and shall be adjusted for early payment, if applicable, under Appendix C, or late payment, if applicable, under Appendix B.

Suspension of Benefits

Notwithstanding the provisions in the Base Plan, a Participant's benefit payments shall be suspended during any period of Prohibited Employment. If a Participant who has not yet attained Normal Retirement Age retires, begins receiving his or her vested accrued benefit, then returns to employment with an Employer maintaining the Plan for 83 hours or fewer per month

(which is deemed to be the equivalent of less than 12 days per month), such Participant's benefit shall not be suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who complete 83 hours or fewer of work per week. A Participant's benefit payments also shall not be suspended after his or her Required Beginning Date — the April 1 of the first calendar year following the later of the calendar year in which the Participant reaches age 70-1/2, or the calendar year in which the Participant Retires. A Participant may make a written request to the plan administrator for a determination of whether employment with an Employer maintaining the Plan constitutes Prohibited Employment. The plan administrator shall provide a response to the Participant within a reasonable time after such request is made. A Participant who is engaged in Prohibited Employment must notify the Plan immediately of such Prohibited Employment.

If benefit payments are suspended, payment shall resume no later than the first day of the third calendar month after the calendar month in which the Participant's Prohibited Employment ceases. The initial payment upon resumption shall include the payment scheduled to occur in the calendar month when payments resume and any amounts withheld during the period between the cessation of Prohibited Employment and the resumption of payments.

Benefit payments that are erroneously made to a Participant in a period of Prohibited Employment shall be offset by later benefit payments, when such payments resume after the period of Prohibited Employment. This offset shall not, however, exceed twenty-five percent (25%) of the total benefit payment that would have been otherwise due for any calendar month.

No payment shall be withheld by the Plan pursuant to this paragraph unless the Plan notifies the Participant by personal delivery or first class mail during the first calendar month in which the Plan withholds payments that his or her benefits are suspended. Such notification shall contain:

(a) a description of the specific reasons why benefit payments are being suspended,

(b) a description of the Plan provisions relating to the suspension of payments,

(c) a copy of those Plan provisions,

(d) a statement to the effect that applicable Department of Labor regulations may be found in Section 2530.203-3 of the Code of Federal Regulations, and

(e) an explanation of the Plan's appeal procedures.

The suspension of a Participant's benefit payments due to Prohibited Employment prior to the time that he or she has reached Normal Retirement Age shall not affect his or her right to the Actuarial Equivalent of a Normal Retirement Pension upon attainment of Normal Retirement Age. For purposes of this paragraph, Actuarial Equivalent shall be based on the Applicable Mortality Table (see Exhibit I) with interest at five percent (5%).

In the event of the death of the Participant during a period of Prohibited Employment, any benefit payable to the Participant's eligible Spouse (under a 50% Joint and Survivor Pension) or beneficiary (under a Ten-Year Certain and Life Option) shall commence as of the first day of the

month next following the Participant's death in the amount which would have been payable had the Participant Retired immediately prior to his death. The death of a Participant's eligible Spouse during a period of Prohibited Employment shall not affect the amount of the Participant's benefit payments when they resume after the period of Prohibited Employment ceases.

Pro Rata Pensions

Purpose - Pro Rata Pensions are provided under this Plan for Employees who lack sufficient Years of Service for purposes of vesting to be eligible for benefits, because their Years of Service are divided between this Plan and Related Plans.

Related Plans - By resolution duly adopted, the Trustees may, pursuant to a reciprocity agreement, recognize one or more other pension plans as a Related Plan.

Related Years of Service - Related Years of Service means years of service for purposes of vesting that are accumulated and maintained by an Employee under a Related Plan and are to be recognized by this Plan pursuant to a reciprocity agreement between this Plan and the Related Plan. Related Years of Service are only recognized by this Plan if contributions were required to be made to the Related Plan during the period in which the years of service were earned.

Combined Years of Service - The total of an Employee's Years of Service under this Plan and Related Years of Service together comprise the Employee's Combined Years of Service. Not more than one Combined Year of Service shall be counted in any twelve (12) month period commencing on June 1st and ending on May 31st.

Eligibility - An Employee who lacks sufficient Years of Service under this Plan to have earned a vested right to a pension shall be eligible for a Pro Rata Pension if (a) the number of Combined Years of Service with which he or she is credited equals or exceeds the number of Years of Service otherwise required in order for a Participant to satisfy the eligibility requirements for benefits, and (b) he or she satisfies the eligibility requirements for a pension under the Related Plan; provided, however, that any Years of Service canceled by a Break in Service prior to execution of a reciprocity agreement between this Plan and the affected Related Plan shall not be reinstated by these provisions or by the reciprocity agreement.

Breaks in Service - In applying the Break in Service rules of this Plan (see the Base Plan Section Three) with respect to loss of Years of Service for purposes of vesting, any period for which an Employee has earned Related Years of Service shall be considered the same as if the period of employment was with an Employer under this Plan in determining whether there has been a Break in Service; provided, however, that any credit canceled by a Break in Service prior to the execution of the reciprocity agreement between this Plan and the affected Related Plan shall not be reinstated by this Section.

Election of Pensions - If an Employee is eligible for more than one type of pension under this Plan, he shall be entitled to elect the type of pension he is to receive.

Pro Rata Pension Amount - The monthly amount of the Pro Rata Pension payable by this Plan shall be equal to the benefit earned by the Employee calculated in accordance with the provisions of this Plan, provided that only Years of Service earned under this Plan shall be used in such calculation.

Payment of Pro Rata Pensions - The payment of a Pro Rata Pension shall be subject to all of the conditions contained in this Plan applicable to other types of pensions, including, but not limited to, actuarial reduction for an Early Retirement Pension.

98%, if spouse is at least 15 years older
95%, if spouse is at least 12, but less than 15 years older
94%, if spouse is at least 9, but less than 12 years older
93%, if spouse is at least 6, but less than 9 years older
92%, if spouse is at least 3, but less than 6 years older
91%, if spouse is the same age or older, but less than 3 years older
90%, if spouse is younger, but no more than 3 years younger
89%, if spouse is at least 3 but less than 6 years younger
88%, if spouse is at least 6 but less than 9 years younger
87%, if spouse is at least 9, but less than 12 years younger
86%, if spouse is at least 12, but less than 15 years younger
85%, if spouse is at least 15, but less than 18 years younger
84%, if spouse is at least 18, but less than 21 years younger
80%, if spouse is more than 21 years younger

Ten-Year Certain and Life Option Factor

Ages	Factor	Ages	Factor
55 or less	0.988	62-65	0.960
56	0.984	66	0.954
57	0.980	67	0.948
58	0.976	68	0.942
59	0.972	69	0.936
60	0.968	70 or higher	0.930
61	0.964		

Appendix B
Actuarial Equivalent
(Post Normal Retirement Date)

Years Past the Later of Normal Retirement Date or Completion of 15 Years of Service	Factor
0	1.000
1	1.084
2	1.184
3	1.298
4	1.429
5	1.582
6	1.761
7	1.972
8	2.222
9	2.522
10	2.883
11	3.322
12	3.858
13	4.522
14	5.350
15	6.392

To determine partial years, take the difference between high and low year, divide by twelve and multiply by number of months. Add this amount to low year. Example; five years and four months past normal retirement date. The high factor is five years (1.582), the low factor is four years (1.429) and the difference is .153. Dividing by twelve and multiplying by 4 yields ..051. Adding this result to four year factor gives a final factor of 1.480.

APPENDIX - C
Death Benefit Early Payment Reduction Factors

Participant's Age At Death	Factor
20	0.0235
21	0.0252
22	0.0270
23	0.0290
24	0.0311
25	0.0333
26	0.0358
27	0.0384
28	0.0413
29	0.0443
30	0.0576
31	0.0512
32	0.0550
33	0.0591
34	0.0636
35	0.0684
36	0.0736
37	0.0793
38	0.0854
39	0.0920
40	0.0992
41	0.1070
42	0.1155
43	0.1247

Participant's Age At Death	Factor
44	0.1347
45	0.1457
46	0.1576
47	0.1707
48	0.1849
49	0.2006
50	0.2177
51	0.2366
52	0.2573
54	0.3054
55	0.3333

Appendix XVIII — Local 340 Plan Participants

CLOSED GROUP — January 1, 2005

The provisions of this Appendix XVIII apply to (i) participants in the Local 340 ACTWU Staff Defined Benefit Plan, (the "Local 340 Plan") prior to January 1, 2005 and to (ii) employees hired prior to January 1, 2005 who would have been eligible to join the Local 340 Plan in the future under the terms of the Local 340 Plan as in effect on January 1, 2005. Employees hired after January 1, 2005 shall be covered under the Base Plan provisions. The Local 340 Plan was merged into the Plan on January 1, 2005 and all participants in the Local 340 Plan became Participants in the Plan. In the event of any conflict between the terms of the Plan and the terms of this Appendix XVIII, the terms of this Appendix XVIII will control with respect to Participants covered by this Appendix XVIII. References in this Appendix to the Local 340 Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XVIII, it is intended that the Plan and this Appendix XVIII be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Local 340 Plan as of January 1, 2005 shall not be decreased as a result of the merger of the Local 340 Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to January 1, 2005.

The following definitions shall apply for purposes of this Appendix XVIII:

"Accrued Benefit" shall mean that portion of a Participant's Normal Retirement Benefit which he has earned as of a determination date. For purposes of determining the Participant's Normal Retirement Benefit, it shall be assumed that years of Credited Service shall continue to the Participant's Normal Retirement Age. A Participant's Accrued Benefit shall be determined as follows: The Participant's Normal Retirement Benefit multiplied by a fraction not to exceed one (1), the numerator of which is the actual number of Years of Credited Service as of the determination date and the denominator of which is the number of Years of Credited Service Participant would have completed if the Participant had continued until this Normal Retirement Age.

"Actuarial Equivalent" shall mean a benefit, payable in a different form and/or at a different time than a Participant's Accrued Benefit, which shall be an amount that is equal in value to the Participant's Accrued Benefit. Except for the lump sum form of payment, the assumptions to be used for this purpose are: Interest at six percent (6%) per annum with mortality based on the UP-1984 (Uninsured Pensioners-Unisex). For lump sums, the assumptions noted in Section I of Exhibit A shall apply.

"Average Compensation" shall mean the average of the Compensation for the Participant's three (3) consecutive years, selected from the last ten (10) years, which produce the highest such average. The period of service over which Compensation shall be considered when determining a Participant's Average Compensation shall begin with the date the Participant first performs an Hour of Service for the Employer and end with his most recent date of termination. In the event the period of employment is fewer than three (3) years, such lesser period of service shall be used to determine Average Compensation.

“Credited Service” shall mean all Years of Service with the Employer while the Employee is an Eligible Employee. Notwithstanding the foregoing, Years of Service earned prior to January 1, 1984 shall be excluded.

“Early Retirement Age” shall mean the later of (i) age fifty-five (55), or (ii) the age of the Participant upon completion of ten (10) Years of Service.

“Effective Date” shall mean January 1, 1992.

“Eligible Employee” shall mean any Salaried Employee, except a person who is less than twenty-one (21) years of age. It does not include persons who are paid on an hourly basis.

“Employer” shall mean the Union and any other labor organization or related entity which has adopted or hereafter adopts the Plan with the approval of the Union.

“Normal Retirement Age” shall mean the later of age 65 or the fifth anniversary of participation as an active employee under the Plan.

“Qualified Joint and Survivor Annuity” shall mean an immediate annuity for the life of the Participant if he does not have an eligible Spouse, or, if he has an eligible Spouse, an annuity which is the Actuarial Equivalent of the normal form or, if greater, any other alternate form of benefit payable under the Plan, for the life of the Participant with a survivor annuity for the life of his Eligible Spouse. The survivor annuity percentage shall be not less than fifty percent (50%) nor more than one hundred percent (100%) of the amount of the annuity payable during the joint lives of the Participant and his eligible Spouse. In the event the Participant fails to make a timely selection of the survivor annuity percentage, such percentage shall be seventy-five percent (75%).

“Union” shall mean Local 340 Amalgamated Clothing & Textile Workers’ Union AFL-CIO, CLC, an unincorporated association, and any successor organization(s).

The following special provisions shall apply to Participants covered by the terms of this Appendix XVIII. Unless otherwise indicated, Section references refer to the corresponding section in the Local 340 Plan.

Where inconsistent with the terms of the Base Plan, pension amounts shall be determined pursuant to the following Sections:

“Normal Retirement Benefit”

(a) Each Participant, after attainment of his Normal Retirement Age, shall be entitled to receive a Normal Retirement Benefit in Normal Form equal to one-twelfth (1/12) of three percent (3%) of such Participant’s Average Compensation multiplied by the number of years of Credited Service, to a maximum of 65% of the Participant’s Average Compensation.

“Early Retirement Benefit”

(a) Each Participant, upon Early Retirement, shall be entitled to receive an Early Retirement Benefit in Normal Form which shall be equal to 3% of the Participant’s Average Compensation times the Participant’s years of Credited Service up to a maximum of 65% of the Participant’s Average Compensation. To be eligible for the Early Retirement Benefit, a Participant must terminate employment with the Union after at least 55 years of age and have at least ten (10) years of Credited Service.

(b) In the event an employee retires prior to age 62 and elects to commence receipt of his pension benefit prior to age 62, his or her benefit will be reduced 5.0% for each year the benefit commencement date precedes age 65, provided further that no such reduction shall apply to an employee who retires from active employment at age 62 or older.

“Delayed Retirement Benefit”

Each Participant, upon Normal Retirement on a delayed retirement date, shall be entitled to receive a Delayed Retirement Benefit which shall be the Normal Retirement Benefit in Normal Form based on years of Credited Service and Average Compensation through the Participant’s actual retirement date. Notwithstanding the foregoing, if a Participant continues to be employed (or is reemployed by the Employer) after attaining Normal Retirement Age, but not in “section 203(a)(3)(B) service” under Department of Labor Regulation 29 CFR Section 2530.203-3, the commencement of payments shall not be delayed (or, in the case of reemployment, suspended) until the Participant’s delayed retirement date. Payments to such Participant will commence as if the Participant had terminated employment as of the Participant’s Normal Retirement Age. Benefits will accrue while such Participant remains employed and the amount of the payments will be recalculated each year on the anniversary of the Participant’s Normal Retirement Date to reflect those additional benefits. In the case of a Participant who continues employment after attaining Normal Retirement Age or who is reemployed after commencing benefit payments, the Plan shall give notice to such Participant as required under Department of Labor Regulation 29 CFR Section 2530.203-3(b)(4) no later than the end of the first calendar month or payroll period in which the Plan delays the commencement of payments due to reemployment.

Notwithstanding the foregoing, Participants who are reemployed by the Employer or continue working past Normal Retirement Age for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who complete 83 hours or fewer of work per month.

“Death Benefit”

In the event of the death of a single, active, vested participant, such participant’s designated beneficiary shall be entitled to receive, at the time such participant would have been entitled to receive an early or normal age retirement benefit, a 10-year certain annuity determined on the same basis as the Qualified Joint and Survivor Annuity.

“Disability Retirement Benefit”

No special benefits are provided upon Disability.

“Deferred Vested Benefit”

(a) A Participant who ceases to be an Employee after completion of five (5) years of Credited Service for reasons other than death, Total Disability or retirement shall be entitled to a deferred vested benefit, commencing as of his Normal Retirement Date, which shall be equal to his Accrued Benefit at termination of employment.

(b) A Participant eligible for a termination benefit who ceases to be an Employee prior to satisfying the service requirements for an Early Retirement Benefit shall be entitled to elect to commence to receive his deferred vested benefit. The amount paid pursuant to this subparagraph shall be the Actuarial Equivalent of the deferred vested benefit he would have received at his Normal Retirement Date.

(c) A Participant eligible for a termination benefit who ceases to be an Employee after satisfying the service requirements for an Early Retirement Benefit but before satisfying the age requirement for such Early Retirement Benefit shall be entitled upon satisfaction of the age requirement to elect to commence to receive his deferred vested benefit. The amount paid pursuant to this subparagraph shall be the Actuarial Equivalent of the deferred vested benefit he would have received at his Normal Retirement Date.

“Optional Forms of Benefit”

A Participant may elect to receive his retirement benefits over any one of the following periods (or a combination thereof):

(i) The life of the Participant;

(ii) The life of the Participant and his Beneficiary;

(iii) A period certain not extending beyond the life expectancy of the Participant;

(iv) A period certain not extending beyond the joint and last survivor expectancy of the Participant and his designated Beneficiary;

(v) A 10-year certain form of benefit, provided that the amount of such pension shall be equal to the actuarial equivalent of the life annuity; or

(v) A Participant who accrued a year of service credit after December 31, 1999, who has rejected, or is not eligible for, a Qualified Joint and Survivor Annuity, may elect to have the amount of his or her monthly benefit paid to him or her in the form of a lump sum at the time his or her monthly pension is first payable. If this option is elected, the lump sum payable shall be based upon the Participant's age on the Annuity Starting Date and shall be the actuarial equivalent of the monthly amount payable at Normal Retirement Age; or

(vii) In the event of a participant's death, the Plan administrator shall be entitled to pay to any surviving beneficiaries, in a single lump sum payment, the present value of the participant's vested benefits otherwise payable to the beneficiaries if all of the following conditions are satisfied:

1. The participant has an active hour of service after January 1, 1995;

2. The Plan actuary determines that the present value of the participant's vested benefits otherwise payable to any beneficiaries is $10,000 or less; and

3. The Trustees determine in their sole discretion that the Plan will not be adversely affected by the immediate payment of the vested benefit in the form of a lump sum.

Appendix XIX — HERE IU Plan Participants

CLOSED GROUP — July 12, 2004

The provisions of this Appendix XIX apply to participants in the Hotel Employees and Restaurant Employees International Union Pension Plan (the "HERE IU Plan") prior to October 1, 2005. The HERE IU Plan was merged into the Plan on October 1, 2005 and all participants in the HERE IU Plan became Participants in the Plan. This Appendix XIX applies to all service before October 1, 2005 and on and after October 1, 2005. Employees first hired after July 12, 2004 shall not be eligible for participation under this Appendix. In the event of any conflict between the terms of the Plan and the terms of this Appendix XIX, the terms of this Appendix XIX will control with respect to Participants covered by this Appendix XIX. References in this Appendix to the HERE IU Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XIX, it is intended that the Plan and this Appendix XIX be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the HERE IU Plan as of September 30, 2005 shall not be decreased as a result of the merger of the HERE IU Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to October 1, 2005.

The following definitions shall apply for purposes of this Appendix XIX:

"Accrued Benefit" shall mean a Participant's benefit payable as a single life annuity commencing on his Normal Retirement Date (or his Annuity Starting Date if later) based on his Credited Service and his Final Average Monthly Earnings as of the date of the determination in accordance with the formulas set forth in this Appendix XIX, but not less than the benefit derived from the Participant's Contributions Accumulations Account. A Participant's Accrued Benefit attributable to employer contributions on any date is the excess of the Employee's total Accrued Benefit over the Accrued Benefit derived from Employee Contributions, if any. The Accrued Benefit derived from Employee Contributions is the amount equal to the Participant's Contributions Accumulation Account expressed as an annual benefit commencing at Normal Retirement Age using the Applicable Interest Rate and Applicable Mortality Table.

"Actuarial Equivalent" shall mean a benefit, payable in a different form and/or at a different time than a Participant's Accrued Benefit, which shall be an amount that is equal in value to the Participant's Accrued Benefit. Except for any lump sum form of payment, assumptions to be used for this purpose are: Interest at eight percent (8%) per annum with mortality based on the UP-1984 (Uninsured Pensioners-Unisex). For lump sums, the assumptions noted in Section I of Exhibit A shall apply. Notwithstanding the foregoing, in no event shall an optional benefit which becomes effective after July 31, 1983 result in the payment of a smaller benefit than that which would have been payable had the conversion been based on both the Accrued Benefit as of July 31, 1983 and the actuarial assumptions then in effect.

“Authorized Leave of Absence.” Authorized Leave of Absence shall mean any absence authorized by the Employer under the Employer’s standard personnel practices, provided that all persons under similar circumstances shall be treated alike in the granting of such Authorized Leaves of Absence, and provided further that the Participant returns or Retires within the period specified in the Authorized Leave of Absence, An absence due to service in the Armed Forces of the United States shall be considered an Authorized Leave of Absence, provided that the Employee complies with the requirements of federal law in order to be entitled to re-employment, and provided further that the Employee returns to employment within the period provided by such law.

“Compensation.” Prior to January 1, 2011, Compensation shall mean:

(a) An Employee’s wages, salaries, fees for professional services, and other amounts received (without regard to whether or not an amount is paid in cash) for personal services actually rendered in the course of employment with the Employer, to the extent that the amounts are includible in gross income (including, but not limited to, commissions paid to salesmen, compensation for services on the basis of a percentage of profits, commissions on insurance premiums, tips, bonuses, fringe benefits, and reimbursements or other expense allowances under a non-accountable plan (as described in Treasury Regulation Section 1.62-2(c));

(b) Effective December 1, 1998, any elective deferral (as defined in Code Section 402(g)(3)); and

(c) Effective December 1, 1998, any amount which is contributed or deferred by the Employer at the election of an Employee, and which is not includible in the gross income of the Employee by reason of Code Section 125 or 457, and, effective December 1, 2001, Code Section 132(f)(4).

Compensation shall not include:

(a) Contributions made by the Employer to a plan of deferred compensation to the extent that, before the application of Code Section 415 limitations to that plan, the contributions are not includible in the gross income of the Employee for the taxable year in which contributed;

(b) Contributions made by the Employer on behalf of an Employee to a simplified employee pension plan described in Code Section 408(k) for the taxable year in which contributed;

(c) Distributions from a plan of deferred compensation, regardless of whether such amounts are includible in the gross income of an Employee when distributed;

(d) Amounts realized from the exercise of a non-qualified stock option or when restricted stock (or property) held by an Employee either becomes freely transferable or is no longer subject to a substantial risk of forfeiture;

(e) Amounts realized from the sale, exchange, or other disposition of stock acquired under a qualified stock option; and

(f) Other amounts which receive special tax benefits, such as premiums for group-term life insurance (but only to the extent that the premiums are not includible in the gross income of the Employee), or contributions made by the Employer (whether or not under a salary reduction agreement) towards the purchase of an annuity contract described in Code Section 403(b) (whether or not the contributions are excludable from the gross income of the Employee).

For purposes of determining benefit accruals in a Plan Year beginning after December 31, 2001, Compensation for prior Plan Years shall be limited to $200,000. The $200,000 limit on annual Compensation shall be adjusted for cost-of-living increases in accordance with Section 401(a)(17)(B) of the Code.

"Contributions Accumulation Account." Contributions Accumulation Account shall mean the sum of a Participant's aggregate Employee Contributions to the Plan for the period prior to December 1, 1982, plus interest compounded annually from the date each contribution is made to the earliest of the following dates: (a) the date on which the Participant's pension commences; (b) the date on which a pension becomes payable to his eligible Spouse or other contingent annuitant; or (c) the date on which a refund becomes payable to the Participant or Beneficiary. Interest for the period prior to December 1, 1976, shall be zero and, for the period beginning on and after December 1, 1976, shall be at the rate of 5% per annum. With respect to contributions made during any Plan Year between December 1, 1976, and December 1, 1982, such contributions shall be assumed as having been made uniformly throughout such Plan Year, A Participant is one hundred percent (100%) vested at all times in his Contributions Accumulation Account.

"Credited Service" shall be in years and fractions of a year and shall commence (a) for a Participant hired prior to December 1, 1977, at the later of his employment commencement date or age 22 (and shall include any period in which he was eligible to participate in the Plan but declined to make Employee Contributions) and (b) for any other Participant, as of the date on which he commenced participation in the plan, but shall not include any period during which he declined to make Employee Contributions. Credited Service shall terminate at a Participant's severance date, except that a Participant shall continue to earn Credited Service after his severance date for any period for which he receives Earnings for accrued vacation, any paid Leave of Absence, any authorized Leave of Absence due to military service or any authorized Leave of Absence prior to December 1, 1982 during which the Participant made Employee Contributions.

"Disability." Disability shall mean a physical or mental condition which entitles the Participant to a Social Security Disability Insurance benefit under the Social Security Act, as evidenced by a determination letter from the Social Security Administration, or, to a sickness benefit under the Railroad Retirement Act.

"Domestic Partner." Domestic Partner shall mean a person of same or opposite sex as a Participant who:

(a) Is at least 18 years of age;

(b) Is not related by blood to the Participant;

(c) Has executed an affidavit of domestic partnership with the Participant, as required by the Plan;

(d) Has a close and committed personal relationship with the Participant, as evidenced by a joint economic interdependence;

(e) Is currently living with the Participant and the two (2) have been living together on a continuous basis prior to filing the affidavit; and

(f) Has not been a member of another domestic partnership for the purposes of eligibility in the Plan within the six (6) month period immediately preceding the current relationship.

“Earliest Retirement Age.” Earliest Retirement Age shall mean age 55, the earliest age at which a Participant may begin receiving his Accrued Benefit under the Plan.

“Earnings.” Earnings shall mean Salary as defined in Section 1.29 of the Base Plan. Prior to January 1, 2011, Earnings included;

(a) The wages paid to an Employee by the Employer for personal services rendered during the period considered as Vesting Service, as reported on the Employee’s Federal Income Tax Withholding Statement (Form W-2 or substitute), excluding life insurance costs, contributions to this or any other deferred compensation plan of the Employer, moving expenses, or any other amount required to be reported which is not direct compensation;

(b) Amounts the Participant has elected to have contributed by the Employer under Code Section 401(k); and

(c) Effective December 1, 1998, any other amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includable in the gross income of the Employee under Code Sections 125, 402(g), or 457; and

(d) Effective January 1, 2001, any elective amounts that are not includable in the gross income of the Employee by reason of Code Section 132(f)(4).

“Employee Contributions.” Employee Contributions shall mean contributions required by employees under the HERE IU Plan prior to December 1, 1982 as a condition of participation.

“Employer.” Employer shall mean the Hotel Employees and Restaurant Employees International Union, acting though its General Executive Board, or its successor or successors.

“Fifty Percent Joint and Survivor Pension.” A Fifty Percent (50%) Joint and Survivor Pension is an immediate annuity for the life of the Participant, with a survivor annuity for the life of the Participant’s eligible Spouse, which is fifty percent (50%) of the amount of the annuity that is payable during the joint lives of the Participant and his eligible Spouse and which is the Actuarial Equivalent of the Single Life Pension. The last payment under a Fifty Percent Joint and Survivor Pension shall be made as of the first day of the month in which the death of the survivor occurs.

“Final Average Monthly Earnings.” Final Average Monthly Earnings shall mean the result obtained by dividing the total Earnings of a Participant during the “considered period” by the number of months, including fractional months, for which such Earnings were received. The “considered period” shall be the sixty (60) month period during the last one hundred and twenty (120) months of Credited Service when Earnings were highest. If less than five (5) years of Credited Service have been earned by the Participant, then the considered period shall be the period of Credited Service earned.

For purposes of determining Final Average Monthly Earnings of a Participant who was employed with the Employer on November 1, 2001, and whose Earnings were reduced beginning November 1, 2001, the amount of Earnings attributable to such Participant for each consecutive month of employment beginning with November 2001, shall be the greater of:

(a) the amount of Earnings the Participant would have received if the reduction in Earnings had not taken place, based on the Participant’s rate of pay in effect on October 31, 2001; or

(b) the actual Earnings of the Participant.

Solely for purposes of determining Final Average Monthly Earnings of a Participant (i) who, prior to October 1, 2005, was accruing a benefit under both the HERE IU Plan and the HERE OEL Plan and (ii) whose accrued benefit under the HERE OEL Plan was frozen as of his date of transfer to UNITE HERE IU only employment, such Participant will continue to accrue a benefit under the Plan (including this Appendix XIX) as provided under the Plan. The amount of Earnings attributable to such Participant under this Appendix XIX shall be based on his monthly Earnings prior to the date of transfer with respect to service accrued prior to the date of transfer and shall be determined as otherwise set forth in this Appendix with respect to service accrued after such transfer date.

“Normal Retirement Age.” For an Employee who first became a Participant prior to December 1, 1996, Normal Retirement Age shall be age 55. For an Employee who became a Participant on or after December 1, 1996, Normal Retirement Age shall be the later of (a) the Employee’s 55th birthday; or (b) the date which is the fifth (5th) anniversary of the date on which the Employee commenced participation in the Plan.

“One-Year Period of Severance.” One-Year Period of Severance shall mean a twelve (12) consecutive month period, beginning on an Employee’s Severance Date and ending on the first anniversary of such date, in which the Employee fails to perform an Hour of Service.

“Period of Service.” Period of Service shall mean a period of service with the Employer commencing on the date that the Employee first performs an Hour of Service or first performs an Hour of Service following a Period of Severance which is not required to be taken into account under the Period of Severance provisions, as set forth in Article 5 of the Prior Plan and ending on the Employee’s Severance Date Notwithstanding the preceding sentence, the following periods shall be considered Periods of Service under the Plan: (a) authorized Leaves of Absences which extend beyond an Employee’s Severance Date; and (b) periods following an Employee’s Severance Date for which he receives Earnings for accrued vacation. A Period of Service shall not include a period attributable to any severance pay granted upon termination of service.

“Period of Severance.” A Period of Severance is a period beginning on an Employee’s Severance Date and ending on the date on which the Employee again completes an Hour of Service.

“Prior Plan.” The Hotel Employees and Restaurant Employees International Union Pension Plan, as amended and re-stated effective December 1, 2001.

“Prohibited Employment.” For a Participant who has attained Normal Retirement Age, Prohibited Employment occurs either when such Participant Retires and begins receiving his pension, then returns to employment with the Employer and is compensated for more than 83 Hours of Service per month or when such Participant continues working past Normal Retirement Age for the Employer and is compensated for more than 83 Hours of Service in a calendar month.

“Qualified Joint and Survivor Annuity.” A Qualified Joint and Survivor Annuity is the Fifty Percent Joint and Survivor Pension as defined in this Appendix.

“Qualified Election.” A Qualified Election is a waiver of the Qualified Joint and Survivor Annuity as defined in Section 7.1 of the Base Plan.

“Required Beginning Date.” A Participant’s Required Beginning Date shall mean the April 1 of the first calendar year following the later of the calendar year in which the Participant reaches age 70 1/2, or the calendar year in which the Participant Retires.

“Retire/Retirement.” Retire or Retirement shall mean separation from service with the Employer for a reason other than death after a Participant has fulfilled all requirements for a Normal or Disability Retirement Pension. Retirement shall be considered as commencing on the date immediately following a Participant’s last day of employment (or authorized Leave of Absence, if later).

“Severance Date.” Severance Date shall mean the earlier of: (a) the date on which an Employee quits, retires, is discharged, or dies; or (b) the first anniversary of the first date of a period in which an Employee remains absent from service with the Employer (with or without pay) for any reason other than a quit, retirement, discharge, or death, such as vacation, holiday, sickness, disability, leave of absence, or layoff.

“Special Lump Sum Benefit.” Defined in Appendix B.

"Year of Vesting Service." A Year of Vesting Service shall be credited for each one-year Period of Service completed under the Plan, regardless of whether such one-year Periods of Service are completed consecutively. In order to determine the number of one-year Periods of Service, any non-successive Periods of Service shall be aggregated on the basis that twelve (12) months of service (thirty (30) days are deemed to be a month in the case of the aggregation of fractional months) or 365 days of service equal a one-year Period of Service. From and after December 1, 1976, in calculating an Employee's Years of Vesting Service, the following rules apply:

(i) if an Employee incurs a Period of Severance due to quit, retirement, or discharge, and if the Employee then performs an Hour of Service within twelve (12) months of the Severance Date, the Period of Severance will be considered a Period of Service.

(ii) Notwithstanding (i), above, if an Employee is absent from service for twelve (12) months or less due to any reason other than a quit, retirement, or discharge, and, during this period of absence, if the Employee quits, retires, or is discharged, then performs an Hour of Service within twelve (12) months of the date on which he was first absent from service, the Period of Severance shall be considered a Period of Service.

(iii) The following Periods of Service may be disregarded:

(A) For Plan Years beginning prior to December 1, 1985, the Period of Service completed by an Employee before the date on which he attained age 22;

(B) For Plan Years beginning on or after December 1, 1985, the Period of Service completed by an Employee before the date on which he attained age 18; and

(C) Any Period of Service not required to be counted under the Prior Plan's Period of Severance provisions, as explained in Article 5 of the Prior Plan.

An Employee who is not vested on his Severance Date, who incurs a One-Year Period of Severance (or consecutive One-Year Periods of Severance), and whose Period of Service under the Plan is not disregarded under the Prior Plan's Period of Severance provisions, as explained in Article 5 of the Prior Plan, shall continue to vest in accordance with Section 3.1 of the Prior Plan immediately upon his Re-employment Commencement Date.

Notwithstanding any Plan provision to the contrary, for an Employee who became a Participant prior to December 1, 1981, Years of Vesting Service calculated under this Appendix XIX for Periods of Service completed prior to December 1, 1981, shall not be less than Years of Vesting Service calculated under the provisions of the plan in effect immediately prior to December 1, 1981 ("the Pre-1981 HERE IU Plan"), In the event such a Participant incurred a Period of Severance prior to December 1, 1981, and returned to service on or after December 1, 1981, the determination of whether the Period of Service completed prior to December 1, 1981, shall be taken into account for purposes of calculating

the Participant's Years of Vesting Service shall be made under either the Pre-1981 HERE IU Plan's period of severance provisions or the Period of Severance provisions of this Appendix XIX, whichever provisions, if any, shall result in the greater number of Years of Vesting Service for the Participant.

All Periods of Service with employers who are members of a controlled group of corporations, trades or businesses under common control, and affiliated services groups shall be included for purposes of calculating an Employee's Years of Vesting Service in accordance with Code Sections 414(b), (c), and (m).

Participation Requirements

Effective December 1, 1984 through November 30, 1985, an Employee was eligible to participate at the later of age 25 and completion of one year of service. After December 1, 1985, an Employee shall be eligible to participate at the later of age 21 and completion of one year of service.

In the event an Employee incurs a period of severance and then performs an Hour of Service within twelve months, the period of severance will be count as service for purposes of eligibility to participate in the Plan. If more than a one year period of severance occurs, and the Participant is (i) vested or (ii) not vested but returns to employment prior to a five year break, then participation under this Appendix re-commences immediately upon re-employment. Under any other circumstances, re-hires shall be subject to the Base Plan provisions.

Employees first hired after July 12, 2004 shall not be eligible for participation under the Appendix.

Severance Benefit

Upon termination of service for any reason other than death, a Participant who is not eligible for a normal, disability or deferred pension shall be eligible for a Severance Benefit, which shall be an amount equal to his Contributions Accumulation Account. The Severance Benefit shall be paid in any of the forms of benefit otherwise available under the Plan and shall be subject to the Payment of Small Benefits provisions under the Base Plan Section Seven.

Normal Retirement Pension

(a) Retirement at Normal Retirement Date.

Subject to the provisions of Appendix A, a Participant's Normal Retirement Pension on a single-life basis at his Normal Retirement Date shall be the sum of his "Regular Benefit" and "Past Service Benefit," if any, as described in (i) and (ii), below:

(i) Regular Benefit. A Participant's "Regular Benefit" is equal to the greater of (A) or (B), below:

(A) The Participant's Accrued Benefit under Appendix A, plus the sum of (I) and (II), below:

(I) Two percent (2%) of his Final Average Monthly Earnings, multiplied by his years of Credited Service earned between December 1, 1989, and November 30, 2002; and

(II) Three percent (3%) of his Final Average Monthly Earnings multiplied by his years of Credited Service earned from and after December 1, 2002. Effective January 1, 2006, the multiplier for Participants who are represented by a collective bargaining representative shall be two and one- half percent ($2^1/_2$%) for Credited Service earned after such date. Effective as of June 1, 2006, the multiplier for Participants not represented by a collective bargaining representative shall be two and one-half percent ($2^1/_2$%) for Credited Service earned after such date.

For purposes of calculating the amount of a Participant's "Regular Benefit", no more than a total of thirty (30) years of Credited Service shall be used. The thirty (30) years of Credited Service used in the calculation shall be the most recent thirty (30) years of Credited Service earned by the Participant and shall include years of Credited Service considered under Appendix A and years of Credited Service considered under Subsections (A)(I) and (II), above.

(B) The sum of (I) and (II), below:

(I) Two percent (2%) of the Participant's Final Average Monthly Earnings, multiplied by his years of Credited Service earned before December 1, 2002; and

(II) Three percent (3%) of the Participant's Final Average Monthly Earnings, multiplied by his years of Credited Service earned from and after December 1, 2002. Effective January 1, 2006, the multiplier for Participants who are represented by a collective bargaining representative shall be two and one-half percent (2½%) for Credited Service earned after such date. Effective as of June 1, 2006, the multiplier for Participants not represented by a collective bargaining representative shall be two and one-half percent (2½%) for Credited Service earned after such date.

For purposes of calculating the amount of a Participant's "Regular Benefit" under this Section, no more than a total of thirty (30) years of Credited Service shall be used. The thirty (30) years of Credited Service used in the calculation shall be the most recent thirty (30) years of Credited Service earned by the Participant and shall include years of Credited Service considered under Subsections (B)(I) and (II) above.

(ii) Past Service Benefit. A "Past Service Benefit" is provided to any Leased Employee who becomes a Participant in the Plan. Such benefit shall be calculated based on the service the Participant completed for the Employer while employed as a Leased Employee. The "Past Service Benefit" shall equal the sum of (A) and (B), below:

(A) Two percent (2%) of the Participant's Final Average Monthly Earnings during his service for the Employer in the capacity of a Leased Employee, multiplied by the number of years of "Past Service" completed for the Employer while employed as a Leased Employee prior to December 1, 2002; and

(B) Three percent (3%) of the Participant's Final Average Monthly Earnings during his service for the Employer in the capacity of a Leased Employee, multiplied by the number of years of "Past Service" completed for the Employer while employed as a Leased Employee from and after December 1, 2002. Effective as of June 1, 2006, the multiplier for Participants not represented by a collective bargaining representative shall be two and one-half percent (2½%) for "Past Service" earned after such date.

In determining the Participant's number of years of "Past Service," one year of "Past Service" shall be credited for each Plan Year prior to commencement of participation in the Plan in which the 'Participant worked at least 501 Hours of Service; provided, however, that the sum of the Participant's years of "Past Service" and years of Credited Service earned after commencement of participation shall not exceed thirty (30) years. In the event that the sum of the Participant's years of "Past Service"

and years of Credited Service exceed thirty (30) years, the Participant's years of "Past Service" shall be reduced so that the sum equals thirty (30) years.

(b) Retirement After Normal Retirement Date.

(i) Continued Employment Which is Prohibited Employment. If a Participant continues in employment which is Prohibited Employment after his Normal Retirement Date, the following rules shall apply:

(A) The portion of the Participant's Accrued Benefit which is derived from Employer contributions shall be suspended, and the portion of his Accrued Benefit which is derived from Employee Contributions, if any, shall be withheld until Retirement, then paid in accordance with (D), below.

(B) The Participant shall continue to earn years of Credited Service for all Periods of Service completed under the Plan after his Normal Retirement Date. However, notwithstanding any Plan provision to the contrary, no Participant shall earn in excess of a total of thirty (30) years of Credited Service under the Plan, including years of Credited Service earned prior to and after the Participant's Normal Retirement Date.

(C) At Retirement, the Participant's Normal Retirement Pension shall be calculated as set forth in (a), above, taking into consideration any additional years of Credited Service earned after his Normal Retirement Date.

(D) The Participant shall also receive, as a lump-sum payment, the total of benefit payments derived from Employee Contributions, if any, that would have been payable as of his Normal Retirement Date (but for continued employment), increased by compounded interest at the rate of 5% per annum from his Normal Retirement Date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving Spouse or, if none, to his Beneficiary.

(ii) Continued Employment Which is Not Prohibited Employment. if a Participant continues in employment which is not Prohibited Employment after his Normal Retirement Date, the following rules shall apply;

(A) Payment of the Participant's Normal Retirement Pension shall be delayed until Retirement.

(B) The Participant shall continue to earn years of Credited Service for all periods of service completed under the Plan after his Normal

Retirement Date. However, notwithstanding any Plan provision to the contrary, no Participant shall earn in excess of a total of thirty (30) years of Credited Service under the Plan, including years of Credited Service earned prior to and after the Participant's Normal Retirement Date.

(C) At Retirement, the Participant's Normal Retirement Pension shall be calculated as set forth in (a), above, taking into consideration any additional years of Credited Service earned after his Normal Retirement Date.

(D) The Participant shall receive, as a lump-sum payment, the total of benefit payments derived from Employer contributions that would have been payable as of his Normal Retirement Date (but for continued employment), increased by compounded interest at the rate of 5% per annum from his Normal Retirement Date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving Spouse or, if none, to his Beneficiary.

(E) The Participant shall also receive, as a lump-sum payment, the total of benefit payments derived from Employee Contributions, if any, that would have been payable as of his Normal Retirement Date (but for continued employment), increased by five percent (5%) compounded interest from his Normal Retirement Date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving spouse or, if none, to his Beneficiary.

(c) Re-Employment After Normal Retirement Date.

(i) Re-Employment Which is Prohibited Employment. If a Participant is re- employed in employment which is Prohibited Employment after his Normal Retirement Date, the following rules shall apply:

(A) The portion of the Participant's Accrued Benefit which is derived from Employer Contributions shall be suspended, and the portion of his Accrued Benefit which is derived from Employee Contributions, if any, shall be withheld until re-Retirement, then paid in accordance with (D), below.

(B) The Participant shall continue to earn years of Credited Service for all periods of service completed under the Plan after his Normal Retirement Date. However, notwithstanding any Plan provision to the contrary, no Participant shall earn in excess of a total of thirty

(30) years of Credited Service under the Plan, including years of Credited Service earned prior to and after the Participant's Normal Retirement Date.

(C) At re-Retirement, the Participant's Normal Retirement Pension shall be adjusted to take into consideration any additional years of Credited Service earned after his Normal Retirement Date.

(D) The Participant shall also receive, as a lump-sum payment, the total of benefit payments derived from Employee Contributions, if any, that would have been payable during the period of re- employment, increased by compounded interest at the rate of 5% per annum from his re-employment commencement date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving Spouse or, if none, to his Beneficiary.

(ii) Re-Employment Which is Not Prohibited Employment. If a Participant is re-employed in employment which is not Prohibited Employment after his Normal Retirement Date, the following rules shall apply:

(A) Payment of the Participant's Normal Retirement Pension shall be withheld during the period of re-employment.

(B) The Participant shall continue to earn years of Credited Service for all periods of service completed under the Plan after his Normal Retirement Date. However, notwithstanding any Plan provision to the contrary, no Participant shall earn in excess of a total of thirty (30) years of Credited Service under the Plan, including years of Credited Service earned prior to and after the Participant's Normal Retirement Date.

(C) At re-Retirement, the Participant's Normal Retirement Pension shall be adjusted to take into consideration any additional years of Credited Service earned after his Normal Retirement Date.

(D) The Participant shall receive, as a lump-sum payment, the total of benefit payments derived from Employer contributions that would have been payable during the period of re-employment, increased by compounded interest at the rate of 5% per annum from his re- employment commencement date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving Spouse or, if none, to his Beneficiary.

(E) The Participant shall also receive, as a lump-sum payment, the total of benefit payments derived from Employee Contributions, if

any, that would have been payable during the period of re-employment, increased by compounded interest at the rate of 5% per annum from his re-employment commencement date to the date of his Retirement. In the event that the Participant dies prior to receiving the lump-sum payment described in this paragraph, such lump-sum shall be paid to his surviving Spouse or, if none, to his Beneficiary.

(d) Employment after Required Beginning Date. If a Participant Retires after he or she attains age 70 ½ the Participant's accrued benefit shall be actuarially increased to take into account any period after age 70 ½ in which the Participant was not receiving benefits under the Plan. The actuarial increase shall be provided for the period beginning on April 1 following the calendar year in which the Participant attains age 70 1/2 and ending on the date on which benefits commence after Retirement. The actuarial increase shall be determined using a seven and a half percent (7.5%) interest rate and the Applicable Mortality Table (Exhibit I, Section A) and shall be the same as, and not in addition to, any actuarial increase required for the same period under Code Section 411 to reflect any delay in the payment of benefits after Normal Retirement Age.

Participants who either continue in employment past Normal Retirement Age or are reemployed for 83 hours or fewer per month shall not have their benefits suspended and such employment, or reemployment, shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who work 83 hours or fewer per month.

Special Unreduced Early Retirement Benefits. An early retirement benefit is payable to any Participant who did not have a separation from service as of December 1, 2003 and who 1) separates from service upon or after attaining age 53 and 2) has a Period of Service of at least 19 years. To be eligible, such Participant's employment must have ended because the Employer closed the Participant's department. The Special Unreduced Early Retirement Benefit is calculated in the same manner as the Normal Retirement Pension. Payment of this benefit will begin on the latest of the Participant's Severance Date, Participant's attainment of age 53, or the date elected in writing by the Participant, or as soon as all applicable Plan rules are met, if later. Participants choosing the Special Unreduced Early Retirement Benefit are not eligible for the Severance Benefit."

Disability Retirement Pension Eligibility. Eligibility for a Disability Retirement Pension requires a Disability while an active Participant and no service requirement.

Disability Retirement Pension. The monthly amount of the Disability Retirement Pension on a single-life basis shall be equal to the Participant's Accrued Benefit payable at Normal Retirement Age, adjusted for the Participant's age upon commencement of the pension so that it is the Actuarial Equivalent of the Normal Retirement Age pension.

Deferred Vested Pension Eligibility. Eligibility for a Deferred Vested Pension requires five Years of Vesting Service.

Deferred Vested Pension. The monthly amount of a Participant's Deferred Vested Pension on a single-life basis, commencing as of his Normal Retirement Date, shall be calculated in the same manner as a Normal Retirement Pension. The actuarial adjustment for a delayed Retirement shall be determined using an interest rate of 8.0% and the UP-1984 unisex mortality table.

Minimum Pension. The pension determined under this Appendix XIX for any Participant who was included under the prior provisions of the HERE IU Plan as of November 30, 1977, shall not be less than the monthly amount computed under the prior provisions of the HERE IU Plan based upon average compensation and the provisions of the HERE IU Plan in effect as of November 30, 1977, and benefit accrual service as of April 30, 1983.

Pre-Retirement Survivor Annuity. If a Participant dies after attainment of the Earliest Retirement Age, a Qualified Pre-retirement Survivor Annuity shall be paid to the Spouse of the Participant equal to the benefit that would have been paid had the Participant retired on the date of death and elected the 50% Contingent Annuity option. If a Participant dies prior to attainment of the Earliest Retirement Age, a Qualified Pre-retirement Survivor Annuity shall be paid to the Spouse of the Participant equal to the benefit that would have been paid had the Participant survived to his Earliest Retirement Age, retired, elected the 50% Contingent Annuity option and died prior to commencement of any benefits. A Pre-Retirement Survivor Annuity shall be payable to the Domestic Partner of a deceased Participant, in the same amount and with the same conditions, as applicable to a similarly situated surviving Spouse.

Normal Form of Pension Payments

A Participant's normal forms of pension payment is the Qualified Joint and Survivor Annuity for a married Participant. The normal form of pension payment for a Participant who is not married is a single life annuity.

Optional Forms of Pension Payments

In lieu of a Participant's right to receive payments in the forms described under the provisions of the Base Plan document, the immediately following provisions shall apply to Participants covered by this Appendix XIX.

Single Life Annuity Option. A married Participant who has waived the Qualified Joint and Survivor Annuity by making a Qualified Election, may elect, on a form provided by the Trustees, to receive his Accrued Benefit in the form of a single life annuity.

Contingent Annuity Options. A Participant who is eligible for a Normal Retirement Pension or a Deferred Vested Pension and, in the case of a married Participant, who has waived the Qualified Joint and Survivor Annuity by making a Qualified Election, may elect, on a form provided by the Trustees, to receive his Accrued Benefit in the form of a contingent annuitant option, as described below:

(a) 100 Percent Contingent Annuity : Under a 100 Percent Contingent Annuity option, the Participant shall receive a reduced pension for life, and, after his death, his contingent annuitant (if surviving) shall receive a pension in the same amount for life.

(b) 75 Percent Contingent Annuity: Under a 75 Percent Contingent Annuity option, the Participant shall receive a reduced pension for life, and, after his death, his contingent annuitant (if surviving) shall receive a pension equal to seventy-five percent (75%) of the amount of the Participant's pension for life.

(c) 50 Percent Contingent Annuity: Under a 50 Percent Contingent Annuity option, the Participant shall receive a reduced pension for life, and, after his death, his contingent annuitant (if surviving) shall receive a pension equal to fifty percent (50%) of the amount of the Participant's pension for life.

The aggregate of the benefit payments which are expected to be made under any of the above options shall be the Actuarial Equivalent of the single life pension computed for the Participant. Notwithstanding any Plan provision to the contrary, if a contingent annuitant is other than the Participant's Eligible Spouse, and if the contingent annuitant is more than ten years younger than the Participant, the rules under Regulation 1.401(2)-6 shall be applicable.

If a Participant elects to receive his pension in the form of a contingent annuity option, but dies prior to his Annuity Starting Date, the election shall be ineffective, and the pre-retirement death benefit provisions shall apply.

Period Certain and Life Option. A Participant who is eligible for a Normal Retirement Pension or a Deferred Vested Pension, and, in the case of a married Participant, who has waived the Qualified Joint and Survivor Annuity by making a Qualified Election, may elect, on a form provided by the Trustees, to receive his Accrued Benefit as a Period Certain and Life Option. Under this option, a Participant shall receive a reduced pension payable until his death, and in the event his death occurs within a period of ten (10) or twenty (20) years after payments commence, as elected by the Participant, payment of the pension shall be continued in the same amount to the Participant's designated Beneficiary or Beneficiaries for the balance of the guaranteed ten (10) or twenty (20) year period. The following rules apply:

(a) This option shall not be available if the guaranteed ten (10) or twenty (20) year period extends beyond the Participant's life expectancy.

(b) If a Participant designates more than one Beneficiary, each shall share equally, unless the Participant specifies a different allocation or preference.

(c) The designation of a Beneficiary, and any change or revocation thereof, shall be made on forms provided by the Trustees and shall not be effective unless and until filed with the Trustees.

(d) If a Participant fails to designate a Beneficiary, or if no designated Beneficiary survives the Participant, the amount payable (if any) upon his death shall be paid in accordance with the order of precedence applicable generally under the Plan.

The benefit payments which are expected to be made under this option shall be the Actuarial Equivalent of a single life pension computed for the Participant, If a Participant elects to receive his Accrued Benefit in the form of a Period Certain and Life Option, but dies prior to his Annuity Starting Date, the election shall be ineffective.

Level Income Option. A Participant who is eligible for a Normal Retirement Pension or a Deferred Vested Pension which will commence prior to the earliest age as of which he will become eligible for a Social Security retirement benefit may elect, on a form provided by the Trustees, to receive his Accrued Benefit in the form of a Level Income Option, provided that, in the case of a married Participant, he has waived the Qualified Joint and Survivor Annuity by making a Qualified Election, and further provided that, in the case of a Participant who is eligible for a Deferred Vested Pension, such Participant separated from service after attaining age 55 and completing at least fifteen (15) years of Service.

Under the Level Income Option, the amount of the benefit payments shall be adjusted so that an increased amount shall be paid prior to the time the Participant's Social Security retirement benefit commences, and a reduced amount shall be paid after the Participant's Social Security retirement benefit commences, thereby enabling the Participant to receive retirement income in an approximately level amount for life. Such adjusted benefit payments shall be determined using: (a) the Applicable Mortality Table and the Applicable Interest Rate (see Exhibit I-Section A); or (b) the interest rate and mortality table used in determining the Actuarial Equivalent for other optional forms of payment (See Exhibit I – Section M), whichever produces the higher amount. If a Participant elects to receive his Accrued Benefit in the form of a Level Income Option, but dies prior to his Annuity Starting Date, the election shall be ineffective.

APPENDIX XIX-A
Grandfathered Benefits
Accrued Prior to December 1, 1989

A.1 Purpose: Appendix A is to protect and define the benefits available to those Participants who have an Accrued Benefit (as defined in this Appendix A) as of November 30, 1989, and provides for a benefit under the Plan as an alternative to the benefit provided under the remainder of the Plan, if the benefit provided herein is greater, For purposes of interpreting Appendix A, the Plan terms in effect as of November 30, 1989 (the "Prior Plan"), shall govern.

A.2 Eligibility: Appendix A is applicable only to those Participants who had an Accrued Benefit (as defined in the Prior Plan) as of November 30, 1989.

A.3 Definitions: Unless otherwise indicated, the definitions for purposes of Appendix A are those terms defined in the Prior Plan as of November 30, 1989. For the purposes of convenience, certain definitions are restated below.

(a) Earnings: The wages paid to an Employee by the Employer for personal services rendered during the period considered as Vesting Service, as reported on the Employee's Federal Income Tax Withholding Statement (Form W-2 or substitute), excluding life insurance costs, contributions to this or any other Deferred Compensation Plan of the Employer, moving expenses, or any other amount required to be reported which is not direct compensation.

(b) Final Average Monthly Earnings: The result obtained by dividing the total Earnings of a Participant during the Considered Period by the number of months, including fractional months, for which such Earnings were received. The "Considered Period" shall be the five (5) consecutive years out of the last ten (10) (or fewer) completed Plan Years of Credited Service when Earnings were highest, through November 30, 1989.

(c) Primary Social Security Benefit: The monthly amount available to the Participant at age 65 (or upon actual Retirement, if later) under the provisions of Title II of the Social Security Act in effect on November 30, 1989, without regard to any increases in the wage base or benefit levels that take effect thereafter, subject to the following:

(i) If an Employee retires because of Disability, his primary Social Security benefit shall be the monthly amount payable as a Disability Insurance benefit under the Social Security Act.

(ii) If the Employee terminates employment prior to attainment of his Normal Retirement Date and subparagraph (i), above, does not apply, his Social Security benefit shall be determined by assuming continuation of his Earnings until Normal Retirement Date, at the same rate of Earnings in effect immediately prior to such termination date.

(iii) The Employee whose employment with the Employer commenced after the later of 1950 or the year in which he attained age 21 shall be presumed to have received Earnings from January 1, 1951, or, if later, January 1st of the year in which he attained age 22 to the date his employment commenced, geared to the same rate of Earnings in effect when such employment commenced, but discounted at a compound annual rate of six percent (6%) per year; except that, if the Employee can, and elects to, furnish the Plan with an accurate record of his prior actual wages, the latter shall be considered in lieu of the presumed retroactive wages.

(iv) The primary Social Security benefit of a Participant who terminates employment after age 65 shall not be increased by the delayed retirement credit under the Social Security Act.

(v) Except as otherwise provided in the foregoing subparagraphs, the Employee's Social Security benefit shall be based only upon his actual wages received from the Employer including any Earnings received for his final calendar year of employment (even though such final year's Earnings might not be reflected in his actual Social Security benefit payments until the succeeding calendar year).

The Trustees may adopt rules governing the computation of primary Social Security benefit amounts, and the fact that an Employee does not actually receive such amount because of failure to apply or continuance of work, or for any other reason, shall be disregarded.

(d) Special Consulting Group: The definitions pertaining to a Special Consulting Participant under this subparagraph (d), subparagraph (e), and, to the extent applicable, under subparagraph (f), are subject to the requirements under Sections A.7 and A.8. The term Special Consulting Group means Special Consulting Participants.

(e) Special Consulting Participant: An Employee hired on or after his 64th birthday and prior to December 1, 1989, who became a Participant under Section 3.1 of the Prior Plan after completing at least one year of employment.

(f) Accrued Benefit: The Accrued Benefit of a Participant other than a member of the Special Consulting Group (whose benefit is determined under the provisions of Section 5.4 of the Prior Plan as of November 30, 1989), is the amount payable at Normal Retirement Date computed under Section 5.1 of the Prior Plan, considering the Participant's Final Average Monthly Earnings at the date of determination and the total Credited Service he could accumulate if employment continued until his Normal Retirement Date, multiplied by a fraction of which the numerator is the Participant's Credited Service at the date of determination and the denominator is the total Credited Service he could accumulate if employment continued until his Normal Retirement Date.

A Participant's Accrued Benefit attributable to Employer contributions on any date is the excess of the Employee's total Accrued Benefit over the Accrued Benefit derived from the Employee's own contributions, if any.

A Participant's Accrued Benefit derived from his own contributions is the amount of single-life pension, payable at Normal Retirement Date, determined as one-twelfth (1/12) of the product of (a) his Contributions Accumulation Account, if any, with interest computed to his Normal Retirement Date, at the rate set forth in subparagraph 2.3(k) of the Prior Plan, multiplied by (b) eight percent (8%).

A.4 Accrued Benefit After Re-employment: The Prior Plan provided for the repayment of a Participant's Accrued Benefit related to Credited Service earned prior to his Termination of Employment. This Section A.4 applies to anyone who had a portion of his Accrued Benefit distributed under Section 7.2 of the Prior Plan. All years of Vesting Service that were restored in accordance with the provisions of Section 3.4 of the Prior Plan shall be aggregated to determine the Participant's eligibility for benefits. The pension, if any, payable to or on behalf of a Participant whose years of Credited Service represent two (2) or more periods of employment shall be equal to the sum of the segments of his Accrued Benefit at each of said dates, based on the provisions of the Plan in effect on each of said dates, but subject to the following:

(a) 50 Percent Vested Participants: If the Participant received a distribution under Section 6.7 of the Prior Plan after completion of nine (9) or more years of Vesting Service, the segment of his Accrued Benefit attributable to Employer contributions based on Credited Service prior to such distribution shall be equal to (i) his Accrued Benefit attributable to Employer contributions, as defined in Section 2.3(j) of the Prior Plan, during his prior period of Credited Service, multiplied by (ii) his Vested Percentage under Section 5.4 of the Prior Plan at his subsequent termination of employment, and reduced by (iii) the portion of such Accrued Benefit represented by the amount of the distribution previously received that was attributable to Employer contributions. However, the full segment of the Participant's Accrued Benefit may be restored upon timely repayment of the distribution, with interest, as provided in subparagraph (c) below.

(b) Other Participants: If the Participant received a distribution under Section 6.7 or Section 7.2(b)(i) of the Prior Plan and before he had completed nine (9) years of Vesting Service, the segment of the Participant's Accrued Benefit based on Credited Service earned prior to such distribution and prior to December 1, 1982, shall be restored only if his pre-break Vesting Service and Credited Service were subject to reinstatement under subparagraph (a) above, and the Participant makes timely repayment of the full amount distributed, plus interest, in accordance with subparagraph (c) below. If both conditions are not satisfied, the Participant's prior Credited Service and Accrued Benefit attributable to Credited Service prior to December 1, 1982, shall be forfeited.

(c) Repayment of Amounts Distributed: Any amount subject to repayment under Section 3.4 of the Prior Plan may not be repaid after the end of the five (5) year period beginning with the date distribution is made. Any repayment shall be made in a lump sum, in monthly installments, or by payroll deduction authorized by the Participant; provided that the Employer, in a nondiscriminatory manner, shall arrange that such repayment be made: (i) within a period not in excess of two years, commencing immediately upon re-participation, (ii) in level payments including principal and interest, and (iii) with compound interest at five percent (5%) per annum, or such other rate determined by regulations under ERISA.

A.5 Normal Retirement Pension: Subject to the Minimum and Maximum Pension provisions of Section 5.5 of the Prior Plan, and the provisions of Section 3.4(c) of the Prior Plan relating to an Accrued Benefit after re-employment, the amount of the Normal Retirement Pension on a single-life basis shall be equal to sixty percent (60%) of the Participant's Final Average Monthly Earnings, less forty percent (40%) of his primary Social Security benefit; except that, if the Participant has less than fifteen (15) years of Credited Service, the amount so determined shall be multiplied by a fraction of which the numerator is the Participant's Credited Service and the denominator is fifteen (15).

Notwithstanding the foregoing, if a Participant was covered under the provisions of the Plan in effect on December 1, 1977, in no event shall the amount of the Social Security offset exceed the product of: (a) eighty-three and one-third percent (83 1/3%) of his primary Social Security benefit, multiplied by, (b) a fraction, of which the numerator is

the "basic value" and the denominator is the sum of the "basic value," plus the Actuarial Equivalent of the death benefits provided under Section 6.10 of the Prior Plan from December 1, 1977, to the earlier of the Participant's 65th birthday or his Retirement date, and (c) if the Participant's pension commences prior to his attainment of age 65, multiplied by a factor which reflects a reduction rate of 1/15 for each of the first five (5) years and one-thirtieth (1/30th) for each of the next five (5) years by which the pension commencement date precedes the Participant's attainment of age 65. For purposes of this paragraph, "basic value" shall mean the Actuarial Equivalent of a monthly single-life annuity equal to the excess of sixty percent (60%) of the Participant's Final Average Monthly Earnings over the actual amount of his Social Security offset. If a Participant retires subsequent to his Normal Retirement Date, his pension shall not be less than the amount he would have received had his Retirement occurred as of his Normal Retirement Date.

A.6 Disability Retirement Pension: Subject to the provisions of Section 5.5 of the Prior Plan, the monthly amount of the Disability Retirement Pension on a single-life basis shall be equal to the Participant's Accrued Benefit at Retirement, determined under the provisions of the first paragraph of Section 2.30 of the Prior Plan and actuarially reduced for the Participant's age upon commencement of the pension.

A.7 Special Consulting Group: For purposes of the Special Consulting Participant provisions of this Plan, this Section and Section A.8 are effective with respect to benefits accrued prior to December 1, 1998. Upon termination of employment of a Special Consulting Participant, he shall be eligible for a pension, commencing as of the first day of the month coincident with or immediately following his Retirement date, in accordance with the provisions of this Section A.7. Any benefits accrued on or after December 1, 1998, shall not be subject to the provisions of this Plan regarding Special Consulting Participants.

A.8 Special Consulting Pension: The pension payable on a single-life basis to a Special Consulting Participant shall be equal to $20, multiplied by his years of Credited Service through November 30, 1989, to a maximum of $200 per month. However, an Employee who became a Special Consulting Participant on or after August 1, 1989, shall receive a Normal Retirement Pension if that amount is greater than the amount described in the first sentence of this paragraph. Each Special Consulting Participant is one hundred percent (100%) vested at all times in his Accrued Benefit attributable to his own and Employer contributions.

A.9. Death Benefits under Prior Provisions of the Plan: The provisions of this Section A.9 shall apply to a Participant who was covered under the provisions of the Plan in effect on November 30, 1977, and who is entitled to, but has not yet received, the Special Lump-Sum Benefit pursuant to an election under Section 5.6 of the Prior Plan.

(a) Death Prior to Retirement and Completion of Five (5) Years of Vesting Service and Prior to Normal Retirement Date: Upon the death of a Participant prior to termination of employment and completion of five (5) years of Vesting Service and prior to his Normal Retirement Date, the greater of: (i) his Special Lump-Sum Benefit, if any, or (ii) his Contributions Accumulation Account, if any, shall be payable to the Participant's designated Beneficiary as soon as practicable after the Participant's death.

(b) Death Prior to Retirement But After Completion of Five (5) Years of Vesting Service and Normal Retirement Date: Upon the death of a Participant prior to his termination of employment but after completion of five (5) years of Vesting Service and his Normal Retirement Date, all or a portion of the Participant's Special Lump-Sum Benefit, if any, shall be paid to the Participant's designated Beneficiary at the time elected in writing for receipt of such benefit by the Participant. The amount of benefit payable and the times at which the benefit, if any, may be paid shall be governed by the following:

(i) If the Participant elects that such benefit shall be payable as soon as practicable upon his death, then and notwithstanding anything contained herein to the contrary, the survivor's pension to which a survivor may become entitled under the Plan shall be adjusted or eliminated.

If the Actuarial Equivalent lump-sum value of the survivor's Pension is less than the Special Lump-Sum Benefit, then no survivor's Pension shall be payable. If the Actuarial Equivalent lump-sum value of the survivor's Pension is greater than the Special Lump-Sum Benefit, then the survivor's pension shall be reduced. Such reduced survivor's pension shall be the monthly single-life annuity which can be provided on an Actuarial Equivalent basis from the excess of the Actuarial Equivalent lump-sum value of the survivor's pension over the amount of the Special Lump-Sum Benefit.

(ii) If the Participant elects that the Special Lump-Sum Benefit shall be payable only upon the death of the survivor designated to receive the survivor's pension, then the amount payable to the Beneficiary shall equal the excess of the Special Lump-Sum Benefit over the aggregate pension payments made under the Plan on behalf of the Participant.

(iii) If the person designated by the Participant to receive the Special Lump-Sum Benefit, if any, under this Section is the same person designated by the Participant to receive the survivor's pension under the Plan, then notwithstanding the Participant's election, the designated Beneficiary/survivor may elect the time at which the Special Lump-Sum Benefit shall be paid, but such election shall be subject to all the same conditions and limitations specified in this subsection which would have applied to the Participant's election.

(iv) Spousal consent.

(c) Death After Termination of Employment and Before Pension Payments Commence: No benefit shall be payable under the provisions of this Section upon

the death of a Participant entitled to receive a Deferred Vested Pension who terminated employment prior to attainment of age 50 and completion of at least fifteen (15) years of Vesting Service. Upon the death of a Participant entitled to receive a Deferred Vested Pension, who terminated employment after attainment of age 50 with at least fifteen (15) years of Vesting Service and whose pension has not commenced, his Special Lump-Sum Benefit, if any, shall be payable to the Participant's designated Beneficiary as soon as practicable after the Participant's death.

As provided in the Plan, the Eligible Spouse or Domestic Partner of any vested Participant is covered by survivor pension provisions under the Plan. In the event of such a death (provided that the Special Lump-Sum Benefit is applicable), the Eligible Spouse or Domestic Partner may make the same elections applicable to the designated Beneficiary/survivor of a Participant whose death occurred prior to Retirement but after Normal Retirement Date under subparagraph (b)(iii) of this Section. However, the Eligible Spouse or Domestic Partner may make such elections only if the Eligible Spouse or Domestic Partner is the person designated by the Participant to receive his Special Lump-Sum Benefit. If the Eligible Spouse or Domestic Partner is not the designated Beneficiary, then a benefit may be payable to the Participant's designated Beneficiary. Such benefit shall be payable after cessation of all pension payments to an Eligible Spouse or Domestic Partner, if any, of the Special Lump-Sum Benefit over the aggregate pension payments made to the Eligible Spouse or Domestic Partner pursuant to the Plan.

(d) Death After Pension Payments Commence: If a Participant's pension payments under the Plan had commenced prior to his death, then a benefit may be payable to the Participant's designated Beneficiary upon the death of the survivor of the Participant and, if applicable, his spouse or contingent annuitant. Such benefit shall equal the excess of the Special Lump-Sum Benefit over the aggregate pension payments made to or on behalf of the Participant under the Plan. If a Participant's Pension payments had commenced under the period-certain and life provisions of the Plan, any death benefits shall be those in accordance with such option. No benefit shall be payable if the Participant had received his Special Lump-Sum Benefit at termination of employment pursuant to an election under the Prior Plan, except to the extent that a residual pension there under was payable under the period-certain and life provisions of the Plan and the Participant's death occurs before expiration of the period-certain.

APPENDIX XIX-B
Special Lump-Sum Benefit

B.1 Purpose: Appendix B is to protect and define a Special Lump-Sum Benefit, which was available to all Participants who were covered under the provisions of the Plan in effect on November 30, 1977.

B.2 Eligibility: Appendix B is applicable only to those individuals who were Participants on or before November 30, 1989, and whose service was not disregarded or severed by a Period of Severance under the Plan.

B.3 Definitions: Unless otherwise indicated, the definitions for purposes of Appendix B shall be those definitions contained in the Plan as of November 30, 1989.

B.4 Special Lump-Sum Benefit: The Special Lump-Sum Benefit shall be equal to (1) or (2), whichever is greater, minus (3) and minus (4), but in no event greater than (5) or (6), whichever, if either, is applicable:

(1) The amount of a Participant's death benefit, if any, under the provisions of the Plan in effect on November 30, 1977, with six percent (6%) interest compounded annually from such date to the earliest of: (i) the date on which the Participant's pension commences, (ii) the date on which a pension becomes payable to a Beneficiary of the Participant, or (iii) the date on which the Special Lump-Sum Benefit is paid to or on behalf of a Participant. If the date on which the Special Lump-Sum Benefit is paid to or on behalf of the Participant precedes the Participant's Normal Retirement Date, then the foregoing amount shall be reduced to its Actuarial Equivalent.

(2) Zero, unless the Participant's death occurs during active employment and then in such case, two (2) multiplied by the Participant's rate of Earnings in effect on the January 1st preceding the Participant's date of death.

(3) The group life insurance coverage in effect for the Participant, if any, under the Employees group life insurance policy covering active employees at the Participant's date of death.

(4) The additional lump-sum amount, if any, payable to or on behalf of a Participant under the Plan on account of continued employment beyond Normal Retirement Date.

(5) If the Special Lump-Sum Benefit is payable on or after the death of an active Participant, one hundred (100) multiplied by the pension the Participant would be entitled to receive at his Normal Retirement Date based on the Credited Service he could accumulate if employment continued until his Normal Retirement Date and Earnings and primary Social Security benefits in effect as of the date of death. However, if the Participant's Normal Retirement Date is prior to his date of death, then the applicable maximum Special Lump-Sum Benefit payable on or after the death of the Participant shall be equal to one hundred (100) multiplied by the pension the Participant would have been entitled to receive if he retired on his date of death, whichever is applicable.

(6) If the Special Lump-Sum Benefit is payable on or after the death of a retired Participant, an amount which will provide a death benefit the value of which equals the Actuarial Equivalent lump-sum value of the Participant's single-life pension at Retirement, plus the lump-sum value of the Normal Retirement Pension under the Plan.

Benefits under this provision are subject to the Qualified Election provisions.

B.5 Special Option for Prior Plan Participants: In lieu of a portion of, or all of, the pension determined under the Plan, a Participant who was covered under the provisions of the Plan in effect on November 30, 1977, may elect to receive his Special Lump-Sum Benefit. Such benefit may only be payable if the Participant is otherwise entitled to the commencement of his pension under the provisions of the Plan. However, if the Participant elects to receive his Special Lump-Sum Benefit and if the Actuarial Equivalent lump-sum value of his pension is greater than his Special Lump-Sum Benefit, a pension shall also be payable. The amount of such pension shall be the monthly single-life annuity which can be provided on an Actuarial Equivalent basis from the excess of the Actuarial Equivalent lump-sum value of the Participant's pension over the amount of his Special Lump-Sum Benefit. If there is no such excess, receipt of the Special Lump-Sum Benefit shall constitute full payment of the Participant's benefits under the Plan.

If a Participant who elected to receive his Special Lump-Sum Benefit under this Section is re-employed, the amount of his pension upon ultimate termination of employment shall be subject to the provisions of Appendix A.4(c) and then reduced or eliminated by the Actuarial Equivalent of the Special Lump-Sum Benefit previously paid.

Any pension payments which a Participant may be entitled to receive under this Appendix may be paid in an optional form of payment elected by the Participant under the Plan.

APPENDIX XIX-C
Reduction Factors for 10- and 20-Year Certain

Age	Reduction Factor for 10-Year Certain	Reduction Factor for 20-Year Certain
55	0.9672	0.9015
56	0.9637	0.8926
57	0.9599	0.8830
58	0.9556	0.8728
59	0.9509	0.8618
60	0.9457	0.8501
61	0.9399	0.8376
62	0.9335	0.8243
63	0.9266	0.8103
64	0.9190	0.7956
65	0.9109	0.7803
66	0.9021	0.7643
67	0.8927	0.7479
68	0.8827	0.7309
69	0.8719	0.7134
70	0.8600	0.6952
71	0.8470	0.6764
72	0.8330	0.6570
73	0.8177	0.6371
74	0.8014	0.6168
75	0.7840	0.5963
76	0.7655	0.5756
77	0.7462	0.5549
78	0.7261	0.5344
79	0.7051	0.5138
80	0.6833	0.4933

Appendix XX – Rochester joint Board Plan Participants

CLOSED GROUP – September 15, 2008

The provisions of this Appendix XX apply to participants in the Rochester Regional Joint Board Retirement Plan (the "Rochester Plan") prior to September 15, 2008, and to Employees hired prior to September 16, 2008 who would have become participants of the Rochester Plan but for the merger. The Rochester Plan was merged into the Plan on September 15, 2008 and all participants in the Rochester Plan on that date became Participants in the Plan. Employees hired after September 15, 2008 shall be covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix XX, the terms of this Appendix XX will control with respect to Participants covered by this Appendix XX. References in this Appendix to the Rochester Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XX, it is intended that the Plan and this Appendix XX be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Rochester Plan as of September 15, 2008 shall not be decreased as a result of the merger of the Rochester Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to September 15, 2008.

The following definitions shall apply for purposes of this Appendix XX (Base Plan definitions shall apply to this Appendix except as modified or overwritten in this Appendix):

1.02. "Accrued Benefit" of a Participant means, at any time, a monthly pension commencing at his Normal Retirement Date, payable in the normal form of pension payment described in Section 10.01(c), in an amount determined in accordance with the rules contained in Section 5.01 considering the Participant's Compensation and Years of Service to the date of his termination of employment with the Employer.

1.03. "Actuarial Assumptions" utilized in this Appendix shall be those assumptions utilized to compute the Accrued Benefit of each Participant as follows:

(a) Mortality. The Applicable Mortality Table (from the Base Plan).

(b) Interest. The Applicable Interest Rate (from the Base Plan) using a calendar year stability period, except that for calendar year 2009 the interest rate used shall not result in a lower benefit than that produced using the rate for November, 2008.

1.04. "Actuarial Equivalent" means the equality in value of aggregate amounts expected to be received under different forms, time or period of payment based upon the mortality and interest assumptions set forth in Section 1.03.

1.05. "Age" shall mean the chronological age attained by the Participant at his most recent birthday or as of such other date of reference as is set forth in this Appendix.

1.06. "Anniversary Date" shall mean January 1 of each year.

1.07. "Annuity Starting Date" shall mean Annuity Starting Date as defined in the Base Plan.

1.08. "Beneficiary" shall mean Beneficiary as defined in the Base Plan.

1.09. "Board of Directors" shall mean the Trustees as defined in the Base Plan.

1.10. "Break in Service" shall mean Break in Service as defined in the Base Plan.

1.12. "Compensation" shall have the meaning set forth in Sections 414(s) and 415(c) of the Code, specifically as defined in Treas. Reg. Section 1.414(s)-1(c)(1) and (2) and Treas. Reg. Section 1.415-2(d)(2), and shall mean the total amount of wages, salaries, bonuses, fees and other amounts and income from personal services rendered by a Participant during each Plan Year during which such person is or becomes a Participant. For Plan Years beginning after December 31, 1997, for purposes of the limitations set forth in Code Section 415 and with respect to all sections of this Plan except as specifically set forth in the next sentence, Compensation shall include (i) any elective deferral (as defined in Code Section 402(g)(3)), and (ii) any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includable in the gross income of the Employee by reason of Code Sections 125, 132(f)(4), or 457. Compensation shall not include any amount which is contributed by the Employer pursuant to a salary reduction agreement and which is not includable in the gross income of an Employee under Code Sections 125, 132(f(4), 402(e)(3), 402(h) or 403(b). Compensation for purposes of computing contributions or benefits for Employees who are Participants in this Appendix shall be limited to $150,000.00 of such Compensation for each Plan Year beginning on or after January 1, 1994, and ending on or before December 31, 2001, and shall be limited to $200,000 of such compensation in each Plan Year beginning on or after January 1, 2002, as adjusted from time to time under Section 401(a)(17)(B) of the Code. For purposes of this limit,

(a) all plans maintained by the same Employer shall be treated as a single plan,

(b) all plans maintained with respect to one or more trades or businesses which are under common control within the meaning of Section 414(c) of the Code shall be treated as a single plan, and

(c) all plans in which any Employee participates as a self-employed employee shall be treated as a single plan with respect to such self-employed employee.

Effective January 1, 2011, Compensation shall not include severance pay.

1.14. "Credited Service" shall mean all service as an Employee of the Rochester Regional Joint Board from the date that said Employee was first employed by the Rochester Regional Joint Board, and:

(a) Participants with an Employment Commencement Date on or before December 31, 1995 shall also include service as an Employee of any other individual, partnership or corporation, provided that such service was covered by a collective bargaining agreement between such individual, partnership or corporation and the Rochester Regional Joint Board.

(b) Participants with an Employment Commencement Date on or after January 1, 1996, who have accrued at least five Years of Service shall, for each Year of Service with the Rochester Regional Joint Board, include one year of Credited Service based on prior employment, in consecutive years prior to their Employment Commencement Date: (i) as an employee of any other individual, partnership or corporation, provided that such service was covered by a collective bargaining agreement between such individual, partnership or corporation and the Rochester Regional Joint Board or a labor organization which has merged with the Rochester Regional Joint Board and (ii) as an employee of a labor organization which has merged with the Rochester Regional Joint Board. Provided that the total number of years of prior service which can be credited pursuant to this paragraph may not exceed the lesser of the Participant's Years of Service or ten (10) Years of Credited Service.

1.15. "Early Retirement Age" shall mean an Employee's sixty-second (62nd) birthday or, if earlier, the date that the Participant meets the Rule of 85, as defined in Section 5.2 of this Appendix.

1.16. "Early Retirement Date" shall mean the date of the Participant's actual retirement at or after his Earliest Retirement Age, but prior to his Normal Retirement Date.

1.20. "Employer" shall mean the Rochester Regional Joint Board and any successor which adopts this Plan and assumes the obligation of the corresponding trust agreement and all other trades or businesses (whether or not incorporated) which are under common control within the meaning of Section 414(c) of the Code and the Regulations issued thereunder.

1.22. "Employment Commencement Date" shall mean the day upon which an Employee first performs an Hour of Service for the Employer.

1.23. "Entry Date" shall mean each January 1st and July 1st during which this Plan remains in effect.

1.25. "Excused Absence" means any of the following:

(a) Absence or leave granted by the Employer for any cause for the period stated in such leave, or, if no period is stated, then for six (6) months and any extensions that the Employer may grant in writing. For the purpose of this subparagraph, the Employer shall give equal treatment to all Employees in similar circumstances.

(b) Absence in any circumstances so long as the Employee continues to receive his regular Compensation from the Employer.

(c) Absence in the armed forces of the United States or government service in time of war or national emergency. Notwithstanding any provision of this Plan to the contrary, contributions, benefits and service credit with respect to qualified military service will be provided in accordance with Section 414(u) of the Code.

(d) Absence by reason of illness or disability.

(e) Absence by reason of:

(i) the pregnancy of the Employee;

(ii) the birth of a child of the Employee;

(iii) the placement of a child with the Employee in connection with the adoption of such child by the Employee; or

(iv) caring for such child for a period beginning immediately following such birth or placement.

With respect to a Leave of Absence due to the events specified in subparagraph (e) hereof, an Employee will be credited with Flours of Service which otherwise would normally have been credited to such Employee but for such absence, or if the Plan is unable to determine such Hours of Service, eight (8) Hours of Service per day of such absence, except that the total number of hours treated as Hours of Service by reason of any such pregnancy or placement shall not exceed 501 Hours of Service. The hours specified herein shall be treated as Hours of Service only in the Plan Year in which the absence from work began if an Employee would not have a Break in Service in such Plan Year solely because the hours are credited to such Plan Year, or in any other case, in the immediately succeeding Plan Year. No credit shall be given in the case of any such absence unless the Employee furnishes to the Plan such information as it may reasonably require to establish (1) the absence is for reasons specified herein, and (2) the number of days for which there was such an absence.

(f) An "Excused Absence" shall cease to be an "Excused Absence" and shall be deemed a Break in Service (unless the Employee has more than 500 Hours of Service in such Plan Year) as of the first day of such absence if the Employee fails to return to the service of the Employer (1) within five (5) days of expiration of any leave of absence referred to in paragraph (a) hereof; (2) at such time as the payment of regular Compensation is discontinued as referred to in paragraph (b) hereof; (3) within six (6) months after his discharge or release from active duty, or, if the Employee does not return to service with the Employer within the said six (6) months period by reason of disability incurred while in the armed forces, if he returns to service with the Employer upon the termination of such disability as evidenced by release from confinement in a military or veterans hospital; or (4) upon recovery from illness or disability. The Employer shall be the sole judge of whether or not recovery from illness or disability has occurred for this purpose.

(g) Solely for purposes of determining whether a Participant has incurred a Break in Service on or after August 6, 1993, any leave of absence granted by the Employer, up to twelve (12) weeks, that qualifies under the Family and Medical Leave Act (FMLA) shall not be counted as a Break in Service for purposes of determining eligibility and vesting.

1.27. "Forfeiture" shall mean the portion of a Participant's Accrued Benefit which is not vested, and shall occur on the earlier of.

(a) the distribution of the entire vested portion of a Participant's Accrued Benefit; or

(b) the last day of the Plan Year in which the Participant incurs five (5) consecutive one-Year Breaks in Service.

1.28. "Fund" or **"Trust Fund"** shall mean the Fund as defined in the Base Plan.

1.30. "Hour of Service" shall mean Hours of Service as defined in the Base Plan.

1.34. "Normal Retirement Age" shall mean an Employee's sixty-fifth (65th) birthday and the fifth anniversary of the Employee's participation in the Plan. In addition, it shall mean an Employee's sixty-second (62nd) birthday, and the completion of thirty (30) years of Credited Service.

1.41. "Required Beginning Date" means the April 1st of the calendar year following the calendar year in which the Employee or Participant attains age 70 1/2.

1.42. "Spouse" shall mean Spouse as defined in the Base Plan.

1.43. "Total Disability" shall mean a physical or mental condition of such severity and probable prolonged duration as to entitle the Participant to disability retirement benefits under the Social Security Act.

1.47. "Year of Service" means any eligibility computation period or Plan Year during which an Employee completes at least 1,000 Hours of Service with the Employer.

(a) For purposes of eligibility, the initial eligibility computation period means the twelve (12) consecutive month period beginning with the Employment Commencement Date. The eligibility computation periods succeeding the initial eligibility computation period means every Plan Year (beginning with the Plan Year which includes the first anniversary of an Employee's Employment Commencement Date) in which case an Employee shall be credited with a Year of Service for eligibility purposes in each computation period in which he completes at least 1,000 Hours of Service.

(b) When applied to vesting provisions, a "Year of Service" shall mean any Plan Year during which a Participant has 1,000 or more Hours of Service. However, a "Year of Service" will not be credited for any period of Excused Absence after the Participant incurs a Break in Service during such absence from the service of the Employer.

Where inconsistent with the terms of the Base Plan, the forms of pension payments and the amounts of such payments shall be determined pursuant to the following Sections:

Participation

Employees hired prior to January 1, 2008 become Participants in the Plan under this Appendix upon attainment of age 18 and completion of one Year of Service.

Participant Contributions

No Participant contributions are required nor shall contributions be permitted by any Participant under the Plan.

Retirement Benefits

5.01. Amount of Normal Retirement Benefits. A Participant retiring at his or her Normal Retirement Age shall thereupon become entitled to a normal monthly retirement benefit, equal to one-twelfth of the amount set forth in paragraphs (a) and (b), reduced in accordance with paragraph (c) as follows:

(a) Two and one-quarter percent (2.25%) times each Credited Year of Service to a maximum of thirty (30) years, plus one-percent (1.00%) times each Credited Year of Service in excess of thirty (30) years, not to exceed five (5) such years. Pro rata credit shall be given for fractional years to the last completed month. Service for the purpose of determining retirement benefits shall be computed on the basis of one (1) Credited Year of Service for each calendar year in which the Participant works 2,000 Hours of Service or more; and in any year in which the Participant works less than 2,000 Hours of Service, he shall receive 1/10th of a year of credit for each 200 Hours of Service or major fraction thereof so worked;

(b) Multiplied by the Participant's average annual Compensation during the highest three out of five years immediately preceding the year of the Participant's normal retirement;

(c) With respect to Participants with an Employment Commencement Date prior to January 1, 1996, their benefit shall be reduced by the monthly benefit or Actuarial Equivalent thereof to which the Participant is entitled upon normal retirement under any retirement, pension or profit sharing plan established or maintained under the terms of any collective bargaining agreement between the Rochester Regional Joint Board and any individual, partnership, or corporation. For purposes of this paragraph, the account balance under a defined contribution at the time of termination of employment with the former employer shall be deemed to be the account balance at the time of retirement under the plan.

5.02. Rule of 85; Rule of 95. Effective January 1, 1996, a Participant who retires will receive a benefit payable upon termination of employment determined as described in Section 5.01 (actuarially reduced, if applicable, for commencement of benefits prior to age 62) or, if greater, as described in this Section 5.02 (after the reduction described in Section 5.01(c) above, if applicable).

(a) If the sum of the Participant's age and Credited Years of Service equals or exceeds 85 (but is less than 95), the monthly benefit will be equal to 65% of average annual Compensation divided by 12.

(b) If the sum of the Participant's age and Credited Years of Service is less than 85, the monthly benefit will be equal to a percentage of average annual Compensation divided by 12, with such percentage equal to 65%, reduced by 1% for each integer that the sum of the Participant's age and Credited Years of Service is less than 85.

(c) If the sum of the Participant's age and Credited Years of Service equals or exceeds 95, the monthly benefit will be equal to 75% of average annual Compensation divided by 12.

5.03. Retirement Defined. As used herein, retirement means cessation of active employment with the Employer on a normal, early, disability, or postponed retirement date, and no benefits shall become payable to the Participant prior to cessation of employment.

5.04. Limitations on Annual Benefits. Notwithstanding any provision of the Plan to the contrary, in no event shall a Participant be entitled to receive an annual benefit that exceeds the limits described in Section 415(b) of the Code, as set forth in the Base Plan.

5.05. Provision to Prevent Duplication With Unemployment Compensation. If retirement benefits are otherwise payable hereunder during the same period of retirement for which unemployment compensation benefits are payable, the benefits payable hereunder shall be reduced by the amount of such other benefits actually received by the former Participant for such period. However, no such reduction shall have the effect of negative benefit payments hereunder for any period of retirement. The provisions of this Section shall prevail over the provisions of any other Section hereof.

5.06. Benefit Suspension upon Re-employment.

(a) Before Normal Retirement Age. In the event a retired Participant is re-employed by the Employer, his monthly benefit hereunder shall be suspended during the period in which the Participant is employed in Disqualifying Employment before he has attained Normal Retirement Age. "Disqualifying Employment" for the period before Normal Retirement Age is employment with the Employer and shall recommence on the date on which he again retires or is retired. However, his Beneficiary, if any, shall not suffer the loss of any rights as the result of such suspension. Notwithstanding the foregoing, Participants who are reemployed by the Employer prior to attaining Normal Retirement Age for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who complete 83 hours or fewer of work per month.

(b) After Normal Retirement Age. If the Participant has attained Normal Retirement Age, his monthly benefit shall be suspended for any month in which he worked or was paid for more than 83 hours in Disqualifying Employment. After attainment of Normal Retirement Age, "Disqualifying Employment" means employment with the Employer. However, in any event, any work for at least 83 hours in a month for which contributions are required to be made to the Plan shall be Disqualifying Employment. Paid non-work time shall be counted toward the measure of 83 hours if paid for vacation, holiday, illness or other incapacity, layoff, jury duty, or other Leave of Absence. A Participant shall be considered paid for a day if he is paid for at least one hour as described in the preceding sentence, performed on or attributed to that day. "Suspension of benefits" for a month means non-entitlement to benefits for the month. If the benefits were paid for a month for which benefits were later determined to be suspended, the overpayments shall be recoverable through deductions from future pension payments, pursuant to subsection (f)(2). Notwithstanding the foregoing, Participants who are reemployed by the Employer after attaining Normal Retirement Age for 83 hours or fewer per month (which is deemed to be the equivalent of less than 12 days per month) shall not have their benefits suspended and such employment shall be disregarded for purposes of determining Credited

Service. Where this occurs, Participants shall not accrue additional benefits during such period. Participating Employers shall not make contributions for Participants who complete 83 hours or fewer of work per month.

(c) Notices.

(i) Upon commencement of the pension payments, the Plan shall notify the Participant of the Plan of the rules governing suspension of benefits. If benefits have been suspended and payment resumed, new notification shall, upon resumption, be given to the Participant, if there has been any material change in the suspension rules.

(ii) The Plan shall inform a Participant of any suspension of his benefits by notice given by personal delivery or first class mail during the first calendar month in which his benefits are withheld. Such notice shall include a description of the specific reasons for the suspension, copy of the relevant provisions of the Plan, reference to the applicable Regulation of the U.S. Department of Labor, and a statement of the procedure for securing a review of the suspension. If the Plan intends to recover prior overpayment by offset under subsection (f)(2), the suspension notice shall explain the offset procedure and identify the amount expected to be recovered, and the periods of employment to which they relate.

(d) Review. A Participant shall be entitled to a review of a determination suspending his benefits by written request filed with the Plan within 180 days of the notice of suspension. The same right of review shall apply, under the same terms, to a determination by or on behalf of the Trustees that contemplated employment will be Disqualifying Employment.

(e) Waiver of Suspension. The Plan may, upon their own motion or on request of a Participant, waive suspension of benefits subject to such limitations as the Plan in their sole discretion may determine, including any limitations based on the Participant's previous record of benefit suspensions or non-compliance with reporting requirements under this Section.

(f) Resumption of Benefit Payments.

(i) Benefits shall be resumed for months after the last month for which benefits were suspended, with payments beginning no later than the third month after the last calendar month for which the Participant's benefit was suspended, provided the Plan has complied with the notification requirements of paragraph (c) above.

(ii) Overpayments attributable to payments made for any month or months for which the Participant had Disqualifying Employment shall be deducted from pension payments otherwise paid or payable subsequent to the period of suspension. A deduction from a monthly benefit for a month after the Participant attained Normal Retirement Age shall not exceed 25 percent of the pension amount (before deduction), except for the first pension payment made upon resumption after a suspension, which may be reduced up to the full amount of the monthly pension benefit. If a Participant dies before recoupment of overpayments has been completed, deductions shall be made from the benefits payable to his Beneficiary or Spouse, subject to the 25 percent limitation on the rate of deduction.

(g) No benefits will be suspended under this Section for months starting on and after a Participant's Required Beginning Date.

5.07. Benefit Adjustment upon Re-retirement. During the period of re-employment of a retired Participant, he shall, if re-employed into an eligible Employee classification, accrue additional benefits for Years of Service for the period of such re-employment, and his Years of Service with the Employer prior to the period of his termination of employment shall be added to his Years of Service of re-employment for all purposes under this Plan. When the Participant again retires, the amount of monthly benefits shall be determined based on his Credited Service, to the date of his most recent retirement, such amount being appropriately adjusted in accordance with recognized actuarial principles to take into account payments previously made, the nonpayment of benefits during the period of his reemployment, and other relevant factors.

5.08. Early Retirement. A Participant who has attained age sixty-two (62) may retire on the first day of any month prior to his Normal Retirement Date.

5.09. Disability Retirement. A Participant who has not attained his Normal Retirement Age shall be eligible for Disability Retirement provided that he is eligible for disability insurance benefits under the Federal Social Security Act, and further provided that he has remained totally disabled by reason of bodily injury or disease for a period of at least twenty-six (26) consecutive weeks.

5.10. Benefit Accrual Beyond Normal Retirement. In the event a Participant continues in the employ of the Employer past his Normal Retirement Date, he shall receive a benefit as of his date of actual retirement equal to the greater of (a) the Participant's Normal Retirement Benefit calculated as of his Normal Retirement Date and increased actuarially for late commencement, or (b) the Participant's Normal Retirement Benefit under Section 5.01 calculated by replacing Normal Retirement Benefit Date with Late Retirement Benefit Date wherever it appears.

RETIREMENT BENEFITS AND DISABILITY BENEFITS

7.01. Normal Retirement Benefit. The Normal Retirement Benefit shall be payable with respect to any Participant retiring at his Normal Retirement Date and shall be equal monthly payments based upon one hundred percent (100%) of the Participant's Accrued Benefit, beginning on the commencement date established in Section 10.01 hereof and ending on the first day of the month in which his death occurs.

7.02. Early Retirement Benefit. An Early Retirement Benefit shall be payable upon a Participant attaining his Early Retirement Age (without respect to the Rule of 85) and shall be equal monthly payments based upon one hundred percent (100%) of the Participant's Accrued Benefit beginning as soon as practicable after the Participant has retired on early retirement and ending on the first day of the month in which his death occurs. If such benefit commences earlier than age 62, such benefit shall be reduced to be the Actuarial Equivalent of the amount payable at age 62.

7.03. Disability Retirement Benefit. The Disability Retirement Benefit shall be payable to any Participant upon his disability in equal monthly payments based upon one hundred percent (100%) of the Participant's Accrued Benefit, said monthly payments beginning as soon as practicable after the Participant's disability has been established and ending on the first day of the month in which his death occurs.

7.04. Deferred Retirement Benefit. The Deferred Retirement Benefit shall be payable upon the Participant's retiring after his Normal Retirement Date and shall be monthly payments based upon his Normal Retirement Benefit as computed in accordance with the provisions of Section 5.10 of this Appendix; beginning as soon as practicable upon his deferred retirement and ending on the first day of the month in which his death occurs.

7.05. Separation from Service. A Participant whose employment with the Employer terminates and who incurs a Break in Service, other than by reason of death or disability, before he attains his Early or Normal Retirement Age and after completing five (5) Years of Service shall be vested in his Accrued Benefit and shall be entitled to receive the present value of his Accrued Benefit, as of the close of the Plan Year within which his employment terminates, provided that the written consent of the Participant and the Participant's Spouse shall be required. In cases where the consent required above is not given, the Employer shall defer payment of the Participant's vested interest until such consent is given, provided that no such deferral shall be for a period beyond that provided in Section 10.01(a) of this Appendix.

7.06. Written Explanation to Recipients of Distributions Eligible for Rollover Treatment. The rules of Section 11.3 of the Base Plan shall apply.

Pre-Retirement Death Benefits

8.01. Preretirement Survivor Annuity Benefit. A Qualified Preretirement Survivor Annuity shall be provided to the surviving Spouse of a Vested Participant who dies before the Annuity Starting Date. A Participant may elect to waive the Qualified Preretirement Survivor Annuity form of benefit within the time period and pursuant to the rules contained in Sections 10.01(e) and (f) of this Appendix.

Method and Timing of Benefit Distributions

10.01. Retirement, Disability and Benefits Upon Separation from Service.

(a) Commencement Date. Should a Participant become entitled to benefits pursuant to the provisions of Section 7 of this Appendix, such benefits shall commence not later than the 60th day after the latest of the close of the Plan Year in which:

(1) the date on which the Participant attains the earlier of age 65 or the Normal Retirement Age specified hereunder (if other than age 65) occurs,

(2) the 10th anniversary of the year in which the Participant commenced participation in the Plan occurs, or

(3) the Participant terminates service with the Employer.

(b) Required Distributions. The rules of Article VIII of the Base Plan shall apply.

(c) Normal Form of Benefit. The normal form of Accrued Benefit in the case of a Vested Participant who retires under this Plan shall be provided to such Participant in the form of a Qualified Joint and Survivor Annuity. A Participant may elect to waive the Qualified Joint and Survivor Annuity form of benefit within the time period and pursuant to the rules contained in Section 10.01(e) and (f) of this Appendix.

(d) Optional Form of Benefit. Any Vested Participant may, in accordance with the rules contained in and within the time period specified Section 10.01(e) and (f), waive the normal form described in Section 10.01(c) and receive such benefit which is the Actuarial Equivalent to the Normal Form under one of the following forms:

(1) lump sum payment;

(2) a Joint-and-Survivor Annuity naming any dependent or related person as a contingent annuitant, provided that at the time of purchase, 60% or more of the value of the annuity applies to the provision of benefits for the retired Participant;

(3) a Straight Life Annuity;

(4) a Period Certain Annuity, with payments guaranteed for a period of 5, 10, or 15 years, as determined by the Participant with the consent of the Plan;

(5) an investment or variable annuity, provided that no such annuity may be of an “interest only” variety;

(6) any combination of the foregoing.

Under no circumstances shall a Participant elect any “interest only” optional form of benefit, nor shall any distributed contract offer other optional modes of payment.

(e) Election of Optional Form of Benefit. Subject to the rules of Section Seven of the Base Plan (which shall override any inconsistent provision in this section (e)), each Participant may elect at any time during the Applicable Election Period to waive the Qualified Joint and Survivor Annuity form of benefit or the Qualified Preretirement Survivor Annuity form of benefit (or both) and choose one of the alternative forms of benefit set forth in Section 10.01(d) above and the Beneficiary(ies), to receive such benefit. Any such elections may be revoked at any time during the Applicable Election Period. Such waiver, election, and/or revocation shall be in writing and be on forms provided by the Plan. No election of an optional form of benefit under this Section, the consequential waiver of the Qualified Joint and Survivor Annuity, and/or the Qualified Pre-retirement Survivor Annuity form of benefit, and/or the designation of any non-Spouse Beneficiary shall take effect unless:

(1) (i) the Spouse of the Participant consents in writing to such election, and the Spouse’s consent acknowledges the effect of such election and such Spouse’s consent is witnessed by a notary public or a Plan representative, and/or, as the case may be;

(ii) the Spouse consents to such Beneficiary and form of benefit designations which may not be changed without spousal consent (or such consent expressly permits changes in designations by the Participant without such spousal consent); or

(2) the Participant establishes to the satisfaction of the Plan under rules of general applicability that the consent required under subparagraph (1) above cannot be obtained because there is no Spouse, because the Spouse cannot be located, or because of any other circumstances permitted by Treasury Regulations. A Participant's statement of his or her marital status shall be absolutely dispositive thereof, and the Plan may rely thereon. The Plan is not required at any time to inquire into the validity of any marriage, the effectiveness of a common-law relationship, or the claim of any alleged statement of his or her marital status and identity of his or her Spouse. Any consent by a Spouse under this subsection or, if applicable, the establishment by a Participant that written consent cannot be obtained shall be effective only with respect to such Spouse.

(f) Special Rules and Definitions. As used herein, the term:

(1) "Qualified Joint and Survivor Annuity" means an annuity for the life of the Participant with a survivor annuity for the life of the Spouse of the Participant which is fifty percent (50%) of the amount payable during the joint lives of the Participant and his Spouse and which is equal to the single annuity form of payment for the life of the Participant (i.e., there is no charge for the Qualified Joint and Survivor Annuity). Any annuity in a form having the effect of a Qualified Joint and Survivor Annuity shall be included in this definition. In addition to the foregoing, Section 7.1(e) of the Base Plan shall apply.

(2) "Qualified Pre-retirement Survivor Annuity" means a survivor annuity for the life of the Participant's surviving Spouse where the payments to the surviving Spouse under such annuity are the same as, or the Actuarial Equivalent of, the amounts payable as a survivor annuity under the Qualified Joint and Survivor Annuity form of benefit under this Plan, computed as if:

(i) in the case of a Participant who dies after the date on which he attained the Earliest Retirement Age under this Plan, the Participant had retired with an immediate Qualified Joint and Survivor Annuity on the day before his date of death, or

(ii) in the case of a Participant who dies on or before the date on which the Participant would have attained the Earliest Retirement Age under this Plan, he had (A) separated from service on the date of death, (B) survived until Earliest Retirement Age, (C) retired with an immediate Qualified Joint-and-Survivor Annuity, and (D) died on the day after his Earliest Retirement Age.

The earliest period for which an eligible surviving Spouse may receive a payment under such annuity is the month following the month in which the surviving Spouse has applied for such payments. The latest date on which an eligible surviving Spouse must commence receipt of payments hereunder is April 1 of the year following the year in which the Participant would have reached age 70 1/2.

(3) “Straight Life Annuity” means an annuity benefit payable monthly (or if monthly benefits would be less than $25.00, then payable at the shortest periodic intervals which would generate a benefit of not less than $25.00 provided that such intervals shall be not less frequent than annually commencing as of the benefit commencement date hereinabove specified and ending with the payment made on the day coincident with or the payment immediately preceding the Participant’s death.

(4) “Period Certain Annuity” means an annuity payable to the Participant only during his lifetime, as in (3) above, provided, however, that in the event of the Participant’s death prior to the receipt of the number of installments specified by the period of the guarantee (the “period certain”), installments shall be continued after the Participant’s death for the remainder of the period certain only (or the commuted value of such payments) and shall be paid to the Participant’s designated Beneficiary.

(5) “Applicable Election Period” is as defined Section 7 of the Base Plan.

(6) “Earliest Retirement Age” means the earliest date on which a Participant can elect to receive retirement benefits under this Plan.

(7) “Vested Participant” means any Participant who has a nonforfeitable right within the meaning of Section 411(a) of the Code to any portion of the Accrued Benefit.

(8) In accordance with Section 7 of the Base Plan, the Plan shall provide to each Participant, within a reasonable period of time before the Annuity Starting Date and consistent with the applicable Treasury Regulations, a written explanation of:

(i) the terms and conditions of the Qualified Joint and Survivor Annuity and the Qualified Preretirement Survivor Annuity forms of benefit;

(ii) the Participant’s right to waive either or both forms of benefit and the effect of such waiver;

(iii) the other forms of benefit which may be elected under this Appendix;

(iv) the rights of a Participant’s Spouse under Section10.01(e)(1) above; and

(v) the right to make a revocation of a waiver of the Qualified Joint and Survivor Annuity and the Qualified Preretirement Survivor Annuity forms of benefit, and the effect of such revocation.

Appendix XXI — Local 52 Plan Participants

CLOSED GROUP — August 1, 2006

The provisions of this Appendix XXI apply to participants in the AFL-CIO Laundry and Dry Cleaning International Union Local 52 Defined Benefit Pension Plan (the "Local 52 Plan") prior to August 1, 2006, and to Employees hired prior to August 1, 2006 who would have become participants of the Local 52 Plan but for the merger. The Local 52 Plan was merged into the Plan on August 1, 2006 and ail participants in the Local 52 Plan on that date became Participants in the Plan. Employees hired after August 1, 2006 shall be covered under the Base Plan provisions. In the event of any conflict between the terms of the Plan and the terms of this Appendix XXI, the terms of this Appendix XXI will control with respect to Participants covered by this Appendix XXI. References in this Appendix to the Local 52 Plan shall be deemed to refer as well to the provisions of this Appendix.

Notwithstanding anything to the contrary in the Plan or in this Appendix XXI, it is intended that the Plan and this Appendix XXI be interpreted, in accordance with Section 411(d)(6) of the Code, in such manner as shall insure that the accrued benefit of participants in the Local 52 Plan as of August 1, 2006 shall not be decreased as a result of the merger of the Local 52 Plan into the Plan and that such merger shall not result in the elimination or reduction of early retirement benefits or retirement type subsidies or in the elimination of optional forms of benefit with respect to benefits accrued prior to August 1, 2006.

The Provisions of the Base Plan shall apply except as otherwise provided in this Appendix. Section numbers in this Appendix shall refer to other Sections of this Appendix, unless it is specifically noted that the Section number refers to the Base Plan.

The following definitions shall apply for purposes of this Appendix XXI. Base Plan definitions shall apply to this Appendix except as modified or overwritten in this Appendix. Defined Terms not otherwise defined in this Appendix shall have the meaning set forth in the Base Plan.

Section One -
DEFINITIONS

1.1 “Accrued Benefit” means the retirement benefit a Participant would receive at Normal Retirement Date expressed in the form of a single life annuity based on the retirement benefit formula set forth in Section 3.1 of the Plan, multiplied by a fraction, not greater than one (1) the numerator of which is the Participant’s total number of months of service and the denominator of which is the aggregate number of months of service the Participant would have accumulated if the Participant continued employment until Normal Retirement Age.

When determining a Participant’s Accrued Benefit, the retirement benefit projected to be provided pursuant to the retirement benefit formula in Section 3.1 is the monthly benefit to which the Participant would be entitled if the Participant continued to earn until Normal Retirement Age the same rate of Average Monthly Compensation upon which the Participant’s retirement benefit formula is based. This rate of Average Monthly Compensation is computed on the basis of Average Monthly Compensation taken into account under the Plan (but not to exceed the ten years of service immediately preceding the determination).

For Plan Years beginning before Code Section 411 is applicable hereto, a Participant’s Accrued Benefit shall be the greater of that provided by the Plan, or 1/2 of the benefit which would have accrued had the provisions of this Section been in effect. In the event the Accrued Benefit as of the effective date of Code Section 411 is less than that provided by this Section, such, difference shall be accrued pursuant to this Section.

Notwithstanding anything herein to the contrary, a Participant’s Accrued Benefit attributable to the retirement benefit formula at the close of any Plan Year coinciding with or next following the Participant’s attainment of Normal Retirement Age shall be equal to the monthly retirement benefit formula determined pursuant to Section 3.1(d) based upon service and Average Monthly Compensation determined at the close of any such Plan Year.

Notwithstanding the above, a Participant’s Accrued Benefit derived from Employer contributions shall not be less than the minimum Accrued Benefit, if any, provided under Section 13 of the Base Plan.

1.2 “Actuarial Equivalent” means a form of benefit differing in time, period, or manner of payment from a specific benefit provided under this Appendix but having the same value when computed using Pre-Retirement Table: UP-1984; Post-Retirement Table: UP-1984 and Pre-Retirement Interest: 8; Post-Retirement Interest: 8.

Notwithstanding the foregoing, the mortality table and the interest rate for the purposes of determining an Actuarial Equivalent amount (other than non-decreasing life annuities payable for a period not less than the life of a Participant or, in the case of a Pre-Retirement Survivor Annuity, the life of the surviving spouse) shall be the “Applicable Mortality Table” and the “Applicable Interest Rate” described in Exhibit I, Section A.

Notwithstanding the above, if a benefit is distributed in a form other than a non-decreasing annuity payable for a period not less than the life of a Participant or, in the case of a Pre-Retirement Survivor Annuity, the life of the surviving spouse, the interest rate used in

determining the Actuarial Equivalent of the portion of the excess/offset portion of the monthly retirement benefit pursuant to Section 3.1(a) shall not be less than the lesser of 7.5% or the "Applicable Interest Rate."

1.3 "Administrator" means the Trustees, as defined in the Base Plan.

1.4 "Affiliated Employer" means any corporation which is a member of a controlled group of corporations (as defined in Code Section 414(b)) which includes the Employer; any trade or business (whether or not incorporated) which is under common control (as defined in Code Section 414(c)) with the Employer; any organization (whether or not incorporated) which is a member of an affiliated service group (as defined in Code Section 414(m)) which includes the Employer; and any other entity required to be aggregated with the Employer pursuant to Regulations under Code Section 414(o).

1.5 "Anniversary Date" means January 1.

1.6 "Average Monthly Compensation" means the monthly Compensation of a Participant averaged over the five (5) consecutive Plan Years from date of employment, including periods prior to the Effective Date of the Plan, which produce the highest monthly average. If a Participant has less than five (5) consecutive Plan Years of service from date of employment to date of termination, the Participant's Average Monthly Compensation will be based on the Participant's monthly Compensation during the Participant's months of service from date of employment to date of termination. Compensation subsequent to termination of participation pursuant to Section 2.4 shall not be recognized.

1.7 "Compensation" with respect to any Participant means such Participant's wages as defined in Code Section 3401(a) and all other payments of compensation by the Employer (in the course of the Employer's trade or business) for a Plan Year for which the Employer is required to furnish the Participant a written statement under Code Sections 6041(d), 605 1(a)(3) and 6052. Compensation must be determined without regard to any rules under Code Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401 (a)(2)). Notwithstanding the foregoing, if compensation for any prior determination period is taken into account in determining a Participant's benefits for the current Plan Year, Compensation means compensation determined pursuant to the terms of the Plan then in effect.

For purposes of this Section, the determination of Compensation shall be made by:

(a) excluding severance pay, amounts which are contributed by the Employer pursuant to a salary reduction agreement and which are not includible in the gross income of the Participant under Code Sections 125, 132(0(4) for Plan Years beginning after December 31, 2000, 402(e)(3), 402(h)(1)(B), 403(b) or 457(b), and Employee contributions described in Code Section 414(h)(2) that are treated as Employer contributions.

Compensation in excess of $150,000 (or such other amount provided in the Code) shall be disregarded. Such amount shall be adjusted for increases in the cost of living in accordance

with Code Section 401(a)(17)(B), except that the dollar increase in effect on January 1 of any calendar year shall be effective for the Plan Years beginning with or within such calendar year. If Compensation for any prior determination period is taken into account in determining a Participant's benefits for the current Plan Year, the compensation for such prior determination period is subject to the applicable annual compensation limit in effect for that prior period. For this purpose, in determining benefits in Plan Years beginning on or after January 1, 1989, the annual compensation limit in effect for determination periods beginning before that date is $200,000 (or such other amount as adjusted for increases in the cost of living in accordance with Code Section 415(d) for determination periods beginning on or after January 1, 1989 and in accordance with Code Section 401(a)(17)(B) for determination periods beginning on or after January 1, 1994). For determination periods beginning prior to January 1, 1989, the $200,000 limit shall apply only to Top Heavy Plan Years and shall not be adjusted. For any short Plan Year the Compensation limit shall be an amount equal to the Compensation limit for the calendar year in which the Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).

For Plan Years beginning after December 31, 1996, for purposes of determining Compensation, the family member aggregation rules of Code Section 401(a)(17) and Code Section 414(q)(6) (as in effect prior to the Small Business Job Protection Act of 1996) are eliminated. In determining Average Monthly Compensation, the elimination of the family member aggregation rules are treated as having been in effect for earlier years.

1.8 "Contract" or "Policy" means any life insurance policy, retirement income policy or annuity contract (group or individual) issued pursuant to the terms of the Plan. In the event of any conflict between the terms of this Plan and the terms of any contract purchased hereunder, the Plan provisions shall control.

1.9 "Covered Compensation" with respect to any Participant for a Plan Year means the average (without indexing) of the Taxable Wage Bases in effect for each calendar year during the 35-year period (regardless of the Participant's year of birth) ending with the last day of the calendar year in which the Participant attains (or will attain) Social Security Retirement Age. The determination of each Participant's Covered Compensation shall be made with reference to Regulation 1.40 1(1)-1(c)(7). A Participant's Covered Compensation shall be adjusted each Plan Year and no increase in Covered Compensation shall decrease a Participant's Accrued Benefit. In determining the Participant's Covered Compensation for a Plan Year, the Taxable Wage Base for all calendar years beginning after the first day of the Plan Year is assumed to be the same as the Taxable Wage Base in effect as of the beginning of the Plan Year. A Participant's Covered Compensation for a Plan Year before the 35-year period described above is the Taxable Wage Base in effect as of the beginning of the Plan Year. A Participant's Covered Compensation for a Plan Year after the 35-year period described above is the Participant's Covered Compensation for the Plan Year during which the 35-year period ends. Any change in a Participant's Covered Compensation shall not cause any reduction in the Participant's Accrued Benefit.

1.10 "Earliest Retirement Age" means the earliest date on which, under the Plan, the Participant could elect to receive retirement benefits.

1.11 “Early Retirement Date.” This Plan does not provide for a retirement date prior to Normal Retirement Date.

1.12 “Employer” means AFL-CIO LAUNDRY AND DRY CLEANING INTERNATIONAL UNION LOCAL 52 and any successor which shall maintain this Plan; and any predecessor which has maintained this Plan. The Employer is a non-profit corporation, with principal offices in the State of California.

1.13 “Former Participant” means a person who has been a Participant, but who has ceased to be a Participant for any reason.

1.14 “Late Retirement Date” means a Participant’s actual Retirement Date after having reached Normal Retirement Date.

1.15 “Normal Retirement Age” means the Participant’s 65th birthday, or the Participant’s 5th anniversary of joining the Plan, if later. A Participant shall become fully Vested in the Participant’s Normal Retirement Benefit upon attaining Normal Retirement Age.

1.16 “Normal Retirement Date” means the Participant’s Normal Retirement Age.

1.17 “Participant” means any Eligible Employee who participates in the Plan and has not for any reason become ineligible to participate further in the Plan.

1.18 “Participant’s Cumulative Permitted Disparity Years” consist of the sum of: (a) the total years of credited service a Participant is projected to have earned under this Plan by the end of the Plan Year containing the Participant’s Normal Retirement Age, and subsequent years of credited service, if any, (the total not to exceed thirty-five (35)), and (b) the number of years credited to the Participant for purposes of the benefit formula or the accrual method under the plan under one or more other qualified plans or simplified employee pensions (whether or not terminated) ever maintained by the Employer (other than years counted in (a) above, and not including any years credited to the Participant under such other qualified plans or simplified employee pensions after the Participant has earned thirty-five (35) years of credited service under this Plan). For purposes of determining the Participant’s cumulative disparity limit, all years ending in the same calendar year are treated as the same year.

If the cumulative disparity adjustment is applicable, the Participant’s benefit will be increased as follows:

(a) Subtract the Participant’s base benefit percentage from the Participant’s excess benefit percentage (after modification in accordance with Section 3.1(a)).

(b) Divide the result in (a) by the Participant’s years of credited service under the Plan projected to the later of Normal Retirement Age or current age, not to exceed thirty-five (35) years of credited service.

(c) Multiply the result in (b) by the number of years by which the Participant’s Cumulative Permitted Disparity Years exceed thirty-five (35).

(d) Add the result in (c) to the Participant's base benefit percentage determined prior to this cumulative disparity adjustment.

1.19 "Pre-Retirement Survivor Annuity" means an immediate annuity for the life of the surviving spouse of a Participant who dies prior to the Participant's Annuity Starting Date.14.9

1.20 "Present Value of Accrued Benefit" means the Actuarial Equivalent lump-sum amount of a Participant's Accrued Benefit at date of valuation. Notwithstanding the foregoing, the Present Value of Accrued Benefit for the determination of top heavy plan status shall be made exclusively pursuant to Section 13 of the Base Plan.

1.21 "Regulation" means the Income Tax Regulations as promulgated by the Secretary of the Treasury or a delegate of the Secretary of the Treasury, and as amended from time to time.

1.22 "Retired Participant" means a person who has been a Participant, but who has become entitled to retirement benefits under the Plan.

1.23 "Retirement Date" means the date as of which a Participant retires for reasons other than Total and Permanent Disability, whether such retirement occurs on a Participant's Normal Retirement Date or Late Retirement Date.

1.24 "Social Security Retirement Age" means the age used as the retirement age under Section 2 16(1) of the Social Security Act, except that such section shall be applied without regard to the age increase factor and as if the early retirement age under Section 2 16(1)(2) of such Act were 62.

1.25 "Taxable Wage Base" means, with respect to any calendar year, the contribution and benefit base in effect under Section 230 of the Social Security Act at the beginning of the calendar year.

1.26 "Terminated Participant" means a person who has been a Participant, but whose employment has been terminated other than by death, Total and Permanent Disability or retirement.

1.27 "Total and Permanent Disability" means a physical or mental condition of a Participant resulting from bodily injury, disease, or mental disorder which renders such Participant incapable of continuing usual and customary employment with the Employer. The disability of a Participant shall be determined by a licensed physician chosen by the Administrator. The determination shall be applied uniformly to all Participants.

1.28 "Year of Service" means the computation period of twelve (12) consecutive months, herein set forth, during which an Employee has at least 1000 Hours of Service.

For purposes of eligibility for participation, the computation periods shall be measured from the date on which the Employee first performs an Hour of Service and anniversaries thereof. The participation computation periods beginning after a Break in Service shall be measured from the date on which an Employee again performs an Hour of Service and anniversaries thereof.

If two (2) Years of Service are required as a condition of eligibility, a Participant will only have completed two (2) Years of Service for eligibility purposes upon completing two (2) consecutive Years of Service without an intervening Break in Service.

The computation period shall be the Plan Year if not otherwise set forth herein.

Notwithstanding the foregoing, for any short Plan Year, the determination of whether an Employee has completed a Year of Service shall be made in accordance with Department of Labor regulation 2530.203 -2(c). However, in determining whether an Employee has completed a Year of Service for benefit accrual purposes or for purposes of Section 3.1(a) in the short Plan Year, the number of the Hours of Service required shall be proportionately reduced based on the number of full months in the short Plan. Year.

Years of Service with any Affiliated Employer shall be recognized.

Section Two - ELIGIBILITY

2.1 CONDITIONS OF ELIGIBILITY

Any Eligible Employee who has completed two (2) Years of Service shall be eligible to participate hereunder as of the date such Employee has satisfied such requirements. However, any Employee who was a Participant in the Plan prior to the effective date of this amendment and restatement shall continue to participate in the Plan.

2.2 EFFECTIVE DATE OF PARTICIPATION

An Eligible Employee shall become a Participant effective as of the earlier of the first day of the Plan Year or the first day of the seventh month of such Plan Year coinciding with or next following the date such Employee met the eligibility requirements of Section 2.1, provided said Employee was still employed as of such date (or if not employed on such date, as of the date of rehire if a Break in Service has not occurred or, if later, the date that the Employee would have otherwise entered the Plan had the Employee not terminated employment).

2.3 DETERMINATION OF ELIGIBILITY

The Administrator shall determine the eligibility of each Employee for participation in the Plan based upon information furnished by the Employer. Such determination shall be conclusive and binding upon all persons, as long as the same is made pursuant to the Plan and the Act. Such determination shall be subject to review pursuant to the procedures in the Base Plan.

2.4 TERMINATION OF ELIGIBILITY

In the event a Participant shall go from a classification of an Eligible Employee to an ineligible Employee, such Former Participant shall continue to vest in the Nan for each Year of Service completed while a non-eligible Employee, until such time as the Former Participant's Accrued Benefit shall be forfeited or distributed pursuant to the terms of the Plan.

2.5 REHIRED EMPLOYEES AND BREAKS IN SERVICE

(a) If any Participant becomes a Former Participant due to severance from employment with the Employer and is reemployed by the Employer, the Former Participant shall become a Participant as of the reemployment date.

(b) If any Participant becomes a Former Participant due to severance of employment with the Employer and again becomes a Participant, such renewed participation shall not result in duplication of benefits. Accordingly, if such Participant has received a distribution of a Vested Accrued Benefit under the Plan by reason of prior participation (and such distribution has not been repaid to the Plan with interest within a period of the earlier of five (5) years after the first date on which the Participant is subsequently reemployed by the Employer or the close of the first period of five (5) consecutive Breaks in Service commencing after the distribution), the Participant's Accrued Benefit shall be reduced by the Actuarial Equivalent (at the date of distribution) of the Present Value of the Accrued Benefit as of the date of distribution. Any repayment by a Participant shall be equal to the total of:

(i) the amount of the distribution,

(ii) interest on such distribution compounded annually at the rate of five percent (5%) per annum from the date of distribution to the date of repayment or to the last day of the first Plan Year ending on or after December 31, 1987, if earlier, and

(iii) interest on the sum of (1) and (2) above compounded annually at the rate of one-hundred-twenty percent (120%) of the federal mid-term rate (as in effect under Code Section 1274 for the first month of a Plan Year) from the beginning of the first Plan Year beginning after December 31, 1987 or the date of distribution, whichever is later, to the date of repayment.

2.6 ELECTION NOT TO PARTICIPATE

An Employee, for Plan years beginning on or after the later of the adoption date or effective date of this amendment and restatement, may, subject to the approval of the Employer, elect voluntarily not to participate in the Plan. The election not to participate must be irrevocable and communicated to the Employer, in writing, within a reasonable period of time before the beginning of the first Plan Year.

Section Three - BENEFITS

3.1 RETIREMENT BENEFITS

(a) The amount of monthly retirement benefit to be provided for each Participant who retires on the Participant's Normal Retirement Date shall be equal to the Participant's Accrued Benefit (herein called the Participant's Normal Retirement Benefit). A Participant's Accrued Benefit is based on a retirement benefit formula equal to the sum of 35% of such Participant's Average Monthly Compensation, plus (2) 12.5% of such Average Monthly Compensation in excess of one-twelfth of Covered Compensation, computed to the nearest cent. For Participants who are projected to have earned less than a designated number of months of service as of the end of the Plan Year in which they attain Normal Retirement Age, the percentage in (1) above shall be reduced by 1/270 for each such month of service less than 270 and the excess percentage in (2) above shall be reduced by 1/420 for each month of service less than 420.

No other qualified plan or simplified employee pension, as defined in Code Section 408(k), maintained by the Employer shall (1) impute disparity pursuant to Regulation 1.401(a)(4)-7 for any Participant and (2) provide for permitted disparity pursuant to Code Section 401(1). Additionally, if the Participant has earned a Year of Service in one or more other qualified plans or simplified employee pensions maintained by the Employer, and the number of the Participant's Cumulative Permitted Disparity Years exceeds 35, the Participant's benefit will be further adjusted as provided in Section 1.18.

The "Normal Retirement Benefit" of each Participant shall not be less than the largest periodic benefit that would have been payable to the Participant upon separation from service at or prior to Normal Retirement Age under the Plan exclusive of social security supplements, premiums on disability or term insurance, and the value of disability benefits not in excess of the "Normal Retirement Benefit." For purposes of comparing periodic benefits in the same form, commencing prior to and at Normal Retirement Age, the greater benefit is determined by converting the benefit payable prior to Normal Retirement Age into the same form of annuity benefit payable at Normal Retirement Age and. comparing the amount of such annuity payments. In the case of a top heavy plan, the "Normal Retirement Benefit" shall not be smaller than the minimum benefit to which the Employee is entitled to receive under Section 13 of the Base Plan.

(b) This Plan does not provide for a retirement date prior to Normal Retirement Date. In the event a Participant retires prior to the Participant's Normal Retirement Date, the Participant's benefit shall be the benefit payable per Section 3.4(a).

(c) The Normal Retirement Benefit payable to a Participant pursuant to this Section 3.1 shall be a monthly pension commencing on the Participant's Retirement Date and continuing for life. However, the form of distribution of such benefit shall be determined pursuant to the provisions of Section 3.5.

(d) At the request of a Participant, the Participant may be continued in employment beyond Normal Retirement Date. In such event, no retirement benefit will be paid to the

Participant until the Participant actually retires. At the close of each Plan Year prior to the Participant's actual Retirement Date, a Participant shall be entitled to a retirement benefit equal to the greater of (1) the Actuarial Equivalent of the monthly retirement benefit such Participant was entitled to at the close of the prior Plan Year, or (2) the Participant's Accrued Benefit determined at the close of the Plan Year. The monthly retirement benefit calculated pursuant to this Section 3.1(d) shall be offset by the Actuarial Equivalent of the total benefit distributions made by the close of the Plan Year.

Except with respect to a "five (5) percent owner," a Participant's Accrued Benefit is actuarially increased to take into account the period after age 70 1/2 in which the Participant does not receive any benefits under the Plan. The actuarial increase begins on the April 1 following the calendar year in which the Participant attains age 70 1/2 (January 1, 1997 in the case of a Participant who attained age 70 1/2 prior to 1996), and ends on the date on which benefits commence alter retirement in an amount sufficient to satisfy Code Section 401(a)(9).

The amount of actuarial increase payable as of the end of the period for actuarial increases must be no less than the Actuarial Equivalent of the Participant's retirement benefits that would have been payable as of the date the actuarial increase must commence plus the Actuarial Equivalent of additional benefits accrued after that date, reduced by the Actuarial Equivalent of any distributions made after that date. The actuarial increase is generally the same as, and not in addition to, the actuarial increase required for that same period under Code Section 411 to reflect the delay in payments after normal retirement, except that the actuarial increase required under Code Section 401(a)(9)(C) must be provided even during the period during which a Participant is in Act Section 203(a)(3)(B) service.

3.2 DISABILITY RETIREMENT BENEFITS

(a) A Participant who terminates employment as a result of a physical or mental disability after completing at least 15 Years of Credited Service, at any age, shall begin to receive a Normal Retirement Benefit determined in accordance with the provisions of Section 3.1 on the first day of the month following such disability, provided, however, that such physical or mental disability, as evidenced by a Social Security Administration award, in the opinion of a physician designated by the Trustees, is permanent and prevents him from performing his duties. The Trustees shall have the right from time to time to examine the Participant receiving a disability benefit to determine if the disability is permanent and prevents him from performing his duties.

3.3 DEATH BENEFITS

(a) If a Participant dies prior to the Participant's Retirement Date, such Participant's Beneficiary shall receive a death benefit equal to the Actuarial Equivalent of the Accrued Benefit determined as of the Anniversary Date subsequent to or coinciding with the date of death.

(b) Death benefits payable by reason of the death of a Participant or a Retired Participant shall be paid to such Participant's Beneficiary in accordance with the following provisions:

(i) Upon the death of a Participant subsequent to the Participant's Retirement Date, but prior to the Annuity Starting Date, the Participant's Beneficiary shall be entitled to a death benefit in an amount equal to the Actuarial Equivalent of the benefit the Participant would have received at the Participant's Retirement Date.

(ii) Upon the death of a Participant subsequent to the Annuity Starting Date, the Participant's Beneficiary shall be entitled to whatever death benefit may be available under the settlement arrangements pursuant to which the Participant's benefit is made payable.

(iii) In the event of a Terminated Participant's death subsequent to the Participant's termination of employment, the Participant's Beneficiary shall receive the Present Value of such Participant's Vested Accrued Benefit as of the Anniversary Date coinciding with or next following the date of the Participant's death.

(c) The Administrator may require such proper proof of death and such evidence of the right of any person to receive the death benefit payable as a result of the death of a Participant as the Administrator may deem desirable. The Administrator's determination of death and the right of any person to receive payment shall be conclusive.

(d) Unless otherwise elected in the manner prescribed in the Base Plan, the Beneficiary of the death benefit shall be the Participant's surviving spouse, who shall receive such benefit in the form of a Pre-Retirement Survivor Annuity pursuant to the terms of the Base Plan. Except, however, the Participant may designate a Beneficiary other than the spouse pursuant to the procedure in the Base Plan.

(e) In no event shall the death benefit payable to a surviving spouse be less than the Actuarial Equivalent of the "minimum spouse's death benefit."

(f) For the purposes of this Section, the "minimum spouse's death benefit" means a death benefit for a Vested married Participant payable in the form of a Pre-Retirement Survivor Annuity. Such annuity payments shall be equal to the amount which would be payable as a survivor annuity under the joint and survivor annuity provisions of the Plan if

(i) in the case of a Participant who dies alter the Earliest Retirement Age, such Participant had retired with an immediate joint and survivor annuity on the day before the Participant's date of death, or

(ii) in the case of a Participant who dies on or before the Earliest Retirement Age, such Participant bad:

(1) separated from service on the earlier of the actual time of separation or the date of death,

(2) survived to the Earliest Retirement Age,

(3) retired with an immediate joint and survivor annuity at the Earliest Retirement Age based on the Participant's Vested Accrued Benefit on date of death, and

(4) died on the day after the day on which said Participant would have attained the Earliest Retirement Age.

(g) Any security interest held by the Plan by reason of an outstanding loan to the Participant or Former Participant shall be taken into account in determining the amount of the Pre-Retirement Survivor Annuity.

3.4 TERMINATION OF EMPLOYMENT BEFORE RETIREMENT

(a) Payment to a Former Participant of the Vested portion of such Former Participant's Accrued Benefit, unless such Former Participant otherwise elects, shall begin no later than the 60th day after the close of the Plan Year in which the latest of the following events occurs: (1) the date on which the Participant attains the earlier of age 65 or the Normal Retirement Age specified herein; (2) the 10th anniversary of the year in which the Participant commenced participation in the Plan; or (3) the date the Participant terminates service with the Employer.

However, the Administrator shall, at the election of the Participant, direct earlier payment of the Vested portion of the Participant's Accrued Benefit. Any distribution under this paragraph shall be made in a manner which is consistent with and satisfies the provisions of Section 3.5, including, but not limited to, notice and consent requirements of Code Sections 417 and 411(a)(11) and the Regulations thereunder.

That portion of a Terminated Participant's Accrued Benefit that is forfeited shall be used only to reduce future costs of the Plan at such time as it becomes a forfeiture.

(b) A Participant shall become fully Vested in the Participant's Accrued Benefit immediately upon entry into the Plan.

(c) The computation of a Participant's nonforfeitable percentage of such Participant's interest in the Plan shall not be reduced as the result of any direct or indirect amendment to this Plan. In the event that the Plan is amended to change or modify any vesting schedule, or if the Plan is amended in any way that directly or indirectly affects the computation of the Participant's nonforfeitable percentage, or if the Plan is deemed amended by an automatic change to a top heavy vesting schedule, then each Participant with at least three (3) Years of Service as of the expiration date of the election period may elect to have such Participant's nonforfeitable percentage computed under the Plan without regard to such amendment or change. If a Participant fails to make such election, then such Participant shall be subject to the new vesting schedule. The Participant's election period shall commence on the adoption date of the amendment and shall end sixty (60) days after the latest of:

(i) the adoption date of the amendment,

(ii) the effective date of the amendment, or

(iii) the date the Participant receives written notice of the amendment from the Employer or Administrator.

3.5 DISTRIBUTION OF BENEFITS

(a) (i) Unless otherwise elected as provided below, a Participant who is married on the Annuity Starting Date and who does not die before the Annuity Starting Date shall receive the value of all of such Participant's benefits in the form of a joint and survivor annuity. The joint and survivor annuity is an annuity that commences immediately and shall be the Actuarial Equivalent of a single life annuity. Such joint and survivor benefits following the Participant's death shall continue to the spouse during the spouse's lifetime at a rate equal to fifty percent (50%) of the rate at which such benefits were payable to the Participant. This joint and fifty percent (50%) survivor annuity shall be considered the designated qualified joint and survivor annuity and automatic form of payment for the purposes of this Plan. However, the Participant may, without spousal consent, elect to receive a smaller annuity benefit with continuation of payments to the spouse at a rate of seventy-five percent (75%) or one hundred percent (100%) of the rate payable to a Participant during the Participant's lifetime, which alternative joint and survivor annuity shall be the Actuarial Equivalent of the automatic joint and fifty percent (50%) survivor annuity. An unmarried Participant shall receive the value of such Participant's benefit in the form of a life annuity. Such unmarried Participant, however, may elect in writing to waive the life annuity. The election must comply with the provisions of this Section as if it were an election to waive the joint and survivor annuity by a married Participant, but without the spousal consent requirement. The joint and survivor annuity and the life annuity form of distribution shall be the Actuarial Equivalent of the benefits due the Participant. Any election to waive the joint and survivor annuity must be made by the Participant in accordance the Base Plan.

(b) In the event a married Participant duly elects not to receive benefits in the form of a joint and survivor annuity, or if such Participant is not married, in the form of a life annuity, the Administrator, pursuant to the election of the Participant, shall direct the Trustee to distribute to a Participant or such Participant's Beneficiary an amount which is the Actuarial Equivalent of the monthly retirement benefit provided in Section 3.1(c) in one lump-sum payment in cash.

(c) Notwithstanding any provision in the Plan to the contrary, the distribution of a Participant's benefits made on or after January 1, 1997, must begin to be distributed not later than April 1st of the calendar year following the later of (i) the calendar year in which the Participant attains age 70 1/2 or (ii) the calendar year in which the Participant retires.

(d) All annuity Contracts under this Plan shall be non-transferable when distributed. Furthermore, the terms of any annuity Contract purchased and distributed to a Participant or spouse shall comply with all of the requirements of the Plan.

3.6 DISTRIBUTION OF BENEFITS UPON DEATH

(a) Unless otherwise elected as provided below, a Vested Participant who dies before the Annuity Starting Date and who has a surviving spouse shall have the death benefit paid to the surviving spouse in the form of a Pre-Retirement Survivor Annuity. The Participant's spouse may direct that payment of the Pre-Retirement Survivor Annuity commence within a reasonable period after the Participant's death (but not later than the month in which the Participant would have attained the Earliest Retirement Age under the Plan if the Participant dies on or before the

Earliest Retirement Age). If the spouse does not so direct, payment of such benefit will commence at the time the Participant would have attained the later of Normal Retirement Age or age 62. However, the spouse may elect a later commencement date, subject to the rules specified in the Base Plan.

(b) Any election to waive the Pre-Retirement Survivor Annuity before the Participant's death must be made by the Participant in writing (or in such other form as permitted by the Internal Revenue Service) during the election period and shall require the spouse's irrevocable consent in the same manner provided for in the Base Plan. Further, the spouse's consent must acknowledge the specific non-spouse Beneficiary. Notwithstanding the foregoing, the non-spouse Beneficiary need not be acknowledged, provided the consent of the spouse acknowledges that the spouse has the right to limit consent only to a specific Beneficiary and that the spouse voluntarily elects to relinquish such right.

(c) The election period to waive the Pre-Retirement Survivor Annuity shall begin on the first day of the Plan Year in which the Participant attains age thirty-five (35) and end on the date of the Participant's death. An earlier waiver (with spousal consent) may be made provided a written (or in such other form as permitted by the Internal Revenue Service) explanation of the Pre-Retirement Survivor Annuity is given to the Participant and such waiver becomes invalid at the beginning of the Plan Year in which the Participant turns age thirty-five (35). In the event a Vested Participant separates from service prior to the beginning of the election period, the election period shall begin on the date of such separation from service.

(d) With regard to the election, the Administrator shall provide each Participant within the applicable period, with respect to such Participant (and consistent with Regulations), a written (or in such other form as permitted by the Internal Revenue Service) explanation of the Pre-Retirement Survivor Annuity containing comparable information to that required pursuant to the terms of the Base Plan. For the purposes of this paragraph., the term "applicable period" means, with respect to a Participant, whichever of the following periods ends last:

(i) The period beginning with the first day of the Plan Year in which the Participant attains age thirty-two (32) and ending with the close of the Plan Year preceding the Plan Year in which the Participant attains age thirty-five (35);

(ii) A reasonable period alter the individual becomes a Participant;

(iii) A reasonable period ending after the Plan no longer fully subsidizes the cost of the Pre-Retirement Survivor Annuity with respect to the Participant,

(iv) A reasonable period ending after Code Section 401(a)(11) applies to the Participant; or

(v) A reasonable period after separation from service in the case of a Participant who separates before attaining age thirty-five (35). For this purpose, the Administrator must provide the explanation beginning one (1) year before the separation from service and ending one (1) year alter such separation. If such a Participant thereafter returns to employment with the Employer, the applicable period for such Participant shall be redetermined.

For purposes of applying this Section 3.6(d), a reasonable period ending after the enumerated events described in paragraphs (2), (3) and (4) is the end of the two (2) year period beginning one (1) year prior to the date the applicable event occurs, and ending one (1) year after that date.

(e) To the extent the death benefit is not paid in the form of a Pre-Retirement Survivor Annuity, it shall be paid to the Participant's Beneficiary in one lump sum in cash.

(t) Notwithstanding any provision in the Plan to the contrary, distributions upon the death of a Participant shall be made in accordance with the following requirements and shall otherwise comply with Code Section 401(a)(9) and the Regulations thereunder. If the death benefit is paid in the form of a Pre-Retirement Survivor Annuity, then distributions to the Participant's surviving spouse must commence on or before the later of: (1) December 31st of the calendar year immediately following the calendar year in which the Participant died; or (2) December 31st of the calendar year in which the Participant would have attained age 70 1/2. If it is determined, pursuant to Regulations, that the distribution of a Participant's interest has begun and the Participant dies before the entire interest has been distributed, the remaining portion of such interest shall be distributed at least as rapidly as under the method of distribution selected pursuant to Section 3.5 as of the date of death. If a Participant dies before receiving any distributions of the interest in the Plan or before distributions are deemed to have begun pursuant to Regulations (and distributions are not to be made in the form of a Pre-Retirement Survivor Annuity), then the death benefit shall be distributed to the Participant's Beneficiaries by December 31st of the calendar year in which the fifth anniversary of the Participant's date of death occurs.

However, the 5-year distribution requirement of the preceding paragraph shall not apply to any portion of the deceased Participant's interest which is payable to or for the benefit of a designated Beneficiary. In such event, such portion may, at the election of the Participant (or the Participant's designated Beneficiary) be distributed over the life of such designated Beneficiary (or over a period not extending beyond the life expectancy of such designated Beneficiary) provided such distribution begins not later than December 31st of the calendar year immediately following the calendar year in which the Participant died. However, in the event the Participant's spouse (determined as of the date of the Participant's death) is the designated Beneficiary, the requirement that distributions commence within one year of a Participant's death shall not apply. In lieu thereof distributions must commence on or before the later of: (1) December 31st of the calendar year immediately following the calendar year in which the Participant died; or (2) December 31st of the calendar year in which the Participant would have attained age 70 1/2. lithe surviving spouse dies before distributions to such spouse begin, then the 5-year distribution requirement of this Section shall apply as if the spouse was the Participant.

(g) For purposes of this Section, the life expectancy of a Participant and a Participant's spouse (other than in the case of a life annuity) may, at the election of the Participant or the Participant's spouse, be redetermined in accordance with Regulations. The

election, once made, shall be irrevocable. If no election is made by the time distributions must commence, then the life expectancy of the Participant and the Participant's spouse shall not be subject to recalculation. Life expectancy and joint and last survivor expectancy shall be computed using the return multiples in Tables V and VI of Regulation 1.72 -9.

(h) For purposes of this Section, any amount paid to a child of the Participant will be treated as if it had been paid to the surviving spouse if the amount becomes payable to the surviving spouse when the child reaches the age of majority.

(i) Subject to the spouse's right of consent afforded under the Plan, the restrictions imposed by this Section shall not apply if a Participant has, prior to January 1, 1984, made a written designation to have death benefits paid in an alternative method acceptable under Code Section 401(a)(9) as in effect prior to the enactment of the Tax Equity and Fiscal Responsibility Act of 1982.

Table A - Joint Annuities

Percentage of Monthly Annuity When Joint Annuity is Elected

For terminations prior to January 1, 2002:

(1) Type of Joint Annuity	(2) To Annuitant	(3) To His Surviving Spouse
A	80%	Same as payable to annuitant
B	85%	87% of amount payable to annuitant
C	90%	73% of amount payable to annuitant
D	95%	60% of amount payable to annuitant
E	100%	50% of amount payable to annuitant

For terminations on and after January 1, 2002:

(1) Type of Joint Annuity	(2) To Annuitant	(3) To His Surviving Spouse
A	88%	Same as payable to annuitant
B	91%	87% of amount payable to annuitant
C	94%	75% of amount payable to annuitant
D	97%	60% of amount payable to annuitant
E	100%	50% of amount payable to annuitant

Where the Surviving Spouse is more than five (5) years younger than the annuitant there shall be subtracted under column (2) one-half ($^1/_2$%) percent for each year in excess of five (5) that the age of the annuitant's Surviving Spouse is less than the age of the annuitant, but column (3) shall remain unchanged, provided, however,

(a) If an annuitant who became a Participant prior to January 1, 1949 and who married his Surviving Spouse prior to January 1, 1949, elects Joint Annuity E, the percentages payable to such annuitant shall not be reduced by reason of any difference in age between his Spouse and himself, or,

(b) If the annuitant’s Surviving Spouse has attained age sixty (60), or the annuitant and his Surviving Spouse have been married for not less than twenty (20) years, at the date of the annuitant’s retirement or on or after his elective retirement date but before becoming an annuitant, the percentage payable to such annuitant shall not be reduced by reason of any difference in age between his Spouse and himself.

In calculating age differences under the foregoing types of joint annuity, a fraction of a year of six (6) months or less shall be disregarded and a fraction of a year of more than six (6) months shall be considered a full year.

Table A - Joint Annuities
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Exhibit I - Actuarial Equivalents and Credited Interest

To the extent that any of the plans referenced in the appendices to the Plan used actuarial equivalence based on factors other than those set forth in this Exhibit I, and to the extent that the change from those factors to the factors set forth in this Exhibit I would require the continuation of those other factors for some period of time ("grandfathering"), such continuation shall be made only to the minimum extent necessary to satisfy the provisions under the Code and the Regulations calling for such grandfathering. Other than as set forth in the preceding sentence, Actuarial Equivalence shall be determined for all purposes under the Plan and under any Appendix using the factors set forth herein. The references set forth herein to Plan Section numbers shall be modified as appropriate to apply to corresponding Section numbers of any Appendix.

A. Duplication of Benefits and General (if not specifically provided for elsewhere in this Exhibit or in the Plan document):

1. Mortality Table — means the "Applicable Mortality Table" as defined herein. Prior to January 1, 2008, the mortality table based on the prevailing commissioners' standard table (described in Section 807(d)(5)(A) of the Code) used to determine reserves for group annuity contracts issued on the date of which the present value is determined (without regard to any other subparagraph of Section 807(d)(5) of the Code), that is prescribed by the Commissioner of the Internal Revenue Service in revenue rulings, notices, or other guidance, published in the Internal Revenue Bulletin. Effective January 1, 2008, the mortality table for this purpose is the table prescribed in the Regulations under Code Section 417(e) for use in the calendar year which contains the Annuity Starting Date and which, until modified or superseded, is the table set forth in Revenue Ruling 2007-67.

2. Interest Rate — means the "Applicable Interest Rate" as defined herein. Prior to January 1, 2008, the annual interest rate on 30-year Treasury securities as specified by the Commissioner of the Internal Revenue Service in revenue rulings, notices or other guidance, published in the Internal Revenue Bulletin, for the fourth month preceding the first day of the Stability Period, except that for purposes of Appendix IX (Mid-Atlantic Participants) the second month preceding the first day of the Stability Period shall be used. The Stability Period shall be the month containing the Annuity Starting Date, except that for purposes of Appendix II, the Stability Period shall be the calendar year containing the Annuity Starting Date. Effective January 1, 2008, the applicable interest rate shall refer to the segmented rates specified in Code Section 417(e)(3).

3. Other Factors - None

B. Small Allowances under Section 8.6 and Section II7.4:

1. Mortality Table — as specified in Section A of this Exhibit I.

2. Interest Rate — Prior to January 1 2008, the annual interest rate on 30-year Treasury securities as specified by the Commissioner of the Internal Revenue Service in revenue rulings, notices or other guidance, published in the Internal Revenue Bulletin, for the fourth month preceding the first day of the Stability Period. The Stability Period shall be the calendar year containing the Annuity Starting Date. Effective January 1, 2008, the applicable interest rate shall refer to the segmented rates specified in Code Section 417(e)(3)

3. Other Factors - None

C. Restoration to Employment under Section 3.5 and Section II7.5:

1. Mortality Table - as specified in Section A of this Exhibit I.

2. Interest Rate - as specified in Section A of this Exhibit I.

3. Other Factors - None

D. Maximum Benefits under Section 9.1:

1. Mortality Table - as specified in Section A of this Exhibit I.

2. Interest Rate — Prior to January 1, 2008, 5% per annum, compounded annually, except for purposes of converting benefits from a lump sum form of payment. For conversions to or from a lump sum, the interest rate as specified in Section A of this Exhibit I. Effective January 1, 2008, the rate as specified under IRC Section 415.

3. Other Factors - None

E. Conversion Factor under Appendix I, Section I-3.7(c), or similar provisions under any other Appendix with respect to benefit derived from employee contributions with interest:

1. Mortality Table - as specified in Section A of this Exhibit I.

2. Interest Rate - as specified in Section A of this Exhibit 1.

3. Other Factors - None

F. Offset of required benefits pursuant to Section I-5.9 and minimum annuities pursuant to Sections I-5.7 and I-5.8, and pursuant to Sections II6.I, II6.7, IV5.2, 1V5.4, IV5.5 1V8.8, and XVI-8.9, or any similar sections in any Appendix regarding refunds of employee contributions with interest:

1. Mortality Table - as specified in Section A of this Exhibit I.

2. Interest Rate - as specified in Section A of this Exhibit I.

3. Other Factors - no mortality adjustments prior to Normal Retirement Age for calculations under Sections I5.7, I-5.8, and I-5.9, and under Sections IV5.2, IV5.4. IV5.5 , IV8.8 and XVI-8.9. Also, with respect to Sections II6.1 and II6.7:

(a) When determining the annuity value, it will be assumed that the annuity will increase each January 1 following the October 1 following the last date of employment by a percentage of the initial periodic amount. Such percentage shall equal the lesser of (i) 3% and (ii) the average annual increase in the National Consumer Price Index over the five calendar years preceding the last date of employment.

(b) Except in the case of a Member retiring under Section II4.3, the assumed annuity payment commencement date shall be the later of the Employee's Normal Retirement Date and his actual retirement date. In the case of a Member retiring under Section II4.3, the assumed annuity payment commencement date shall be the employee's early retirement date and the resulting annuity shall be increased by the reciprocal of the reduction factor applied in Section II6.4.

G. Joint & Survivor Annuity per Sections IV8.4(d) & XVI8.4(g) — the benefit shall be 90% times the Regular Annuity. This percent shall be increased by 0.50% for each whole year (not to exceed 5) by which the Participant is younger than age 62. This amount shall be decreased by 0.50% for each whole year in excess of 5 (but not to exceed 10) by which the Spouse is younger than the Participant and increased by 0.50% for each whole year in excess of 5 (not to exceed 10) by which the Spouse is older than the Participant.

H. Optional forms of payment under Section II.9 (ALICO participants): Mortality table is UP-1984 and interest rate of 6.0%.

I. Optional forms of payment and actuarial equivalence adjustments in Appendix XII (Amalgamated Bank) not otherwise specified in that Appendix:

A benefit that has the same actuarial value as another benefit, based on a 7% interest rate and the 1971 Group Annuity Mortality Table, weighted as follows:

(A) For a Participant's benefit, 80% male and 20% female;

(B) For the benefit of a Participant's Spouse or former Spouse, 20% male and 80% female; and

(C) In any other case, 80% male and 20% female.

(a) For distributions that are subject to Section 417(e)(3) of the Code and for which the Annuity Starting Date is before January 1, 2000, a benefit that has the Actuarial Equivalent value as another benefit based on the interest rate prescribed by the Pension Benefit Guaranty Corporation for valuing annuities under single- employer plans that terminate without a notice of sufficiency during the first month of the Calendar Year in which the date as of which the Annuity Starting Date occurs, or 7% if that produces a greater benefit. The mortality assumption shall be based on the 1971 Group Annuity Mortality Table, weighted as follows:

(i) For a Participant's benefit, 80% male and 20% female;

(ii) For the benefit of a Participant's Spouse or former Spouse, 20% male and 80% female; and

(iii) In any other case, 80% male and 20% female.

(b) Notwithstanding the foregoing, for distributions that are subject to Section 417(e)(3) of the Code for which the Annuity Starting Date is on or after January 1, 2000 and before January 1, 2003, Actuarial Present Value shall be determined based on (a) or (b) above, whichever produces the greater benefit.

(c) For all other purposes, Actuarial Present Value shall be determined based on the factors contained in Section 1.2(a)(ii).

(d) "Actuarial Equivalent" means a benefit amount actuarially determined to have an equivalent value to another specified benefit amount considering the forms of payment and all appropriate contingencies.

J. Optional forms of payment under Appendices XIV and XV (Baltimore plans): interest rate of 8.0% and UP-1984 unisex mortality table.

K. Early retirement benefits under Sections IV5.3 and IV5.4 — the normal retirement benefit shall be reduced by (i) with respect to Section IV5.3, 6.0% per year that commencement precedes the Normal Retirement Date and (ii) with respect to Section IV5.4, 5.0% per year that commencement precedes the Normal Retirement Date.

L. Optional forms of payment under Appendix XVII (John Kenneally OEL Plan): 6% interest and UP 1984 mortality.

M. Optional forms of payment under Appendix XIX (HERE IU Plan): 8.0% interest and UP 1984 mortality.

N. Credited Interest or Interest shall mean:

prior to 1976 - 3.00% per annum, compounded annually

1976 - 1987 - 5.00% per annum, compounded annually

1988 - - 120% of the applicable federal mid-term rate determined as of January 1st of each such year pursuant to Section 411(c)(2)(C)(iii) of the Code.

Exhibit I -Actuarial
Equivalents and Credited
Interest
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Exhibit II - Withdrawal Liability Rules

Section 1 In General.

(a) An employer that withdraws from the Consolidated Retirement Fund (the "Plan") in either a complete or partial withdrawal shall owe and pay withdrawal liability to the Plan, as determined under these rules (the "Rules") and the relevant provisions of the Employee Retirement Income Security Act of 1974, as amended by the Multiemployer Pension Plan Amendments Act of 1980 ("ERISA").

(b) For these purposes, an "employer" is any entity that has an agreement that requires contributions to the Fund. In the event of an employer withdrawal from the Plan, all corporations, trades or businesses that are under common control with such employer as defined in ERISA, shall be liable for the withdrawing employer's withdrawal liability.

Section 2 Complete Withdrawal Defined.

(a) The complete withdrawal of an employer occurs when the employer:

(1) permanently ceases to have an obligation to contribute under the Plan; or

(2) permanently ceases all covered operations under the Plan.

(b) The date of the complete withdrawal of an employer is the date the employer's obligation to contribute ceased or the date its covered operations ceased, whichever is earlier.

(c) For purposes of this section, a withdrawal is not considered to occur solely because the employer temporarily suspends contributions during a labor dispute involving its employees.

(d) In the case of a sale or any change of control of an employer, whether a withdrawal occurs shall be determined consistent with the applicable provisions of ERISA.

Section 3 Amount of Liability for Complete Withdrawal.

(a) The amount of an employer's liability for a complete withdrawal is its proportional share of the Plan's unfunded vested liability as of the end of the Plan year (the "Plan Year") preceding the Plan Year in which the employer withdraws.

(b) For these purposes, the term "vested benefit" means a benefit for which a participant has satisfied the conditions for entitlement under the Plan (other than submission of a formal application, retirement or completion of a required waiting period) whether or not the benefit may subsequently be reduced or suspended by a Plan amendment, an occurrence of any condition or operation of law and whether or not the benefit is considered "vested" or "non-forfeitable" for any other purpose under the Plan.

(i) The Plan's liability for vested benefits as of a particular date is the actuarial value of the vested benefits under this Plan as of such date. Actuarial value shall be determined on the basis of methods and assumptions accepted by the Plan's Board of Trustees (the "Trustees") for purposes of these Rules, upon recommendation of the Plan's enrolled actuary.

(ii) The unfunded vested liability shall be the amount, not less than zero, determined by subtracting the value of the Plan's assets from the Plan's liability for vested benefits. The Plan's assets are to be valued on the basis of rules adopted for this purpose by the Trustees upon recommendation of the Plan's enrolled actuary.

(c) Apportionment of Unfunded Vested Liability to Employer that has Withdrawn.

(i) One Pool Method. An employer's proportional share of the balance of the Plan's unfunded vested liability as of the end of the Plan Year preceding the Plan Year in which the employer withdraws shall, pursuant to Section 4211(c)(3) of ERISA, be the product of:

(1) the Plan's unfunded vested benefits as of the end of the Plan Year preceding the Plan Year in which the employer withdraws, less the value as of the end of such Year of all outstanding claims for withdrawal liability that can reasonably be expected to be collected from employers withdrawing before such Year, multiplied by

(2) a fraction:

(i) the numerator of which is the total amount required to be contributed by the employer under the Plan for the five (5) Plan Years preceding the Plan Year in which the employer withdraws; and

(ii) the denominator of which is the total amount contributed under the Plan by all employers for the five (5) Plan Years preceding the Plan Year in which the employer withdraws, increased by employer contributions owed with respect to earlier periods that were collected during those Plan Years, and decreased by any amount contributed to the Plan during those Plan Years by employers that withdrew from the Plan under this section during those Plan Years.

(d) Limitations on the Amount of Withdrawal Liability.

(i) From the initial liability amount, there shall be deducted the lesser of:

(1) $50,000, or

(2) three-quarters (34) of one percent (1%) of the Plan's unfunded vested liability as of the end of the Plan Year preceding the employer's withdrawal, less the excess of the initial amount over $100,000.

(ii) The amount of initial liability remaining after application of paragraph (1) shall be reduced, to the extent applicable, in accordance with Section 4219(c)(1)(B) of ERISA.

(iii) The amount of initial liability remaining after application of paragraph (2) shall be reduced in accordance with Section 4225 of ERISA, if and to the extent that the employer demonstrates that additional limitations under that section apply.

Section 4 Satisfaction of Withdrawal Liability.

(a) Withdrawal liability shall be payable in installments, in accordance with Section 5. The total amount due in each twelve (12) month period beginning on the date of the first installment shall be the product of:

(i) the highest rate at which the employer was obligated to contribute to the Plan during the ten (10) Plan Years ending with the Plan Year in which the withdrawal occurred, multiplied by

(ii) the employer's average annual contribution base for the three (3) consecutive Plan Years, within the ten (10) Plan Years preceding the year in which the employer withdraws, during which the employer's contribution base was the highest.

(b) If, in connection with the employer's withdrawal, the Plan transfers liabilities to another plan to which the employer will contribute, the employer's withdrawal liability shall be reduced in an amount equal to the value of the unfunded vested benefits that are transferred, determined as of the end of the Plan Years preceding the withdrawal on the same basis as the determination of the Plan's unfunded vested liability under Section 3.

Section 5 Notice and Collection of Withdrawal Liability.

(a) Notice of withdrawal liability, reconsideration, determination of the amortization period, and of the maximum years of payment shall be as provided in Section 4219 of ERISA and in this section.

(b) As soon as practicable after receiving notice of an employer's withdrawal from the Plan, the Plan shall send the employer a written request for information and questionnaire pursuant to ERISA Section 4219(a). The requested information shall be furnished to the Plan within thirty (30) days of the written request for information.

(c) (i) Except as provided for in Section 5(d) below, withdrawal liability shall be paid in equal quarterly installments. Notwithstanding the pendency of any review, arbitration or other proceedings, payments shall begin on the first day of the month that begins at least ten (10) days after the date of notice of, and demand for, payment is sent to the withdrawing employer. Interest shall accrue on any late payments from the date the payment was due until the date paid at the rate described in Section (d)(3).

(ii) If, following review, arbitration or other proceedings the amount of the employer's withdrawal liability is determined to be different from the amount set forth in the notice and demand, adjustment shall be made by reducing or increasing the total number of installment payments due. If the employer has paid more than the amount finally determined to be its withdrawal liability, the Plan shall refund the excess with interest at the rate used to determine the amortization period under subsection 5(a) herein.

(d) The Plan shall require immediate payment of the total amount of an employer's withdrawal liability if it determines that an employer is in "default," as described below.

(i) For purposes of these rules, an employer is in default with respect to its withdrawal liability obligations if:

(1) the employer fails to pay a past-due withdrawal liability installment within sixty (60) days after its receipt of the Plan's late-payment notice;

(2) the employer or a member of its controlled group files a petition for protection under the United States Bankruptcy Code, or initiates any similar proceeding under state law;

(3) the employer or a member of its controlled group enters into a composition with creditors, or a bulk sale insolvency, or for dissolution of a corporation or partnership;

(4) the employer or a member of its controlled group plans to or does distribute a substantial portion of its assets; or

(5) the employer fails to provide the Plan with its response to the Plan's request for information under ERISA Section 4219(a) without reasonable explanation.

(ii) Interest shall be charged on any amount in default from the date payment was due to the date it is paid at the rate set by the Trustees with respect to collection of delinquent employer contributions and audit deficiencies. For each succeeding twelve (12) month period that any amount in default remain unpaid, interest shall be charged on the unpaid balance (including accrued interest) at the rate set by the Trustees with respect to collection of delinquent employer contributions and audit deficiencies.

(e) In any suit to collect withdrawal liability, including a suit to enforce an arbitration award or a claim asserted by the Trustees in an action brought by an employer or other party, or in any suit to enforce the employer's obligation to provide the Plan with documents responsive to the Plan's request for information pursuant to ERISA Section 4219(a), if judgment is awarded in favor of the Plan, the employer shall pay to the Plan, in addition to any other remedies to which the Plan may be entitled, (1) any unpaid withdrawal liability plus interest, retroactive to the due date, at a rate fixed by the Trustees; plus (2) the greater of 20% liquidated damages on any unpaid withdrawal liability or double interest; plus (c) all expenses associated with collecting withdrawal liability or enforcing the employer's obligation to provide the Plan with documents responsive to the Plan's request for information , including, but not limited to, costs and legal fees.

(f) An employer may prepay all or a portion of the present value its withdrawal liability without penalty.

(g) The Trustees may adopt other rules providing other terms and conditions for an employer to satisfy its withdrawal liability. Such rules shall be consistent with the purpose and standards of ERISA, and shall not be inconsistent with regulations of the Pension Benefit Guaranty Corporation.

Section 6 Partial Withdrawal; Liability Adjustments and Abatement.

In the event of a partial cessation of an employer's contribution obligation, the employer shall be assessed partial withdrawal liability in accordance with the provisions of ERISA Section 4205. If, after a partial withdrawal, an employer again incurs liability for a complete or partial withdrawal with respect to the Plan, the liability incurred as a result of the later withdrawal(s) shall be adjusted pursuant to ERISA Section 4206.

Section 7 Mass Withdrawal.

Notwithstanding any other provision herein, if all or substantially all contributing employers withdraw from the Plan pursuant to an agreement or arrangement, as determined under ERISA Sections 4209 and 4219(c)(1)(D), the withdrawal liability of each such employer shall be adjusted in accordance with those ERISA sections.

Section 8 Notice to Employers.

(a) Any notice that must be given to an employer under these Rules or under Subtitle E of Title IV of ERISA shall be effective if given to the specific member of a commonly controlled group that has or has had the obligation to contribute to the Plan.

(b) Notice shall also be given to any other member of the controlled group that the employer identifies and designates to receive notice pursuant to these Rules.

Section 9 Resolution of Disputes.

Any dispute between an employer and the Plan concerning any determination under these Rules shall be resolved in accordance with the Multiemployer Pension Plan Arbitration Rules for Withdrawal Liability Disputes of the American Arbitration Association of New York, New York. All hearings in any such arbitration proceeding shall take place in New York, New York.

Exhibit 10.10

AMALGAMATED BANK

LONG-TERM INCENTIVE PLAN

1. Establishment, Purpose, and Types of Awards.

Amalgamated Bank (the "Bank") hereby establishes this long-term incentive compensation plan, to be known as the "Amalgamated Bank Long-Term Incentive Plan" (the "Plan"), in order to provide incentives and awards to select employees and directors of the Bank.

The Plan permits the granting of the following types of Awards, according to the Sections of the Plan listed here:

Section 5 Stock Appreciation Rights

Section 6 Incentive Awards

2. Defined Terms.

Terms in the Plan that begin with an initial capital letter have the defined meaning set forth in the Appendix, unless defined elsewhere in this Plan or an Award Agreement, or the context of their use clearly indicates a different meaning.

3. Administration.

(a) *General*. The Committee shall administer the Plan in accordance with its terms, provided that the Board may act in lieu of the Committee on any matter. The Committee shall hold meetings at such times and places as it may determine and shall make such rules and regulations for the conduct of its business as it deems advisable. In the absence of a duly-appointed Committee, or if the Board otherwise chooses to act in lieu of the Committee, the Board shall function as the Committee for all purposes of the Plan.

(b) *Powers of the Committee*. Subject to the provisions of the Plan, the Committee shall have the authority, in its sole discretion:

(i) to determine Eligible Persons to whom Awards shall be granted from time to time and the amount of each Award or the number of SARs to be covered by each Award;

(ii) to determine, from time to time, the Fair Market Value of Share Equivalents;

(iii) to determine, and to set forth in Award Agreements, the terms and conditions of all Awards, including any applicable exercise or purchase price, the installments and conditions under which an Award shall become vested (which may be based on performance), terminated, expired, cancelled, or replaced, and the circumstances for vesting, acceleration or waiver of forfeiture restrictions, and other restrictions and limitations;

(iv) to approve the forms of Award Agreements and all other documents, notices, and certificates in connection therewith, which need not be identical either as to type of Award or among Participants;

(v) to construe and interpret the terms of the Plan and any Award Agreement, to determine the meaning of their terms, and to prescribe, amend, and rescind rules and procedures relating to the Plan and its administration;

(vi) in order to fulfill the purposes of the Plan and without amending the Plan, modify, cancel, or waive the Bank's rights with respect to any Awards, and to adjust or to modify Award Agreements for changes in Applicable Law; and

(vii) to make all other interpretations and to take all other actions that the Committee may consider necessary or advisable to administer the Plan or to effectuate its purposes.

(c) *Delegation of Authority*. Subject to Applicable Law and the restrictions set forth in the Plan, the Committee may delegate administrative functions to individuals who are officers, or Employees of the Bank or its Affiliates. With respect to Participants who are not officers, the Committee may delegate to appropriate officers of the Bank its authority to designate Participants, to determine the size and type of Awards to be received by those Participants and to set and modify the terms of such Awards; provided, however, that all such Awards shall comply with the terms of this Plan. Any actions taken by the delegee shall be treated as actions by the Committee.

(d) *Deference to Committee Determinations*. The Committee shall have the sole discretion to interpret or construe ambiguous, unclear, or implied (but omitted) terms in any fashion it deems to be appropriate, and to make any findings of fact needed in the administration of the Plan or Award Agreements. The Committee's prior exercise of its discretionary authority shall not obligate it to exercise its authority in a like fashion thereafter. The Committee's interpretation and construction of any provision of the Plan, or of any Award or Award Agreement, shall be final, binding, and conclusive. The validity of any such interpretation, construction, decision, or finding of fact shall not be given de novo review if challenged in court, by arbitration, or in any other forum, and shall be upheld unless clearly arbitrary or capricious.

(e) *No Liability; Indemnification*. Neither the Board nor any Committee member, nor any Person acting at the direction of the Board or the Committee, shall be liable for any act, omission, interpretation, construction, or determination made in good faith with respect to the Plan, any Award, or any Award Agreement. The Bank and its Affiliates shall pay or reimburse any member of the Committee, as well as any Director or Employee, who takes action in connection with the Plan, for all expenses incurred with respect to the Plan, and to the full extent allowable under Applicable Law shall indemnify each and every one of them for any claims, liabilities, and costs (including reasonable attorney's fees) arising out of their good faith performance of duties under the Plan. The Bank and its Affiliates may obtain liability insurance for this purpose.

4. Eligibility

(a) Grant of Awards. Subject to the express provisions of the Plan, the Committee shall

determine from the class of Eligible Persons those individuals to whom Awards under the Plan may be granted, and the amount of each Award or number of Share Equivalents subject to each Award. Each Award shall be evidenced by an Award Agreement signed by the Bank and, if required by the Committee, by the Participant. The Award Agreement shall set forth the material terms and conditions of the Award established by the Committee.

(b) *Replacement Awards*. Subject to Applicable Laws, the Committee may, in its sole discretion and upon such terms as it deems appropriate, require as a condition of the grant of an Award to a Participant that the Participant surrender for cancellation some or all of the Awards that have previously been granted to the Participant under this Plan or otherwise. An Award that is conditioned upon such surrender may or may not be the same type of Award, may cover the same (or a lesser or greater) number of Share Equivalents as such surrendered Award, may have other terms that are determined without regard to the terms or conditions of such surrendered Award, and may contain any other terms that the Committee deems appropriate. In the case of SARs, these other terms may not involve an exercise price that is lower than the exercise price of the surrendered SAR (as was determined under Section 5(c)(i)).

5. Stock Appreciation Rights (SARs).

(a) *Grants*. The Committee may in its discretion grant Stock Appreciation Rights (SARs) to any Eligible Person, and shall evidence such grants in an Award Agreement that is delivered to the Participant. At the sole discretion of the Committee, any SAR may be exercisable, in whole or in part, immediately upon the grant thereof, or only after the occurrence of a specified event, or only in installments, which installments may vary. SARs granted under the Plan may contain such terms and provisions not inconsistent with the Plan that the Committee shall deem advisable in its sole and absolute discretion, which conditions will be set forth in the applicable Award Agreement.

(b) *Term of SARs*. Each Award Agreement shall specify a term at the end of which the SAR automatically expires, subject to earlier termination provisions contained in Section 5(f)(ii), provided that an SAR may not have a term exceeding ten years from its Grant Date. An SAR will be exercisable pursuant to the terms of the Award Agreement. The SAR may only be exercised when the Fair Market Value of the Share Equivalents underlying the SAR exceeds the exercise price of the SAR.

(c) *Exercise of SARs*

(i) Exercise Price. The per Share exercise price of an SAR shall be determined in the sole discretion of the Committee, shall be set forth in the applicable Award Agreement, and shall be no less than 100% of the Fair Market Value of one Share Equivalent at the Grant Date.

(ii) Terms and Conditions. The Committee shall in its sole discretion determine the times, circumstances and conditions under which an SAR shall be exercisable, and shall set them forth in the Award Agreement. The Committee shall have the discretion to determine whether and to what extent the vesting of SARs shall be tolled during any unpaid leave of absence; provided, however, that in the absence of such determination, vesting of SARS shall be tolled during any such leave approved by the Bank.

(iii) Minimum Exercise Requirements. An SAR may not be exercised for a fraction of a Share Equivalent. The Committee may require in an Award Agreement that an SAR be exercised as to a minimum number of Share Equivalents.

(d) *Payment*.

(i) Upon exercise of an SAR and the attendant surrender of the SAR, the Participant will be entitled to receive payment of an amount determined by multiplying –

(1) the excess of the Fair Market Value of a Share Equivalent on the date of exercise of the SAR over the exercise price per Share Equivalent of the SAR, by

(2) the number of Share Equivalents with respect to which the SAR has been exercised.

(ii) Notwithstanding Section 5(d)(i), an SAR:

(1) may limit the amount payable to the Participant to a percentage, specified in the Award Agreement but not exceeding one hundred percent (100%), of the amount determined pursuant to Section 6(d)(i), and

(2) shall be subject to any payment or other restrictions that the Committee may at any time impose in its discretion, including restrictions intended to conform the SARs with Section 409A of the Code.

(e) *Form and Terms of Payment*. Subject to Applicable Law, the Committee shall settle the amount determined under Section 6(d) above solely in cash. Absent a contrary determination by the Committee, all SARs shall be settled in cash as soon as practicable after exercise and the determination of the relevant Fair Market Value of the Bank's Share Equivalents; provided that the Participant shall not be permitted, directly or indirectly, to designate the taxable year of payment.. Unless otherwise permitted by Section 409A of the Code, payments of SARs shall not be made later than end of the calendar year in which such SARs are exercised under the terms of the Award Agreement or within two and one half months after date such SARs are exercised under the terms of the Award Agreement, if later; provided that the Participant shall not be permitted, directly or indirectly, to designate the taxable year of payment.

(f) *Effect of Termination of Continuous Service*.

(i) The Committee shall establish and set forth in the applicable Award Agreement the terms and conditions on which an SAR shall remain exercisable, if at all, following termination of a Participant's Continuous Service. To the extent that a Participant is not entitled to exercise an SAR at the date of his or her termination of Continuous Service, or if the Participant (or other Person entitled to exercise the SAR) does not exercise the SAR to the extent so entitled within the time specified in the Award Agreement or below (as applicable), the SAR shall terminate. In no event may any SAR be exercised after the expiration of the SAR term as set forth in the Award Agreement.

(ii) The following provisions shall apply to the extent an Award Agreement does not specify the terms and conditions upon which an SAR shall terminate when there is a termination of a Participant's Continuous Service.

(1) Termination other than Upon Disability or Death or for Cause. In the event of termination of a Participant's Continuous Service (other than as a result of Participant's death, Disability, retirement after age 65 or termination for Cause), the Participant shall have the right to exercise an SAR at any time up to the earlier of the expiration of the term of such SAR or within three months following such termination to the extent the Participant was entitled to exercise such SAR at the date of such termination.

(2) Disability. In the event of termination of a Participant's Continuous Service as a result of his or her being Disabled, the Participant shall have the right to exercise all vested SARs at any time up to the earlier of the expiration of the term of such SAR or within three years following such termination of Continuous Service, and all unvested SARs will continue to vest according to the vesting schedule in Section 2.1 and can be exercised, once vested, for up to three years from the vesting date.

(3) Retirement. In the event of termination of a Participant's Continuous Service as a result of Participant's retirement after age 65, the Participant shall have the right to exercise the SAR at any time up to the earlier of the expiration of the term of such SAR or within three years following such termination to the extent the Participant was entitled to exercise such SAR at the date of such termination.

(4) Death. In the event of the death of a Participant during the period of Continuous Service since the Grant Date of an SAR, then all unvested SARs will vest immediately and the SAR may be exercised at any time within one year following the date of the Participant's death by the Participant's estate or by a Person who acquired the right to exercise the SAR by bequest or inheritance.

(5) Cause. If the Committee determines that a Participant's Continuous Service terminated due to Cause, the Participant shall immediately forfeit the right to exercise any SAR, and it shall be considered immediately null and void.

6. Incentive Awards.

(a) *Grants*. Subject to the limitations set forth in this Section 6, the Committee has discretion to grant Incentive Awards to any Eligible Person and shall evidence such grant in an Award Agreement that is delivered to the Participant which sets forth the terms and conditions of the Award. Incentive Awards may be granted annually at the beginning of each new performance period, and shall be paid in cash on such date or dates following the end of the performance period as are provided in the Award Agreement.

(b) *Conditions for Payment of Incentive Awards.* Incentive Awards shall be paid based on such conditions related to the performance of the Bank or the Participant's performance of his or her

job functions for the Bank as the Committee shall in its sole discretion determine. The Committee shall set the amount payable for each Incentive Award, the time of payment and the applicable vesting schedule in the Award Agreement. Unless otherwise permitted by Section 409A of the Code, payments of Incentive Awards shall not be made later than end of the calendar year in which the Legally Binding Right under to such Incentive Awards arises under the terms of the Award Agreement or within two and one half months after the end of the calendar year in which the Legally Binding Right to such Incentive Awards arises, if later; provided that the Award Recipient shall not be permitted, directly or indirectly, to designate the taxable year of payment.

7. Taxes.

(a) *General*. As a condition to the distribution of cash pursuant to the Plan, the Bank shall withhold any applicable federal, state, local, or foreign withholding tax obligations that may arise in connection with the Award and the payment of cash pursuant to the Award.

(b) *Default Rule for Employees*. In the absence of any other arrangement, an Employee shall be deemed to have directed the Bank to withhold or collect from his or her cash compensation an amount sufficient to satisfy such tax obligations from the next payroll payment otherwise payable after the date of the exercise of an Award.

(c) *Income Taxes*. Participants are solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with Awards (including any taxes arising under Section 409A of the Code), and the Bank shall not have any obligation to indemnify or otherwise hold any Participant harmless from any or all of such taxes.

8. Non-Transferability of Awards.

Except as set forth in this Section 8, or as otherwise approved by the Committee, Awards may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution. The designation of a beneficiary by a Participant will not constitute a transfer. An Award may be exercised, during the lifetime of the holder of an Award, only by such holder, or by the duly-authorized legal representative of a Participant who is Disabled.

9. Adjustments Upon Changes in Capitalization, Merger, or Certain Other Transactions.

(a) *Changes in Capitalization*. The Committee may equitably adjust the number of Shares covered by each outstanding Award, as well as the price per Share Equivalent covered by each such outstanding Award, to reflect any increase or decrease in the number of issued shares of Common Stock of the Bank resulting from a stock-split, reverse stock-split, stock dividend, combination, recapitalization or reclassification of the Common Stock of the Bank, or any other increase or decrease in the number of issued shares effected without receipt of consideration by the Bank. In the event of any such transaction or event, the Committee may provide in substitution for any or all outstanding Awards under the Plan such alternative consideration (including securities of any surviving entity) as it may in good faith determine to be equitable

under the circumstances and may require in connection therewith the surrender of all Awards so replaced. In any case, such substitution of securities shall not require the consent of any person who is granted Awards pursuant to the Plan. Except as expressly provided herein, or in an Award Agreement, if the Bank issues for consideration shares of stock of any class or securities convertible into shares of stock of any class, the issuance shall not affect, and no adjustment by reason thereof shall be required to be made with respect to the number or price of Shares subject to any award.

(b) *Dissolution or Liquidation*. In the event of the dissolution or liquidation of the Bank other than as part of a Change in Control, each Award will terminate immediately prior to the consummation of such action, subject to the ability of the Committee to exercise any discretion authorized in the case of a Change in Control.

(c) *Change in Control*. In the event of a Change in Control, the Committee may in its sole and absolute discretion and authority, without obtaining the approval or consent of the Bank's shareholders or any Participant with respect to his or her outstanding Awards, take one or more of the following actions to the extent consistent with Section 409A of the Code:

(i) automatically vest in full or part (and to the extent applicable, make exercisable, in full or in part) all Awards under the Plan;

(ii) arrange for or otherwise provide that each outstanding Award shall be assumed or a substantially similar award shall be substituted by a successor corporation or a parent or subsidiary of such successor corporation (the " Successor Corporation ");

(iii) require that all outstanding Stock Appreciation Rights be exercised on or before a specified date (before or after such Change in Control) fixed by the Committee, after which specified date all unexercised Stock Appreciation Rights shall terminate;

(iv) arrange or otherwise provide for the payment of cash or other consideration to Participants in exchange for the satisfaction and cancellation of outstanding Awards; or

(v) make such other modifications, adjustments or amendments to outstanding Awards or this Plan as the Committee deems necessary or appropriate, subject however to the terms of Section 11(a) below.

(d) *Certain Distributions*. In the event of any distribution to the Bank's shareholders of securities of any other entity or other assets (other than dividends payable in cash or stock of the Bank) without receipt of consideration by the Bank, the Committee may, in its discretion, appropriately adjust the price per Share Equivalent covered by each outstanding Award to reflect the effect of such distribution.

10. Time of Granting Awards.

The date of grant ("Grant Date") of an Award shall be the date on which the Committee (or its delegee pursuant to Section 4(a)) makes the determination granting such Award or such other later date as is determined by the Committee.

11. Modification of Awards and Substitution of Options or SARs

(a) *Modification, Extension, and Renewal of Awards*. Within the limitations of the Plan, the Committee may modify an Award to accelerate the rate at which an SAR may be exercised (including without limitation permitting an SAR to be exercised in full without regard to the installment or vesting provisions of the applicable Award Agreement or whether the SAR is at the time exercisable, to the extent it has not previously been exercised), to accelerate the vesting of any Award, to extend or renew outstanding Awards in compliance with Section 409A, to the extent applicable, or to accept the cancellation of outstanding Awards to the extent not previously exercised. however, the Committee may not cancel an outstanding SAR that is underwater for the purpose of reissuing the SAR to the Participant at a lower exercise price or granting a replacement award of a different type.

(b) *Limitations on Repricing*. Except as permitted in Section 9(a) for a change in capitalization or Section 9(c) for a Change of Control, the terms of outstanding Awards may not be amended to reduce the exercise price of outstanding SARs or cancel outstanding SARs in exchange for cash, other Awards, or SARs with an exercise price that is less than the exercise price of the original SARs without stockholder approval.

12. Term of Plan.

The Plan shall continue in effect for a term of ten years from its effective date as determined under Section 14 below, unless the Plan is sooner terminated under Section 13 below.

13. Amendment and Termination of the Plan

Subject to Applicable Laws, the Board, by action in writing, may at any time and from time to time amend, alter, suspend, discontinue, or terminate the Plan.

14. Effective Date.

This Plan, as it may be amended and restated, shall become effective on the date of its approval by the Board. Awards granted under this Plan before approval of this Plan, as it may be amended, shall be granted subject to such approval.

15. Controlling Law.

All disputes relating to or arising from the Plan shall be governed by the internal substantive laws (and not the laws of conflicts of laws) of the State of New York, to the extent not preempted by United States federal law. If any provision of this Plan is held by a court of competent jurisdiction to be invalid and unenforceable, the remaining provisions shall continue to be fully effective.

16. Laws and Regulations.

(a) *Applicable Laws*. This Plan, the grant of Awards, the exercise of SARs under this Plan, and the obligation of the Bank to deliver cash therefor) under this Plan shall be subject to all Applicable Laws. To the extent any Award is not permitted to be made or not permitted to be paid under Applicable Laws, the Award and related Award Agreement shall be deemed null and void.

(b) *Other Jurisdictions*. To facilitate the making of any grant of an Award under this Plan, the Committee may provide for such special terms for Awards to Participants who are foreign nationals or who are employed by the Bank or any Affiliate outside of the United States of America as the Committee may consider necessary or appropriate to accommodate differences in local law, tax policy or custom. The Bank may adopt rules and procedures relating to the operation and administration of this Plan to accommodate the specific requirements of local laws and procedures of particular countries. The Bank may adopt sub-plans and establish escrow accounts and trusts as may be appropriate or applicable to particular locations and countries.

17. No Shareholder Rights.

Neither a Participant nor any transferee of a Participant shall have any rights as a shareholder of the Bank with respect to any shares of Common Stock of the Bank underlying any Award. No adjustment in any Award will be made for a dividend or other right with respect to Common Stock of the Bank.

18. No Employment Rights.

The Plan shall not confer upon any Participant any right to continue an employment or service or relationship with the Bank, nor shall it affect in any way a Participant's right or the Bank's right to terminate the Participant's employment or service at any time, with or without Cause.

19. Set-Off.

The Bank shall be entitled, at its option and not in lieu of any other remedies to which it may be entitled, to set off any amounts due the Bank or any Affiliate against any amount due and payable by the Bank or any Affiliate to a Participant pursuant to this Plan or otherwise.

20. Entire Agreement.

This Plan and the applicable Award Agreement constitute the entire agreement between the Corporation and each Participant concerning the subject matter hereof, and supersedes all other agreements, whether written or oral, pursuant to such subject matter.

21. Awards Are Subject to the Bank's Policy on Sound Executive Compensation

Awards under this Plan shall be subject to forfeiture or recoupment by the Bank or as otherwise required by law, consistent with the Bank's Policy on Sound Executive Compensation, as such policy may be amended from time to time.

AMALGAMATED BANK

LONG-TERM INCENTIVE PLAN

Appendix: Definitions

As used in the Plan, the following definitions shall apply:

"**Affiliate**" means, with respect to any Person (as defined below), any other Person that directly or indirectly controls or is controlled by or under common control with such Person. For the purposes of this definition, "control," when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person or the power to elect directors, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling" and "controlled" have meanings correlative to the foregoing.

"**Applicable Law**" means the legal requirements relating to this plan under applicable U.S. federal and state laws, the Code, and the applicable laws of any other country or jurisdiction where Awards are granted, as such laws, rules, regulations and requirements shall be in place from time to time.

"**Award**" means any award made pursuant to the Plan, including awards made in the form of an SAR and/ or Incentive Award authorized by and granted under this Plan.

"**Award Agreement**" means any written document setting forth the terms of an Award that has been authorized by the Committee. The Committee shall determine the form or forms of documents to be used, and may change them from time to time for any reason.

"**Bank**" means Amalgamated Bank, a New York corporation; provided, however, that in the event the Bank reincorporates to another jurisdiction, all references to the term "Bank" shall refer to the Bank in such new jurisdiction.

"**Board**" means the Board of Directors of the Bank.

"**Cause**" for termination of a Participant's Continuous Service will exist if the Participant is terminated from employment or other service with the Bank or an Affiliate for any of the following reasons: (i) the Participant's failure, neglect of or refusal to substantially perform his or her duties and responsibilities to the Bank or deliberate violation of a material Bank policy; (ii) the Participant's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (iii) the Participant's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (iv) the Participant's willful and material breach of any of his or her obligations under any written agreement or covenant with the Bank.

The Committee shall in its discretion determine whether or not a Participant is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Participant, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate a Participant's employment at any time, and the term "Bank" will be interpreted herein to include any Affiliate or successor thereto, if appropriate.

"**Change in Control**" means, unless otherwise defined in an Award Agreement,

(a) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of more than 25 percent of the combined voting power of the Bank's then outstanding securities; provided, however, that for purposes of this paragraph (a), of this definition the following acquisitions shall not constitute a Change in Control:

(i) any acquisition of securities directly from the Bank,

(ii) any acquisition of securities by the Bank,

(iii) any acquisition of securities by any employee benefit plan (or related trust) sponsored or maintained by the Bank or any corporation controlled by the Bank, or

(iv) any acquisition of securities by any corporation or entity pursuant to a transaction that does not constitute a Change of Control under paragraph (c) of this definition; or

(b) Individuals who, as of the date this Plan was adopted by the Board of Directors (the "Approval Date"), constitute the Board (the " Incumbent Board ") cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a director subsequent to the Approval Date whose election, or nomination for election by the Bank's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered a member of the Incumbent Board, unless such individual's initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Incumbent Board; or

(c) consummation of a reorganization, merger ,or consolidation (including a merger, or consolidation of the Bank or any direct or indirect subsidiary of the Bank), or sale or other disposition of all or substantially all of the assets of the Bank (a " Business Combination "), in each case, unless, following such Business Combination,

(i) all or substantially all of the individuals and entities who were the beneficial owners of the Bank's outstanding Common Stock and the Bank's voting securities entitled to vote generally in the election of directors immediately prior to such Business Combination have direct or indirect beneficial ownership, respectively, of more than 50 percent of the then outstanding shares of common stock, and more than 50 percent of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the corporation resulting from such Business Combination (which, for purposes of this subparagraph (c)(i) and paragraphs (c)(ii) and (c)(iii)shall include a corporation which as a result of such transaction owns the Bank or all or substantially all of the Bank's assets either directly or through one or more subsidiaries), and

(ii) except to the extent that such ownership existed prior to the Business Combination, no person (excluding any corporation resulting from such Business Combination or any employee benefit plan or related trust of the Bank or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 25 percent or more of the then outstanding shares of common stock of the corporation resulting from such Business Combination or 25 percent or more of the combined voting power of the then outstanding voting securities of such corporation, and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) approval by the shareholders of the Bank of a plan of complete liquidation or dissolution of the Bank.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended. All references to specific Sections of the Code include the applicable regulations or guidance issued thereunder, as those may be amended from time to time.

"Common Stock" means the common stock of the Bank.

"**Committee**" means the Compensation Committee of the Board, or if no such Committee is appointed, the Board.

"**Continuous Service**" means the absence of any interruption or termination of service as an Employee, Director or Contractor. Continuous Service shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Committee, provided that in each case such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Bank policy adopted from time to time; (iv) changes in status from Director to advisory director or emeritus status; or (iv) in the case of transfers between locations of the Bank or between the Bank, its Affiliates, or their respective successors. Changes in status between service as an Employee and a Director, or between an Employee and a Contractor, will not constitute an interruption of Continuous Service.

"**Contractor**" means an individual or entity providing services to the Bank (not as an Employee) as described in Treas. Reg. §1.409A-1(f)(1) and which for any taxable year accounts for gross income from the performance of services under the cash receipts and disbursements method of accounting.

"**Director**" means a member of the Board.

"**Disabled**" or "**Disability**" refers to a condition under which a Participant –

(a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or

(b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Bank.

"**Eligible Person**" means any Director, Employee or Contractor and includes non-Employees to whom an offer of employment has been extended.

"**Employee**" means any person whom the Bank classifies as an employee (including an officer) for employment tax purposes. The payment by the Bank of a director's fee to a Director shall not be sufficient to constitute "employment" of such Director by the Bank.

"**Fair Market Value**" means, as of any date (the "Determination Date") the fair market value as established in good faith by the Committee and in accordance with Section 409A of the Code.

"**Grant Date**" has the meaning set forth in Section 10 of the Plan.

"**Legally Binding Right**" means, in reference to an Award, the grant by the Bank to the Participant of an enforceable right (under contract, statute or other applicable law) to payments under an Award where, after the Participant has performed the services which created the Legally Binding Right, the amount payable under the Award is not subject to unilateral reduction or elimination by the Bank or any other person. The Bank, based on the facts and circumstances and in accordance with Treas. Reg. §1.409A-1(b)(1), will determine: (i) whether a Legally Binding Right exists; or (ii) whether a Legally Binding Right does not exist on account of the existence of negative discretion which has substantive significance to reduce or eliminate the amount of payments under the Award, and may set forth in an Award Agreement the time at which a Legally Binding Right arises.

"**Participant**" means any holder of one or more Awards, or the cash issuable or issued upon exercise of such Awards, under the Plan.

"**Person**" means any natural person, association, trust, business trust, cooperative, corporation, general partnership, joint venture, joint-stock company, limited partnership, limited liability company, real estate investment trust, regulatory body, governmental agency or instrumentality, unincorporated organization, or organizational entity.

"**Plan**" means this Amalgamated Bank Long-Term Incentive Plan.

"**Retirement**" means the termination of Continuous Service with the Bank by an Employee or Director after having completed at least five years of Continuous Service and attained age 65.

"**Share Equivalent**" means the value of a share of Common Stock, as adjusted in accordance with Section 9 of the Plan and calculated in accordance with the provisions of the Plan.

"**Stock Appreciation Right**" or "**SAR**" means Awards granted pursuant to Section 5 of the Plan.

Amalgamated Bank
Annual Incentive Plan

SECTION 1: Establishment & Purpose.

1.1 Establishment of Plan. The Bank, upon approval by the Committee, hereby establishes this Amalgamated Bank Annual Incentive Plan effective January 1, 2019 ("***Effective Date***").

1.2 Purpose of Plan. The purpose of this Plan is to accomplish the following objectives:

- to align Participants with the Bank's strategic plan and critical performance goals,
- to motivate and reward the achievement of performance goals,
- to provide competitive total compensation opportunities,
- to enable the Bank to attract, motivate and retain top talent,
- to increase engagement and commitment to the Bank, and
- to ensure incentives are appropriately risk-balanced

Annual Bonuses under this Plan are payable in cash or other property, but not the equity securities of the Bank or its Subsidiaries.

1.3 Compliance with Applicable Laws. The Plan is subject to any applicable provisions of the New York Banking Law or the regulations of the New York State Banking Board, and any other applicable law or regulation.

SECTION 2: Definitions.

The following capitalized words when used in this Plan have the following meanings unless a different meaning plainly is required by the context:

2.1 *"Act"* means the Securities Exchange Act of 1934, as amended.

2.2 "***Annual Bonus***" means an incentive payment, in cash unless otherwise determined by the Committee, due to a Participant upon the achievement of certain Performance Measures as provided in this Plan.

2.3 *"Bank"* means Amalgamated Bank, a New York state-chartered bank and trust company, and its successors and assigns.

2.4 "***Base Salary***" means a Participant's annualized base salary as of the last day of the applicable Performance Period or, if earlier, the date of promotion, role change, or termination of employment if the Annual Bonus is being prorated due to a promotion or role change, or a payment is made on account of death, Disability or Retirement.

2.5 *"Board"* means the Board of Directors of the Bank.

2.6 *"Code"* means the Internal Revenue Code of 1986, as amended, and all regulations and formal guidance issued thereunder, as amended from time to time, or any successor legislation thereto.

2.7 "***Committee***" means the Compensation Committee of the Board, or such other committee as shall be appointed by the Board as provided in Section 3.1 to administer the Plan. The full Board may choose to retain authority to act as the "Committee" with respect to certain awards made under the Plan or with respect to certain powers, in which case references herein to the Committee shall be deemed to refer to the full Board.

2.8 *"Continuous Service"* means the absence of any interruption or termination of service as an Employee or Contractor. Continuous Service shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Committee, provided that in each case such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Bank policy adopted from time to time; or (iv) in the case of transfers between locations of the Bank or between the Bank, its Affiliates, or their respective successors. Changes in status between service as an Employee and a Contractor will not constitute an interruption of Continuous Service.

2.9 *"Contractor"* means an individual or entity providing services to the Bank **(**not as an Employee) as described in Treas. Reg. §1.409A -1(f)(1) and which for any taxable year accounts for gross income from the performance of services under the cash receipts and disbursements method of accounting.

2.10 "***Director***" means a member of the Board.

2.11 "***Disability***" or "***Disabled"***, except as otherwise approved by the Committee, shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, means a condition under which a Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Bank or its Subsidiaries. Disability will be determined by the Committee on the basis of such medical evidence as the Committee deems warranted under the circumstances.

2.12 "***Employee***" means any person employed by the Bank or any of its Subsidiaries.

2.13 "*Maximum Annual Bonus*" means a dollar amount or a percentage of Base Salary, as determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the maximum level of the Performance Measures is achieved.

2.14 "***Non-Employee Director***" means a Director who both (i) is not a current Employee or Officer and does not receive compensation (either directly or indirectly) from the Bank or one of its Subsidiaries for services rendered as a consultant or in any capacity other than as a Director, and (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

2.15 "***Officer***" means a person who is an officer of the Bank within the meaning of Section 16 of the Exchange Act.

2.16 "*Participant*" means any Employee who is determined by the Bank to be expected to work at least twenty hours per week for the Bank and its Subsidiaries, (ii) not covered by a collective bargaining agreement to which the Bank or any Subsidiary is a party and (iii) not participating in a sales commission plan established or maintained by the Bank or any Subsidiary.

2.17 "*Performance Measures*" means the performance goals selected for each Participant or class of Participants with respect to each Performance Period, the achievement of which shall determine the amount of the Participant's Annual Bonus for the Performance Period. The Performance Measures may include any earnings (e.g., earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; and earnings per share; each as may be defined by the Committee); financial return ratios (e.g., return on investment; return on invested capital; return on equity; and return on assets; each as may be defined by the Committee); "Texas ratio"; expense ratio; efficiency ratio; increase in revenue, operating or net cash flows; cash flow return on investment; total shareholder return; market share; net operating income, operating income or net income; debt load reduction; loan and lease losses; expense management; economic value added; stock price; book value; overhead; assets; asset quality level; charge offs; loan loss reserves; loans; deposits; nonperforming assets; growth of loans, deposits, or assets; interest sensitivity gap levels; regulatory compliance; improvement of financial rating; achievement of balance sheet or income statement objectives; improvements in capital structure; profitability; profit margins; budget comparisons or strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures; or any other objective approved by the Committee, in its sole discretion. The Performance Measures may be determined on a Bank-wide basis, with respect to one or more business units, divisions, Subsidiaries, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. The Committee will appropriately make adjustments in the method of calculating the attainment of Performance Measures for a Performance Period as follows: (i) to exclude restructuring and/or other nonrecurring charges; (ii) to exclude exchange rate effects; (iii) to exclude the effects of changes to generally-accepted accounting principles; (iv) to exclude the effects of any statutory adjustments to corporate tax rates; (v) to exclude the effects of any "extraordinary items" as determined under generally-accepted accounting principles; (vi) to exclude the dilutive effects of acquisitions or joint ventures; (vii) to assume that any business divested by the Bank-achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (viii) to exclude the effects of stock-based compensation and the award of bonuses under the Bank's bonus plans; (ix) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally-accepted accounting principles; (x) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally-accepted accounting principles; and (xi) to exclude the effect of any other unusual, non-recurring gain or loss or other extraordinary item. In addition, the Committee retains the discretion to increase, reduce or eliminate the compensation or economic benefit due upon attainment of Performance Measures and to define the manner of calculating the Performance Measures it selects to use for such Performance Period.

2.18 "*Performance Period*" means each consecutive twelve (12)-month period commencing on the first day of each fiscal year of the Bank during the term of this Plan, or a portion of such twelve-month period with respect to an Employee who becomes a Participant during such period, or such other period as determined by the Committee. As of the Effective Date, the Bank's fiscal year is the calendar year.

2.19 "*Plan*" means this Amalgamated Bank Annual Incentive Plan.

2.20 "***Retirement***" means the Participant's termination of employment with the Bank and its Subsidiaries while in good standing at or after age 65 with at least five years of Continuous Service.

2.21 "***Rule 16b-3***" means Rule 16b-3 promulgated under the Act or any successor to Rule 16b-3, as in effect from time to time.

2.22 "*Subsidiary*" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

2.23 "*Target Annual Bonus*" means a dollar amount or a percentage of Base Salary determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the target level of the Performance Measures is achieved.

2.24 "*Threshold Annual Bonus*" means a dollar amount or a percentage of Base Salary, as determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the threshold level of the Performance Measures is achieved.

SECTION 3: Administration.

3.1 Administration by Committee. The Plan shall be administered by the Committee. Except to the extent that the full Board is serving as the Committee hereunder, the Committee shall be composed solely of three or more Non-Employee Directors in accordance with Rule 16b-3 and shall act only by a majority of its members then in office (*provided* that with respect to any Annual Bonus of a Committee member, such member shall recuse himself or herself from any such vote).

3.2 Powers of Committee. The Plan shall be administered by the Committee. The Committee shall have full power and authority, subject to all applicable provisions of this Plan and applicable law, to:

(a) establish, amend, suspend or waive such rules and regulations and appoint such agents as it deems necessary or advisable for the proper administration of this Plan,

(b) construe, interpret and administer this Plan and any instrument or agreement relating to this Plan, including correcting any defect, supplying any omission or reconciling any inconsistency in the manner and to the extent it shall deem desirable to carry this Plan into effect,

(c) waive, prospectively or retroactively, any conditions that apply to any Annual Bonus,

(d) increase or decrease the amount of any Annual Bonus, and

(e) generally, exercise such powers and perform such acts as the Committee deems necessary or expedient to promote the best interests of the Bank and that are not in conflict with the provisions of the Plan.

3.3 Delegation to an Officer. The Committee may delegate its powers and duties under this Plan, including but not limited to designating the Performance Measures and other terms of Annual Bonuses, and/or approving achievement of the applicable Performance Measures, to one or more Officers or a committee of such Officers, subject to such terms, conditions and limitations as the Committee may establish in its sole discretion; *provided*, *however*, that no such Officer shall have powers with respect to his or her own Annual Bonus.

3.4 Effect of Committee's Decision. All determinations, interpretations and constructions made by the Committee will not be subject to review by any person and will be final, binding and conclusive on all persons.

SECTION 4: Participation.

Any Employee who, as of the first day of a Performance Period, satisfies the eligibility requirements to become a Participant shall participate in this Plan for that Performance period. A person who is hired by the Bank or any Subsidiary, or promoted to a position in which he is eligible to be a Participant, during a Performance Period shall participate in this Plan, but any Annual Bonus for such Performance Period will be pro-rated.

SECTION 5: Performance Measures.

5.1 Designation of Bonus Levels, Bank Performance Measures and Weightings. Prior to the start of or during each Performance Period, the Committee shall:

(a) establish a Threshold Annual Bonus, Target Annual Bonus and Maximum Annual Bonus for each Participant or class of Participants (e.g., based on job title);

(b) designate the corporate Performance Measures that will apply to such Performance Period; and

(c) determine the weightings between individual and corporate Performance Measures for each Participant or class of Participants.

5.2 Designation of Individual Performance Measures. The individual Performance Measures for each Participant other than the Bank's Chief Executive Officer and his/her direct reports shall be determined by the Chief Executive Officer's direct report that is above such Participant in the Bank's organizational structure. The Committee will have the sole authority to establish the individual Performance Measures for the Bank's Chief Executive Officer and his/her direct reports.

5.3 Approval of Achievement of Performance Measures. Following the close of each Performance Period and prior to payment of any amount to any Participant under this Plan, the Committee (or its delegate) must approve which of the applicable Bank Performance Measures for that Performance Period have been achieved and, in the case of the Bank's Chief Executive Officer and his/her direct reports, the attainment of individual Performance Measures and the corresponding Annual Bonus amounts. Division managers will approve the attainment of individual Performance Measures and the corresponding Annual Bonus amounts for all Participants other than the Bank's Chief Executive Officer and his/her direct reports. Such approval shall be made in time to permit payments to be made as set forth in Section 6.

5.4 Individual Pool. The Committee may provide that, regardless of achievement of Bank Performance Measures for a Performance Period, a bonus pool shall be created that may be used, as determined by the Committee in its sole discretion, to reward certain high-performers. In no event shall such pool exceed the total dollar amount that would be due based solely upon target level achievement of Individual Performance Measures.

SECTION 6: Benefit Payments & Conditions.

6.1 Time and Form of Payments. All payments of Annual Bonuses pursuant to this Plan shall be made not later than the fifteenth (15th) day of the third (3rd) month following the end of the Performance Period. All payments shall be made in cash, unless otherwise approved by the Committee.

6.2 Continued Employment. Except as otherwise approved by the Committee or specifically set forth in a written employment agreement between the Employee and the Bank or one of its Subsidiaries in effect on the date of such payment, no Annual Bonus payment under this Plan with respect to a Performance Period shall be paid or owed to a Participant who, on the date payment is made, is not employed in good standing with the Bank or one of its Subsidiaries or has delivered notice of resignation to the Bank or one of its Subsidiaries; *provided, however*, the following special provisions apply in cases of death, Disability or Retirement:

(a) Death or Disability - In the event that the Participant dies or becomes permanently Disabled, the Participant shall continue to be entitled to a pro-rated Annual Bonus based on his or her period of employment during the Performance Period, and assuming achievement of individual Performance Measures at target if the death or Disability occurs prior to the end of the Performance Period (or if such death or Disability occurs after the close of the Performance Period, based on actual performance), or

(b) Retirement - In the event the Participant Retires after the close of the Performance Period but prior to payment of the Annual Bonus, the Participant shall be entitled to the full Annual Bonus amount based on actual performance. If the Participant Retires prior to the last day of the Performance Period, the Committee may, but is not obligated to, approve payment of a prorated Annual Bonus to the Participant based on his or her period of employment during the Performance Period and actual performance.

Notwithstanding the foregoing, if the Committee determines (at any time) that the Participant willfully engaged, during the Performance Period in which his or her termination of employment, death or Retirement occurred, in any activity injurious to the Bank, the Committee may choose to forfeit the entire Annual Bonus otherwise due with respect to such Performance Period or may demand that the Participant repay the Bank any portion of the Annual Bonus already received. In all events of termination of employment, payment (if any) of the Annual Bonus shall be made at the normal time that Annual Bonuses are paid for a Performance Period.

6.3 Regulatory Action. Annual Bonuses will not be earned or paid, regardless of achievement of Performance Measures, (i) to the extent that any regulatory agency issues a formal, written enforcement action, memorandum of understanding or other directive action that, or a regulation, prohibits or limits the eligibility of the Participant for or pay out of the Annual Bonus to the Participant under the Plan, or (ii) if, after a review of the Bank's or its Subsidiaries' credit quality measures, the Committee considers it imprudent to provide or pay out the Annual Bonus under the Plan.

6.4 Ethical Obligations. The Bank and its Subsidiaries are committed to doing business in an honest and ethical manner and to complying with all applicable laws and regulations. Participant actions are expected to comply with the policies established by the Bank and its Subsidiaries, including their Codes of Ethics and Insider Trading Policies. Any Annual Bonus otherwise due to a Participant under the Plan may be reduced or eliminated upon a determination by the Committee or any governmental body or official designated by applicable law that the Participant has violated any such laws, regulations, codes or policies.

6.5 Clawback. A Participant who is an Officer must repay any compensation previously paid or otherwise made available to the Participant under this Plan (i) to the extent required by the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, (ii) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (iii) to the extent that the Committee determines that the Participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the Participant has willfully engaged in any activity injurious to the Bank, and/or (iv) in instances of regulatory or capital issues and bad risk behavior (i.e., significant negative individual actions such as violations of risk policies). The Participant acknowledges the rights of the Bank and its Subsidiaries to make deductions from the Participant's compensation and to engage in any legal or equitable action or proceeding in order to enforce the provisions of this Section.

6.6 Other Restrictions. The Committee may impose other restrictions on any Annual Bonus, or any cash or property paid in connection with an Annual Bonus, as the Committee deems advisable.

SECTION 7: Amendment and Termination.

The Committee may amend, alter, suspend, discontinue or terminate this Plan at any time, except that no such amendment, alteration, suspension, discontinuation or termination shall be made that would violate applicable law or the rules or regulations of the NASDAQ Stock Market or any other securities rules and regulations that are applicable to the Bank.

No right to receive an Annual Bonus shall accrue after the termination of this Plan. However, unless otherwise expressly provided by the Committee, any right to receive an Annual Bonus for the Performance Period in which such termination takes effect may extend beyond the termination of this Plan, and the authority of the Committee and its delegates to amend or otherwise administer this Plan shall extend beyond the termination of this Plan.

SECTION 8: General Provisions.

8.1 Tax Withholding. The Bank or its Subsidiaries shall be entitled to withhold and deduct from future wages of a Participant (or from other amounts that may be due and owing to a Participant from the Bank or a Subsidiary), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all federal, state, local and foreign withholding and employment-related tax requirements attributable to an Annual Bonus. The Bank may establish such rules and procedures concerning timing of any withholding election as it deems appropriate. Notwithstanding any action taken or not taken by the Bank or its Subsidiaries, the Participant shall remain solely liable for all taxes due with respect to his or her Annual Bonus.

8.2 Nontransferability. Except as otherwise determined by the Committee, no right to any Annual Bonus under this Plan, whether payable in cash or property, shall be transferable by a Participant other than by will or by the laws of descent and distribution; *provided, however*, that if so determined by the Committee, a Participant may, in the manner established by the Committee, designate a beneficiary or beneficiaries to exercise the rights of the Participant and receive any Annual Bonus upon the death of the Participant. No right to any Annual Bonus under this Plan may be pledged, attached or otherwise encumbered, and any purported pledge, attachment or encumbrance thereof shall be void and unenforceable against the Bank.

8.3 Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, or posted on the Bank's intranet (or other shared electronic medium controlled by the Bank to which the Participant has access).

8.4 Deferrals. To the extent permitted by applicable law, the Committee, in its sole discretion, (i) may determine that any cash or in-kind payment of any Annual Bonus may be deferred, (ii) may establish programs and procedures for deferral elections to be made by Participants and (iii) may implement such other terms and conditions that are consistent with the provisions of the Plan and

in accordance with applicable law. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Committee may provide for distributions while a Participant is still an employee or otherwise providing services to the Bank.

8.5 Compliance with Section 409A of the Code. This Plan will be interpreted to the greatest extent possible in a manner that makes this Plan and the Annual Bonuses paid hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, compliant with Section 409A of the Code. Notwithstanding anything to the contrary in this Plan, if a Participant holding an Annual Bonus that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses.

8.6 Headings. Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof**.**

8.7 Successors. All obligations of the Bank under this Plan shall be binding on any successor to the Bank, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Bank or otherwise.

8.8 No Employment or Other Service Rights. Nothing in this Plan or any instrument executed under the Plan or in connection with any Annual Bonus will confer upon any Participant any right to continue to serve the Bank or a Subsidiary in the capacity in effect at the commencement of participation or any Performance Period or will affect the right of the Bank or any of its Subsidiaries to terminate the employment of an Employee with or without notice and with or without cause. Any Participant's employment with the Bank and any of its Subsidiaries shall continue to be at-will.

8.9 No Trust or Fund Created. This Plan, and any action taken pursuant to the provisions thereof, shall not create or be construed to create a trust or separate fund of any kind, or a pledge or a fiduciary relationship between the Bank or any Subsidiary and a Participant or any other person or to require the Bank to segregate any funds for a Participant's benefit. To the extent that any person acquires a right to receive payments from the Bank or any Subsidiary pursuant to this Plan, such right shall be no greater than the right of any unsecured general creditor of the Bank or of any Subsidiary.

8.10 Governing Law. The validity, construction and effect of this Plan or any Annual Bonus payable under this Plan shall be determined in accordance with the laws of the state in which the Participant is employed.

8.11 Severability. Each provision in this Plan is severable, and if any provision is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

This Plan is being executed, on behalf of the Bank, by the undersigned duly-authorized officer of the Bank.

Amalgamated Bank

By: /s/ James Paul
James Paul
Chief Administrative Officer

Exhibit 10.12

AMALGAMATED BANK

NONQUALIFIED STOCK OPTION AGREEMENT

This Nonqualified Stock Option Agreement ("**Agreement**") is entered on [DATE], between Amalgamated Bank (the "**Bank**") and EMPLOYEE/BOARD MEMBER (the "**Award Recipient**").

WHEREAS, [NUMBER OF SARS] Stock Appreciation Rights ("**SARs**") were issued to the Award Recipient on [DATE] ("**Grant Date**") under the Bank's [YEAR] Long-Term Incentive Plan (the "**Award**");

WHEREAS, the Award, as originally granted, was exempt from Section 409A of the Code because it satisfied the requirements for stock appreciation rights under Treasury Regulations Section 1.409A-1(b)(5)(i)(B);

WHEREAS, the parties wish to make minor amendments to the Award in a manner that allows it to continue to qualify for exemption from Section 409A of the Code by satisfying the requirements for nonqualified stock options under Treasury Regulations Section 1.409A-1(b)(5)(i)(A); and

WHEREAS, no changes will be made to the Award that will provide the Award Recipient with any direct or indirect reduction in the exercise price of the Award or that would otherwise constitute an impermissible modification under Treasury Regulations Section 26 C.F.R. § 1.409A-1(b)(5)(v)(B).

NOW, THEREFORE, in consideration of the premises, it is agreed that the original Award shall be amended and replaced to provide in full as follows:

1. Conditional Award of Stock Options

1.1 Upon the terms and conditions of this Agreement, the Bank hereby restates and converts the SARs to the form of nonqualified stock options with respect to [NUMBER OF SHARES] of the Class A common stock of the Bank ("**Common Stock**") that become exercisable based upon satisfaction of the conditions set forth herein (the "**Award**").

1.2 The exercise price of each share of Common Stock ("**Share**") with respect to which a Stock Option is granted hereunder is equal to the Fair Market Value of a Share at the Grant Date.

1.3 Upon exercise of a Stock Option and the attendant surrender of Stock Options, the Award Recipient will be entitled to receive payment of an amount determined by multiplying –

(a) the excess of the Fair Market Value of a Share on the date of exercise of the Stock Option over the exercise price per Share of the Stock Options, by

(b) the number of Shares with respect to which the Stock Options have been exercised.

2. Award Restrictions and Vesting Conditions

2.1 The Stock Options may be exercised in accordance with the following schedule, provided that on the applicable date below the Award Recipient remains in the Continuous Service of the Bank.

Applicable Date	Percentage of Award that may be Exercised
January 1, 20__	33.3%
January 1, 20__	33.3%
January 1, 20__	33.4%

provided, however, that on each date above if a fraction of a Share would first become exercisable, a whole Share shall become exercisable in lieu thereof and on the last date on which a portion of the Award becomes exercisable, the number of Stock Options that become exercisable will be the total number of Stock Options awarded less the total number of Stock Options that previously became exercisable.

2.3 The Stock Options shall expire and may not be exercised later than ten (10) years following the Grant Date (the "**Term**").

2.4 Notwithstanding the foregoing, the Stock Options shall become accelerated and immediately exercisable in the event of the Award Recipient's termination of employment as a result of death.

2.5 To the extent that an Award Recipient is not entitled to exercise a Stock Option at the date of his or her termination of Continuous Service, or if the Award Recipient (or other Person entitled to exercise the Stock Option) does not exercise the Stock Option to the extent so entitled within the time specified in this Agreement or below (as applicable), the Stock Option shall terminate. In no event may any Stock Option be exercised after the expiration of the Stock Option Term as set forth in this Agreement.

2.6 The following provisions shall apply when there is a termination of the Award Recipient's Continuous Service:

(a) Termination other than Upon Disability or Death or for Cause. In the event of termination of an Award Recipient's Continuous Service (other than as a result of Award Recipient's death, Disability, retirement after age 65 or termination for Cause), the Award Recipient shall have the right to exercise a Stock Option at any time up to the earlier of the expiration of the Term of such Stock Option or within three (3) months following such termination to the extent the Award Recipient was entitled to exercise such Stock Option at the date of such termination.

(b) Disability. In the event of termination of an Award Recipient's Continuous Service as a result of his or her being Disabled, the Award Recipient shall have the right to exercise all vested Stock Options at any time up to the earlier of the expiration of the Term of such Stock Option or within three (3) years following such termination of Continuous Service, and all unvested Stock Options will continue to vest according to the vesting schedule in Section 2.1 and can be exercised, once vested, for up to three (3) years from the vesting date.

(c) Retirement. In the event of termination of an Award Recipient's Continuous Service as a result of Award Recipient's retirement after age 65, the Award Recipient shall have the right to exercise the Stock Option at any time up to the earlier of the expiration of the Term of such Stock Option or within three (3) years following such termination to the extent the Award Recipient was entitled to exercise such Stock Option at the date of such termination.

(d) Death. In the event of the death of an Award Recipient during the period of Continuous Service since the Grant Date of a Stock Option, then all unvested Stock Options will vest immediately and the Stock Option may be exercised at any time up to the earlier of the expiration of the Term of the Stock Option or one (1) year following the date of the Award Recipient's death, in each case by the Award Recipient's estate or by a Person who acquired the right to exercise the Stock Option by bequest or inheritance.

(e) Cause. If the Committee determines that an Award Recipient's Continuous Service terminated due to Cause, the Award Recipient shall immediately forfeit the right to exercise any Stock Option, and it shall be considered immediately null and void.

2.7 Awards under this Agreement shall be subject to forfeiture or recoupment by the Bank or as otherwise required by law, consistent with the Bank's Policy on Sound Executive Compensation, as such policy may be amended from time to time.

2.8 To exercise the Stock Options, the Person entitled to exercise the Stock Options must provide a signed written notice or the equivalent to the Bank or its designee, as prescribed by the Committee, stating the number of Shares with respect to which the Stock Options are being exercised. Such notice shall be accompanied by payment in full of the aggregate exercise price and any required tax withholding, at the election of the Award Recipient (or other Person entitled to exercise), in cash, by salary deduction authorization, by check, bank draft or money order payable to the order of Company. If the Committee approves, the Executive may also satisfy all or a portion of his obligation by: (a) the Bank withholding and not issuing a number of Shares of Common Stock otherwise issuable upon the exercise of the Stock Option which Shares have a Fair Market Value equal to the aggregate exercise price on the exercise date as determined by the Committee, (b) payment in full or part in the form of Shares of Common Stock owned by the Award Recipient (and for which the Award Recipient has good title free and clear of any liens and encumbrances) based on the Fair Market Value of the Common Stock on the exercise date as determined by the Committee, or (c) other methods as may be acceptable to the Committee. No Common Stock shall be issued under this Stock Option until payment has been made or arranged, as provided herein.

3. Additional Restrictions on Stock Options

3.1 During the Award Recipient's lifetime, the Stock Options may be exercised only by the Award Recipient or by the Award Recipient's guardian or legal representative. The Stock Options must be exercised while the Award Recipient is employed by the Bank, or in the event of a termination of employment, for such period following termination under certain circumstances, as may be provided in Section 2.6 of this Agreement. Notwithstanding the foregoing, no Stock Option may be exercised more than ten years following the Grant Date.

3.2 In the event the Award Recipient is discharged from the employ of the Bank or an Affiliate for Cause, the Award Recipient shall forfeit the right to exercise any portion of these Stock Options, which shall be immediately null and void.

3.3 The Stock Options shall not entitle the Award Recipient to any incidents of ownership (including, without limitation, dividend and voting rights) in any Shares of Common Stock of the Bank. Neither the Stock Options nor the right to enjoy any other rights or interests thereunder or hereunder may be sold, assigned, donated, transferred, exchanged, pledged, hypothecated, or otherwise encumbered, whether voluntarily or involuntarily. The Bank shall not segregate any assets in connection with Stock Options granted under this Agreement. The rights of an Award Recipient to benefits under this Agreement shall be solely those of a general, unsecured creditor of the Bank.

4. Payout of Stock Options

Upon exercise of a Stock Option, the Award Recipient will be issued Shares of Common Stock as soon as practicable after the exercise date, subject to the Bank's compliance with applicable securities laws as described in Section 6.1.

Common Stock acquired pursuant to the exercise of a Stock Option is subject to the terms and conditions of the Bank's Organization Certificate, bylaws, and other governing documents of the Bank, as they may be amended from time to time.

5. Tax Matters

5.1 The Bank shall have the right to withhold from any payments under this Agreement, or to collect as a condition of payment, any taxes required by law to be withheld. By accepting this Agreement, the Award Recipient agrees that he or she is solely responsible for the satisfaction of any taxes that may arise (including taxes arising under Sections 409A or 4999 of the Code) and that the Bank shall not have any obligation whatsoever to pay such taxes.

5.2 The Award Recipient understands that the Award Recipient (and not the Bank) shall be responsible for the Award Recipient's own tax liability that may arise as a result of the transactions contemplated by this Agreement.

5.3 It is intended that the payments and benefits provided under this Agreement will comply with the requirements of Section 409A of the Code and the regulations promulgated thereunder ("**Section 409A**") or an exemption therefrom. The Agreement shall be interpreted, construed, administered, and governed in a manner that effects such intent. No exercise and payout of any Stock Options shall be permitted unless permitted under Section 409A.

6. Additional Conditions

6.1 The Award Recipient acknowledges and makes the representations and warranties as described below and agrees to provide such other representations and warranties and take such actions as otherwise may be requested by the Bank for compliance with applicable laws, and any issuance of Common Stock by the Bank shall be made in reliance upon the express representations and warranties of the Award Recipient that:

(a) In evaluating the merits and risks of an investment in the common stock, he or she has and will rely upon the advice of his or her own legal counsel, tax advisors, and/or investment advisors.

(b) he or she is aware that any value the Common Stock may have depends on vesting as well as the Fair Market Value of the Common Stock.

(c) he or she has read and understands the restrictions and limitations set forth in this Agreement and the Bank's governing documents, which are imposed on the Common Stock.

(d) At no time was an oral representation made to him/her relating to the acquisition of Common Stock and the Award Recipient was not presented with or solicited by any promotional meeting or material relating to the Common Stock.

The Award Recipient agrees, as a condition of exercising or acquiring Common Stock under this Award, to execute such additional documents and provide such additional assurances as may be requested by the Bank. The Award Recipient further acknowledges that the Bank may, upon advice of legal counsel to the Bank, place legends on stock certificates issued in settlement of this Award as such legal counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

7. Adjustments to Stock Option

Appropriate adjustments shall be made to the number and class of Shares of Common Stock subject to the Stock Option and to the exercise price, as set forth below:

7.1 Changes in Capitalization. The Committee may equitably adjust the number of Shares covered by each outstanding Award, as well as the exercise price per Share covered by each such outstanding Award, to reflect any increase or decrease in the number of issued Shares of Common Stock of the Bank resulting from a stock-split, reverse stock-split, stock dividend, combination, recapitalization or reclassification of the Common Stock of the Bank, or any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Bank. In the event of any such transaction or event, the Committee may provide in substitution for all or a portion of this Award such alternative consideration (including securities of any surviving entity) as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of all Stock Options so replaced. In any case, such substitution of securities shall not require the consent of the Award Recipient. Except as expressly provided herein, if the Bank issues for consideration shares of stock of any class or securities convertible into shares of stock of any class, the issuance shall not affect, and no adjustment by reason thereof shall be required to be made with respect to the number or price of Shares subject to this Award.

7.2 Dissolution or Liquidation. In the event of the dissolution or liquidation of the Bank other than as part of a Change in Control, this Award will terminate immediately prior to the consummation of such action, subject to the ability of the Committee to exercise any discretion authorized in the case of a Change in Control.

7.3 Change in Control. In the event of a Change in Control, the Committee may in its sole and absolute discretion and authority, without obtaining the approval or consent of the Bank's shareholders or the Award Recipient, take one or more of the following actions to the extent consistent with Section 409A of the Code:

(a) automatically vest in full or part (and to the extent applicable, make exercisable, in full or in part) the Award;

(b) arrange for or otherwise provide that the Award shall be assumed or a substantially similar award shall be substituted by a successor corporation or a parent or subsidiary of such successor corporation (the "**Successor Corporation**");

(c) require that all outstanding Stock Options be exercised on or before a specified date (before or after such Change in Control) fixed by the Committee, after which specified date all unexercised Stock Options shall terminate;

(d) arrange or otherwise provide for the payment of cash or other consideration to the Award Recipient in exchange for the satisfaction and cancellation of this Award; or

(e) make such other modifications, adjustments or amendments to this Award as the Committee deems necessary or appropriate, subject however to the terms of Section 7.5 below.

7.4 Certain Distributions. In the event of any distribution to the Bank's shareholders of securities of any other entity or other assets (other than dividends payable in cash or stock of the Bank) without receipt of consideration by the Bank, the Committee may, in its discretion, appropriately adjust the price per Share Equivalent covered by each outstanding Award to reflect the effect of such distribution.

7.5 Modification, Extension, and Renewal of Awards. Within the limitations of this Agreement, the Committee may modify this Award to accelerate the rate at which a Stock Option may be exercised (including without limitation permitting a Stock Option to be exercised in full without regard to the installment or vesting provisions of this Agreement or whether the Stock Option is at the time exercisable, to the extent it has not previously been exercised), to accelerate the vesting of this Award, to extend or renew this Award in compliance with Section 409A, to the extent applicable, or to accept the cancellation of this Award to the extent not previously exercised. However, the Committee may not cancel an outstanding Stock Option that is underwater for the purpose of reissuing the Stock Option to the Participant at a lower exercise price or granting a replacement award of a different type.

7.6 Limitations on Repricing. Except as permitted in Section 7.1 for a change in capitalization or Section 7.3 for a Change in Control, the terms of this Award may not be amended to reduce the exercise price of outstanding Stock Options or cancel outstanding Stock Options in exchange for cash, other awards, or Stock Options with an exercise price that is less than the exercise price of the original Stock Options without stockholder approval.

8. No Contract of Employment Intended

Nothing in this Agreement shall confer upon the Award Recipient any right to continue in the employment of the Bank or to interfere in any way with the right of the Bank to terminate the Award Recipient's employment relationship with the Bank at any time.

9. Binding Effect

This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators and successors.

10. Definitions

The following capitalized terms used in this Agreement shall have the meanings set forth below:

"**Affiliate**" means, with respect to any Person (as defined below), any other Person that directly or indirectly controls or is controlled by or under common control with such Person. For the purposes of this definition, "control," when used with respect to any Person, means the possession, direct or indirect, of the power to direct or cause the direction of the management and policies of such Person or the power to elect directors, whether through the ownership of voting securities, by contract or otherwise; and the terms "affiliated," "controlling" and "controlled" have meanings correlative to the foregoing.

"**Applicable Law**" means the legal requirements relating to this plan under applicable U.S. federal and state laws, the Code, and the applicable laws of any other country or jurisdiction where Awards are granted, as such laws, rules, regulations and requirements shall be in place from time to time.

"**Bank**" means Amalgamated Bank, a New York commercial bank; *provided*, *however*, that in the event the Bank reincorporates to another jurisdiction, all references to the term "Bank" shall refer to the Bank in such new jurisdiction.

"**Board**" means the Board of Directors of the Bank.

"**Cause**" for termination of the Award Recipient's Continuous Service will exist if the Award Recipient is terminated from employment or other service with the Bank for any of the following reasons: (i) the Award Recipient's willful failure[1] to substantially perform his or her duties and responsibilities to the Bank or deliberate violation of a material Bank policy; (ii) the Award Recipient's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (iii) the Award Recipient's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any other party to whom the Award Recipient owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (iv) the Award Recipient's willful and material breach of any of his or her obligations under any written agreement or covenant with the Bank.

The Committee shall in its discretion determine whether or not the Award Recipient is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Award Recipient, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate the Award Recipient's employment at any time, and the term "Bank" will be interpreted herein to include any of its Affiliates or successor thereto, if appropriate.

"**Change in Control**" means,

(a) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Securities Exchange Act of 1934) of more than 25 percent (25%) of the combined voting power of the Bank's then outstanding securities; *provided*, *however*, that for purposes of this paragraph (a), of this definition the following acquisitions shall not constitute a Change in Control:

(i) any acquisition of securities directly from the Bank,

(ii) any acquisition of securities by the Bank,

(iii) any acquisition of securities by any employee benefit plan (or related trust) sponsored or maintained by the Bank or any corporation controlled by the Bank, or

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1 Drafting Note: For 2016 (and possibly 2016) awards, delete "willful" and add ", neglect of or refusal" after 'failure'.

(iv) any acquisition of securities by any corporation or entity pursuant to a transaction that does not constitute a Change in Control under paragraph

(c) of this definition; or

(b) Individuals who, as of the date the Bank's 2017 Long-Term Incentive Plan was adopted by the Board (the "**Approval Date**"), constitute the Board (the "**Incumbent Board**") cease for any reason to constitute at least a majority of the Board; *provided*, *however*, that any individual becoming a director subsequent to the Approval Date whose election, or nomination for election by the Bank's shareholders, was approved by a vote of at least a majority of the directors then comprising the Incumbent Board shall be considered a member of the Incumbent Board, unless such individual's initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of directors or other actual or threatened solicitation of proxies or consents by or on behalf of a person other than the Incumbent Board; or

(c) consummation of a reorganization, merger, or consolidation (including a merger, or consolidation of the Bank or any direct or indirect subsidiary of the Bank), or sale or other disposition of all or substantially all of the assets of the Bank (a "**Business Combination**"), in each case, unless, following such Business Combination,

(i) all or substantially all of the individuals and entities who were the beneficial owners of the Bank's outstanding Common Stock and the Bank's voting securities entitled to vote generally in the election of directors immediately prior to such Business Combination have direct or indirect beneficial ownership, respectively, of more than 50 percent (50%) of the then outstanding shares of common stock, and more than 50 percent (50%) of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, of the corporation resulting from such Business Combination (which, for purposes of this subparagraph (c)(i) and paragraphs (c)(ii) and (c)(iii) shall include a corporation which as a result of such transaction owns the Bank or all or substantially all of the Bank's assets either directly or through one or more subsidiaries), and

(ii) except to the extent that such ownership existed prior to the Business Combination, no person (excluding any corporation resulting from such Business Combination or any employee benefit plan or related trust of the Bank or such corporation resulting from such Business Combination) beneficially owns, directly or indirectly, 25 percent (25%) or more of the then outstanding shares of common stock of the corporation resulting from such Business Combination or 25 percent (25%) or more of the combined voting power of the then outstanding voting securities of such corporation, and

(iii) at least a majority of the members of the board of directors of the corporation resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination; or

(d) approval by the shareholders of the Bank of a plan of complete liquidation or dissolution of the Bank.

"**Code**" means the U.S. Internal Revenue Code of 1986, as amended. All references to specific Sections of the Code include the applicable regulations or guidance issued thereunder, as those may be amended from time to time.

"**Committee**" means the Compensation Committee of the Board, or if no such Committee is appointed, the Board. "**Continuous Service**" means the absence of any interruption or termination of service as an

Employee, Director or Contractor. Continuous Service shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Committee, *provided* that in each case such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Bank policy adopted from time to time; (iv) changes in status from Director to advisory director or emeritus status; or (iv) in the case of transfers between locations of the Bank or between the Bank, its Affiliates, or their respective successors. Changes in status between service as an Employee and a Director, or between an Employee and a Contractor, will not constitute an interruption of Continuous Service.

"**Contractor**" means an individual or entity providing services to the Bank (not as an Employee) as described in Treas. Reg. §1.409A-1(f)(1) and which for any taxable year accounts for gross income from the performance of services under the cash receipts and disbursements method of accounting.

"**Director**" means a member of the Board.

"**Disabled**" or "**Disability**" refers to a condition under which a Participant –

(a) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or

(b) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three (3) months under an accident or health plan covering employees of the Bank.

"**Employee**" means any person whom the Bank classifies as an employee (including an officer) for employment tax purposes. The payment by the Bank of a director's fee to a Director shall not be sufficient to constitute "employment" of such Director by the Bank.

"**Fair Market Value**" means, as of any date, the value of the Common Stock determined as follows: (i) if the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a Share of Common Stock shall be the closing sales price for such Common Stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Committee deems reliable; (ii) unless otherwise provided by the Committee, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value shall be the closing selling price on the last preceding date for which such quotation as described in clause (i) above exists; or (iii) in the absence of such markets for the Common Stock, the Fair Market Value shall be determined by the Committee in good faith by the reasonable application of a reasonable valuation method and in a manner that complies with Section 409A of the Code.

"**Person**" means any natural person, association, trust, business trust, cooperative, corporation, general partnership, joint venture, joint-stock company, limited partnership, limited liability company, real estate investment trust, regulatory body, governmental agency or instrumentality, unincorporated organization, or organizational entity.

11. Treatment upon Death

Upon the Award Recipient's death, any such interest will be transferred as provided in the Award Recipient's will or according to the applicable laws of descent and distribution.

12. Notices

Any notice or communication required or permitted by any provision of this Agreement to be given to the Award Recipient shall be in writing or by electronic means as set forth in Section 18 and, if in writing, shall be delivered personally or sent by certified mail, return receipt requested, addressed to the Award Recipient at the last address that the Bank had for the Award Recipient on its records. Each party may, from time to time, by notice to the other party hereto, specify a new address for delivery of notices relating to this Agreement. Any such notice shall be deemed to be given as of the date such notice is personally delivered or properly mailed, or electronically delivered.

13. Modifications

This Agreement may be modified or amended at any time without the consent of the Award Recipient; *provided* that, except as otherwise provided by Applicable Law, the Award Holder must consent in writing or by electronic means to any modification that adversely alters or impairs any vested rights or obligations under this Stock Option. Notwithstanding the foregoing, the Bank reserves the right to amend or terminate this Agreement as necessary to comply with Section 409A.

14. Headings

Section and other headings contained in this Agreement are for reference purposes only and are not intended to describe, interpret, define or limit the scope or intent of this Agreement or any provision hereof.

15. Severability

Every provision of this Agreement is intended to be severable. If any term hereof is illegal or invalid for any reason, such illegality or invalidity shall not affect the validity or legality of the remaining terms of this Agreement.

16. General

16.1 This Agreement contains all terms of the Award and supersedes and replaces all prior discussions and documents relating to the Award, including but not limited to the original Stock Appreciation Rights Agreement referenced at the beginning of this Agreement.

16.2 The Bank shall be entitled, at its option and not in lieu of any other remedies to which it may be entitled, to set off any amounts due the Bank or any Affiliate against any amount due and payable by the Bank or any Affiliate to an Award Recipient pursuant to this Agreement or otherwise.

16.3 All section references are to sections of this Agreement unless otherwise specified.

16.4 The Bank shall not segregate any assets in connection with Stock Options granted under this Agreement. The rights of the Award Recipient to benefits under this Agreement shall be solely those of a general, unsecured creditor of the Bank.

16.5 This Award shall be subject to forfeiture or recoupment by the Bank or as otherwise required by law, consistent with the Bank's Policy on Sound Executive Compensation, as such policy may be amended from time to time.

16.6 Administration. The Committee shall administer this Award in accordance with its terms, *provided* that the Board may act in lieu of the Committee on any matter. The Committee shall hold meetings at such times and places as it may determine and shall make such rules and regulations for the conduct of its business as it deems advisable. In the absence of a duly-appointed Committee, or if the Board otherwise chooses to act in lieu of the Committee, the Board shall function as the Committee for all purposes of this Award.

Subject to the provisions of this Agreement, the Committee shall have the authority, in its sole discretion:

(i) to determine, from time to time, Fair Market Value;

(ii) to determine, and to set forth in this Agreement, the terms and conditions of this Award, including any applicable exercise price, the installments and conditions under which this Award shall become vested (which may be based on performance), terminated, expired, cancelled, or replaced, and the circumstances for vesting, acceleration or waiver of forfeiture restrictions, and other restrictions and limitations;

(iii) to approve the form of this Agreement and all other documents, notices, and certificates in connection therewith, which need not be identical either as to type of Award or among other Award Recipients;

(iv) to construe and interpret the terms of this Agreement, to determine the meaning of their terms, and to prescribe, amend, and rescind rules and procedures relating to this Award and its administration;

(v) in order to fulfill the purposes of this Award and without amending this Agreement, modify, cancel, or waive the Bank's rights with respect to this Award, and to adjust or to modify this Agreement for changes in Applicable Law; and

(vi) to make all other interpretations and to take all other actions that the Committee may consider necessary or advisable to administer this Award or to effectuate its purposes.

Subject to Applicable Law and the restrictions set forth in this Agreement, the Committee may delegate administrative functions to individuals who are officers, or Employees of the Bank or its Affiliates. If the Award Recipient is not an officer, the Committee may delegate to appropriate officers of the Bank its authority to determine the size and type of Awards to be received by the Award Recipient and to set and modify the terms of such Award; *provided*, *however*, that all such Awards shall comply with the terms of this Agreement. Any actions taken by the delegate shall be treated as actions by the Committee.

The Committee shall have the sole discretion to interpret or construe ambiguous, unclear, or implied (but omitted) terms in any fashion it deems to be appropriate, and to make any findings of fact needed in the administration of this Agreement. The Committee's prior exercise of its discretionary authority shall not obligate it to exercise its authority in a like fashion thereafter. The

Committee's interpretation and construction of any provision of this Agreement shall be final, binding, and conclusive. The validity of any such interpretation, construction, decision, or finding of fact shall not be given de novo review if challenged in court, by arbitration, or in any other forum, and shall be upheld unless clearly arbitrary or capricious.

Neither the Board nor any Committee member, nor any Person acting at the direction of the Board or the Committee, shall be liable for any act, omission, interpretation, construction, or determination made in good faith with respect to this Award or this Agreement. The Bank and its Affiliates shall pay or reimburse any member of the Committee, as well as any Director or Employee, who takes action in connection with this Award for all expenses incurred with respect to this Award, and to the full extent allowable under Applicable Law shall indemnify each and every one of them for any claims, liabilities, and costs (including reasonable attorney's fees) arising out of their good faith performance of duties under this Award. The Bank and its Affiliates may obtain liability insurance for this purpose.

17. Governing Law

The laws of the State of New York shall govern the validity of this Agreement, the construction of its terms, and the interpretation of the rights and duties of the parties hereto.

18. Electronic Delivery; Acceptance of Agreement

The Bank may, in its sole discretion, deliver any documents related to this Award by electronic means or request the Award Recipient's consent to this Award by electronic means. By accepting the terms of this Agreement, the Award Recipient hereby consents to receive such documents by electronic delivery and agrees to participate in this Award through an on-line or electronic system established and maintained by the Bank or a third party designated by the Bank.

IN WITNESS WHEREOF, the Award Recipient and the Bank have signed this Agreement.

AMALGAMATED BANK	AWARD RECIPIENT
By _____	_____
Name: Keith Mestrich	Name: _____
Title: President & CEO	Title: _____
Date: _____	Date: _____

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN

ADOPTED BY THE BOARD OF DIRECTORS: MARCH 7, 2019
APPROVED BY THE STOCKHOLDERS: APRIL 30, 2019
IPO EFFECTIVE DATE: August 13, 2018

1. GENERAL

(a) Purpose. The Plan, through the grant of Awards, is intended to help the Bank secure and retain the services of eligible Award recipients, provide incentives for such persons to exert maximum efforts for the success of the Bank and its Subsidiaries, and provide a means by which the eligible recipients may benefit from increases in value of the Common Stock.

(b) Compliance with Applicable Laws. The Plan is subject to any applicable provisions of the New York Banking Law or the regulations of the New York State Banking Board, and any other applicable law or regulation.

(c) Eligible Award Recipients. Employees, Directors and Consultants are eligible to receive Awards under the Plan.

(d) Available Awards. The Plan provides for the grant of Restricted Stock Awards, and Restricted Stock Unit Awards.

(e) Effective Date. The Plan will not become effective until the date that the Plan has been approved by the Board. The effectiveness of the Plan shall be subject to approval by the holders of a majority of the outstanding shares of capital stock of the Bank within 12 months before or after the date the Plan is adopted by the Board. Such approval shall be obtained in the manner and to the degree required under applicable laws. No Shares may be delivered to any Participant under the Plan unless and until such shareholder approval is obtained. If such shareholder approval is not obtained, all Awards made hereunder shall be null and void.

(f) Duration. The Plan shall remain in effect until the earliest of (i) the date the Board terminates the Plan pursuant to Section 10, (ii) the Plan's automatic termination as set forth in Section 10, or (iii) the date that all Shares authorized for issuance under the Plan shall have been purchased or granted according to the Plan's provisions.

2. ADMINISTRATION.

(a) Administration by Committee. The Plan shall be administered by the Committee. Except to the extent that the full Board is serving as the Committee hereunder, the Committee shall be composed solely of three or more Non-Employee Directors, in accordance with Rule 16b-3 and shall act only by a majority of its members then in office (*provided* that with respect to the grant of any Award to a Committee member, such member shall recuse himself or herself from any such vote).

(b) Powers of Committee. Except for those powers expressly reserved for the Board in the Plan document, the Committee will have the power, subject to and within the limitations of the express provisions of the Plan:

(i) To determine who will be granted Awards and the terms of such Awards (subject to the recusal obligations described in (a) above). The provisions of each Award need not be identical.

(ii) To construe and interpret the Plan and Awards granted under it, and to establish, amend and revoke rules and regulations for administration of the Plan and Awards. The Committee, in the exercise of these powers, may correct any defect, omission or inconsistency in the Plan or in any Award Agreement, in a manner and to the extent it deems necessary or expedient to make the Plan or Award fully effective.

(iii) To settle all controversies regarding the Plan and Awards granted under it.

(iv) To accelerate, in whole or in part, the time at which an Award may vest (or the time at which cash or shares of Common Stock may be issued in settlement thereof).

(v) To approve forms of Award Agreements for use under the Plan and to amend the terms of any one or more Awards in accordance with the Plan, including, but not limited to, amendments to provide terms more favorable to the Participant than previously provided in the Award Agreement, subject to any specified limits in the Plan that are not subject to Committee discretion; *provided, however,* that a Participant's rights under any then-outstanding Award will not be materially impaired by any such amendment unless such Participant consents in writing. Notwithstanding the foregoing, (A) a Participant's rights will not be deemed to have been materially impaired by any such amendment if the Committee, in its sole discretion, determines that the amendment, taken as a whole, does not materially impair the Participant's rights, and (B) subject to the limitations of applicable law, if any, the Committee may amend the terms of any Award without the affected Participant's consent (1) to clarify the manner of exemption from, or to bring the Award into compliance with, Section 409A of the Code; or (2) to comply with applicable laws or listing requirements.

(vi) To effect, with the consent of any adversely affected Participant and in accordance with the Plan, the cancellation of any outstanding Award and the grant in substitution therefor of a new Award and/or other valuable consideration determined by the Committee, in its sole discretion.

(vii) Generally, to exercise such powers and to perform such acts as the Committee deems necessary or expedient to promote the best interests of the Bank and that are not in conflict with the provisions of the Plan or Awards.

(c) Delegation to an Officer. The Committee may delegate to one or more Officers the authority to do one or both of the following with respect to Awards: (i) designate, to the extent permitted by applicable law, Employees who are not Officers to be recipients of Awards and the terms of such Awards, and (ii) determine the number of shares of Common Stock (if applicable) to be subject to such Awards granted to such Employees; *provided, however*, that the Committee approval of such delegation will specify the total number of shares of Common Stock and total dollar amount of cash that may be subject to the Awards granted by such Officer and that such Officer may not grant an Award to himself or herself. Any such Awards will be granted on the form of Award Agreement most recently approved for use by the Committee, unless otherwise provided in the resolutions approving the delegation authority.

(d) Effect of Committee's Decision. All determinations, interpretations and constructions made by the Committee will not be subject to review by any person and will be final, binding and conclusive on all persons.

3. SHARES SUBJECT TO THE PLAN.

(a) Share Reserve. Subject to Section 9(a) relating to Capitalization Adjustments, the aggregate number of Shares of Common Stock that may be issued pursuant to Awards will not exceed 1,250,000 Shares (the "***Share Reserve***"), *plus* the number of Shares that revert to the Plan as described in Section 3(b) below, as such Shares become available from time to time.

For clarity, the Share Reserve in this Section 3(a) is a limitation on the number of Shares of Common Stock that may be issued pursuant to the Plan. As a single Share may be subject to grant more than once (e.g., if a Share subject to an Award is forfeited, it may be made subject to grant again as provided in Section 3(b) below), the Share Reserve is not a limit on the number of Awards that can be granted. Shares may be issued in connection with a merger or acquisition as permitted by NASDAQ Listing Rule 5635(c) and other applicable law and rules, and such issuance will not reduce the number of Shares available for issuance under the Plan.

(b) Reversion of Shares to the Share Reserve. If an Award or any portion thereof (i) expires or otherwise terminates without all of the Shares covered by such Award having been issued, or (ii) is settled in cash (*i.e.*, the Participant receives cash rather than Common Stock), such expiration, termination or settlement will not reduce (or otherwise offset) the number of Shares of Common Stock that may be available for issuance under the Plan. If any Shares of Common Stock issued pursuant to an Award are forfeited back to or repurchased by the Bank because of the failure to meet a contingency or condition required to vest such Shares in the Participant, then the Shares that are forfeited or repurchased will revert to and again become available for issuance under the Plan. In addition, in the case of any Award granted in substitution for an award of a company or business acquired by the Bank or a Subsidiary, Shares issued or issuable in connection with such substitute Award shall not be counted against the number of Shares reserved under the Plan, but shall be available under the Plan by virtue of the Bank's assumption of the plan or arrangement of the acquired company or business. All Shares of Restricted Stock which vest, and all Shares issued in settlement of a Restricted Stock Unit, or withheld for payment of any tax imposed upon the settlement of the Award, shall reduce the total number of Shares available under the Plan and shall not again be available for the grant of any Award hereunder.

(c) Limitation on Grants to Non-Employee Directors. The maximum number of Shares subject to Awards granted under this Plan or under any other equity plan maintained by the Bank during a single fiscal year to any Non-Employee Director (other than a director not on the Board at the time of the grant), taken together with any cash fees paid to such Non-Employee Director during the fiscal year, will not exceed $500,000**.** in total value (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes and excluding, for this purpose, the value of any dividend equivalent payments paid pursuant to any Award granted in a previous fiscal year).

(d) Source of Shares. The stock issuable under the Plan will be Shares of authorized but unissued or reacquired Common Stock, including Shares repurchased by the Bank on the open market or otherwise.

4. ELIGIBILITY AND PARTICIPATION. Awards may be granted to Employees, Directors or Consultants.

5. RESTRICTED STOCK AWARDS. Each Restricted Stock Award shall be evidenced by an Award Agreement in such form and containing such terms and conditions as the Committee deems appropriate. To the extent consistent with the Bank's bylaws, at the Committee's election, Shares may be held in book entry form subject to the Bank's instructions until any restrictions relating to the Restricted Stock Award lapse; or evidenced by a certificate, which certificate will be held in such form and manner as determined by the Committee. The terms and conditions of Award Agreements evidencing Restricted Stock Awards may change from time to time, and the terms and conditions of separate Award Agreements need not be identical. Each Award Agreement will conform to (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:

(a) Consideration. A Restricted Stock Award may be awarded in consideration for (i) cash, check, bank draft or money order payable to the Bank, (ii) past services to the Bank or one or more of its Subsidiaries, or (iii) any other form of legal consideration (including future services) that may be acceptable to the Committee, in its sole discretion, and permissible under applicable law.

(b) Vesting. Shares awarded under the Restricted Stock Award may be subject to forfeiture to the Bank in accordance with a vesting schedule to be determined by the Committee; *provided*, *however* that no Restricted Stock Award shall vest prior to one (1) year after its date of grant except upon a Change in Control as described in Section 9(c) or, if specifically referenced in the Award Agreement, upon death or Disability. Vesting may occur in periodic installments that may or may not be equal and may be based on the satisfaction of Performance Measures or other criteria as the Committee may deem appropriate. The vesting provisions of individual Restricted Stock Awards may vary.

(c) Separation from Service. Except as otherwise provided in the applicable Award Agreement or Section 9(c) below, if a Participant Separates from Service (other than for Cause), the Restricted Stock Award shall terminate immediately and the Participant shall forfeit the portion of the Shares held by the Participant that have not vested as of such date of Separation from Service. The portion of the Shares that have already vested as of such date of Separation from Service shall remain subject to any Bank repurchase rights set forth in the applicable Award Agreement.

(d) Termination for Cause. Except as explicitly provided otherwise in a Participant's Award Agreement, if a Participant Separates from Service for Cause or Cause is thereafter determined by the Committee to exist, the Restricted Stock Award will terminate immediately upon such Participant's Separation from Service (or, if earlier, the Bank's notice of such Separation from Service for Cause) and the Bank shall have the right to repurchase any or all Shares that have already vested as of the date of such Separation from Service or notice thereof, as applicable, for the lesser of their Fair Market Value or $0.01 per Share, and if any such Shares have been transferred, sold or otherwise assigned by the Participant (or are otherwise not available for repurchase by the Bank), the Participant will immediately repay the gross proceeds back to the Bank.

(e) Transferability. Rights to acquire Shares under a Restricted Stock Award will be transferable by the Participant only upon such terms and conditions as are set forth in the Award Agreement, as the Committee will determine in its sole discretion, so long as such Shares remain subject to the terms of the Award Agreement.

(f) Dividends. Unless specifically provided in the applicable Award Agreement, the Participant shall have no rights to dividends on the portion of his/her Restricted Stock Award that have not yet vested as of the applicable record date. To the extent that the applicable Award Agreement provides for a right to dividends paid on Shares of restricted stock that have not yet vested, such dividends will be subject to the same vesting and forfeiture restrictions as apply to the Shares subject to the Restricted Stock Award to which they relate, and shall be paid to the Participant within 30 days following the date the underlying Share vests in full. The Participant shall be entitled to interest or earnings on such dividends only to the extent specifically provided in the applicable Award Agreement.

6. RSU AWARDS. Each RSU Award will be evidenced by an Award Agreement in such form and containing such terms and conditions as the Committee will deem appropriate. The terms and conditions of RSU Awards may change from time to time, and the terms and conditions of separate RSU Awards need not be identical. Each Award Agreement evidencing an RSU Award will conform to (through incorporation of the provisions hereof by reference in the Award Agreement or otherwise) the substance of each of the following provisions:

(a) Consideration. At the time of grant of a RSU Award, the Committee will determine the consideration, if any, to be paid by the Participant upon delivery of each Share subject to the RSU Award. The consideration to be paid (if any) by the Participant for each Share subject to a RSU Award may be paid in any form of legal consideration that may be acceptable to the Committee, in its sole discretion, and permissible under applicable law.

(b) Vesting. At the time of the grant of a RSU Award, the Committee may impose such restrictions on or conditions to the vesting of the RSU Award as it, in its sole discretion, deems appropriate. Vesting may occur in periodic installments that may or may not be equal and may be based on the satisfaction of Performance Measures or other criteria as the Committee may deem appropriate. The vesting provisions of individual RSU Awards may vary; *provided*, *however* that no Restricted Stock Award shall vest prior to one (1) year after its date of grant except upon a Change in Control as described in Section 9(c) or, if specifically referenced in the Award Agreement, upon death or Disability.

(c) Separation from Service. Except as otherwise provided in the applicable Award Agreement or Section 9(c) below, if a Participant Separates from Service (other than for Cause), the RSU Award shall terminate immediately and the Participant shall forfeit any right to the RSU Award that has not yet vested as of such date of Separation from Service.

(d) Separation from Service for Cause. Except as explicitly provided otherwise in a Participant's Award Agreement, if a Participant Separates from Service for Cause or Cause is thereafter determined by the Committee to exist, the RSU Award will terminate immediately upon such Participant's Separation from Service (or, if earlier, the Bank's notice of such Separation from Service for Cause) and the Participant shall have no further rights with respect thereto. To the extent that any Shares have already been issued to the Participant pursuant to the RSU Award as of the date of such Separation from Service or notice thereof, as applicable, the Bank shall have the right to repurchase any or all such Shares for the lesser of their Fair Market Value or $0.01 per Share, and if any such Shares have been transferred, sold or otherwise assigned by the Participant (or are otherwise not available for repurchase by the Bank), the Participant will immediately repay the gross proceeds back to the Bank.

(e) Payment. An RSU Award may be settled by the delivery of Shares, their cash equivalent, any combination thereof or in any other form of consideration, as determined by the Committee and contained in the RSU Award Agreement. At the time of the grant of a RSU Award, the Committee, as it deems appropriate, may impose such restrictions or conditions that delay the delivery of the Shares (or their cash equivalent) subject to a RSU Award, and any dividend equivalents thereon, to a time after the vesting of such RSU Award; *provided*, that any such delay shall be structured in good faith to exempt such delayed payment from, or be compliant with, Code Section 409A.

(f) Dividend Equivalents. Unless specifically provided in the applicable Award Agreement, the Participant shall have no rights to dividends unless and until Shares are issued to the Participant upon vesting of his/her RSU Award. To the extent that the applicable Award Agreement provides for a right to dividend equivalents credited in respect of Shares covered by the RSU Award, such dividend equivalents may be converted into additional Shares covered by the RSU Award, at the sole discretion of and in such manner as determined by the Committee. Any dividend equivalents on the RSU Award, and any additional Shares into which such dividend equivalents are converted pursuant to the foregoing sentence, will be subject to all of the same terms and conditions of the underlying Award Agreement to which they relate and any such cash dividend equivalents shall be paid to the Participant within 30 days following the date the underlying Share vests in full. The Participant shall be entitled to interest or earnings on such dividend equivalents only to the extent specifically provided in the applicable Award Agreement.

(g) Transferability. Rights to acquire Shares under the Award Agreement will be transferable by the Participant only upon such terms and conditions as are set forth in the Award Agreement, as the Committee will determine in its sole discretion, so long as such Shares remain subject to the terms of the Award Agreement.

7. COVENANTS OF THE BANK.

(a) Availability of Shares. The Bank will keep available at all times the number of Shares reasonably required to satisfy then-outstanding Awards.

(b) Securities Law Compliance. The Bank will seek to obtain from each regulatory commission or agency having jurisdiction over the Plan such authority as may be required to grant Awards and to issue and sell Shares upon exercise of the Awards; *provided, however*, that this undertaking will not require the Bank to register under the Securities Act of 1933, as amended, the Plan, any Award or any Common Stock issued or issuable pursuant to any such Award. If, after reasonable efforts and at a reasonable cost, the Bank is unable to obtain from any such regulatory commission or agency the authority that counsel for the Bank deems necessary for the lawful issuance and sale of Common Stock under the Plan, the Bank will be relieved from any liability for failure to issue and sell Common Stock upon exercise of such Awards unless and until such authority is obtained. A Participant will not be eligible for the grant of an Award or the subsequent issuance of cash or Common Stock pursuant to the Award if such grant or issuance would be in violation of any applicable securities law.

(c) No Obligation to Notify or Minimize Taxes. The Bank will have no duty or obligation to any Participant to advise such holder as to the time or manner of exercising any Award. Furthermore, the Bank will have no duty or obligation to warn or otherwise advise such holder of a pending termination or expiration of an Award or a possible period in which the Award may not be exercised. The Bank has no duty or obligation to minimize the tax consequences of an Award to the holder of such Award. Notwithstanding anything in this Plan or the applicable Award Agreement to the contrary, neither the Bank nor any other person or entity guarantees, warrants or otherwise represents that an Award made under this Plan will produce any favorable or desired tax or other result; and any statement, inference or other communication to the contrary (under this Plan, the applicable Award Agreement or otherwise) is and shall be subject to the provisions and qualifications and disclaimer of this sentence. The Participant shall be solely and exclusively responsible for any and all such results.

8. MISCELLANEOUS.

(a) Corporate Action Constituting Grant of Awards. Corporate action constituting a grant by the Bank of an Award to any Participant will be deemed completed as of the date of such corporate action, unless otherwise determined by the Committee, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (e.g., Committee consents, resolutions or minutes) documenting the corporate action constituting the grant contain terms (e.g., exercise price, vesting schedule or number of Shares) that are inconsistent with those in the Award Agreement or related grant documents as a result of a clerical error in the papering of the Award Agreement or related grant documents, the corporate records will control and the Participant will have no legally binding right to the incorrect term in the Award Agreement or related grant documents.

(b) Stockholder Rights. No Participant will be deemed to be the holder of, or to have any of the rights of a holder with respect to, any Shares subject to an Award unless and until (i) such Participant has satisfied all requirements for the issuance of Shares under the Award pursuant to its terms, and (ii) the issuance of the Common Stock subject to such Award has been entered into the books and records of the Bank (or its transfer agent).

(c) No Employment or Other Service Rights. Nothing in the Plan, any Award Agreement or any other instrument executed under the Plan or in connection with any Award granted pursuant to the Plan will confer upon any Participant any right to continue to serve the Bank or a Subsidiary in the capacity in effect at the time the Award was granted or will affect the right of the Bank or any of its Subsidiaries to terminate the employment of an Employee or the service of a Consultant or Director with or without notice and with or without cause.

(d) Change in Time Commitment. In the event a Participant's regular level of time commitment in the performance of his or her services for the Bank and its Subsidiaries is reduced (for example, and without limitation, if the Participant is an Employee of the Bank and the Employee has a change in status from full-time to part-time or takes an extended leave of absence) after the date of grant of any Award to the Participant, the Committee has the right in its sole discretion to (i) make a corresponding reduction in the number of Shares or cash amount subject to any portion of such Award that is scheduled to vest or become payable after the date of such change in time commitment, and (ii) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended.

(e) Investment Assurances. The Bank may require a Participant, as a condition of acquiring Common Stock under any Award, (i) to give written assurances satisfactory to the Bank as to the Participant's knowledge and experience in financial and business matters, to employ a purchaser representative reasonably satisfactory to the Bank who is knowledgeable and experienced in financial and business matters, and that such Participant is capable of evaluating, alone or together with the purchaser representative, the merits and risks of exercising the Award; and (ii) to give written assurances satisfactory to the Bank stating that the Participant is acquiring Common Stock subject to the Award for the Participant's own account and not with any present intention of selling or otherwise distributing the Common Stock. The foregoing requirements, and any assurances given pursuant to such requirements, will be inoperative if a determination is made by counsel for the Bank that such requirement need not be met in the circumstances under the then applicable securities laws. The Bank may, upon advice of counsel to the Bank, place legends on stock certificates issued under the Plan as such counsel deems necessary or appropriate in order to comply with applicable securities laws, including, but not limited to, legends restricting the transfer of the Common Stock.

(f) Withholding Obligations. Except where otherwise approved by the Committee with respect to an Award, and unless the Participant elects to make a direct payment to the Bank, the Bank shall withhold Shares that would otherwise be acquired on vesting or settlement of an Award (valued at their Fair Market Value as of such withholding date) equal to the minimum statutory Federal, State and local taxes, domestic or foreign, required by law or regulation to be withheld in the applicable jurisdiction with respect to such taxable event under the Plan; *provided* that the Bank may choose to allow the Participant to elect to have up to the maximum amount permitted by law or regulation withheld. Only whole Shares shall be withheld (rounded down so as not to exceed such limit). Any remaining amount determined by the Bank to be due shall be withheld from other compensation due to the Participant by the Bank or its Subsidiaries or by the Participant remitting payment to the Bank of such amount. Regardless of whether the Bank withholds with respect to any Award, or the method used, the Participant shall retain sole responsibility for all taxes due in connection with his or her Award.

(g) Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly with the FDIC's Securities Exchange Act Filings System (or any successor website thereto) or posted on the Bank's intranet (or other shared electronic medium controlled by the Bank to which the Participant has access).

(h) Deferrals. To the extent permitted by applicable law, the Committee, in its sole discretion, (i) may determine that the delivery of Common Stock or the payment of cash, upon the vesting or settlement of all or a portion of any Award, may be deferred, (ii) may establish programs and procedures for deferral elections to be made by Participants, (iii) may make deferrals of Awards and determine when, and in what annual percentages, Participants may receive payments, including lump sum payments, following the Participant's Separation from Service, and (iv) may implement such other terms and conditions that are consistent with the provisions of the Plan and in accordance with applicable law. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Committee may provide for distributions while a Participant is still an employee or otherwise providing services to the Bank.

(i) Compliance with Section 409A of the Code. Unless otherwise expressly provided for in an Award Agreement, the Plan and Award Agreements will be interpreted to the greatest extent possible in a manner that makes the Plan and the Awards granted hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, compliant with Section 409A of the Code. If the Committee determines that any Award granted hereunder is not exempt from and is therefore subject to Section 409A of the Code, the Award Agreement evidencing such Award will incorporate the terms and conditions necessary to avoid the consequences specified in Section 409A(a)(1) of the Code, and to the extent an Award Agreement is silent on terms necessary for compliance, such terms are hereby incorporated by reference into the Award Agreement. Notwithstanding anything to the contrary in this Plan (and unless the Award Agreement specifically provides otherwise), if a Participant holding an Award that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses, with the balance paid thereafter on the original schedule.

(j) Clawback/Recovery. All Awards granted under the Plan will be subject to clawback, recovery, or recoupment, as determined by the Committee in its sole discretion, including but not limited to a reacquisition right in respect of previously acquired Shares or other cash or property, (i) as provided in the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time and applicable to all officers of the Bank on the same terms and conditions, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, (ii) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (iii) as provided in the applicable Award Agreement, (iv) to the extent that the Committee determines that the Participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the Participant has willfully engaged in any activity injurious to the Bank, or the Participant's Separation from Service with the Bank or its Subsidiaries is for Cause, and/or (v) in instances of regulatory or capital issues and bad risk behavior (i.e., significant negative individual actions such as violations of risk policies). No recovery of compensation under this Section will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Bank or any of its Subsidiaries.

9. ADJUSTMENTS UPON CHANGES IN COMMON STOCK; OTHER CORPORATE EVENTS.

(a) Capitalization Adjustments. In the event of a Capitalization Adjustment, the Board will appropriately and proportionately adjust, as applicable: (i) the class(es) and maximum number of Shares subject to the Plan, (ii) the class(es) and maximum number of Shares that may be awarded to any person, and (iii) the class(es) and number of Shares and purchase price per Share subject to outstanding Awards; *provided, however*, that the number of Shares subject to any Award shall always be a whole number (rounding downward so that any fractional Shares are disregarded). The Board's determination will be final, binding and conclusive.

(b) Dissolution or Liquidation. Except as otherwise provided in the Award Agreement, in the event of a dissolution or liquidation of the Bank, all outstanding Awards (other than Awards consisting of vested and outstanding Shares of Common Stock not subject to a forfeiture condition or the Bank's right of repurchase) will terminate immediately prior to the completion of such dissolution or liquidation, and any Shares subject to the Bank's repurchase rights or subject to a forfeiture condition may be repurchased or reacquired by the Bank notwithstanding the fact that the holder of such Award is still employed or in service; *provided, however*, that the Board may, in its sole discretion, cause some or all Awards to become fully vested, exercisable and/or no longer subject to repurchase or forfeiture (to the extent such Awards have not previously expired or terminated) before the dissolution or liquidation is completed but contingent on its completion.

(c) Change in Control. The following provisions will apply to Awards in the event of a Change in Control unless otherwise provided in the Award Agreement. In the event of a Change in Control, notwithstanding any other provision of the Plan, the Committee will take either of the following actions with respect to Awards, contingent upon the closing or completion of the Change in Control:

(i) arrange for the surviving corporation or acquiring corporation (or the surviving or acquiring corporation's parent bank) to assume or continue the Award or to substitute a similar award for the Award (including, but not limited to, an award to acquire the same consideration paid to the stockholders of the Bank pursuant to the Change in Control), and to assume any reacquisition or repurchase rights held by the Bank in respect of Common Stock issued pursuant to an Award, in which case if the Participant incurs a Qualifying Termination within one year following such Change in Control, the Award will vest based on the Committee's determination of actual performance measured, and Performance Measures adjusted, as of the most recently-completed fiscal quarter. If actual performance cannot be determined, prorated Awards will be paid based on target achievement of Performance Measures, subject to proration based on the number of whole months that the Participant worked during the Performance Period as a percentage of the total Performance Period; or.

(ii) accelerate the time-based vesting, in whole or in part, of any Award to a date immediately prior to the effective time of such Change in Control, and provide for the vesting of performance-based award based on the Committee's determination of actual performance measured, and Performance Measures adjusted, and/or prorated targets as of immediately prior to such Change in Control. If actual performance cannot be determined, prorated Awards will be paid based on target achievement of Performance Measures, subject to proration based on the number of whole months that the Participant worked during the Performance Period and prior to such Change in Control as a percentage of the total Performance Period.

The Committee need not take the same action or actions with respect to all Awards or portions thereof or with respect to all Participants. The Committee may take different actions with respect to the vested and unvested portions of an Award. References in this Section to "corporation" shall include any form of entity.

10. AMENDMENT & TERMINATION OF THE PLAN.

The Board may waive, change or amend the Plan, at any time, in any respect the Board deems necessary or advisable, subject only to the limitations, if any, of applicable law; *provided, however,* that the approval of the holders of a majority of the Bank's outstanding capital stock shall be required for any amendment that would require an amendment of the Bank's organization certificate and to the extent required by any applicable law or listing requirement. Except as otherwise provided in the Plan or an Award Agreement or to the extent required by an applicable law or listing requirement, no amendment of the Plan will materially impair a Participant's rights under a then-outstanding Award without the Participant's written consent.

Unless earlier terminated by the Board, the Plan shall automatically terminate on, and no Awards may be granted 10 years after its Effective Date; *provided, however*, no termination of the Plan, other than to the extent that the Board determines is necessary or advisable to comply with applicable U.S. or foreign laws, shall adversely affect in any material way any Award previously granted under the Plan, without the written (or electronic) consent of the Participant holding such Award. No Awards may be granted under the Plan after the Plan is terminated.

11. CHOICE OF LAW.

The law of the State of New York will govern all questions concerning the construction, validity and interpretation of this Plan and all payments hereunder, without regard to that state's conflict of laws rules.

12. SUCCESSORS.

All obligations of the Bank under the Plan with respect to Awards granted hereunder shall be binding on any successor to the Bank, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Bank or otherwise. In the event that a transaction is undertaken for the principal purpose of restructuring the capital of the Bank as a subsidiary of a bank holding company, subject to any approvals of the shareholders of such bank holding company and the Superintendent of the New York State Department of Financial Services that may be required, the Plan shall automatically transfer to such bank holding company and the shares of common stock of the bank holding company shall be substituted for shares of the Bank under outstanding Awards.

13. SEVERABILITY.

Each provision in this Plan is severable, and if any provision is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

14. DEFINITIONS.

As used in the Plan, the following definitions will apply to the capitalized terms indicated below:

(a) "***Award***" means a grant of a Restricted Stock Award or RSU Award under the Plan.

(b) "***Award Agreement***" means a written (or electronic) document setting forth the terms and provisions applicable to an Award granted to the Participant under the Plan, which need not be executed unless required by the Committee, and is a condition to the grant of an Award hereunder.

(c) "***Bank***" means Amalgamated Bank, a New York state-chartered bank and trust company.

(d) "***Board***" means the Board of Directors of the Bank.

(e) ***"Capital Stock***" means each and every class of common stock of the Bank, regardless of the number of votes per Share.

(f) "***Capitalization Adjustment***" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Award after the Effective Date without the receipt of consideration by the Bank through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, reverse stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or any similar equity restructuring transaction, as that term is used in Statement of Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion of any convertible securities of the Bank will not be treated as a Capitalization Adjustment.

(g) "***Cause***" shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, unless otherwise provided in the applicable Award Agreement, means, with respect to a Participant, the occurrence of any of the following events: (i) the Participant's willful failure to substantially perform his or her duties and responsibilities to the Bank or any Subsidiary or affiliate or deliberate violation of a material Bank, Subsidiary or affiliate policy; (ii) the Participant's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (iii) the Participant's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any Subsidiary or affiliate or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (iv) the Participant's willful and material breach of any of his or her obligations under any written plan or covenant with the Bank. The Committee shall in its discretion determine whether or not a Participant is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Participant, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate a Participant's employment or service at any time, and the term "Bank" will be interpreted herein to include any Subsidiary or affiliate or successor thereto, if appropriate. Any determination by the Committee that the service of a Participant was terminated with or without Cause for the purposes of the Plan will have no effect upon any determination of the rights or obligations of the Bank, any Subsidiary or affiliate, or such Participant for any other purpose. For purposes of this definition, Cause shall not be considered to exist unless the Bank provides written notice to the Participant which indicates the specific Cause provision in this Plan relied upon, to the extent applicable sets forth in reasonable detail the facts and circumstances claimed to provide a basis for such Cause, and specifies the termination date. The failure by the Bank to set forth in such notice any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Bank hereunder or preclude the Bank from asserting such fact or circumstance in enforcing the Bank's rights hereunder.

(h) "***Change in Control***" means, unless otherwise defined in an Award Agreement, the occurrence of any one or more of the following events:

(i) the consummation of a transaction, or a series of related transactions undertaken with a common purpose, in which any individual, entity or group (a "***Person***"), acquires ownership of stock of the Bank that, together with stock held by such Person, constitutes more than 50% of the total fair market value or total voting power of the Bank's stock; or

(ii) a sale, lease, exchange or other transfer, in one transaction or a series of related transactions undertaken with a common purpose, of the Bank's assets having a total gross fair market value of 40% or more of the total gross fair market value of all of the assets of the Bank. For this purpose, "***gross fair market value***" means the value of the assets of the Bank, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Plan, a Change In Control will not include (1) a transaction in which the holders of the outstanding voting securities of the Bank immediately prior to the transaction hold at least 50% of the outstanding voting securities of the successor Bank immediately after the transaction; (2) any transaction or series of transactions approved by the Board principally for bona fide equity financing purposes in which cash is received by the Bank or any successor thereto or indebtedness of the Bank is cancelled or converted or a combination thereof; (3) a sale, lease, exchange or other transfer of all or substantially all of the Bank's assets to a majority-owned Subsidiary; or (4) a transaction undertaken for the principal purpose of restructuring the capital of the Bank, including, but not limited to, reincorporating the Bank in a different jurisdiction, or creating a holding company.

Notwithstanding the foregoing, a "Change In Control" will only be deemed to occur if the consummation of the corporate transaction meets the requirements of Reg. Section 1.409A-3(a)(5).

(i) "***Code***" means the Internal Revenue Code of 1986, as amended, and all regulations and formal guidance issued thereunder, as amended from time to time, or any successor legislation thereto.

(j) "***Committee***" means the Compensation Committee of the Board, or such other committee as shall be appointed by the Board as provided in Section 2 to administer the Plan. The full Board may choose to retain authority to act as the "Committee" with respect to certain awards made under the Plan or with respect to certain powers, in which case references herein to the Committee shall be deemed to refer to the full Board.

(k) "***Common Stock***" means, as of the date of the initial public offering (August 13, 2018), the common stock of the Bank, having one vote per share.

(l) "***Director***" means a member of the Board.

(m) "***Disability***" shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, unless otherwise provided in the applicable Award Agreement, means a condition under which a Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Bank. Disability will be determined by the Committee on the basis of such medical evidence as the Committee deems warranted under the circumstances.

(n) "***Effective Date***" means the date the Plan first becomes effective, as described in Section 1(e) above.

(o) "***Employee***" means any person employed by the Bank or any Subsidiary.

(p) "***Entity***" means a corporation, partnership, limited liability Bank or other entity.

(q) "***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

(r) "***Fair Market Value***" means, as of any date, the value of the Common Stock determined as follows:

(i) If the Common Stock is listed on any established stock exchange or traded on any established market, the Fair Market Value of a Share will be, unless otherwise determined by the Committee, the closing sales price for such stock as quoted on such exchange or market (or the exchange or market with the greatest volume of trading in the Common Stock) on the date of determination, as reported in a source the Committee deems reliable.

(ii) Unless otherwise provided by the Committee, if there is no closing sales price for the Common Stock on the date of determination, then the Fair Market Value will be the closing selling price on the last preceding date for which such quotation exists.

(iii) In the absence of such markets for the Common Stock, the Fair Market Value will be determined by the Committee in good faith and in a manner that complies with Sections 409A and 422 of the Code. Such determination shall be made in consultation with such independent advisors and/or accountants as the Committee deems appropriate, and shall assume that the fair market value of the Bank is equal to the value of the cash, stock, property or other consideration issued or received by the Bank or its stockholders, as applicable, as part of a Change In Control; *provided, however,* that among the factors to be considered in determining such Fair Market Value shall be the market value of the shares of comparable financial institutions and the trend of the Bank's earnings; *and provided further, however,* that the Committee shall make those equitable adjustments to such value as it determines are necessary to reflect extraordinary circumstances or purchase price adjustments (such as a non-arms-length sale to an affiliated buyer, a pre-Change in Control distribution of assets to the Bank's stockholders, Bank assets excluded from the sale, or allocation of closing costs). In the event that a portion of the purchase price is to be set aside in an escrow account, the Committee may (but is not required to) adjust the equity value downward to reflect the amount of such escrow funds that it reasonably anticipates will be applied to cover post-closing claims or otherwise will not be released to the Bank or its stockholders. The Committee's determination shall be binding and conclusive on the Participant, the Bank, its stockholders, and each of their successors, heirs and assigns.

(s) *"Good Reason"* shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, unless otherwise provided in the applicable Award Agreement, means: (i) a material diminution in the Participant's base compensation; (ii) a material diminution in the Participant's authority, duty or responsibilities; (iii) a material diminution in the authority, duties, or responsibilities of the supervisor to whom the Participant is required to report, including a requirement that the Participant report to a corporate officer or employee instead of reporting directly to the Board; (iv) a material diminution in the budget over which the Participant retains authority; (v) a material change (by more than 20 miles) in the location of the Participant's principal worksite without the Participant's consent; or (vi) any other action or inaction that constitutes a material breach by Bank of this Plan or other agreement pursuant to which the Participant provides services to the Bank; provided that, the Bank shall have thirty (30) days after

receipt of notice from the Participant in writing specifying the deficiency to cure the deficiency, to the extent curable, that would result in Good Reason; provided, further, that the Participant shall have ninety (90) days from the occurrence of the event that constitutes Good Reason to provide notice to the Bank that the Participant intends to resign for Good Reason. The failure by the Participant to set forth in such notice any fact or circumstance which contributes to a showing of Good Reason shall not waive any right of the Participant hereunder or preclude the Participant from asserting such fact or circumstance in enforcing the Participant's rights hereunder.

(t) "***Non-Employee Director***" means a Director who both (i) is not a current Employee or Officer of the Bank or one of its Subsidiaries, and does not receive compensation (either directly or indirectly) from the Bank or one of its Subsidiaries for services rendered as a Consultant or in any capacity other than as a Director, and (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

(u) "***Officer***" means a person who is an officer of the Bank within the meaning of Section 16 of the Exchange Act.

(v) "***Own,***" "***Owned,***" "***Owner,***" *or* "***Ownership***" means a person or Entity will be deemed to "Own," to have "Owned," to be the "Owner" of, or to have acquired "Ownership" of securities if such person or Entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

(w) "*Participant*" means a person to whom an Award is granted pursuant to the Plan or, if applicable, such other person who holds an outstanding Award.

(x) "***Performance Measure***" means the performance goals selected for each Participant with respect to each Performance Period, the achievement of which shall determine the amount of the Participant's Award for the Performance Period. The Performance Measures may include any of the criteria listed below: earnings (e.g., earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; and earnings per share; each as may be defined by the Committee); financial return ratios (e.g., return on investment; return on invested capital; return on equity; and return on assets; each as may be defined by the Committee); "Texas ratio"; expense ratio; efficiency ratio; increase in revenue, operating or net cash flows; cash flow return on investment; total shareholder return; market share; net operating income, operating income or net income; debt load reduction; loan and lease losses; expense management; economic value added; stock price; book value; overhead; assets; asset quality level; charge offs; loan loss reserves; loans; deposits; nonperforming assets; growth of loans, deposits, or assets; interest sensitivity gap levels; regulatory compliance; improvement of financial rating; achievement of balance sheet or income statement objectives; improvements in capital structure; profitability; profit margins; budget comparisons or strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures; or any other objective approved by the Committee, in its sole discretion. The Performance Measures may be determined on a Bank-wide basis, with respect to one or more business units, divisions, Subsidiaries, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. The Committee will appropriately make adjustments in the method of calculating the attainment of Performance Measures for a Performance Period as follows: (i) to exclude restructuring and/or other nonrecurring charges; (ii) to exclude exchange rate effects; (iii) to exclude the effects of changes to generally-accepted accounting principles; (iv) to exclude the effects of any statutory adjustments to corporate tax rates; (v) to exclude the effects of any "extraordinary items" as determined under generally-accepted accounting principles; (vi) to exclude the dilutive effects of acquisitions or joint ventures;

(vii) to assume that any business divested by the Bank-achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (viii) to exclude the effect of any change in the outstanding Shares by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger, consolidation, spin-off, combination or exchange of Shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (ix) to exclude the effects of stock-based compensation and the award of bonuses under the Bank's bonus plans; (x) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally-accepted accounting principles; (xi) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally-accepted accounting principles; and (xii) to exclude the effect of any other unusual, non-recurring gain or loss or other extraordinary item. In addition, the Committee retains the discretion to increase, reduce or eliminate the compensation or economic benefit due upon attainment of Performance Measures and to define the manner of calculating the Performance Measures it selects to use for such Performance Period. Partial achievement of the specified criteria may result in the payment or vesting corresponding to the degree of achievement as specified in the Award Agreement.

(y) "***Performance Period***" means the period of time selected by the Committee over which the attainment of one or more Performance Measures will be measured for the purpose of determining a Participant's right to and the payment of an Award. Performance Periods may be of varying and overlapping duration, at the sole discretion of the Committee.

(z) "***Plan***" means this Amalgamated Bank 2019 Equity Incentive Plan, as it may be amended from time to time.

(aa) ***"Qualifying Termination"*** means the Bank causes the Participant to incur a separation from Service (within the meaning of Code Section 409A) other than for Cause, death or Disability, or the Participant voluntarily separates from Service (within the meaning of Code Section 409A) for Good Reason.

(bb) "***Restricted Stock Award***" means an Award of shares of Common Stock granted pursuant to the terms and conditions of Section 5.

(cc) "***RSU Award***" means a right to receive Shares of Common Stock granted pursuant to the terms and conditions of Section 6.

(dd) "***Rule 16b-3***" means Rule 16b-3 promulgated under the Exchange Act or any successor to Rule 16b-3, as in effect from time to time.

(ee) ***"Separation from Service"*** means a 'separation from service' as defined by Section 409A of the Code. By way of illustration, and without limiting the generality of the foregoing, the following principals shall apply:

(i) The Participant shall not be considered to have separated from service so long as the Participant is on military leave, sick leave, or other bona fide leave of absence, if the period of such leave does not exceed six (6) months, or if longer, so long as the Participant retains a right to reemployment with the Bank under an applicable statute or by contract.

(ii) Regardless of whether his or her employment has been formally terminated, the Participant will be considered to have Separated from Service as of the date it is reasonably anticipated by both parties that no further services will be performed by the Participant for the Bank, or that the level of bona fide services the Participant will perform after such date will

permanently decrease to no more than twenty percent (20%) of the average level of bona fide services performed over the immediately preceding thirty-six (36) month period (or the full period of employment if the Participant has been employed for less than 36 months). For purposes of the preceding test, during any paid leave of absence the Participant shall be considered to have been performing services at the level commensurate with the amount of compensation received, and unpaid leaves of absence shall be disregarded.

(iii) For purposes of determining whether the Participant has separated from service, all services provided for the Bank, or for any other entity that is part of a controlled group that includes the Bank as defined in Section 414(b) or (c) of the Code, shall be taken into account, whether provided as an employee or as a consultant or other independent contractor; provided that the Participant shall not be considered to have not separated from service solely by reason of service as a non-employee director of the Bank or any other such entity.

(ff) *"**Share**" or "**Shares**"* means Shares of common stock of the Corporation.

(gg) "***Subsidiary***" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

Exhibit 10.14

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN
FORM OF
RESTRICTED STOCK UNIT AWARD AGREEMENT

Amalgamated Bank (the "**Bank**") hereby grants you restricted stock through the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**"), subject to certain restrictions as described herein ("**Award**," "**Restricted Stock Units**" or "**RSUs**").

Date of Grant: _____

Vesting Schedule: The vesting and forfeiture provisions that apply to your Restricted Stock Units are described in the Plan and the attached Terms and Conditions. In general, so long as you have not Separated from Service, you have not provided notice of your resignation, and the Company has not provided notice of your termination for Cause, before a vesting date, your Restricted Stock Units will vest (in whole Shares, rounded down) as follows:

Vesting Date	Percentage of RSUs Vested

[Insert vesting schedule]

Effect of Separation from Service. In general, if you Separate from Service before a vesting date for any reason, you will forfeit all RSUs in which you have not yet vested as of your Separation from Service, unless:

- Your Separation from Service is due to Disability or retirement (defined as age 65 with 5 continuous years of service with the Bank or its affiliates), and no Cause exists, in which case the unvested portion of your RSUs will continue to vest on the originally set vesting date as if you had not Separated from Service.
- You die and no Cause exists, or you Separate from Service due to an involuntary termination by the Bank without Cause or due to your voluntary resignation for Good Reason, in which case your RSUs will immediately vest on a pro-rata based on the number of full months that you worked since the date of Grant.
- You Separate from Service within one year following a Change in Control due to a Qualifying Termination (as defined in the Plan), in which case your RSUs will become 100% vested as of immediately prior to the effective date of such termination.
- If the Committee determines, at any time, that Cause exists at the time of your Separation from Service, all of your rights under this RSU Award will terminate immediately, you will forfeit all RSUs that have not yet vested as of the date of your Separation from Service, and the Bank shall have the right to repurchase any Shares that you have already received as a result of RSUs that have already vested, at the lower of Fair Market Value or the price paid by you, all as described in the Plan. The existence of "Cause" will be determined in the sole discretion of the Committee (or if the Board has chosen to reserve such power, the Board).

Note however that, except where there is a Change in Control , or you die or become Disabled, you will not vest in any portion of your Award prior to the first anniversary after its Date of Grant.

To the extent dividends are paid on Shares covered by your RSUs prior to the date they become vested, you will be entitled to receive those dividends upon vesting of the applicable RSU.

Additional Terms: Your rights and duties and those of the Bank under your Award are governed by the provisions of this Award Agreement, and the attached Terms and Conditions and Plan document, both of which are incorporated into this Award Agreement by reference. If there is any discrepancy between these documents, the Plan document will always govern.

This Award is designated as incentive compensation that is in addition to your regular cash wages. No amount of Common Stock or income received by you pursuant to this Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan or program of the Bank or its Subsidiaries. It will not be included in calculating any employment-related benefits to which you may be entitled form the Bank or any Subsidiary. Participation in the Plan is discretionary and voluntary, and the Plan can be terminated at any time. This Award does not create a right or entitlement to future awards, whether pursuant to the Plan or otherwise.

The governing law for purposes of resolving any issue relating to this Award or the Plan shall be United States federal law and, where appropriate, the laws of the State of New York. Any dispute regarding this Award or the Plan shall be resolved by a court of law in the City of New York, State of New York.

Questions: If you have any questions regarding your Award, please see the enclosed Terms and Conditions and Plan document, or contact our Human Resources department.

AMALGAMATED BANK

By _____

Keith Mestrich, President and Chief Executive Officer

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN

RESTRICTED STOCK UNIT TERMS AND CONDITIONS

This document is intended to provide you some background on the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**") and to help you better understand the terms and conditions of the Restricted Stock Unit award (the "**Award**," "**Restricted Stock Units**" or "**RSUs**") granted to you under the Plan. References in this document to "**our**," "**us**," "**we**," and "**Bank**" are intended to refer to Amalgamated Bank, Inc.

Background

1. How are Award recipients chosen?

Under our current process, the Compensation Committee ("**Committee**") approves executive equity awards, although the Committee may delegate the power to make non-officer awards to an officer of the Bank and the Board has the authority to reserve these powers to the full Board with respect to some or all eligible individuals.

2. What is the value of my Award?

The value of each Share covered by your RSU Award is equal to the market price of one Share of Bank Common Stock, and will have the same value as established on the exchange on which the Shares are traded.

Under current tax laws, you will be taxed on the market price of the Share(s) vesting under your RSU Award at the time the Shares (or in certain cases, their cash equivalent) are paid to you in settlement of your Award. We recommend that you consult your personal tax advisor to discuss the potential tax consequences to you of receiving this Award.

Note that no amount of cash or Common Stock received by you pursuant to your Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan of the Bank or its Subsidiaries.

Terms and Conditions

3. When will my Restricted Stock Units vest?

Generally, your Restricted Stock Units will vest (in whole Shares, rounded down) as set forth in your Award Agreement.

Your Award Agreement may provide for earlier vesting dates upon specific events. Please refer to your Award Agreement to see if special early vesting dates apply to your RSUs.

The Committee may, in its sole discretion, choose to accelerate or extend the vesting of Awards in special circumstances.

4. When do I receive payment?

As soon as administratively practical after the vesting date set forth in your Award Agreement, one Share of our Common Stock will be delivered to you for each RSU that vests. Delivery of Shares, either electronically or in certificate form (as we determine), will usually be made within approximately 30 days after the vesting date. Fractional shares will not be paid. In some cases, the Bank may instead pay the cash equivalent of the Shares to you.

By accepting this Award, you acknowledge that, except as may otherwise be provided in your Award Agreement, if you Separate from Service prior to a vesting date, you will forfeit all of your unvested RSUs and any other rights associated with your unvested RSUs under the Plan.

5. Do I have to pay any tax in connection with this RSU Award?

Yes, you are subject to federal (and in some cases, state and local) income taxes on the fair market value of your Restricted Stock Units in the year that you are paid Shares of Common Stock (or in certain cases, their cash equivalent) in settlement of your Award. If you are an employee, we are required under current federal (and some state and local) tax laws to withhold taxes from you. This may be accomplished by withholding whole Shares of Common Stock with an equivalent value. We will round down to the nearest whole Share. To the extent this Share withholding is not sufficient, or is prohibited or limited by applicable law, you will ultimately be responsible for any additional taxes due. If withholding is determined by us to be not possible or inadequate, we will have the right to require cash payment and/or make deductions from other payments due to you that are sufficient to satisfy these requirements.

You may not rely on the Bank or any of its officers, directors or employees for tax or legal advice regarding this Award. We make no representations with respect to and hereby disclaim all responsibility as to the tax treatment of your Award.

6. What are my rights as a stockholder in my Restricted Stock Units?

Until you actually receive Shares (if any) in settlement of your award, you will generally have no rights as a stockholder with respect to those Shares, such as the right to vote the Shares or the right to receive dividends, unless the Board has specifically provided otherwise in your Award Agreement.

7. Are there restrictions on the transfer of my Restricted Stock Units?

You may not sell, transfer, pledge, assign, or otherwise alienate or hypothecate your RSUs, whether voluntarily or involuntarily, by operation of law or otherwise, except upon your death or as otherwise specifically provided in the Plan. If you die, your beneficiary or the personal representative of your estate can act on your behalf. Once you receive any Share, you will normally be entitled to all rights of ownership to such Share. Under certain circumstances described in the Plan, however, these rights may be delayed or subject to additional limitations or restrictions.

8. How do I designate my beneficiary or beneficiaries?

You must obtain and file a completed beneficiary designation form with our Human Resources department. Each time you file a beneficiary designation form, all previously-filed beneficiary designation forms will be revoked and of no further force or effect. If you want to name multiple beneficiaries, all beneficiaries must be listed on a single beneficiary designation form (including attachments, if necessary). If you do not file a beneficiary designation form, benefits remaining unpaid at your death will be paid to your estate.

9. Are there restrictions on the delivery and sale of Shares?

Shares issued to you upon the vesting of Restricted Stock Units are subject to federal securities laws. In some cases, state or local securities laws may also apply. If the Board determines that certain registrations or filings are needed or desired to comply with these various securities laws, then we may delay the delivery of your Shares until the necessary approvals or filings are obtained. In order for us to meet an exemption from securities registration requirements, we may also require you to provide us with certain information, representations and warranties before we will issue Shares to you.

Where applicable, the certificates evidencing any Shares may contain wording (or otherwise as appropriate in electronic format) indicating that conditions, restrictions, rights and obligations apply.

10. Does the receipt of my Award guarantee continued service with the Bank?

No. Neither the establishment of the Plan, your Award of RSUs, nor the issuance of Shares or other consideration in connection with your Award, gives you the right to continued employment or service with the Bank (or any of our Subsidiaries).

11. What events can trigger forfeiture of my Restricted Stock Units?

Except as may otherwise be specifically provided in your Award Agreement, your unvested RSUs will normally be cancelled and forfeited upon your Separation from Service.

In addition, your RSUs and any cash or Shares paid to you in settlement of your RSUs, and any profits from sale of any such Shares, are subject to clawback, recoupment or repayment if you commit certain bad acts, you engage in certain practices injurious to the Bank or its Subsidiaries, or if the Bank experiences regulatory or capital issues. These clawback, recoupment and repayment provisions are set forth in detail in Section 8(j) of the Plan.

The Committee may, in its discretion, accelerate the vesting of your Award in special circumstances, subject to certain provisions of the Plan and the law.

12. What documents govern my Restricted Stock Units?

The Plan, your Award Agreement, and these Terms and Conditions express the entire understanding between you and the Bank with respect to your Restricted Stock Units. In the event of any conflict between these documents, the terms of the Plan will always govern. You should never rely on any oral description of the Plan or your Award Agreement because the written terms of the Plan will always govern. The Committee has the authority to interpret this document and the Plan. Any such interpretation will be binding on you, us, and other persons.

Exhibit 10.15

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN FORM OF

PERFORMANCE UNIT AWARD AGREEMENT

Amalgamated Bank (the "**Bank**") hereby grants you restricted stock units through the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**"), subject to certain restrictions as described herein (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**").

Date of Grant:

Vesting Schedule: The vesting and forfeiture provisions that apply to your Restricted Stock Units are described in the Plan and the attached Terms and Conditions. In general, you will vest in your Restricted Stock Units (in whole Shares, rounded down) based on the Bank's achievement of the following Performance Measures during the Performance Period(s) so long as the following conditions are met as of the end of the Performance Periods: (a) you have not Separated from Service, (b) you have not provided notice to us of your resignation, and (c) we have not provided notice to you of your termination for Cause.

Performance Period	Performance Measure	Weightings	Threshold Goal	Target Goal	Maximum Goal
	TBD	%	%	%	%
			(*% of target*)		(*% of target*)
	TBD	%			
	Award Payout Level	—	%	%	%

For purposes of determining vesting, the terms used above have the following meanings:

"**Adjusted Tangible Book Value Growth**" means stockholders' equity, excluding minority interests, preferred stock, goodwill, core deposit intangibles, mergers and acquisitions, share repurchases, non-core items (such as tax adjustments) and other comprehensive income. The Performance Period for this measure will be to to align.

"**Relative TSR**" means TSR (Share price appreciation plus accumulated dividends) measured relative to the S&P's Global Industry Classification Standard (GICS) industry code of "Banks" (industry code 401010) with total assets between $3B and $7B, including all of the compensation peers set forth on Appendix A1 to this Award Agreement (*provided* that if any such compensation peer is acquired, declares bankruptcy or becomes subject to a regulatory takeover during the Performance Period, such compensation peer shall be assumed to have the lowest TSR of all compensation peers during the

Performance Period). The end-price for TSR will the average closing price during the 30-day period ending on the last day of the Performance Period. The starting price will be the closing price on the last business day immediately preceding the start of the Performance Period. The Performance Period for this measure will begin on and end on in order to align the accounting value, grant value, and starting price for Participants.

The final number of Shares to be paid under your Award will be based on the Performance Measures achieved, with pro rata adjustment of Shares if achievement of Performance Measures exceeds the Threshold Goal and falls between the Threshold, Target and Maximum Goals.

[Insert other performance measures, as applicable, as set forth in the Plan]

Effect of Separation from Service. If you Separate from Service before the end of the Performance Periods for any reason you will forfeit all RSUs in which you have not yet vested as of your Separation from Service, unless:

- Your Separation from Service is due to Disability or retirement (defined as age 65 with 5 continuous years of service with the Bank or its affiliates), and no Cause exists, in which case the unvested portion of your RSUs will continue to vest based on actual achievement of Performance Measures at the end of the applicable Performance Period as if you had not Separated from Service, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You die and no Cause exists, or you Separate from Service due to an involuntary termination by the Bank without Cause or due to your voluntary resignation for Good Reason, in which case your RSUs will immediately vest based on target achievement of Performance Measures, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You Separate from Service within one year following a Change in Control due to a Qualifying Termination (as defined in the Plan), in which case your RSUs will vest based on the Committee's determination of actual performance and the Performance Measures will be determined as of (a) the most recent-completed fiscal quarter, for Adjusted Tangible Book Value Growth, and (b) as of the date of the Change in Control, for Relative TSR. If actual performance cannot be determined, your RSUs will vest based on achievement of Performance Measures at Target Goal, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.

If the Committee determines, at any time, that Cause exists at the time of your Separation from Service, all of your rights under this RSU Award will terminate immediately, you will forfeit all RSUs that have not yet vested as of the date of your Separation from Service, and the Bank shall have the right to repurchase any Shares that you have already received as a result of RSUs that have already vested, at the lower of Fair Market Value or the price paid by you, all as described in the Plan. The existence of "Cause" will be determined in the sole discretion of the Committee (or if the Board has chosen to reserve such power, the Board).

Note, however, that except where there is a Change in Control, or you die or become Disabled, you will not vest in any portion of your Award prior to the first anniversary after its Date of Grant.

To the extent dividends are paid on Shares covered by your RSUs prior to the date they become vested, you will be entitled to receive those dividends upon the vesting of the applicable RSU.

Additional Terms: Your rights and duties and those of the Bank under your Award are governed by the provisions of this Award Agreement, and the attached Terms and Conditions and Plan document, both of which are incorporated into this Award Agreement by reference. If there is any discrepancy between these documents, the Plan document will always govern.

This Award is designated as incentive compensation that is in addition to your regular cash wages. No amount of Common Stock or income received by you pursuant to this Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan or program of the Bank or its Subsidiaries. It will not be included in calculating any employment-related benefits to which you may be entitled from the Bank or any Subsidiary. Participation in the Plan is discretionary and voluntary, and the Plan can be terminated at any time. This Award does not create a right or entitlement to future awards, whether pursuant to the Plan or otherwise.

The governing law for purposes of resolving any issue relating to this Award or the Plan shall be United States federal law and, where appropriate, the laws of the State of New York. Any dispute regarding this Award or the Plan shall be resolved by a court of law in the City of New York, State of New York.

Questions: If you have any questions regarding your Award, please see the enclosed Terms and Conditions and Plan document, or contact our Human Resources department.

AMALGAMATED BANK

By _____
Keith Mestrich, President and Chief
Executive Officer

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN

PERFORMANCE UNIT TERMS AND CONDITIONS

This document is intended to provide you some background on the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**") and to help you better understand the terms and conditions of the Restricted Stock Unit award (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**") granted to you under the Plan. References in this document to "**our**," "**us**," "**we**," and "**Bank**" are intended to refer to Amalgamated Bank.

Background

1. How are Award recipients chosen?

Under our current process, the Compensation Committee ("**Committee**") approves executive equity awards, although the Committee may delegate the power to make non-officer awards to an officer of the Bank and the Board has the authority to reserve these powers to the full Board with respect to some or all eligible individuals.

2. What is the value of my Award?

The value of each Share covered by your RSU Award is equal to the market price of one Share of Bank Common Stock, and will have the same value as established on the exchange on which the Shares are traded.

Under current tax laws, you will be taxed on the market price of the Share(s) vesting under your RSU Award at the time the Shares (or in certain cases, their cash equivalent) are paid to you in settlement of your Award. We recommend that you consult your personal tax advisor to discuss the potential tax consequences to you of receiving this Award.

Note that no amount of cash or Common Stock received by you pursuant to your Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan of the Bank or its Subsidiaries.

Terms and Conditions

3. When will my Restricted Stock Units vest?

Generally, your Restricted Stock Units will vest (in whole Shares, rounded down) based on achievement of the Performance Measures during the Performance Periods, as set forth in your Award Agreement.

Your Award Agreement may provide for earlier vesting dates upon specific events. Please refer to your Award Agreement to see if special early vesting dates apply to your Restricted Stock.

The Committee may, in its sole discretion, choose to accelerate or extend the vesting of Awards in special circumstances.

4. When do I receive payment?

As soon as administratively practical after the date the last Performance Period applicable to your RSUs ends, as specified in your Award Agreement, one Share of our Common Stock will be delivered to you

for each RSU that vests. Delivery of Shares, either electronically or in certificate form (as we determine), will usually be made within approximately 30 days after such Performance Period end. Fractional shares will not be paid. In some cases, the Bank may instead pay the cash equivalent of Shares to you.

By accepting this Award, you acknowledge that, except as may otherwise be provided in your Award Agreement, if you Separate from Service prior to the end of the Performance Periods, you will forfeit all of your unvested RSUs and any other rights associated with your unvested RSUs under the Plan.

5. Do I have to pay any tax in connection with this RSU Award?

Yes, you are subject to federal (and in some cases, state and local) income taxes on the fair market value of your Restricted Stock Units in the year that you are paid Shares of Common Stock (or in certain cases, their cash equivalent) in settlement of your Award. If you are an employee, we are required under current federal (and some state and local) tax laws to withhold taxes from you. This may be accomplished by withholding whole Shares of Common Stock with an equivalent value. We will round down to the nearest whole Share. To the extent this Share withholding is not sufficient, or is prohibited or limited by applicable law, you will ultimately be responsible for any additional taxes due. If withholding is determined by us to be not possible or inadequate, we will have the right to require cash payment and/or make deductions from other payments due to you that are sufficient to satisfy these requirements.

You may not rely on the Bank or any of its officers, directors or employees for tax or legal advice regarding this Award. We make no representations with respect to and hereby disclaim all responsibility as to the tax treatment of your Award.

6. What are my rights as a stockholder with respect to my Restricted Stock Units?

Until you actually receive Shares (if any) in settlement of your Award, you will generally have no rights as a stockholder with respect to those Shares, such as the right to vote the Shares or the right to receive dividends, unless the Board has specifically provided otherwise in your Award Agreement.

7. Are there restrictions on the transfer of my Restricted Stock Units?

You may not sell, transfer, pledge, assign, or otherwise alienate or hypothecate your RSUs, whether voluntarily or involuntarily, by operation of law or otherwise, except upon your death or as otherwise specifically provided in the Plan. If you die, your beneficiary or the personal representative of your estate can act on your behalf. Once you receive any Share, you will normally be entitled to all rights of ownership to such Share. Under certain circumstances described in the Plan, however, these rights may be delayed or subject to additional limitations or restrictions.

8. How do I designate my beneficiary or beneficiaries?

You must obtain and file a completed beneficiary designation form with our Human Resources department. Each time you file a beneficiary designation form, all previously-filed beneficiary designation forms will be revoked and of no further force or effect. If you want to name multiple beneficiaries, all beneficiaries must be listed on a single beneficiary designation form (including attachments, if necessary). If you do not file a beneficiary designation form, benefits remaining unpaid at your death will be paid to your estate.

9. Are there restrictions on the delivery and sale of Shares?

Shares issued to you upon the vesting of Restricted Stock Units are subject to federal securities laws. In some cases, state or local securities laws may also apply. If the Board determines that certain registrations or filings are needed or desired to comply with these various securities laws, then we may delay the delivery of your Shares until the necessary approvals or filings are obtained. In order for us to meet an exemption from securities registration requirements, we may also require you to provide us with certain information, representations and warranties before we will issue Shares to you.

Where applicable, the certificates evidencing any Shares may contain wording (or otherwise as appropriate in electronic format) indicating that conditions, restrictions, rights and obligations apply.

10. Does the receipt of my Award guarantee continued service with the Bank?

No. Neither the establishment of the Plan, your Award of RSUs, nor the issuance of Shares or other consideration in connection with your Award, gives you the right to continued employment or service with the Bank (or any of our Subsidiaries).

11. What events can trigger forfeiture of my Restricted Stock Units?

Except as may otherwise be specifically provided in your Award Agreement, your unvested RSUs will normally be cancelled and forfeited upon your Separation from Service.

In addition, your RSUs and any cash or Shares paid to you in settlement of your RSUs, and any profits from sale of such Shares, are subject to clawback, recoupment or repayment if you commit certain bad acts, you engage in certain practices injurious to the Bank or its Subsidiaries, or if the Bank experiences regulatory or capital issues. These clawback, recoupment and repayment provisions are set forth in detail in Section 8(j) of the Plan.

The Committee may, in its discretion, accelerate the vesting of your Award in special circumstances, subject to certain provisions of the Plan and the law.

12. What documents govern my Restricted Stock Units?

The Plan, your Award Agreement, and these Terms and Conditions express the entire understanding between you and the Bank with respect to your Restricted Stock Units. In the event of any conflict between these documents, the terms of the Plan will always govern. You should never rely on any oral description of the Plan or your Award Agreement because the written terms of the Plan will always govern. The Committee has the sole authority to interpret this document and the Plan. Any such interpretation will be binding on you, us, and other persons.

APPENDIX A
Relative TSR Comparator Group List (n = 66)

Exhibit 10.16

Amalgamated Bank
Amalgamated Bank 2019 Equity Incentive Plan

PERFORMANCE UNIT AWARD AGREEMENT

Amalgamated Bank (the "**Bank**") hereby grants you restricted stock units through the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**"), subject to certain restrictions as described herein (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**").

Participant ("**you**"): _____ Date of Grant: May 1, 2019

Number of Restricted Stock Units: _____, which are divided into:

- Book Value Growth _____ [*50% of FMV, rounded down*]

Vesting Schedule: The vesting and forfeiture provisions that apply to your Restricted Stock Units are described in the Plan and the attached Terms and Conditions. You will vest in your Restricted Stock Units (in whole Shares, rounded down) based on the Bank's achievement of the following Performance Measures during the designated Performance Periods so long as the following conditions are met as of the end of the applicable Performance Period: (a) you have not Separated from Service, (b) you have not provided notice to us of your resignation, and (c) we have not provided notice to you of your termination for Cause. Determination of the number of RSUs that vest based on achievement of each of the following Performance Measures is mutually exclusive.

(a) Book Value Growth RSUs. RSUs (rounded down to the nearest whole Share) representing fifty percent (50%) of the total Fair Market Value of your Award on its Date of Grant (**"Book Value Growth RSUs"**) shall vest based on Adjusted Tangible Book Value Growth per Share over the Performance Period as follows:

Performance Period	Threshold Goal	Target Goal	Maximum Goa
1/1/19 - 12/31/21	7.18% (*70% of target*)	10.25%	13.33% (*130% of target*)
Payout Level	50%	100%	150%

For purposes of this Award, "**Adjusted Tangible Book Value Growth**" means stockholders' equity, excluding minority interests, preferred stock, goodwill, core deposit intangibles, mergers and acquisitions, share repurchases, non-core items (such as tax adjustments), dividends paid on Bank stock, stock-based compensation expense, and other comprehensive income. The Performance Period for this measure will be 1/1/2019 to 12/31/21 to align with the Bank's fiscal year.

(b) Relative TSR RSUs. The remainder of your RSUs (**"Relative TSR RSUs"**) shall vest based on Relative TSR over the Performance Period as follows:

Performance Period	Threshold Goal	Target Goal	Maximum Goal
5/1/19 - 4/30/22	25th Percentile of Peers	50th Percentile of Peers	75th Percentile of Peers
Award Payout Level	50%	100%	150%

For purposes of this Award, "**Relative TSR**" means TSR (Share price appreciation plus accumulated dividends) measured relative to the S&P's Global Industry Classification Standard (GICS) industry code of "Banks" (industry code 401010) with total assets between $3B and $7B, including all of the compensation peers set forth on Appendix A to this Award Agreement (*provided* that if any such compensation peer is acquired, declares bankruptcy or becomes subject to a regulatory takeover during the Performance Period, such compensation peer shall be assumed to have the lowest TSR of all compensation peers during the Performance Period). The end-price for TSR will be the average closing price during the 30-day period ending on the last day of the Performance Period. The starting price will be the closing price on the last business day immediately preceding the start of the Performance Period. The Performance Period for this measure will begin on 5/1/19 and end on 4/30/22 in order to align the accounting value, grant value, and starting price for Participants.

The final number of Shares to be paid under your Award will be based on the extent to which each of the Performance Measures is achieved, with pro rata adjustment of Shares if achievement of Performance Measures exceeds the Threshold Goal and falls between the Threshold, Target and Maximum Goals.

Effect of Separation from Service. If you Separate from Service before the end of the Performance Periods for any reason you will forfeit all RSUs in which you have not yet vested as of your Separation from Service, unless:

- Your Separation from Service is due to Disability or retirement (defined as age 65 with 5 continuous years of service with the Bank or its affiliates), and no Cause exists, in which case the unvested portion of your RSUs will continue to vest based on actual achievement of Performance Measures at the end of the applicable Performance Period as if you had not Separated from Service, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You die and no Cause exists, or you Separate from Service due to an involuntary termination by the Bank without Cause or due to your voluntary resignation for Good Reason, in which case your RSUs will immediately vest based on target achievement of Performance Measures, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You Separate from Service within one year following a Change in Control due to a Qualifying Termination (as defined in the Plan), in which case your RSUs will vest based on the Committee's determination of actual performance and the Performance Measures will be determined as of (a) the most recent-completed fiscal quarter, for Adjusted Tangible Book Value Growth, and (b) as of the date of the Change in Control, for Relative TSR. If actual performance cannot be determined, your RSUs will vest based on achievement of Performance Measures at Target Goal, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.

If the Committee determines, at any time, that Cause exists at the time of your Separation from Service, all of your rights under this RSU Award will terminate immediately, you will forfeit all RSUs that have not yet vested as of the date of your Separation from Service, and the Bank shall have the right to repurchase any Shares that you have already received as a result of RSUs that have already vested, at the lower of Fair Market Value or the price paid by you, all as described in the Plan. The existence of "Cause" will be determined in the sole discretion of the Committee (or if the Board has chosen to reserve such power, the Board).

Note, however, that except where there is a Change in Control, or you die or become Disabled, you will not vest in any portion of your Award prior to the first anniversary after its Date of Grant.

To the extent dividends are paid on Shares covered by your RSUs prior to the date they become vested, you will be entitled to receive those dividends upon the vesting of the applicable RSU.

Additional Terms: Your rights and duties and those of the Bank under your Award are governed by the provisions of this Award Agreement, and the attached Terms and Conditions and Plan document, both of which are incorporated into this Award Agreement by reference. If there is any discrepancy between these documents, the Plan document will always govern.

This Award is designated as incentive compensation that is in addition to your regular cash wages. No amount of Common Stock or income received by you pursuant to this Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan or program of the Bank or its Subsidiaries. It will not be included in calculating any employment-related benefits to which you may be entitled from the Bank or any Subsidiary. Participation in the Plan is discretionary and voluntary, and the Plan can be terminated at any time. This Award does not create a right or entitlement to future awards, whether pursuant to the Plan or otherwise.

The governing law for purposes of resolving any issue relating to this Award or the Plan shall be United States federal law and, where appropriate, the laws of the State of New York. Any dispute regarding this Award or the Plan shall be resolved by a court of law in the City of New York, State of New York.

Questions: If you have any questions regarding your Award, please see the enclosed Terms and Conditions and Plan document, or contact our Human Resources department.

Date: March 13, 2020

AMALGAMATED BANK

By: /s/ Keith Mestrich
Keith Mestrich, President and Chief Executive Officer

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN

PERFORMANCE UNIT TERMS AND CONDITIONS

This document is intended to provide you some background on the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**") and to help you better understand the terms and conditions of the Restricted Stock Unit award (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**") granted to you under the Plan. References in this document to "**our**," "**us**," "**we**," and "**Bank**" are intended to refer to Amalgamated Bank.

Background

1. **How are Award recipients chosen?**

Under our current process, the Compensation Committee ("**Committee**") approves executive equity awards, although the Committee may delegate the power to make non-officer awards to an officer of the Bank and the Board has the authority to reserve these powers to the full Board with respect to some or all eligible individuals.

2. **What is the value of my Award?**

The value of each Share covered by your RSU Award is equal to the market price of one Share of Bank Common Stock, and will have the same value as established on the exchange on which the Shares are traded.

Under current tax laws, you will be taxed on the market price of the Share(s) vesting under your RSU Award at the time the Shares (or in certain cases, their cash equivalent) are paid to you in settlement of your Award. We recommend that you consult your personal tax advisor to discuss the potential tax consequences to you of receiving this Award.

Note that no amount of cash or Common Stock received by you pursuant to your Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan of the Bank or its Subsidiaries.

Terms and Conditions

3. **When will my Restricted Stock Units vest?**

Generally, your Restricted Stock Units will vest (in whole Shares, rounded down) based on achievement of the Performance Measures during the Performance Periods, as set forth in your Award Agreement.

Your Award Agreement may provide for earlier vesting dates upon specific events. Please refer to your Award Agreement to see if special early vesting dates apply to your Restricted Stock.

The Committee may, in its sole discretion, choose to accelerate or extend the vesting of Awards in special circumstances.

4. **When do I receive payment?**

As soon as administratively practical after the date the Performance Period applicable to your RSUs ends, as specified in your Award Agreement, the specified number of Shares of our Common Stock will be delivered to you for each RSU that vests. Delivery of Shares, either electronically or in certificate form (as we determine), will usually be made within approximately 30 days after such Performance Period end. Fractional shares will not be paid. In some cases, the Bank may instead pay the cash equivalent of Shares to you.

By accepting this Award, you acknowledge that, except as may otherwise be provided in your Award Agreement, if you Separate from Service prior to the end of the Performance Periods, you will forfeit all of your unvested RSUs and any other rights associated with your unvested RSUs under the Plan.

5. **Do I have to pay any tax in connection with this RSU Award?**

Yes, you are subject to federal (and in some cases, state and local) income taxes on the fair market value of your Restricted Stock Units in the year that you are paid Shares of Common Stock (or in certain cases, their cash equivalent) in settlement of your Award. If you are an employee, we are required under current federal (and some state and local) tax laws to withhold taxes from you. This may be accomplished by withholding whole Shares of Common Stock with an equivalent value. We will round down to the nearest whole Share. To the extent this Share withholding is not sufficient, or is prohibited or limited by applicable law, you will ultimately be responsible for any additional taxes due. If withholding is determined by us to be not possible or inadequate, we will have the right to require cash payment and/or make deductions from other payments due to you that are sufficient to satisfy these requirements.

You may not rely on the Bank or any of its officers, directors or employees for tax or legal advice regarding this Award. We make no representations with respect to and hereby disclaim all responsibility as to the tax treatment of your Award.

6. **What are my rights as a stockholder with respect to my Restricted Stock Units?**

Until you actually receive Shares (if any) in settlement of your Award, you will generally have no rights as a stockholder with respect to those Shares, such as the right to vote the Shares or the right to receive dividends, unless the Board has specifically provided otherwise in your Award Agreement.

7. **Are there restrictions on the transfer of my Restricted Stock Units?**

You may not sell, transfer, pledge, assign, or otherwise alienate or hypothecate your RSUs, whether voluntarily or involuntarily, by operation of law or otherwise, except upon your death or as otherwise specifically provided in the Plan. If you die, your beneficiary or the personal representative of your estate can act on your behalf. Once you receive any Share, you will normally be entitled to all rights of ownership to such Share. Under certain circumstances described in the Plan, however, these rights may be delayed or subject to additional limitations or restrictions.

8. **How do I designate my beneficiary or beneficiaries?**

You must obtain and file a completed beneficiary designation form with our Human Resources department. Each time you file a beneficiary designation form, all previously-filed beneficiary designation forms will be revoked and of no further force or effect. If you want to name multiple beneficiaries, all beneficiaries must be listed on a single beneficiary designation form (including attachments, if necessary). If you do not file a beneficiary designation form, benefits remaining unpaid at your death will be paid to your estate.

9. **Are there restrictions on the delivery and sale of Shares?**

Shares issued to you upon the vesting of Restricted Stock Units are subject to federal securities laws. In some cases, state or local securities laws may also apply. If the Board determines that certain registrations or filings are needed or desired to comply with these various securities laws, then we may delay the delivery of your Shares until the necessary approvals or filings are obtained. In order for us to meet an exemption from securities registration requirements, we may also require you to provide us with certain information, representations and warranties before we will issue Shares to you.

Where applicable, the certificates evidencing any Shares may contain wording (or otherwise as appropriate in electronic format) indicating that conditions, restrictions, rights and obligations apply.

10. **Does the receipt of my Award guarantee continued service with the Bank?**

No. Neither the establishment of the Plan, your Award of RSUs, nor the issuance of Shares or other consideration in connection with your Award, gives you the right to continued employment or service with the Bank (or any of our Subsidiaries).

11. **What events can trigger forfeiture of my Restricted Stock Units?**

Except as may otherwise be specifically provided in your Award Agreement, your unvested RSUs will normally be cancelled and forfeited upon your Separation from Service.

In addition, your RSUs and any cash or Shares paid to you in settlement of your RSUs, and any profits from sale of such Shares, are subject to clawback, recoupment or repayment if you commit certain bad acts, you engage in certain practices injurious to the Bank or its Subsidiaries, or if the Bank experiences regulatory or capital issues. These clawback, recoupment and repayment provisions are set forth in detail in Section 8(j) of the Plan.

The Committee may, in its discretion, accelerate the vesting of your Award in special circumstances, subject to certain provisions of the Plan and the law.

12. **What documents govern my Restricted Stock Units?**

The Plan, your Award Agreement, and these Terms and Conditions express the entire understanding between you and the Bank with respect to your Restricted Stock Units. In the event of any conflict between these documents, the terms of the Plan will always govern.

You should never rely on any oral description of the Plan or your Award Agreement because the written terms of the Plan will always govern. The Committee has the sole authority to interpret this document and the Plan. Any such interpretation will be binding on you, us, and other persons.

APPENDIX A
Relative TSR Comparator Group List (n = 66)

1st Source Corporation (NasdaqGS:SRCE)
Allegiance Bancshares, Inc. (NasdaqGM:ABTX)
Bar Harbor Bankshares (AMEX:BHB)
Bridge Bancorp, Inc. (NasdaqGS:BDGE)
Bryn Mawr Bank Corporation (NasdaqGS:BMTC)
Byline Bancorp, Inc. (NYSE:BY)
Camden National Corporation (NasdaqGS:CAC)
Carolina Financial Corporation (NasdaqCM:CARO)
Carter Bank & Trust (NasdaqGS:CARE)
CBTX, Inc. (NasdaqGS:CBTX)
Central Pacific Financial Corp. (NYSE:CPF)
Century Bancorp, Inc. (NasdaqGS:CNBK.A)
City Holding Company (NasdaqGS:CHCO)
CNB Financial Corporation (NasdaqGS:CCNE)
Community Trust Bancorp, Inc. (NasdaqGS:CTBI)
ConnectOne Bancorp, Inc. (NasdaqGS:CNOB)
Enterprise Financial Services Corp (NasdaqGS:EFSC)
Equity Bancshares, Inc. (NasdaqGS:EQBK)
FB Financial Corporation (NYSE:FBK)
Fidelity Southern Corporation (NasdaqGS:LION)
Financial Institutions, Inc. (NasdaqGS:FISI)
First Bancorp (NasdaqGS:FBNC)
First Financial Corporation (NasdaqGS:THFF)
First Foundation Inc. (NasdaqGM:FFWM)
First Internet Bancorp (NasdaqGS:INBK)
First Mid-Illinois Bancshares, Inc. (NasdaqGM:FMBH)
Flushing Financial Corporation (NasdaqGS:FFIC)
Franklin Financial Network, Inc. (NYSE:FSB)
German American Bancorp, Inc. (NasdaqGS:GABC)
Great Southern Bancorp, Inc. (NasdaqGS:GSBC)
Hanmi Financial Corporation (NasdaqGS:HAFC)
HarborOne Bancorp, Inc. (NasdaqGS:HONE)
Heritage Commerce Corp (NasdaqGS:HTBK)
Heritage Financial Corporation (NasdaqGS:HFWA)
HomeTrust Bancshares, Inc. (NasdaqGS:HTBI)
Horizon Bancorp, Inc. (NasdaqGS:HBNC)
Independent Bank Corporation (NasdaqGS:IBCP)
Lakeland Bancorp, Inc. (NasdaqGS:LBAI)
Lakeland Financial Corporation (NasdaqGS:LKFN)
Live Oak Bancshares, Inc. (NasdaqGS:LOB)
Mercantile Bank Corporation (NasdaqGS:MBWM)
Midland States Bancorp, Inc. (NasdaqGS:MSBI)
MidWestOne Financial Group, Inc.
National Bank Holdings Corporation (NYSE:NBHC)
Nicolet Bankshares, Inc. (NasdaqCM:NCBS)
OFG Bancorp (NYSE:OFG)
Origin Bancorp, Inc. (NasdaqGS:OBNK)
Peapack-Gladstone Financial Corporation
Peoples Bancorp Inc. (NasdaqGS:PEBO)
Preferred Bank (NasdaqGS:PFBC)
QCR Holdings, Inc. (NasdaqGM:QCRH)
Republic Bancorp, Inc. (NasdaqGS:RBCA.A)
Seacoast Banking Corporation of Florida
Southside Bancshares, Inc. (NasdaqGS:SBSI)
Stock Yards Bancorp, Inc. (NasdaqGS:SYBT)
The Bancorp, Inc. (NasdaqGS:TBBK)
The First Bancshares, Inc. (NasdaqGM:FBMS)
The First of Long Island Corporation
Tompkins Financial Corporation (AMEX:TMP)
TriCo Bancshares (NasdaqGS:TCBK)
TriState Capital Holdings, Inc. (NasdaqGS:TSC)
Triumph Bancorp, Inc. (NasdaqGS:TBK)
Univest Financial Corporation (NasdaqGS:UVSP)
Veritex Holdings, Inc. (NasdaqGM:VBTX)
Washington Trust Bancorp, Inc. (NasdaqGS:WASH)
Westamerica Bancorporation (NasdaqGS:WABC)

Appendix A
Eligible Positions and Target Award Percentages

Title/Responsibilities	Target Incentive (as % of Base Salary)
Chief Executive Officer	66.7%
Chief Financial Officer	50%
Chief Operating Officer	50%
EVP, Commercial Banking	75%
Executive Vice Presidents	40%
Senior Vice Presidents	30%
First Vice Presidents	15%
Vice Presidents	10%
Assistant Vice Presidents	7.5%
Assistant Managers	5%
Senior Revenue Generators	50%
Revenue Generators	30%

Exhibit 16.1

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

December 17, 2019

Federal Deposit Insurance Corporation
Washington, D.C. 20006

Ladies and Gentlemen:

We are currently principal accountants for Amalgamated Bank and subsidiaries (the Company) and, under the date of March 28, 2019, we reported on the consolidated financial statements of the Company as of and for the years ended December 31, 2018 and 2017. On December 12, 2019, we were notified that the Company appointed Crowe LLP as its principal accountant for the year ending December 31, 2020 and that the auditor-client relationship with KPMG LLP will cease upon completion of the audit of the Company's consolidated financial statements as of and for the year ended December 31, 2019, and the issuance of our report thereon. We have read the Company's statements included under Item 4.01 of its Form 8-K dated December 17, 2019, and we agree with such statements, except that we are not in a position to agree or disagree with the Company's statement that the change was approved by the Audit Committee of the Board of Directors and we are not in a position to agree or disagree with the Company's statement that neither the Company nor anyone acting on its behalf consulted with Crowe LLP regarding the matters referenced in the final paragraph under Item 4.01.

Very truly yours,

KPMG LLP

Exhibit 21.1

List of Subsidiaries

The following is a list of the subsidiaries of Amalgamated Financial Corp.:

1. Amalgamated Bank*

The following is a list of the subsidiaries of Amalgamated Bank:

1. Amalgamated Real Estate Management Company, Inc., incorporated in New York
2. 275 Property Holdings, Inc., incorporated in New York
3. 275A Property Holdings, Inc., incorporated in New York
4. 727 Holdings, LLC, incorporated in New Jersey
5. AT2017 LLC, incorporated in New Jersey
6. The New Hillman Company, incorporated in New York

The following is a list of the subsidiaries of Amalgamated Bank, as Trustee of Longview Ultra Construction Loan Investment Fund (for trust other real estate owned properties):

1. Mill Condominiums LLC, incorporated in New York
2. LV Holdings LLC, incorporated in New York
3. LV Holdings Sole Member LLC, incorporated in New York
4. 1352 Lofts Property Corporation, incorporated in Pennsylvania
5. 1352 Lofts Property Holdings, LP, incorporated in Pennsylvania
6. 39 Grant Property Holdings, LLC, incorporated in Massachusetts
7. Winthrop Club at Bletchley Park LLC, incorporated in Illinois
8. 80 East Milton Avenue, LLC, incorporated in New Jersey
9. Park Lafayette Property Holdings, LLC, incorporated in Wisconsin
10. 21 Water Street Development LLC, incorporated in New York
11. Water Street Property Holdings LLC, incorporated in New York
12. Tower Drive Property Holdings LLC, incorporated in Rhode Island
13. Tower Drive Development LLC, incorporated in Rhode Island
14. One Madison R/A Holdings, LLC, incorporated in Delaware
15. ABQ Studios, LLC, incorporated in New Mexico
16. Pacifica Mesa Studios, LLC, incorporated in California
17. Bletchley Hotel at O'Hare Field LLC, incorporated in Illinois
18. Terrazio on South Wabash LLC, incorporated in Illinois
19. 321 Glisan Property Holdings LLC, incorporated in Oregon
20. Water Street Development at Sag Harbor LLC, incorporated in New York
21. Broad Street Property Holdings GP Corporation, incorporated in Pennsylvania
22. Broad Street Property Holdings, LP, incorporated in Pennsylvania
23. Signit Parking at LAX, LLC, incorporated in California
24. Humnit Hotel at LAX, LLC, incorporated in California
25. Lacon Property Development LLC, incorporated in New York
26. 66th Street Property Development LLC, incorporated in New York
27. Fort Tryon Overlook LLC, incorporated in New York
28. Fort Tryon Overlook Property Owner LLC, incorporated in New York

* Following the completion of the corporate reorganization described in the proxy statement/prospectus that forms a part of the registration statement to which this list of subsidiaries is an exhibit.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
Amalgamated Financial Corp.:

We consent to the incorporation by reference in the registration statement on Form S-4 of Amalgamated Financial Corp. of our reports dated March 13, 2020, with respect to the consolidated statements of financial condition of Amalgamated Bank and subsidiaries (the Bank) as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes, and the effectiveness of internal control over financial reporting as of December 31, 2019, which reports appear in the December 31, 2019 annual report on Form 10-K of the Bank, and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG LLP

New York, New York
September 8, 2020

SPECIAL MEETING OF STOCKHOLDERS OF

AMALGAMATED BANK

[•], 2020

GO GREEN

e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:
The Notice of Meeting, proxy statement and proxy card
are available at https://ir.amalgamatedbank.com/financial-information/annual-reports

Please sign, date and mail your proxy card in the envelope provided as soon as possible.

↓ Please detach along perforated line and mail in the envelope provided. ↓

[redacted] 00030003000000000000 8 000000

THE BOARD OF DIRECTORS RECOMMENDS YOU VOTE FOR THE FOLLOWING PROPOSALS:
PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE ☒

	FOR	AGAINST	ABSTAIN
1. The approval of the reorganization of the Bank into a holding company form of ownership by approving a Plan of Acquisition, pursuant to which the Bank will become a wholly owned subsidiary of Amalgamated Financial Corp., a newly formed Delaware public benefit corporation, and each outstanding share of Class A common stock of the Bank will be exchanged for one share of common stock of Amalgamated Financial Corp.	☐	☐	☐
2. The adjournment of the Special Meeting, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to constitute a quorum or to approve the reorganization proposal.	☐	☐	☐

The undersigned instructs such proxies to vote as specified below with the understanding that, unless a contrary choice is specified, this proxy will be voted "FOR" each of the proposals listed above:

NOTE: This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder _____ Date: _____ Signature of Stockholder _____ Date: _____

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person. [redacted]

SPECIAL MEETING OF STOCKHOLDERS OF

AMALGAMATED BANK

[•], 2020

PROXY VOTING INSTRUCTIONS

INTERNET - Access "**www.voteproxy.com**" and follow the on-screen instructions or scan the QR code with your smartphone. Have your proxy card available when you access the web page.

Vote online until 11:59 PM EST the day before the meeting.

MAIL - Sign, date and mail your proxy card in the envelope provided as soon as possible.

IN PERSON - You may vote your shares in person by attending the Special Meeting.

GO GREEN - e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

COMPANY NUMBER	
ACCOUNT NUMBER	

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:
The Notice of Meeting, proxy statement and proxy card
are available at https://ir.amalgamatedbank.com/financial-information/annual-reports

Please detach along perforated line and mail in the envelope provided IF you are not voting via the Internet.

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THE BOARD OF DIRECTORS RECOMMENDS YOU VOTE FOR THE FOLLOWING PROPOSALS:
PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE [x]

	FOR	AGAINST	ABSTAIN
1. The approval of the reorganization of the Bank into a holding company form of ownership by approving a Plan of Acquisition, pursuant to which the Bank will become a wholly owned subsidiary of Amalgamated Financial Corp., a newly formed Delaware public benefit corporation, and each outstanding share of Class A common stock of the Bank will be exchanged for one share of common stock of Amalgamated Financial Corp.	☐	☐	☐
2. The adjournment of the Special Meeting, if necessary, to permit further solicitation of proxies in the event there are not sufficient votes at the time of the meeting to constitute a quorum or to approve the reorganization proposal.	☐	☐	☐

The undersigned instructs such proxies to vote as specified below with the understanding that, unless a contrary choice is specified, this proxy will be voted "FOR" each of the proposals listed above:

NOTE- This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder _____ Date: _____ Signature of Stockholder _____ Date: _____

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

AMALGAMATED BANK

Proxy Solicited by the Board of Directors for the Special Meeting of Stockholders

[•], 2020 at [•]

The undersigned does hereby constitute and appoint Neil Grayson and Kay Gordon, and each of them, attorneys with the full power of substitution to each, for and in the name of the undersigned to vote all shares of Class A Common Stock of Amalgamated Bank (the "Bank") held of record on [•], 2020 by the undersigned, at the Special Meeting of Stockholders, to be held at the Bank's principal executive office located 275 Seventh Avenue, 12th floor conference room, New York, NY 10001, on [•], 2020, at [•], and at any adjournment of the Special Meeting, for the purposes more fully described in the accompanying Notice of Special Meeting of Stockholders and Proxy Statement/Prospectus, with all the powers the undersigned would possess if personally present.

THIS PROXY WILL BE VOTED AS DIRECTED, BUT IF NO INSTRUCTIONS ARE SPECIFIED, THIS PROXY WILL BE VOTED FOR EACH OF THE PROPOSALS. IF ANY OTHER BUSINESS IS PRESENTED AT THE MEETING, THIS PROXY WILL BE VOTED BY THOSE NAMED IN THIS PROXY IN THEIR BEST JUDGMENT. AT THE PRESENT TIME, THE BOARD OF DIRECTORS KNOWS OF NO OTHER BUSINESS TO BE PRESENTED AT THE MEETING.

(Continued and to be signed on the reverse side.)

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, DC 20006

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2019

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For transition period from_____ to _____

FDIC Certificate Number: 622

(Exact name of Registrant as specified in its charter)

New York	**13-4920330**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

275 Seventh Avenue, New York, NY 10001
(Address of principal executive offices) (Zip Code)

(212) 255-6200
(Registrant's telephone number, including area code)

Securities registered under Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.01 per share	**AMAL**	**Nasdaq Stock Market, LLC**

Securities registered pursuant to Section 12(g) of the Act: None.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes ☐ No ☒

The aggregate market value of the voting stock of the registrant held by non-affiliates was approximately $267,309,314 based on the closing sale price of $17.45 per share on June 28, 2019. For purposes of the foregoing calculation only, all directors and named executive officers of the registrant, Workers United and The Yucaipa Companies, LLC have been deemed affiliates. As of March 11, 2020, the Registrant had 31,296,704 shares of Class A common stock outstanding at $0.01 par value per share.

DOCUMENTS INCORPORATED BY REFERENCE

The information required by Part III of this Annual Report on Form 10-K is incorporated by reference from the Registrant's definitive proxy statement relating to the 2020 Annual Meeting of Stockholders, which will be filed with the Federal Deposit Insurance Corporation within 120 days after the end of the fiscal year to which this Annual Report on Form 10-K relates.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements included in this report that are not historical in nature are intended to be, and are hereby identified as, forward-looking statements for purposes of the safe harbor provided by Section 21E of the Exchange Act. The words “may,” “approximately,” “will,” “anticipate,” “should,” “would,” “believe,” “contemplate,” “expect,” “estimate,” “continue,” “plan,” “possible,” and “intend,” as well as other similar words and expressions of the future, are intended to identify forward-looking statements. These forward-looking statements include statements related to our projected growth, anticipated future financial performance, and management’s long-term performance goals, as well as statements relating to the anticipated effects on results of operations and financial condition from expected developments or events, or business and growth strategies, including anticipated internal growth.

These forward-looking statements involve significant risks and uncertainties that could cause our actual results to differ materially from those anticipated in such statements. Potential risks and uncertainties include, but are not limited to, those described under “*Risk Factors*” and the following:

- our ability to maintain our reputation;
- our ability to allocate capital and carry out our business strategy prudently, effectively and profitably;
- our ability to attract customers based on shared values or mission alignment;
- market perceptions associated with certain aspects of our business;
- the incremental costs of operating as a public company;
- increases in future provisions for loan losses, increases in nonperforming assets, impairment of investments, increases in our allowance for loan and lease losses (“allowance”) and changes in our accounting policies with respect to any of these items;
- concentrations of credit and market risk;
- our ability to achieve organic loan and deposit growth and the composition of such growth;
- our ability to identify and effectively acquire potential acquisition or merger targets, including our ability to be seen as an acquirer of choice and our ability to obtain regulatory approval for any acquisition or merger;
- time and effort necessary to resolve nonperforming assets;
- fluctuations in the values of our assets and liabilities and off-balance sheet exposures;
- our ability to attract and retain customer deposits;
- economic conditions (both generally and in our markets) may be less favorable than expected, which could result in, among other things, a deterioration in credit quality, a reduction in demand for credit and a decline in real estate values;
- a decline in the real estate and lending markets, particularly in our market areas, may negatively affect the value of collateral underlying our loans and our financial results;
- our ability to raise additional capital on acceptable terms when needed;
- costs or difficulties related to the integration of banks we may acquire may be greater than expected;
- a decrease in the demand for our products or services;
- other financial institutions having greater financial resources and being able to develop or acquire products that enable them to compete more successfully than we can;
- restrictions or conditions imposed by our regulators on our operations or the operations of banks we acquire may make it more difficult for us to achieve our goals;
- legislative or regulatory changes, including changes in accounting standards and compliance requirements including the implementation of the Current Expected Credit Loss, or CECL model, may adversely affect us;
- possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations;

- changes in any applicable law, rule, regulation or practice with respect to tax or legal issues, whether of general applicability or specific to us and our subsidiaries;
- the impact of, legal, regulatory or other actions, investigations or proceedings relating to our business;
- competitive pressures among depository and other financial institutions may increase significantly, including the impact of competition from financial technology ("Fintech") "non-banks," including pricing pressures and the resulting impact, including as a result of compression to net interest margin;
- changes in the interest rate environment may reduce margins or the volumes or values of the loans we make or have acquired;
- adverse changes in the bond and equity markets;
- cybersecurity risk, including potential network breaches, business disruptions or financial losses;
- adverse effects of failures by our vendors to provide agreed upon services in the manner and at the cost agreed;
- our ability to attract and retain key personnel can be affected by the increased competition for experienced employees in the banking industry;
- the possibility of earthquakes, wildfires and other natural disasters affecting the markets in which we operate;
- the adverse effects of events such as outbreaks of contagious disease (such as the coronavirus), war or terrorist activities, or essential utility outages, including deterioration in the global economy, instability in credit markets and disruptions in our customers' supply chains and transportation;
- changes in trade policy and any related tariffs;
- economic, governmental or other factors may prevent the projected population, residential and commercial growth in the markets in which we operate; and
- changes in assumptions underlying or relating to any of the foregoing.

All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations, and, therefore, you are cautioned not to place undue reliance on any forward-looking statements, which should be read in conjunction with the other cautionary statements that are included elsewhere in this report. In particular, you should consider the numerous risks described in Item 1A, "Risk Factors," for a description of some of the important factors that may affect actual outcomes. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws.

Part I

Item 1. Business

General Overview

Our business

Amalgamated Bank is a commercial bank and a chartered trust company headquartered in New York, New York. We provide a broad range of products and services to a target customer base that wants a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national and local labor unions, political organizations, foundations, and sustainability-focused, socially responsible businesses (we refer to these organizations on a collective basis as socially responsible organizations), as well as the members and stakeholders of these commercial customers. As of December 31, 2019, our total assets were $5.3 billion, our total loans, net of deferred fees and allowance were $3.4 billion, our total deposits were $4.6 billion, and our stockholders' equity was $490.5 million. As of December 31, 2019, our trust business held $32.4 billion in assets under custody and $13.9 billion in assets under management. We completed an initial public offering of our Class A common stock in August 2018.

In this report, references to the "Bank," "we," "us," and "our" mean Amalgamated Bank. References to our "Class A common stock" and "common stock" refer to our Class A common stock, par value $0.01 per share.

We are the largest union-owned bank in the U.S. We were formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions founded in 1914, as the financial institution for immigrants. In 2000, we changed our name from Amalgamated Bank of New York to Amalgamated Bank in order to better reflect our national customer base. Although we are no longer fully union-owned, Workers United, which is Amalgamated Clothing Workers of America's successor, remains our largest stockholder with 40% ownership of our equity as of December 31, 2019. Workers United is an affiliate of the Service Employees International Union that represents workers in the textile, food service, distribution, and manufacturing industries in the U.S.

We offer a complete suite of commercial and retail banking, investment management and trust and custody services. Our commercial banking and trust businesses are national in scope and we also offer a full range of products and services to both commercial and retail customers through our 11 branch offices across four boroughs of New York City, one branch office in Washington, D.C., one branch office in San Francisco, and our digital banking platform. In 2019, we closed our branch at 275 7th Avenue in New York City, and we announced the intended closure of two of our New York branch offices, in Gramercy and Tremont, which closed in February 2020. Our corporate divisions include Consumer Banking, Commercial Banking, and Trust and Investment Management. Our product line includes residential mortgage loans, commercial and industrial ("C&I") loans, commercial real estate ("CRE") loans, multifamily mortgages, and a variety of commercial and consumer deposit products, including non-interest-bearing accounts, interest-bearing demand products, savings accounts, money market accounts and certificates of deposit. We also offer online banking and bill payment services, online cash management, safe deposit box rentals, debit card, pre-paid card and ATM card services and the availability of a nationwide network of ATMs for our customers.

We currently offer a wide range of trust, custody and investment management services, including asset safekeeping, corporate actions, income collections, proxy services, account transition, asset transfers, and conversion management. We also offer a broad range of investment products, including both index and actively-managed funds spanning equity, fixed-income, real estate and alternative investment strategies to meet the needs of our clients.

Our goal is to be the go-to financial partner for people and organizations who strive to make a meaningful impact in our society and who care about their communities, the environment, and social justice. As of December 31, 2019, we were the largest of eight banks in the United States that have obtained B Corporation ™ certification, a distinction we earned after being evaluated under rigorous standards of social and environmental performance, accountability, and transparency. As of December 31, 2019, we were also the largest of 10 commercial financial institutions in the United States that are members of the Global Alliance for Banking on Values, a network of banking leaders from around the world committed to advancing positive change in the banking sector.

New Resource Bank acquisition

On May 18, 2018, we successfully completed our acquisition of New Resource Bank ("NRB"), which enabled us to expand into the San Francisco metropolitan area including adding one branch office. We believe this acquisition provided us, and continues to provide us, with the opportunity to offer mission-aligned products and services to a new market that we believe is highly concentrated with our target customer base. At the time of the acquisition, NRB had approximately $412.1 million in total assets, $335.2 million in total loans, and $361.9 million in total deposits.

Under the terms of the merger agreement, each share of NRB common stock was converted into the right to receive 0.0315 shares of our Class A common stock. Total consideration paid was approximately $58.8 million consisting of $57.4 million of our Class A common stock. We recorded $12.9 million of goodwill related to the NRB acquisition.

Our History and Turnaround

From 2008 to 2011, we experienced significant credit and financial losses resulting primarily from the collapse of real estate prices during the Great Recession, which began in 2007. In April 2012, we initiated our turnaround efforts by recapitalizing with a $100 million investment from funds associated with WL Ross & Co. and The Yucaipa Companies, LLC. Following the NRB Acquisition, Workers United and affiliates owned approximately a 55.2% equity stake in the Bank, while funds associated with WL Ross & Co. and The Yucaipa Companies, LLC each owned approximately a 16.5% equity stake. Following our initial public offering and first follow-on offering, Workers United and affiliates owned a 40.0% equity stake in the Bank, while funds associated with The Yucaipa Companies, LLC owned approximately 11.9%. As of December 31, 2019, WL Ross & Co. owned less than 5% of the stock.

In 2012, Keith Mestrich joined us as the director of our Washington, D.C. operation, and in 2014, he was appointed as Chief Executive Officer and President to harness the profit potential of our target customer base. Since his appointment, we have hired new members for our management team, grown our customer base, instilled a disciplined expense culture, and improved the quality of both our assets and sources of funding. We have grown our deposits within our target customer segment by deepening and expanding our customer base through strategic expansion and leveraging our reputation nationwide, which has led to a 17% compounded annual growth rate of stable, low-cost core deposits (excluding time deposits) over the five-year period ended December 31, 2019. We believe there is significant opportunity to continue our growth given the size of our target customer segment, which we estimate to include over $90 billion in assets nationally across unions, progressive philanthropies, and social advocacy and human-needs organizations. Additionally, we continue to enhance our efficiency by discontinuing unprofitable business lines, closing 50% of our branch offices and rationalizing our number of full-time employees since December 31, 2014. We also have improved the quality of our assets and liabilities on the balance sheet by exiting legacy non-performing and substandard credits and reducing our reliance on expensive wholesale borrowings. These efforts have resulted in 20 consecutive quarters of positive pre-tax income through December 31, 2019. We intend to continue to execute on our strategic plan, which we believe will position us for strong future growth and enhanced profitability while maintaining our conservative risk culture.

Environmental, Social, and Governance Responsibility

We maintain an explicit commitment to the highest environmental, social, and governance ("ESG") standards. Under the direction of our Board of Directors, President and Chief Executive Officer and executive management, we are diligent in fulfilling our mission to be America's socially responsible bank. In 2019, we formalized our Board of Directors' oversight of all of our ESG activities and communications, which is maintained by our Executive Committee, which we renamed to our Executive and Corporate Social Responsibility Committee. In addition, a formal cross-department Corporate Social Responsibility ("CSR") Committee was formed of employees responsible for implementing various ESG policies, strategies, and communications. The CSR Committee reports directly to our Executive and Corporate Social Responsibility Committee of the Board of Directors.

Our business strategy is focused on providing impact banking and lending services to a customer base that cares about how their money is invested. That strategy is rooted in our nearly 100 year history as a bank serving working people, labor unions, nonprofits, foundations, and impact businesses. We believe that there is a growing base of customers who want to entrust their monies with a company that aligns with their values. In 2018, we announced a two-year $700 million commitment to impact investing and lending, all of which has been fulfilled ahead of schedule. Our policy is to not lend to, or invest our own money in, (i) fossil fuel companies, (ii) companies that manufacture weapons, (iii) companies that we do not believe support the rights of workers, women, immigrants or the LGBTQ+ community, or (iv) companies that take positions that are not aligned with our mission to create a more just and sustainable world.

We have been an international leader in supporting strong environmental standards, sustainable finance and responsible and sustainable banking practices. As a founding signatory of the United Nations Principles for Responsible Investing and a founding signatory to the

United Nations Principles for Responsible Banking, we publicly committed to use finance as a tool to build a more sustainable planet. In 2019, we announced that our President and Chief Executive Officer will serve as the Steering Committee Chair of the Partnership for Carbon Accounting Financials, an international body that is developing a shared methodology to account for Scope 3 emissions in investment portfolios across all bank asset classes. In calculating the carbon impact of a company or industry, company greenhouse gas emissions fall in the following three categories, known as "Scopes":

- Scope 1 Emissions. Emissions from sources owned or controlled by the applicable company, e.g. vehicles, blast furnaces, generators, refrigeration, air-conditioning units.
- Scope 2 Emissions. Emissions resulting from consumption of electricity, heat or steam purchased by the applicable company.
- Scope 3 Emissions. Covers all other indirect emissions (excluding Scope 2) caused by business activities that are released from sources not owned or controlled by the applicable company. Examples of Scope 3 activities include business travel such as flights and car rentals.

Within our own operations, we plan to measure our Scope 1 and Scope 2 greenhouse gas emissions and purchase carbon offsets for any unavoidable carbon emissions. We are committed to 100% clean energy across our corporate footprint, purchasing predominantly recycled paper products, and maintaining the highest standards of energy efficiency. Bank wide, we actively engage in efforts to strengthen adherence to our environmental policies and programs.

We have an explicit commitment to social and governance responsibility. As of December 31, 2019, approximately 30% of our employees are unionized under a collective bargaining agreement. Employees are aware of our stance in supporting organized labor and workers' rights. In 2019, we raised our minimum wage to $20 per hour. Our employee code of conduct and affirmative action policy, under the leadership of the Director of Diversity and Inclusion, support diversity and inclusion efforts for hiring, training, and work place culture. Seventy-four percent of our employees identify as women or people of color. As of December 31, 2019, women held 10 of 38 senior management positions (which is defined as Senior Vice President and above) and 4 of 12 executive management positions (which is defined as Executive Vice President and above). Additionally, five of our 12 board members identify as women or people of color.

We regularly advocate for social and governance responsibility. In 2019, we signed the Everytown for Gun Safety platform. In addition, through our institutional investing platform, we regularly engage in shareholder activism, with a particular focus on board diversity, climate change, and forced labor.

Competition

The financial services industry is highly competitive as we compete for loans, deposits, and customer relationships in our geographic markets. We strive to be the bank of choice for working class and progressive individuals and socially responsible organizations. Competition involves efforts to retain current customers, make new loans and obtain new deposits, increase the scope and sophistication of services offered, and offer competitive interest rates paid on deposits and charged on loans. Our cost of funds fluctuates with market interest rates and may be affected by higher rates offered by other financial institutions. In certain interest rate environments, additional significant competition for deposits may be expected to arise from corporate and government debt securities and money market mutual funds. We have a very small market share of the total deposit-gathering or lending activities in the New York City metropolitan area, Washington, D.C. metropolitan area, and San Francisco, California metropolitan area.

In the financial services industry, market demands, technological and regulatory changes and economic pressures have increased competition among banks, as well as other financial institutions. As a result of increased competition, we believe that existing banks have been forced to diversify their services, increase rates paid on deposits and become more cost effective. Meanwhile, corresponding changes in the regulatory framework have resulted in increasing uniformity in the financial services offered by financial institutions. These market dynamics in the financial services industry have increased the number of new bank and non-bank competitors and have increased customer awareness of product and service differences among competitors.

We primarily face competition from the five major categories of competitors listed below. In each case, we rely on our focus on socially responsible and progressive values and on consumer products at a local and increasingly national level to attract mission driven customers and compete against these competitors.

- Local and regional bank competition within our branch footprint of the New York City metropolitan area, Washington, D.C. metropolitan area and San Francisco, California metropolitan area. These local and regional banks have the same local focus and engagement with the community and typically offer similar products and servicing capabilities.
- Large banks which have been and are expanding their physical footprint in the New York City metropolitan area, Washington, D.C. metropolitan area, and San Francisco, California metropolitan area. These large banks have significant national-scale resources.
- National “direct” banks, which have sophisticated digital offerings and significant national brand investments that appeal to segments of the population that do not require a physical branch to conduct banking and may offer higher interest rates on deposits.
- Fintech “non-banks.” There are numerous emerging business models and technology innovators entering the field of personal finance. Much of the Fintech innovation has significant capabilities and may be disruptive to traditional banks.
- Other socially responsible banks and financial services companies, including credit unions. We anticipate an increase in competition in socially responsible banking given the recent high-level focus the concept has received.

In commercial banking, we compete to underwrite loans to sound, stable businesses and real estate projects at competitive price levels that also make sense for our business and risk profile. Our major commercial bank competitors include national, regional and local banks that are larger than us and, as a consequence of their size, have the ability to make loans on larger projects or provide a greater mix of product offerings. We also compete with local banks, some of which may offer aggressive pricing and unique terms on various types of loans.

In retail banking, we primarily compete with banks that have a visible retail presence and personnel in our market areas. The primary factors driving competition in consumer banking are customer service, interest rates, fees charged, branch location and hours of operation, online banking capabilities, and the range of products offered. We compete for deposits by advertising, offering competitive interest rates, and seeking to provide a high level of personal service.

In retail lending, we also compete with non-bank mortgage companies. The non-bank competition has access to a wide array of products and services offered through the secondary market and private participants. The ability to quickly utilize the latest technologies, while benefitting from lower regulatory and compliance costs, allow the non-bank competition to add new products at a fast pace. We seek to keep up with the non-bank mortgage competition by utilizing our portfolio products to give customers options they would not find at traditional banks and furthering the customer relationship by offering in-house servicing for portfolio products. We recently added Veterans Administration (VA) loans and Federal Housing Authority (FHA) to our product offerings. We have invested in new technologies to keep pace in the market; integrating services directly into our point-of-sale and loan origination software systems to help mitigate risks and decrease the mortgage processing time. We have consistently increased our market presence in this retail lending space through the use of internet marketing, the ability to have customers apply online, adding more states to our mortgage lending area, collaborating with state and local nonprofits to help low to moderate income borrowers and hiring talented mortgage origination professionals.

In investment management and trust services, we compete with a variety of custodial banks as well as a diverse group of investment managers and consultants to those client segments. From a custody standpoint, we compete against larger custodial institutions, such as State Street and BNY Mellon, and smaller, client-service oriented custodial banks, such as US Bank, Regions Bank and M&T Bank. In the investment management space, we regularly compete against a host of firms that provide passive equity index replication to their clients, including State Street, BlackRock, and Vanguard. Our active products, both in equities and fixed-income, compete against dozens of institutional managers who traditionally provide services to Taft-Hartley funds, public funds and endowments/foundations. Our recent agreement with Invesco to be our principal investment sub-adviser will add to this suite of products.

We have focused on providing value-added products and services to our clients, which we are able to do because of our close relationships with them, and our affinity to their missions. We believe our ability to provide a flexible, sophisticated products and customer-centric process to our customers and clients allows us to stay competitive in the financial services environment. We have taken a segment-specific position on remaining competitive, both within our branch and online banking markets, for consumer, small business and commercial clients. We have expanded our banking product set and availability over the last five years.

Our Market Area

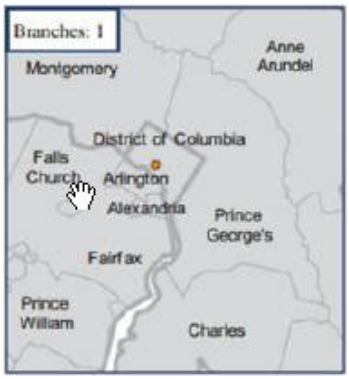
We are focused on geographic markets with large and growing populations of our target customer base. Our primary geographic markets include the New York City metropolitan area, the Washington, D.C. metropolitan area, and the San Francisco metropolitan area. Based on research we commissioned, each of these markets is densely populated with a significant number of values-based businesses and non-profit organizations. We are also able to leverage our heritage as a socially responsible bank to market to customers nationwide.

We currently have an efficiently managed network of 11 branch offices in New York City, one branch office in Washington, D.C., and one branch office in San Francisco (acquired in the NRB Acquisition). Following our success in New York, a community we have now been a part of for nearly a century, we entered the Washington, D.C. market with a successful strategic expansion in 1998. We bolstered our efforts in the Washington, D.C. market in 2012 under the direction of our then Regional Director (and current Chief Executive Officer), Keith Mestrich, and have since generated a 45% compound annual deposit growth rate during the five-year period ended December 31, 2019.

Our Locations

New York City
Presence for nearly a century

Washington, D.C.
Successful strategic expansion



San Francisco
New Resource Bank Acquisition

Source: SNL Financial

Our Business Model

We are a full-service commercial bank offering a broad range of deposit products, trust and investment management services, and lending services. We generate relationship deposits from our values-based commercial clients and consumer customers. We further develop new and existing relationships through our trust, custody, and investment management services, which generate fee income, and we also offer investment, brokerage, asset management, and insurance products to our retail customers through a third party broker dealer. Because our target customer base has historically had limited credit needs, we generate a significant amount of excess liquidity from these relationships, which we, in turn, deploy through a conservative asset allocation strategy to achieve attractive risk-adjusted returns.

Deposits

We gather deposits primarily through teams of bankers organized based on region and client segment. Our teams of dedicated bankers have a strong familiarity with the segments they cover and many have worked with organizations that make up our target customer base before starting their career in banking. We believe our deep understanding of these segments, customized solutions and relationship-based, personalized service model enable us to address our customers' unique banking needs. As a result, we believe we have become one of the leading banks of choice for many of these groups who, in turn, contribute a significant source of low-cost core deposits to the bank. Our total deposit base is composed of 47% non-interest-bearing accounts and has an average cost of deposits of only 35 basis points for the year ended December 31, 2019. We believe that our focus on serving the banking interests of the mission-driven customer market gives us a competitive advantage over other commercial banks in generating business from our target customer base.

In addition to this commercial business development structure, we source consumer deposits through our branch network, online network, and mobile platform. Through these channels, we offer a variety of deposit products, including demand deposit accounts, interest-bearing products, savings accounts, and certificates of deposit. As of December 31, 2019, our deposit base consisted of $2.2 billion of checking deposits, $2.1 billion of other liquid deposits such as money market checking, savings and passbook deposits, and $393.6 million of certificate of deposits. Approximately 24% of our total deposits came from consumer customers and 76% from commercial clients. The vast majority of our commercial deposits are derived from socially responsible organizations.

Trust and Investment Management

We have been providing institutional trust, custody and investment management services since 1973. This business has become an integral contributor to our franchise and is complementary to our commercial banking business, as they each help support and grow the other. Approximately one-third of our trust and investment management clients utilize our deposit products. The majority of our trust and investment management business consists of institutional investment clients, such as multi-employer pension funds and Taft-Hartley funds.

Our custody service bankers have considerable experience with our target customer base, offering a highly personal approach to customer support and customizable solutions including those which are specifically designed to meet the requirements of the Taft-Hartley Act and public sector employee benefit and pension plans, endowments, foundations and family offices. Our core custody services feature a wide-ranging and comprehensive product suite, including asset safekeeping, corporate actions, income collections, proxy services, account transition, asset transfers and conversion management, which focus on adding value for our clients.

Our investment management offerings are currently composed of a broad range of both index and actively-managed funds spanning equity, fixed-income, real estate assets and alternative investment strategies. Our experienced team specifically tailors our investment strategy to align with the values of our clients. We launched our LongView family of funds in 1992 to promote advocacy through ownership guided by the investment belief that companies with strong corporate governance deliver stockholders greater and less volatile returns over the long term. We view accountability, prudent risk oversight, social and environmental awareness, and alignment of compensation practices with sustainable value creation as the key principles that define good governance best practices and enhance the prospects for sound stockholder returns. We have an active role in promoting strong corporate governance through our proxy-voting guidelines, the filing of socially-aligned stockholder proposals, and litigation brought by us on behalf of our investors, and we believe this distinguishes our index funds from similarly situated funds and provides us with a competitive marketing advantage.

The growth of our commercial banking business has contributed meaningfully to the accelerated growth of our trust, custody and investment management services business in recent years. From December 31, 2014 through December 31, 2019, trust and investment management clients have grown at a 5.7% compound annual growth rate. As of December 31, 2019, we had 1,054 custody accounts with $32.4 billion in assets under custody of which 542 were investment management accounts (including 131 separately managed) with $13.9 billion in assets under management. For the year ended December 31, 2019, we generated $18.6 million of investment and trust fees.

Asset allocation

Our target customer base provides us with what has historically been a stable source of low-cost core deposits, with generally limited credit needs. Therefore, we have historically had a substantial amount of excess liquidity. We believe a key benefit of our differentiated business model is our flexibility to allocate our excess liquidity to achieve attractive risk-adjusted returns. Our earning asset mix today is composed of a combination of loans to target commercial customers, various types of real estate loans, and securities. We have a robust governance process in place to maintain conservative credit standards and underwrite each loan on our balance sheet.

Commercial and Industrial lending

Our direct C&I portfolio consists of loans to our target customers while our indirect C&I portfolio has historically been made to companies outside of our target customer base.

Direct C&I

We take a relationship-based approach to our target customer loan origination strategy, as our bankers have developed a deep level of experience with our customers within our target customer base and their unique banking needs. Our business strategy involves us growing our business by earning the trust of these customers through a demonstrated dedication to our shared values—these mission-aligned customers seek our expertise in order to obtain various forms of specialty lending. Our specialty lending includes bridge financing guaranteed by philanthropic grants, financing for owner-occupied union facilities, loans to affordable housing construction funds administered by leading Community Development Financial Institutions Funds, loans for commercial solar deployment and other renewable power and energy efficiency projects, and loans to political campaigns.

Indirect C&I

Our portfolio of indirect C&I loans has historically been made to companies outside of our target customer base. We have deemphasized this portfolio and are reallocating these balances across our portfolios of interest earning assets in similar proportions to those that currently exist. For the year ended December 31, 2019, we have approximately $60.1 million of loan balances remaining in this portfolio. This reallocation is intended to better align our overall portfolio with our stated strategy of maintaining a prudent approach to asset allocation.

Real estate loans

Our real estate portfolio consists of loans to individuals and commercial businesses, including 1-4 family, multifamily, and CRE.

Residential Real Estate

Our portfolio of originated real estate loans to individuals is based primarily in our geographic markets, but also a minority of real estate loans are to individuals outside our geographic markets, some of which are affinity mortgage programs we have developed for members of certain commercial customers, such as the Service Employees International Union (SEIU) and American Federation of Teachers (AFT). We began offering residential mortgage loans in 2012 and have since originated approximately 2,300 loans totaling $1.1 billion, and through December 31, 2019, we have not experienced any losses on this portfolio. Our residential loans are primarily closed-end mortgage loans, secured by a first lien on 1-4 family dwellings primarily in our geographic footprint. The dwellings are typically residential structures consisting of principal residences, second or vacation homes and investment properties, with property types including single family homes, two-to-four unit homes, condominiums, and cooperative apartments. We also own portfolios of purchased 1-4 family loans (purchased starting in 2014 representing 5.5% of total assets as of December 31, 2019) with a weighted average loan-to-value ratio (“LTV”) below 60% and a majority of borrowers have FICO credit scores above 725 at origination. There have been no credit losses or any material delinquencies from these loans since purchase. For residential real estate loans originated or purchased after 2012, the most recent available average LTV and FICO scores are 59% and 765, respectively.

Multifamily and CRE

A substantial portion of our portfolio is composed of multifamily loans made to customers in New York, predominantly for rent-stabilized buildings. We generally apply stringent underwriting guidelines for LTV and debt service coverage ratios, which are intended to mitigate credit and concentration risk in this loan category. Our cumulative historical multifamily loss rate from January 1, 2010 through December 31, 2019 is 56 basis points. The average LTV of our Multifamily loans is 58%. Approximately 42% of multifamily loans had an LTV less than or equal to 60% at origination and approximately 88% had an LTV less than or equal to 75% at origination. Other CRE exposure is also predominantly in the New York metropolitan area and includes loans on office buildings, retail centers, industrial facilities, medical facilities and mixed-use buildings with an average LTV of 57% at origination.

At December 31, 2019 our total multifamily portfolio is $976.4 million, and our total multifamily loan exposure in New York State is approximately $795 million. Approximately 67% of these loans are to buildings with at least one rent regulated unit and approximately 50% of all units in the portfolio are rent regulated.

In June 2019, New York State passed new rent control/stabilization laws that limit an owner’s ability to raise rents and bring units up to fair market rent. The long-term impact of this change is unknown and has dampened new business opportunities. We underwrite to existing rent rolls and have a conservative approach to revenue increases for takeout analysis. It is possible that over time, and coupled with a downturn in the economy, fair market values may deteriorate, driving up LTV ratios.

Securities

Our securities portfolio primarily consists of high quality and liquid investments in mortgage-backed securities to government sponsored entities and other asset-backed securities. All non-agency securities are senior tranche and approximately 87.4% of our non-agency securities, composed of non-agency commercial mortgage-backed securities, collateralized loan obligations, non-agency mortgage-backed securities, and asset-backed securities, carry AAA credit ratings and 12.2% carry A or higher. As of December 31, 2019, our securities portfolio, including Federal Home Loan Bank of New York (“FHLB”) stock, has a weighted average yield of 3.36% and a weighted average life of 4.6 years. Approximately 80.7% of this portfolio is classified as “available for sale.” In total, our securities portfolio including FHLB stock represented 28.5% of total interest earning assets as of December 31, 2019.

In 2019, we expanded into residential Property Assessed Clean Energy ("PACE") financing which allows residential borrowers to finance energy efficient and other socially responsible home improvements with the repayment made through property tax assessments collected by municipalities. PACE assessments are typically pari passu with tax liens and senior to mortgage debt. In 2019, we entered into four separate transactions to purchase a total of $261.4 million of PACE assessments. The assessments were originated by two different companies and were backed by properties from California and Florida. The average assessment-to-value at origination for our residential PACE purchases was 8%. PACE assessments are non-rated pass-through securities with no structural protections or guarantees added at the security level.

Our Business Strategy

We have a clearly defined vision to be America's socially responsible bank. Our mission is inspired by our core value: *To help those who do good, do better*. Our mission and core values have enabled us to become a financial institution focused on serving values-based organizations and people. Our differentiated model of providing relationship-based, personalized-service and customized solutions while sharing our customers' values has driven the growth of our commercial banking, trust and investment management, and increasingly our consumer banking businesses.

We expect to further enhance our franchise value by continuing to develop organic relationships with our target customer base and maintaining our risk and expense discipline. We plan to expand our customer base by forming new relationships with our target customers in existing markets, strategically expanding into new geographies, and through opportunistic acquisitions. We believe this will drive growth in our core banking business and our trust and investment management business. Protecting our values-based franchise also requires disciplined risk and expense management, which we believe is essential to our business strategy. Commitment to our customers' values is a central tenet of our differentiated business model and we expect it to continue to serve as the pillar of our broader business strategy.

Focus on Deposit-led Organic Growth

Our primary goal is to develop organic relationships in our target customer segments to support the growth of our high quality, low-cost core deposit base. Our growth has been achieved by providing relationship-based, personalized-service and customized solutions. The success of our deposit gathering strategy has enabled us to become a primarily core deposit-funded institution, resulting in a lower cost funding base. Core deposits, which include checking accounts, money market accounts, and savings accounts, totaled $4.2 billion as of December 31, 2019 and represented 92% of total deposits. Our deposit strategy enables us to attract commercial depositors that also borrow and invest with us. Our deposit growth in the New York metropolitan area has increased at a 6% compound annual growth rate from December 31, 2014 through December 31, 2019 despite our branch rationalization that resulted in the closure of 13 branches. We believe our reputation within our target customer base positions us well to sustain our growth trajectory.

Geographic Expansion

We intend to consider strategic expansions, either organically or through acquisitions, into new markets that have a large constituency of socially responsible organizations and individuals. We are demonstrating our ability to grow through expansion in Washington, D.C. and through acquisitions with the completed acquisition of NRB, based in San Francisco. We intend to evaluate opportunities to efficiently expand our geographic footprint into other large metropolitan areas throughout the United States that share the same characteristics as San Francisco and our other current markets. Based on research we commissioned, potential markets that we believe have similar target customer bases with sizeable asset concentrations include Chicago, Boston, and Los Angeles. Other notable markets include Seattle and Austin.

We expect to continue to work to identify, from time to time, opportunistic acquisitions that are financially attractive, as demonstrated in the NRB Acquisition, and either enhance our penetration in existing markets or help us gain entry into new markets. Our ideal targets are banks that cater to segments of our target customer base. We believe that we will be well-positioned as an acquirer of choice because of our shared values, financial strength and operating model.

Grow Trust and Investment Management Business

We have been dedicated to serving the investment needs of our institutional clients for more than 40 years. We are committed to fostering strong client relationships and unparalleled understanding of our clients' goals and objectives. We offer a broad range of both index and actively-managed funds spanning equity, and fixed-income strategies. As of December 31, 2019, we had $32.4 billion of assets under custody and $13.9 billion of assets under management. The growth of our commercial banking business has fueled the continued growth of our trust and investment management business, as approximately one-third of our trust and investment

management clients utilize our deposit products. Our existing commercial clients have large trust and investment management needs. Our current infrastructure provides the necessary scale to increase our market presence among corporations, endowments, foundations and family offices. While we perform many services “in house” we leverage a range of sub-advisors for specific investment management services. In December of 2019, we announced a strategic alliance with Invesco as an investment management subadvisor. Invesco brings significant scale and experience to our investment management business, with over $1 trillion in assets, as of September 2019. Invesco has a wide range of investment management services across asset classes, with experience in our Taft-Hartley client space, and a significant range of social responsibility investment products aligned with our mission.

The development of our regional banking model places added emphasis on providing our clients a suite of commercial banking products, including trust and custody services, which are specifically tailored to their needs. We provide additional customized products to our clients, allowing us to expand our product suite and increase efficiency, based on our close relationship to them, and our deep understanding of their segment needs. We believe that our values, reputation and superior client service will help us further broaden our existing client relationships and foster continued growth in the products and services we offer them. We believe that as our assets under management and assets under custody continue to grow, our trust and investment management business will meaningfully contribute to our profitability given the limited amount of capital required to support this business.

Maintain a Prudent Approach to Asset Allocation

Our business model has historically generated a substantial source of low-cost core deposits and we believe that it will continue to do so. As noted above, our target customers have historically had limited credit needs and we do not expect that these needs will change meaningfully. As such, our business model gives us access to excess liquidity, which we intend to prudently manage to optimize risk-adjusted returns. We expect that our lending strategy will continue to consist of real estate and direct C&I loans as well as purchases of high-quality loans such as government guaranteed loans supported by the Small Business Administration or the United States Department of Agriculture or other banking institutions with a track record of strong credit underwriting performance.

Focus on Optimizing Operating Leverage, Capital Return and Continued Profitability Enhancement

With the additions to our management team and the locations in Washington, D.C. and San Francisco, we believe we have built a scalable platform to support future organic or acquisition growth without making significant additional investments, which we expect will improve operating efficiencies over time. We have demonstrated the ability to eliminate excess costs without sacrificing growth by reducing our number of branches, exiting unprofitable business lines, and eliminating unnecessary positions.

We are focused on optimizing our expense base to generate positive operating leverage. Examples of our cost savings opportunities may include redundancies due to new technology investments and reduction in occupancy cost to the extent we identify opportunities to shift certain back office jobs to more cost-efficient locations.

Further, our conservative asset allocation strategy enables us to prudently calibrate our target capital levels, while maintaining a level in excess of the ratios required under laws and regulations. To the extent that we generate capital in excess of our targets, we may work to return some excess capital to our stockholders, subject to applicable legal and regulatory limitations.

In addition to operating leverage and capital return, we believe that our business strategy focusing on low-cost organic deposit growth, business development (including enhancement of our trust and investment management services and the development of digital banking), asset sensitivity and potential geographic expansion should lead to a meaningful improvement in profitability and returns.

Underwriting and Credit Risk Management

Underwriting. Certain credit risks are inherent in all loans. These risks include risks resulting from uncertainties in the future value of collateral, risks resulting from changes in economic and industry conditions, and risks inherent in dealing with individual borrowers. Although we both originate and purchase pools of loans, we apply the following underwriting standards to all of our loans. We attempt to mitigate repayment risks by adhering to internal credit limits, a multi-layered approval process for loans, documentation examination, and follow-up procedures for any exceptions to credit policies. Our management, lending officers and credit administration team emphasize a strong risk management culture which is supported by comprehensive policies and procedures for credit underwriting, funding and administration that we believe has enabled us to maintain sound asset quality. Our underwriting methodology emphasizes analysis of global cash flow coverage, property cash flow in the case of real estate loans, loan to collateral value, and obtaining personal guaranties where appropriate. Also, in the case of most income-property loans, we require that borrowers are special purpose entities.

Our Board of Directors has assigned oversight responsibility for our credit risk functions to its Credit Policy Committee, which is responsible for setting our credit risk appetite and approving our credit policy. This policy is updated periodically and reviewed in its entirety at least once per year. Our Board has established a Management Level Credit Committee, which is charged with formulating, subject to the Credit Policy Committee's approval, and administering our credit policy. The Management Credit Committee reviews and has the authority to approve, delay or deny all requests for new and existing credit exposures within the limits and practices established by our credit policy. Among other responsibilities, the Management Credit Committee reviews and approves (i) all C&I commercial credit exposure requests greater than $3 million; (ii) all CRE non-multifamily and CRE multifamily greater than $10 million; and (iii) approves residential lending credit requests of more than $2 million. The Credit Policy Committee must approve any loan over $25 million, as well as specific programs that are new to the bank or are subject to heightened risk.

Our Management Credit Committee is chaired by the Executive Vice President-Chief Credit Risk Officer and includes our President and Chief Executive Officer, Senior Executive Vice President-Chief Financial Officer, Executive Vice President-Treasurer, Executive Vice President-Director of Commercial Banking, Senior Vice President-Senior C&I Credit Officer, Senior Vice President-Senior Real Estate Credit Officer, Senior Vice President-Commercial Real Estate Lending, Executive Vice President-General Counsel, and Senior Vice President-Senior Lending Officer. Our Management Credit Committee generally meets weekly to evaluate and approve credits brought by loan officers. Prior to submitting a loan for approval, the loan will have gone through several rounds of underwriting and credit review starting with deal screens, underwriting performed by the lending unit, a review of the underwriting by our Credit Risk Management team, submission of a formal credit application memorandum that is also reviewed by our Credit Risk Management team, and an approval to move forward by a senior credit officer. Particularly, during the underwriting process and prior to presentation to the Management Credit Committee, the collateral properties on multifamily and CRE loans are visited by the originating relationship manager, and, for loans of greater than $5 million, an additional visit is generally made by one of our senior credit officers prior to loan closing. There are no automatic factors that preclude a loan from being approved as we focus on the totality of the credit opportunity including the borrower's financial strength, industry, loan structure, strategic fit, and economics. In evaluating each potential loan relationship, we adhere to a disciplined underwriting evaluation process which includes, but is not limited to, the following:

- understanding the customer's financial condition and ability to repay the loan;
- verifying that the primary and secondary sources of repayment are adequate in relation to the amount and structure of the loan;
- observing appropriate LTV guidelines for collateral secured loans;
- maintaining our targeted levels of diversification for the loan portfolio, both as to type of borrower and geographic location of collateral;
- ensuring that each loan is properly documented with perfected liens on collateral; and
- the purpose of the loan.

There is a restricted industry list and certain underwriting requirements that must be met or the loan is considered an exception and must receive higher levels of review, where such review includes a review of the mitigations for the exception and a reason to continue reviewing the loan.

We use third party appraisers to appraise the properties on which we make loans. We choose these appraisers from a small group of qualified individuals and firms based on the specific type of property and the geographic area in which the property is located. The appraisal review process has been outsourced. The Appraisal Management Company selects the appraising individual or firm (from a Bank-approved list), orders the appraisal, and reviews the completed appraisal. The full process is managed by the Senior Vice President-Senior Real Estate Credit Officer.

For 1-4 family residential loans (first lien), our general policy is not to exceed an LTV of 80% unless the borrower obtains mortgage insurance. The LTV generally declines as the amount of the loan increases. As of December 31, 2019, the weighted average LTV for our 1-4 family residential loans at origination was approximately 63%. For multifamily and CRE loans, our policies are to obtain an appraisal on each loan and, generally, to not exceed an LTV of 80% and 75%, respectively.

Our stringent loan origination policies and underwriting standards have resulted in a low historical loan loss experience. Since 2012 and as of December 31, 2019, we have originated more than $1.1 billion of 1-4 family residential loans (including home equity lines of credit) and, have not experienced any losses. Prior to 2009, however, we purchased more than $900 million of 1-4 family residential mortgages from third parties, which resulted in significant losses. In 2009, the balance of 90 days or more delinquent loans was $48.1 million. Since the beginning of 2014, we have focused on managing this portfolio and have decreased our average annual loss rates from 97 basis points for the time period of 2010 through 2013 to 85 basis points for the time period of 2014 through 2017. In 2019, this portfolio had a $0.5 million net recovery. The balance of 90 days or more delinquent loans has decreased from $48.1 million as of December 31, 2009 to $5.4 million as of December 31, 2019.

Loans to One Borrower. In accordance with "loans-to-one-borrower" regulations promulgated by the New York State Department of Financial Services, which we refer to as NYDFS, we are generally limited to lending no more than 15% of our unimpaired capital and unimpaired surplus to any one borrower or borrowing entity. This limit may be increased by an additional 10% for loans secured by readily marketable collateral having a market value, as determined by reliable and continuously available price quotations, at least equal to the amount of funds outstanding. To qualify for this additional 10%, we must perfect a security interest in the collateral and the collateral must have a market value at all times of at least 100% of the loan amount that exceeds 15% of our unimpaired capital and unimpaired surplus. At December 31, 2019, our regulatory limit on loans-to-one borrower was $78 million. Our Management Credit Committee approval limit is $25 million, any loan over $25 million must be approved by the Credit Policy Committee. We regularly monitor concentration risk, which is the risk of lending too much to one particular customer or type of customer. Our loan policy establishes detailed concentration limits and sub limits by loan type and geography. Our Management Credit Committee and our Credit Policy Committee review our concentration reports on a quarterly basis.

Ongoing Credit Risk Management. Credit risk management involves a collaboration among our loan officers or relationship managers, underwriters, and credit approval, credit administration, portfolio management and collections or loan workout personnel. We apply our collection policies uniformly to both our portfolio loans and loans serviced for others. We conduct monthly loan quality meetings, attended by representatives from each of the aforementioned groups, including the business unit leaders. Our Loan Quality Committee is our executive and senior management governing body for monitoring loan performance, focusing on loans with credit risk ratings of classified or criticized loans, or as determined by our Chief Credit Risk Officer or Senior Credit Officers. Loans that are deemed classified or criticized undergo a detailed monthly review by our Loan Quality Committee. Criticized loans are special mention loans as they show potential weakness that if not addressed by management may lead to performance and collectability issues. Classified loans are substandard-accruing loans, substandard non-accruing loans, and doubtful loans.

- Substandard-accruing loans have weaknesses that are likely to lead to collectability issues although it is expected that all principal will be repaid.
- Substandard non-accruing loans have weaknesses that are likely to lead to collectability issues coupled with the possibility that not all of the principal will be collected.
- Doubtful loans have significant weaknesses coupled with a probability that some level of loss will be realized at some point in the future.

Our review of classified and criticized loans includes an evaluation of the market conditions, the property's (or business entity's) trends, the borrower and guarantor status, the level of reserves required, and loan accrual status.

Our Loan Quality Committee also reviews: delinquent loans, upcoming maturities, credit review cycles, and other credit monitoring reports across both the loan quality portfolio and non-loan quality portfolio, as well as non-performing residential lending and home equity lines of credit ("HELOC") portfolios. The Loan Quality Committee has approval authority for loan amendments and credit risk rate changes for reviewed credit exposures. A credit risk change requires a majority vote of the Loan Quality Committee and is reported to the Credit Policy Committee. After approval by Loan Quality Committee, the credit risk change is verified through a control process in our system.

In accordance with our policy, we perform annual asset reviews of our multifamily, CRE, and C&I loans. All C&I loans in excess of $1 million are reviewed at least annually, or quarterly based on size criteria. Pass-rated CRE and multifamily loans are reviewed annually or biannually based on size and location, and all watch list loans are reviewed monthly. As part of these credit reviews, we analyze recent financial statements of the borrower and any additional market data that may impact the borrower's ability to repay the loan. Upon completion, we update the grade assigned to each loan. Relationship managers are encouraged to bring potential credit issues to the attention of credit administration personnel. Our credit policy requires at least 40% of our loans to be reviewed by an independent third party to insure that our assigned risk grades are appropriate. Our current engagement requires the independent third party to review at least 50% of our loans by exposure. The loans are typically selected by the independent third-party reviewer except that the reviewer must review all of our leveraged loans, loans with over $20 million exposure, C&I loans with over $10 million exposure, all construction and farmland, all loans rated CRR 6 with exposures over $1 million, municipality/public finance loans, and classified or criticized loans. During the 2019 review, there was one loan downgraded from pass to special mention and one loan downgraded from pass to substandard. Eight other loans were downgraded within the pass category.

Management reviews the reports prepared by the independent reviewers and presents these reports to the Audit Committee and the Credit Policy Committee of the Board. These asset review procedures provide management and the Board with additional information for assessing our asset quality.

Information Technology Systems

We make continuous investments in order to maintain modern, efficient and scalable information technology systems. We are currently executing several initiatives to lower transaction costs and enhance customer flexibility and convenience. We outsource most of our processing and services, which allows us to collaborate with industry-recognized vendors in each market niche, reduce our costs by leveraging the vendors' economies of scale and enable us to expand our capabilities as needed. We work with our third-party vendors to ensure we are utilizing their applications efficiently and to their fullest capability. We use an integrated core system to originate and process loan and deposit accounts, which provides us with a high degree of automation, improves customer experience and reduces costs.

We continuously improve our cybersecurity posture and have implemented a multi-layered defense strategy to protect customer and confidential data. We actively monitor the cybersecurity threat landscape with a focus on the financial services sector for trends and new threats. Our Information Security Department proactively identifies and monitors systems to analyze risk to the organization and implement mitigating controls where appropriate. Formal security awareness training is conducted regularly to increase overall employee awareness about cyber threats. In addition to maintaining a defensive cybersecurity strategy, we have a disaster recovery site in an ISO 27001-certified separate colocation data center. We conduct regular business continuity and disaster recovery exercises to ensure our contingency plans support our operational needs and recovery time objectives.

Personnel

As of December 31, 2019, we had 398 full-time employees, approximately 30% of whom are represented by a collective bargaining agreement. We consider our relationship with our employees to be good and have not experienced interruptions of operations due to labor disagreements.

Two of our service employees at our headquarters, including staff responsible for mechanical and technical repairs, are covered by the 2016 Independent Office Agreement between us and Local 32BJ, Service Employees International Union. The agreement expired December 31, 2019, but we remain operating under its terms while the extension to the agreement is being finalized. The agreement generally governs, among other things, the subject employees' compensation, vacation, severance, and working conditions and provides that the union will only strike under very limited circumstances.

Certain of our office and clerical employees are covered by the Collective Bargaining Agreement between us and the OPEIU local 153. The agreement generally governs, among other things, the subject employees' compensation, vacation, severance, and working conditions and contains a "no-strike" clause, whereby, during the term of the agreement, the union will not strike and we will not initiate a lockout. On 03/11/2020, we and the OPEIU entered into an Amended and Restated Collective Bargaining Agreement, which (i) extended the term of the collective bargaining agreement to June 30, 2023, (ii) provided for a 3% wage increase effective the 1st of July 2020, 2021 and 2022, respectively, and (iii) reflected the minimum hourly wage increase of $20/hour or $39,000 annually for entry level positions while also increasing the minimum hourly and annual salary for all subsequent union grade levels. The Amended and Restated Collective Bargaining Agreement made no other material changes to the collective bargaining agreement.

Significant Subsidiaries

We own a 99.6% equity interest and control the operations of our subsidiary Amalgamated Real Estate Management Company ("AREMCO"), which is a consolidated real estate investment trust holding certain of our purchased and originated loans. The income generated from the loans held in AREMCO is paid out to stockholders, including us, in the form of dividends. AREMCO calculates its annual dividend to equal or exceed 95% of the projected annual taxable income and during December of each year, the Board of Directors of AREMCO declares a dividend to be paid to stockholders in the following January. The dividend encompasses the outstanding tranches of AREMCO stock as follows: Class A Senior Preferred Stock, Class B Senior Preferred Stock, and Junior Preferred Stock.

For the year ending December 31, 2019, AREMCO had $11.1 million in taxable income. In December 2019, the Board of Directors of AREMCO declared a dividend payout of $10.6 million to be paid to stockholders on January 23, 2020. The dividend encompassed the outstanding tranches of AREMCO stock as follows; $7,444.95 per share of Class A Senior Preferred Stock, $5.00 per share of Class B Senior Preferred Stock, and $80.00 per share of Junior Preferred Stock. The dividend payable to us was approximately $10.6 million and was recorded as an adjustment to retained earnings.

We also have several other insignificant subsidiaries, including subsidiaries to hold our other real estate owned property (OREO), which is real estate property owned by us that is not directly related to our business.

Available Information

We provide our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act") on our website at www.amalgamatedbank.com under the Investor Relations section. These filings are made accessible as soon as reasonably practicable after they have been filed electronically with the FDIC. The information on our website is not incorporated by reference into this report.

SUPERVISION AND REGULATION

The following is a general summary of the material aspects of certain statutes and regulations applicable to us. These summary descriptions are not complete, and you should refer to the full text of the statutes, regulations, and corresponding guidance for more information. These statutes and regulations are subject to change, and additional statutes, regulations, and corresponding guidance may be adopted. We are unable to predict these future changes or the effects, if any, that these changes could have on our business, revenues, and results of operations.

Overview

We are subject to extensive federal and state banking laws, regulations, and policies that are intended primarily for the protection of customers, depositors and other consumers, the FDIC's Deposit Insurance Fund (the "DIF"), and the banking system as a whole; not for the protection of our other creditors and stockholders. We are examined, supervised and regulated by the NYDFS and the FDIC (our primary federal regulator) as an FDIC-insured state-chartered bank that does not have a parent bank holding company and that is not a member of the Federal Reserve System (the "Federal Reserve"). The statutes enforced by, and regulations and policies of, these agencies affect most aspects of our business, including prescribing the permissible scope of our activities, permissible types of loans and investments, the amount of required reserves, requirements for branch offices, and various other requirements.

Our deposits are insured by the FDIC to the fullest extent permissible by law. As an insurer of deposits, the FDIC issues regulations, conducts examinations, requires the filing of reports and generally supervises the operations of all institutions to which it provides deposit insurance. In addition, because we are a state non-member bank, the FDIC is also our primary federal regulator. Accordingly, the approval of the FDIC is required for certain transactions in which we may engage, including any merger or consolidation involving us, a change in control over us, or the establishment or relocation of any of our branch offices. In reviewing applications seeking approval of such transactions, the FDIC may consider, among other things, the competitive effect and public benefits of the transactions, the capital position, financial and managerial resources and future prospects of the organizations involved in the transaction, the risks to the stability of the U.S. banking or financial system, the applicant's performance record under the Community Reinvestment Act (see "Community Reinvestment Act" below) and the effectiveness of the organizations involved in the transaction in combating money laundering activities. The FDIC also has the power to prohibit these and other transactions even if approval is not required, and could do so if we have otherwise failed to comply with all laws and regulations applicable to us.

New York Law

As a New York-chartered bank, New York law governs our licensing and regulation, including organizational and capital requirements, fiduciary powers, investment authority, branch offices and electronic terminals, declaration of dividends, changes of control and mergers, out of state activities, interstate branching and banking, debt offerings, borrowing limits, limits on loans to one obligor, liquidation, sale of shares or options in Amalgamated to its directors, officers, employees and others, the purchase by Amalgamated of its own shares, and the issuance of capital notes or debentures. The NYDFS is charged with our supervision and regulation.

Unsecured loans to one person generally may not exceed 15% of the sum of our capital stock, allowance and capital notes and debentures, and both secured and unsecured loans to one person (excluding certain secured lending and letters of credit) at any given time generally may not exceed 25% of the sum of our capital stock, allowance and capital notes and debentures. We are required to invest our funds in accordance with limitations under New York law and may only make investments that are permissible investments for banks, subject to any limitations under any other applicable law.

In addition to remedies available to the FDIC (which are discussed below), the Superintendent of the NYDFS may take possession of our bank if certain conditions exist, such as conducting business in an unsafe or unauthorized manner, impairments of capital, suspended payments of obligations, or violation of law.

Safety and Soundness Regulation

As an insured depository institution, we are subject to prudential regulation and supervision and must undergo regular on-site examinations by our banking agencies. The cost of examinations of insured depository institutions and any affiliates may be assessed by the appropriate agency against each institution or affiliate as it deems necessary or appropriate. We file quarterly consolidated reports of condition and income ("call reports") with the FDIC and NYDFS. The FDIC has developed a method for insured depository institutions to provide supplemental disclosure of the estimated fair market value of assets and liabilities, to the extent feasible and practicable, in any balance sheet, financial statement, report of condition or any other report of any insured depository institution.

The federal banking agencies have also adopted guidelines establishing safety and soundness standards for all insured depository institutions including our bank. The safety and soundness guidelines relate to, among other things, our internal controls, information systems, internal audit systems, loan underwriting and documentation, compensation, asset growth, and interest rate exposure. The standards assist the federal banking agencies with early identification and resolution of problems at insured depository institutions. If we were to fail to meet these standards, the FDIC could require us to submit a compliance plan and take enforcement action if an acceptable compliance plan were not submitted. In addition, the FDIC could terminate our deposit insurance if it determines that our financial condition was unsafe or unsound or that we engaged in unsafe or unsound practices that violated an applicable rule, regulation, order or condition enacted or imposed on us by our regulators.

Payment of Dividends

The power of the Board of Directors of an insured depository institution to declare a cash dividend or other distribution with respect to capital is subject to statutory and regulatory restrictions that limit the amount available for such distribution depending upon earnings, financial condition and cash needs of the institution, as well as general business conditions. Insured depository institutions are also prohibited from paying management fees to any controlling persons or, with certain limited exceptions, making capital distributions, including dividends, if after such transaction the institution would be less than adequately capitalized.

Under New York law, we are prohibited from declaring a dividend so long as there is any impairment of our capital stock. In addition, we would be required to obtain approval from the NYDFS prior to declaring a dividend if the dividend would cause the total aggregate amount of our dividends in the calendar year to exceed our total net profits for that calendar year combined with retained net profits of the preceding two years, less any required transfer to surplus or a fund for the retirement of any preferred stock.

Under certain circumstances, the FDIC may determine that the payment of a dividend would be an unsafe or unsound practice as a result of our financial condition and to prohibit the payment thereof. In particular, the FDIC has stated that excessive dividends can negate strong earnings performance and result in a weakened capital position and that dividends generally can be disbursed, in reasonable amounts, only after losses are eliminated and necessary reserves and prudent capital levels are established. In addition, the capital rules (and in particular, the capital conservation buffer, which was fully phased-in on January 1, 2019), require us to maintain 2.5% in Common Equity Tier 1 capital in order to pay a cash dividend. See "*—Capital and Related Requirements*."

Capital and Related Requirements

We are subject to comprehensive capital adequacy requirements intended to protect against losses that we may incur. Regulatory capital rules adopted in July 2013 and fully phased in as of January 1, 2019, which we refer to as Basel III, impose minimum capital requirements for bank holding companies and banks. The rules apply to all state and national banks and savings associations regardless of size and bank holding companies and savings and loan holding companies with more than $3 billion in total consolidated assets. More stringent requirements are imposed on "advanced approaches" banking organizations—those organizations with $250 billion or more in total consolidated assets, $10 billion or more in total foreign exposures, or that have opted in to the Basel II capital regime.

The minimum capital-level requirements applicable to us under Basel III are:

- a Common Equity Tier 1 risk-based capital ratio of 4.5%;
- a Tier 1 risk-based capital ratio of 6%;
- a total risk-based capital ratio of 8%; and
- a leverage ratio of 4%.

The final rules also established a “capital conservation buffer” above the new regulatory minimum capital requirements, which must consist entirely of Common Equity Tier 1 capital, which was phased in over several years. The fully phased-in capital conservation buffer of 2.5%, which became effective on January 1, 2019, resulted in the following effective minimum capital ratios beginning in 2019: (i) a Common Equity Tier 1 risk-based capital ratio of 7.0%, (ii) a Tier 1 risk-based capital ratio of 8.5%, and (iii) a total risk-based capital ratio of 10.5%. Under Basel III, institutions are subject to limitations on paying dividends, engaging in share repurchases, and paying discretionary bonuses if their capital levels fall below the buffer amount. These limitations establish a maximum percentage of eligible retained income that could be utilized for such actions.

Under Basel III, Tier 1 capital includes two components: Common Equity Tier 1 capital and additional Tier 1 capital. The highest form of capital, Common Equity Tier 1 capital, consists solely of common stock (plus related surplus), retained earnings, accumulated other comprehensive income, and limited amounts of minority interests in the form of common stock. Additional Tier 1 capital is primarily comprised of noncumulative perpetual preferred stock, Tier 1 minority interests and grandfathered trust preferred securities (as discussed below). Tier 2 capital generally includes the allowance for loan losses up to 1.25% of risk-weighted assets, qualifying preferred stock, subordinated debt and qualifying tier 2 minority interests, less any deductions in Tier 2 instruments of an unconsolidated financial institution. Cumulative perpetual preferred stock is included only in Tier 2 capital, except that the Basel III rules permit bank holding companies with less than $15 billion in total consolidated assets to continue to include trust preferred securities and cumulative perpetual preferred stock issued before May 19, 2010 in Tier 1 Capital (but not in Common Equity Tier 1 capital), subject to certain restrictions. Accumulated other comprehensive income is presumptively included in Common Equity Tier 1 capital and often would operate to reduce this category of capital. When implemented, Basel III provided a one-time opportunity for covered banking organizations to opt out of much of this treatment of accumulated other comprehensive income. We made this opt-out election in order to avoid significant variations in the level of capital depending upon the impact of interest rate fluctuations on the fair value of our investment securities portfolio.

In December 2017, the BCBS issued additional guidance finalizing the Basel III reforms. These additional reforms have been referred to colloquially, but not officially, as “Basel IV”. These additional reforms further affect calculation of risk weighted assets for both banks using standardized approaches and banks using internal models. The reforms introduce new capital floors and affect calculations of credit, market and operational risks. These reforms once implemented may affect the capital costs of our business.

On December 21, 2018, the federal banking agencies issued a joint final rule to revise their regulatory capital rules to (i) address the upcoming implementation of a new credit impairment model, the Current Expected Credit Loss, or CECL model, an accounting standard under GAAP; (ii) provide an optional three-year phase-in period for the day-one adverse regulatory capital effects that banking organizations are expected to experience upon adopting CECL; and (iii) require the use of CECL in stress tests beginning with the 2020 capital planning and stress testing cycle for certain banking organizations that are subject to stress testing. We are currently evaluating the impact the CECL model will have on our accounting, and expect to recognize a one-time cumulative-effect adjustment to our allowance for loan losses as of the beginning of the first quarter of 2023, the first reporting period in which the new standard is effective for us. At this time, we cannot yet reasonably determine the magnitude of such one-time cumulative adjustment, if any, or of the overall impact of the new standard on our business, financial condition or results of operations.

In November 2019, the federal banking regulators published final rules implementing a simplified measure of capital adequacy for certain banking organizations that have less than $10 billion in total consolidated assets. Under the final rules, which went into effect on January 1, 2020, depository institutions and depository institution holding companies that have less than $10 billion in total consolidated assets and meet other qualifying criteria, including a leverage ratio of greater than 9%, off-balance-sheet exposures of 25% or less of total consolidated assets and trading assets plus trading liabilities of 5% or less of total consolidated assets, are deemed “qualifying community banking organizations” and are eligible to opt into the “community bank leverage ratio framework.” A qualifying community banking organization that elects to use the community bank leverage ratio framework and that maintains a leverage ratio of greater than 9% is considered to have satisfied the generally applicable risk-based and leverage capital requirements under the Basel III rules and, if applicable, is considered to have met the “well capitalized” ratio requirements for purposes of its primary federal regulator’s prompt corrective action rules, discussed below. The final rules include a two-quarter grace period during which a qualifying community banking organization that temporarily fails to meet any of the qualifying criteria, including the greater-than-9% leverage capital ratio requirement, is generally still deemed “well capitalized” so long as the banking organization maintains a leverage capital ratio greater than 8%. A banking organization that fails to maintain a leverage capital ratio greater than 8% is not permitted to use the grace period and must comply with the generally applicable requirements under the Basel III rules and file the appropriate regulatory reports. We do not have any immediate plans to elect to use the community bank leverage ratio framework but may make such an election in the future.

Prompt Corrective Action

As an insured depository institution, we are required to comply with the capital requirements promulgated under the Federal Deposit Insurance Act (the "FDIA"). The FDIA requires each federal banking agency to take prompt corrective action ("PCA") to resolve the problems of insured depository institutions, including those that fall below one or more prescribed minimum capital ratios. The law requires each federal banking agency to promulgate regulations defining the following five categories in which an insured depository institution will be placed, based on the level of capital ratios: "well capitalized," "adequately capitalized," "undercapitalized," "significantly undercapitalized," or "critically undercapitalized." As of December 31, 2019, our capital ratios exceeded the minimum ratios established for a "well capitalized" institution.

The following is a list of the criteria for each PCA capital category:

- *Well Capitalized*—The institution exceeds the required minimum level for each relevant capital measure. A well-capitalized institution:
    - has total risk-based capital ratio of 10% or greater; and
    - has a Tier 1 risk-based capital ratio of 8% or greater; and
    - has a common equity Tier 1 risk-based capital ratio of 6.5% or greater; and
    - has a leverage capital ratio of 5% or greater; and
    - is not subject to any order or written directive to meet and maintain a specific capital level for any capital measure.
- Adequately Capitalized—The institution meets the required minimum level for each relevant capital measure. The institution may not make a capital distribution if it would result in the institution becoming undercapitalized. An adequately capitalized institution:
    - has a total risk-based capital ratio of 8% or greater; and
    - has a Tier 1 risk-based capital ratio of 6% or greater; and
    - has a common equity Tier 1 risk-based capital ratio of 4.5% or greater; and
    - has a leverage capital ratio of 4% or greater.
- Undercapitalized—The institution fails to meet the required minimum level for any relevant capital measure. An undercapitalized institution:
    - has a total risk-based capital ratio of less than 8%; or
    - has a Tier 1 risk-based capital ratio of less than 6%; or
    - has a common equity Tier 1 risk-based capital ratio of less than 4.5% or greater; or
    - has a leverage capital ratio of less than 4%.
- *Significantly Undercapitalized*—The institution is significantly below the required minimum level for any relevant capital measure. A significantly undercapitalized institution:
    - has a total risk-based capital ratio of less than 6%; or
    - has a Tier 1 risk-based capital ratio of less than 4%; or
    - has a common equity Tier 1 risk-based capital ratio of less than 3% or greater; or
    - has a leverage capital ratio of less than 3%.
- *Critically Undercapitalized*—The institution fails to meet a critical capital level set by the appropriate federal banking agency. A critically undercapitalized institution has a ratio of tangible equity to total assets that is equal to or less than 2%.

Effective with the March 31, 2020 Call Report, qualifying community banking organizations that elect to use the new community bank leverage ratio framework and that maintain a leverage ratio of greater than 9.0% will be considered to have satisfied the risk-based and leverage capital requirements to be deemed well-capitalized.

The FDIA generally prohibits a depository institution from making any capital distributions (including payment of a dividend) or paying any management fee to its parent holding company if the depository institution would thereafter be "undercapitalized." Moreover, if the institution becomes less than adequately capitalized, it must adopt a capital restoration plan acceptable to the FDIC. The institution also would become subject to increased regulatory oversight and is increasingly restricted in the scope of its permissible activities. Except under limited circumstances consistent with an accepted capital restoration plan, an undercapitalized institution may not grow. An undercapitalized institution may not acquire another institution, establish additional branch offices or engage in any new line of business unless it is determined by the appropriate federal banking agency to be consistent with an accepted capital restoration plan or unless the FDIC determines that the proposed action will further the purpose of PCA. A critically undercapitalized institution is subject to having a receiver or conservator appointed to manage its affairs.

In addition to measures taken under the PCA provisions, insured banks may be subject to potential actions by the federal regulators for unsafe or unsound practices in conducting their businesses or for violations of any law, rule, regulation or any condition imposed in writing by the agency or any written agreement with the agency. Enforcement actions may include the issuance of cease and desist orders that can be judicially enforced, the imposition of civil money penalties, the issuance of directives to increase capital, formal and informal agreements, the imposition of a conservator or receiver, or removal and prohibition orders against "institution-affiliated" parties, and termination of insurance of deposits. The NYDFS also has broad powers to enforce compliance with New York laws and regulations.

Community Reinvestment Act and Fair Lending Requirements

We are subject to certain fair lending requirements and reporting obligations involving home mortgages lending operations. We are also subject to certain requirements and reporting obligations under the Community Reinvestment Act ("CRA"). The CRA generally requires federal banking agencies to evaluate the record of a financial institution in meeting the credit needs of its local communities, including low- and moderate-income neighborhoods. The CRA further requires the agencies to take into account our record of meeting community credit needs when evaluating applications for, among other things, new branches or mergers. We are also subject to analogous state CRA requirements in New York and other states in which we may establish branch offices. In connection with their assessments of CRA performance, the FDIC and NYDFS assign a rating of "outstanding," "satisfactory," "needs to improve," or "substantial noncompliance." We received a "satisfactory" CRA Assessment Rating from both regulatory agencies in our most recent examinations. In addition to substantive penalties and corrective measures that may be required for a violation of certain fair lending laws, the federal banking agencies may take compliance with such laws and CRA into account when regulating and supervising other activities of the bank, including in acting on expansionary proposals.

In December 2019, the FDIC and the Office of the Comptroller of the Currency proposed changes to the regulations implementing the CRA, which, if adopted will result in changes to the current CRA framework. The Federal Reserve did not join the proposal.

Consumer Protection Regulations

Our activities are subject to a variety of statutes and regulations designed to protect consumers. Interest and other charges collected or contracted for by us are subject to state usury laws and federal laws concerning interest rates. Our loan operations are also subject to federal laws applicable to credit transactions, such as:

- the Truth-In-Lending Act ("TILA") and Regulation Z, governing disclosures of credit and servicing terms to consumer borrowers and including substantial new requirements for mortgage lending and servicing, as mandated by the Dodd-Frank Act;
- the Home Mortgage Disclosure Act of 1975 and Regulation C, requiring financial institutions to provide information to enable the public and public officials to determine whether a financial institution is fulfilling its obligation to help meet the housing needs of the communities it serves;
- the Equal Credit Opportunity Act and Regulation B, prohibiting discrimination on the basis of race, color, religion, or other prohibited factors in extending credit;

- the Fair Credit Reporting Act of 1978, as amended by the Fair and Accurate Credit Transactions Act and Regulation V, as well as the rules and regulations of the FDIC governing the use and provision of information to credit reporting agencies, certain identity theft protections and certain credit and other disclosures;
- the Fair Debt Collection Practices Act and Regulation F, governing the manner in which consumer debts may be collected by collection agencies;
- the Real Estate Settlement Procedures Act ("RESPA") and Regulation X, which governs aspects of the settlement process for residential mortgage loans;
- The Secure and Fair Enforcement for Mortgage Licensing Act of 2018 which mandates a nationwide licensing and registration system for residential mortgage loan originators. The act also prohibits individuals from engaging in the business of a residential mortgage loan originator without first obtaining and maintaining annually registration as either a federal or state licensed mortgage loan originator; and
- The Mortgages Acts and Practices - Advertising (Regulation N) prohibits any person from making any material misrepresentation in connection with an advertisement for any mortgage credit product.

In addition, we are subject to increased regulations concerning consumer privacy, including the California Consumer Privacy Act and the New York Department of Financial Services Cybersecurity Regulations.

Our deposit operations are also subject to federal laws, such as:

- the FDIA, which, among other things, limits the amount of deposit insurance available per account to $250,000 and imposes other limits on deposit-taking;
- the Right to Financial Privacy Act, which imposes a duty to maintain the confidentiality of consumer financial records and prescribes procedures for complying with administrative subpoenas of financial records;
- the Electronic Funds Transfer Act and Regulation E, which governs automatic deposits to and withdrawals from deposit accounts and customers' rights and liabilities arising from the use of automated teller machines and other electronic banking services; and
- the Truth in Savings Act and Regulation DD, which requires depository institutions to provide disclosures so that consumers can make meaningful comparisons about depository institutions and accounts.

The Consumer Financial Protection Bureau (the "CFPB") is an independent regulatory authority housed within the Federal Reserve. The CFPB has broad authority to regulate the offering and provision of consumer financial products. The CFPB has the authority to supervise and examine depository institutions with more than $10 billion in assets for compliance with federal consumer laws. The authority to supervise and examine depository institutions with $10 billion or less in assets, such as us, for compliance with federal consumer laws remains largely with those institutions' primary regulators. However, the CFPB may participate in examinations of these smaller institutions on a "sampling basis" and may refer potential enforcement actions against such institutions to their primary regulators. As such, the CFPB may participate in examinations of the Bank. In addition, states are permitted to adopt consumer protection laws and regulations that are stricter than the regulations promulgated by the CFPB, and state attorneys general are permitted to enforce consumer protection rules adopted by the CFPB against certain institutions.

The CFPB has issued a number of significant rules that impact nearly every aspect of the lifecycle of a residential mortgage loan. These rules implement Dodd-Frank Act amendments to the Equal Credit Opportunity Act, TILA and RESPA. Among other things, the rules adopted by the CFPB require banks to: (i) develop and implement procedures to ensure compliance with a "reasonable ability-to-repay" test; (ii) implement new or revised disclosures, policies and procedures for originating and servicing mortgages, including, but not limited to, pre-loan counseling, early intervention with delinquent borrowers and specific loss mitigation procedures for loans secured by a borrower's principal residence, and mortgage origination disclosures, which integrate existing requirements under TILA and RESPA; (iii) comply with additional restrictions on mortgage loan originator hiring and compensation; and (iv) comply with new disclosure requirements and standards for appraisals and certain financial products.

Bank regulators take into account compliance with consumer protection laws when considering approval of a proposed expansionary proposals.

Anti-Money Laundering Regulation

As a financial institution, we must maintain anti-money laundering programs that include established internal policies, procedures and controls, a designated compliance officer, an ongoing employee training program, and testing of the program by an independent audit function. Financial institutions are prohibited from entering into specified financial transactions and account relationships and must meet enhanced standards for due diligence and "knowing your customer" in their dealings with foreign financial institutions, foreign customers and other high risk customers. Financial institutions must also take reasonable steps to conduct enhanced scrutiny of account relationships to guard against money laundering and to report any suspicious transactions. Current laws, such as the USA PATRIOT ACT, as described below, provide law enforcement authorities with increased access to financial information maintained by banks. Anti-money laundering obligations have been substantially strengthened as a result of the USA PATRIOT Act. Bank regulators routinely examine institutions for compliance with these obligations, and this area has become a particular focus of the regulators in recent years. In addition, the regulators are required to consider compliance in connection with the regulatory review of certain applications. In recent years, regulators have expressed concern over banking institutions' compliance with anti-money laundering requirements and, in some cases, have delayed approval of their expansionary proposals. The regulators and other governmental authorities have been active in imposing "cease and desist" orders and significant money penalty sanctions against institutions found to be in violation of the anti-money laundering regulations.

We are also subject to New York anti-money laundering laws and regulations. In June 2016, the NYDFS adopted a final rule that requires certain New York-regulated financial institutions, including us, to comply with enhanced anti-terrorism and anti-money laundering requirements beginning in 2017. The rule adds, among other anti-money laundering program requirements, greater specificity to certain transaction monitoring and filtering requirements and the obligation to conduct an ongoing, comprehensive risk assessment and expressly eliminates a regulated institution's ability to adjust its monitoring and filtering programs to limit the number of alerts generated. Beginning in April 2018, the rule also required chief information officers to submit certifications of compliance with these requirements annually.

ERISA

We are also subject to regulation under the fiduciary laws of Employee Retirement Income Security Act of 1974 ("ERISA"), and to regulations promulgated thereunder, insofar as we are a "fiduciary" or service provider under ERISA with respect to certain of our clients. When we act as an ERISA fiduciary, we represent ERISA plans by taking fiduciary responsibility with respect to such plan's transactions or investments. ERISA and the applicable provisions of the Code, impose certain duties on persons who are fiduciaries under ERISA, and prohibit certain transactions by the fiduciaries (and certain other related parties) to such plans. The foregoing laws and regulations generally grant supervisory agencies broad administrative powers, including the power to limit or restrict us from conducting certain business in the event that we fail to comply with such laws and regulations. Possible sanctions that may be imposed in the event of such noncompliance include the suspension of individual employees, limitations on the business activities for specified periods of time, revocation of registration, and other censures and fines and the potential of civil litigation.

USA PATRIOT Act

The USA PATRIOT Act became effective on October 26, 2001 and amended the Bank Secrecy Act. The USA PATRIOT Act provides, in part, for the facilitation of information sharing among governmental entities and financial institutions for the purpose of combating terrorism and money laundering by enhancing anti-money laundering and financial transparency laws, as well as enhanced information collection tools and enforcement mechanisms for the U.S. government, including:

- due diligence requirements for financial institutions that administer, maintain, or manage private bank accounts or correspondent accounts for non-U.S. persons;
- requiring standards for verifying customer identification at account opening;
- rules to promote cooperation among financial institutions, regulators and law enforcement entities in identifying parties that may be involved in terrorism or money laundering;
- reports by nonfinancial trades and businesses filed with the Treasury Department's Financial Crimes Enforcement Network for transactions exceeding $10,000; and
- filing suspicious activities reports by brokers and dealers if they believe a customer may be violating U.S. laws and regulations.

The USA PATRIOT Act requires financial institutions to undertake enhanced due diligence of private bank accounts or correspondent accounts for non-U.S. persons that they administer, maintain, or manage. Bank regulators routinely examine institutions for compliance with these obligations and are required to consider compliance in connection with the regulatory review of applications.

Under the USA PATRIOT Act, the Financial Crimes Enforcement Network ("FinCEN") can send Amalgamated lists of the names of persons suspected of involvement in terrorist activities or money laundering. Amalgamated may be requested to search its records for any relationships or transactions with persons on those lists. If we find any relationships or transactions, we must report those relationships or transactions to FinCEN.

The Office of Foreign Assets Control

The Office of Foreign Assets Control ("OFAC"), which is an office in the U.S. Department of the Treasury, is responsible for helping to ensure that U.S. entities do not engage in transactions with "enemies" of the United States, as defined by various Executive Orders and Acts of Congress. OFAC publishes lists of names of persons and organizations suspected of aiding, harboring or engaging in terrorist acts; owned or controlled by, or acting on behalf of target countries, and narcotics traffickers. If a bank finds a name on any transaction, account or wire transfer that is on an OFAC list, it must freeze or block the transactions on the account. Amalgamated has appointed a compliance officer to oversee the inspection of its accounts and the filing of any notifications. Amalgamated checks high-risk OFAC areas such as new accounts, wire transfers and customer files. These checks are performed using software that is updated each time a modification is made to the lists provided by OFAC and other agencies of Specially Designated Nationals and Blocked Persons.

Financial Privacy and Cybersecurity

Under privacy protection provisions of the Gramm-Leach-Bliley Act of 1999 ("GBL") and related regulations, we are limited in our ability to disclose non-public information about consumers to nonaffiliated third parties. These limitations require disclosure of privacy policies to consumers and, in some circumstances, allow consumers to prevent disclosure of certain personal information to a nonaffiliated third party. Federal banking agencies, including the FDIC, have adopted guidelines for establishing information security standards and cybersecurity programs for implementing safeguards under the supervision of the Board of Directors. These guidelines, along with related regulatory materials, increasingly focus on risk management and processes related to information technology and the use of third parties in the provision of financial services.

We are also subject to New York financial privacy laws and regulations. The NYDFS issued a new rule, effective March 1, 2017, that requires banks, insurance companies, and other financial services institutions regulated by the NYDFS to establish and maintain a cybersecurity program designed to protect consumers and ensure the safety and soundness of New York State's financial services industry. The cybersecurity rule adds specific requirements for these institutions' cybersecurity compliance programs and imposes an obligation to conduct an ongoing, comprehensive risk assessment and requires each institution's Board of Directors, or a senior officer, to submit annual certifications of compliance with these requirements. We are also subject to the California Consumer Privacy Act with respect to certain data regarding California residents, to the extent that our possession of this data is not exempt because of GBL.

Transactions with Related Parties

Transactions between banks and their affiliates are limited by Sections 23A and 23B of the Federal Reserve Act. An affiliate of a bank is any company or entity that controls, is controlled by or is under common control with the bank. In a holding company context, the parent bank holding company and any companies which are controlled by such parent holding company are affiliates of the bank.

Generally, Sections 23A and 23B of the Federal Reserve Act and Regulation W (i) limit the extent to which the bank or its subsidiaries may engage in "covered transactions" with any one affiliate to an amount equal to 10% of such institution's capital stock and surplus, and contain an aggregate limit on all such transactions with all affiliates to an amount equal to 20% of such institution's capital stock and surplus and (ii) require that all such transactions be on terms substantially the same, or at least as favorable, to the institution or subsidiary as those provided to non-affiliates. The term "covered transaction" includes the making of loans, purchase of assets, issuance of a guarantee and other similar transactions. In addition, loans or other extensions of credit by the financial institution to the affiliate are required to be collateralized in accordance with the requirements set forth in Section 23A of the Federal Reserve Act.

The Federal Reserve Act and its implementing Regulation O also provide limitations on our ability to extend credit to executive officers, directors and 10% stockholders ("insiders"). The law limits both the individual and aggregate amount of loans we may make to insiders based, in part, on our capital position and requires certain board approval procedures to be followed. Such loans are required to be made on terms substantially the same as those offered to unaffiliated individuals and must not involve more than the normal risk of repayment. There is an exception for loans made pursuant to a benefit or compensation program that is widely available to all employees of the institution and does not give preference to insiders over other employees. Loans to executive officers are further limited to specific categories.

On December 27, 2019, the federal banking agencies issued an interagency statement explaining that such agencies will provide temporary relief from enforcement action against banks or asset managers, which become principal shareholders of banks, with respect to certain extensions of credit by banks that otherwise would violate Regulation O, provided the asset managers and banks satisfy certain conditions designed to ensure that there is a lack of control by the asset manager over the bank. This temporary relief will apply while the Federal Reserve, in consultation with the other federal banking agencies, considers whether to amend Regulation O.

Change in Control

The approval of the NYDFS is required before any person or group of persons deemed to be acting in concert may acquire "control" of a banking institution, which includes the Bank. "Control" is defined as the possession, directly or indirectly, of the power to direct or cause the direction of management and policies of a banking institution through ownership of stock or otherwise and is presumed to exist if, among other things, any company owns, controls, or holds the power to vote 10% or more of the voting stock of a banking institution. As a general matter, any person or company that seeks to acquire 10% or more of our outstanding common stock must obtain prior regulatory approval.

In addition to the New York requirements, the Federal Bank Holding Company Act prohibits a company from, directly or indirectly, acquiring 25% or more (5% if the acquirer is a bank holding company) of any class of our voting stock or obtaining the ability to control in any manner the election of a majority of our directors or otherwise directing the management or policies of the Bank without prior application to and the approval of the Federal Reserve. Moreover, under the Change in Bank Control Act, any person or group of persons acting in concert who intends to acquire 10% or more of any class of our voting stock or otherwise obtain control over us would be required to provide prior notice to and obtain the non-objection of the FDIC.

Incentive Compensation

Guidelines adopted by the federal banking agencies pursuant to the FDIA prohibit excessive compensation as an unsafe and unsound practice and describe compensation as excessive when the amounts paid are unreasonable or disproportionate to the services performed by an executive officer, employee, director or principal stockholder.

In June 2010, the federal banking agencies jointly adopted the Guidance on Sound Incentive Compensation Policies ("GSICP"). The GSICP intended to ensure that banking organizations do not undermine the safety and soundness of such organizations by encouraging excessive risk-taking. This guidance, which covers all employees that have the ability to expose the organization to material amounts of risk, either individually or as part of a group, is based upon a set of key principles relating to a banking organization's incentive compensation arrangements. Specifically, incentive compensation arrangements should (i) provide employee incentives that appropriately balance risk in a manner that does not encourage employees to expose their organizations to imprudent risk, (ii) be compatible with effective controls and risk management, and (iii) be supported by strong corporate governance, including active and effective oversight by the organization's Board of Directors. Any deficiencies in our compensation practices could lead to supervisory or enforcement actions by the FDIC.

The Dodd-Frank Act requires the federal banking agencies and the SEC to establish joint regulations or guidelines prohibiting incentive-based payment arrangements at specified regulated entities, such as us, having at least $1 billion in total assets that encourage inappropriate risk-taking by providing an executive officer, employee, director or principal stockholder with excessive compensation, fees, or benefits or that could lead to material financial loss to the entity. In addition, these regulators must establish regulations or guidelines requiring enhanced disclosure to regulators of incentive-based compensation arrangements. The federal banking agencies proposed such regulations in April 2011 and issued a second proposed rule in April 2016. The second proposed rule would apply to all banks, among other institutions, with at least $1 billion in average total consolidated assets. Final regulations have not been adopted as of December 31, 2019. If adopted, these or other similar regulations would impose limitations on the manner in which we may structure compensation for our executives and other employees. The scope and content of the federal banking agencies' policies on incentive compensation are continuing to develop and are likely to continue evolving.

In October 2016, the NYDFS also announced a renewed focus on employee incentive arrangements and issued new guidance to New York State-regulated banks to ensure that these arrangements do not encourage inappropriate practices. The guidance listed adapted versions of the key principles from the Guidance on Sound Incentive Compensation Policies as minimum requirements and advised these banks that incentive compensation arrangements must be subject to effective risk management, oversight, and control.

In addition, the Tax Cuts and Jobs Act of 2017, which was signed into law in December 2017, contains certain provisions affecting performance-based compensation. Specifically, the pre-existing exception to the $1 million deduction limitation applicable to performance-based compensation was repealed. The deduction limitation is now applied to all compensation exceeding $1.0 million, for our covered employees, regardless of how it is classified, which would have an adverse effect on income tax expense and net income.

Deposit Premiums and Assessments

As an FDIC-insured bank, we must pay deposit insurance assessments to the FDIC based on our average total assets minus our average tangible equity. Deposits are insured up to applicable limits by the FDIC and such insurance is backed by the full faith and credit of the U.S. Government.

As an institution with less than $10 billion in assets, our assessment rates are based on the level of risk we pose to the FDIC's deposit insurance fund (DIF). Pursuant to changes adopted by the FDIC that were effective July 1, 2016, the initial base rate for deposit insurance is between three and 30 basis points. Total base assessment after possible adjustments now ranges between 1.5 and 40 basis points. For established smaller institutions, like us, the total base assessment rate is calculated by using supervisory ratings as well as (i) an initial base assessment rate, (ii) an unsecured debt adjustment (which can be positive or negative), and (iii) a brokered deposit adjustment.

In addition to the ordinary assessments described above, the FDIC has the ability to impose special assessments in certain instances. For example, under the Dodd-Frank Act, the minimum designated reserve ratio for the DIF was increased to 1.35% of the estimated total amount of insured deposits. On September 30, 2018, the DIF reached 1.36%, exceeding the statutorily required minimum reserve ratio of 1.35%. On reaching the minimum reserve ratio of 1.35%, FDIC regulations provided for two changes to deposit insurance assessments: (i) surcharges on insured depository institutions with total consolidated assets of $10 billion or more (large institutions) ceased; and (ii) small banks were to receive assessment credits for the portion of their assessments that contributed to the growth in the reserve ratio from between 1.15% and 1.35%, to be applied when the reserve ratio is at or above 1.38%. These assessment credits started with the June 30, 2019 assessment invoiced in September 2019 and are expected to run off by March 31, 2020. Assessment rates are expected to decrease if the reserve ratio increases such that it exceeds 2%.

In addition, FDIC insured institutions were required to pay a Financing Corporation ("FICO") assessment to fund the interest on bonds issued to resolve thrift failures in the 1980s, which expired between 2017 and 2019. The final FICO assessment was collected in March 2019.

The FDIC may terminate the deposit insurance of any insured depository institution if it determines after a notice and hearing that the institution has engaged in unsafe or unsound practices, is in an unsafe or unsound condition to continue operations or has violated any applicable law, regulation, rule, order or condition imposed by the FDIC.

CRE Guidance

In December 2015, the federal banking regulators released a statement entitled "Interagency Statement on Prudent Risk Management for Commercial Real Estate Lending" (the "CRE Guidance"). In the CRE Guidance, the federal banking regulators (i) expressed concerns with institutions that ease CRE underwriting standards, (ii) directed financial institutions to maintain underwriting discipline and exercise risk management practices to identify, measure and monitor lending risks, and (iii) indicated that they will continue to pay special attention to CRE lending activities and concentrations. The federal banking regulators previously issued guidance in December 2006, entitled "Interagency Guidance on Concentrations in CRE Lending, Sound Risk Management Practices," which stated that an institution that is potentially exposed to significant CRE concentration risk should employ enhanced risk management practices. Specifically, the guidance states that such institutions have (1) total CRE loans representing 300% or more of the institution's total capital and (2) the outstanding balance of such institution's CRE loan portfolio has increased by 50% or more during the prior 36 months.

The Volcker Rule

The Dodd-Frank Act prohibits (subject to certain exceptions) us and our affiliates from engaging in short-term proprietary trading in securities and derivatives and from investing in and sponsoring certain unregistered investment companies defined in the rule as "covered funds" (including not only such things as hedge funds, commodity pools and private equity funds, but also a range of asset securitization structures that do not meet exemptive criteria in the final rules). The statutory provision is commonly called the "Volcker Rule."

In July 2019, under the Economic Growth, Regulatory Relief, and Consumer Protection Act, federal regulatory agencies, including the FDIC, issued a final rule excluding community banks with $10 billion or less in total consolidated assets and total trading assets and liabilities of less than 5% from the Volcker Rule.

Effect of Governmental Monetary Policies

Our earnings are affected by domestic economic conditions and the monetary policies of the U.S. and its agencies. The Federal Open Market Committee's monetary policies have had, and are likely to continue to have, an important effect on the operating results of banks through its power to implement national monetary policy in order, among other things, to curb inflation or combat a recession. The monetary policies of the Federal Reserve Board have major effects on the levels of bank loans, investments and deposits through its open market operations in U.S. government securities and through its regulation of the discount rate on borrowings of member banks and the reserve requirements against member bank deposits. We cannot predict the nature or effect of future changes in such monetary policies.

Future Legislation and Regulation

Congress may enact legislation from time to time that affects the regulation of the financial services industry, and state legislatures may enact legislation from time to time affecting the regulation of financial institutions chartered by or operating in those states. Federal and state regulatory agencies also periodically propose and adopt changes to their regulations or change the manner in which existing regulations are applied or interpreted. The substance or impact of pending or future legislation or regulation, or the application thereof, cannot be predicted, although enactment of the proposed legislation has in the past and may in the future affect the regulatory structure under which we operate and may significantly increase our costs, impede the efficiency of our internal business processes, require us to increase our regulatory capital or modify our business strategy, or limit our ability to pursue business opportunities in an efficient manner. Our business, financial condition, results of operations or prospects may be adversely affected, perhaps materially, as a result.

IMPLICATIONS OF BEING AN EMERGING GROWTH COMPANY

As a company with less than $1.07 billion in revenues during our last fiscal year, we qualify as an "emerging growth company" under the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. An emerging growth company may take advantage of reduced reporting requirements that are otherwise generally applicable to reporting companies under the Exchange Act.

As an emerging growth company:

- we may present less than five years of selected historical financial information;
- we are not required to obtain an attestation and report from our auditors on management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act of 2002, or Sarbanes-Oxley Act;
- we may provide less extensive disclosure about our executive compensation arrangements; and
- we are not required to give our stockholders non-binding advisory votes on executive compensation or golden parachute arrangements (although we intend to do so).

We may take advantage of this reporting relief for up to five years from the completion of our initial public offering on August 13, 2018 unless we earlier cease to be an emerging growth company. We will cease to be an emerging growth company and may no longer rely on this reporting relief on (a) the last day of the fiscal year in which our annual gross revenues exceed $1.07 billion, (b) the date we have more than $700.0 million in market value of our common stock held by non-affiliates as of the last business day of our most recently completed second fiscal quarter, or (c) the date on which we issue more than $1.0 billion of non-convertible debt in a three-year period.

Section 107 of the JOBS Act also permits us an extended transition period for complying with new or revised accounting standards affecting public companies until they would apply to private companies. We have elected to take advantage of this extended transition period, which means that the financial statements included in this report, as well as any financial statements that we file in the future, will not be subject to all new or revised accounting standards generally applicable to public companies for the transition period for so long as we remain an emerging growth company or until we affirmatively and irrevocably opt out of the extended election.

Item 1A. Risk Factors

There are risks, many beyond our control, that could cause our financial condition or results of operations to differ materially from management's expectations. Any of the following risks, by itself or together with one or more other factors, could adversely affect our business, prospects, financial condition, results of operations and cash flows, perhaps materially. The risks presented below are not the only risks that we face. Additional risks that we do not presently know or that we currently deem immaterial may also have an adverse effect on our business, results of operations, financial conditions, prospects, and the market price and liquidity of our common stock. The following discussion should be read in conjunction with the financial statements and notes to the financial statements included in this report. Further, to the extent that any of the information contained in this report constitutes forward-looking statements, the risk factors below also are cautionary statements identifying important factors that could cause actual results to differ materially from those expressed in any forward-looking statements made by us or on our behalf. See "Cautionary Note Regarding Forward-Looking Statements" on page [i].

Risks Related to our Business and Operations

Credit quality has adversely affected us in the past and may adversely affect us in the future.

Credit risk is one of our most significant risks. If the strength of the U.S. economy in general and the strength of the local economies in which we conduct operations decline, this could result in, among other things, deterioration in credit quality or reduced demand for credit, including a resultant adverse effect on the income from our loan portfolio, an increase in charge-offs and an increase in the allowance.

If we fail to effectively manage credit risk, our business and financial condition will suffer.

We must effectively manage credit risk. As a lender, we are exposed to the risk that our borrowers will be unable to repay their loans according to its terms, and that the collateral securing repayment of their loans, if any, may not be sufficient to ensure repayment. In addition, there are risks inherent in making any loan, including risks relating to proper loan underwriting, risks resulting from changes in economic and industry conditions and risks inherent in dealing with individual borrowers, including the risk that a borrower may not provide information to us about its business in a timely manner, and/or may present inaccurate or incomplete information to us, and risks relating to the value of collateral. In order to manage credit risk successfully, we must, among other things, maintain disciplined and prudent underwriting standards and ensure that our lenders follow those standards. The weakening of these standards for any reason, such as an attempt to attract higher yielding loans, a lack of discipline or diligence by our employees in underwriting and monitoring loans, the inability of our employees to adequately adapt policies and procedures to changes in economic or any other conditions affecting borrowers and the quality of our loan portfolio, may result in loan defaults, foreclosures and additional charge-offs and may necessitate that we significantly increase our allowance, each of which could adversely affect our net income. As of December 31, 2019, approximately $610.0 million, or 17.6% of our loan portfolio consisted of purchased loans. These loans may have less stringent underwriting standards than loans originated by us. As a result, our inability to successfully manage credit risk could have a material adverse effect on our business, financial condition or results of operations.

Our business is subject to interest rate risk and fluctuations in interest rates may adversely affect our earnings and capital levels and overall results.

The majority of our assets and liabilities are monetary in nature and, as a result, we are subject to significant risk from changes in interest rates. Changes in interest rates may affect our net interest income as well as the valuation of our assets and liabilities. Our earnings depend significantly on our net interest income, which is the difference between interest income on interest-earning assets, such as loans and securities, and interest expense on interest-bearing liabilities, such as deposits and borrowings. We expect to periodically experience "gaps" in the interest rate sensitivities of our assets and liabilities, meaning that either our interest-bearing liabilities will be more sensitive to changes in market interest rates than our interest-earning assets, or vice versa. In either event, if market interest rates move contrary to our position, this "gap" may work against us, and our earnings may be adversely affected.

When interest-bearing liabilities mature or reprice more quickly, or to a greater degree than interest-earning assets in a period, an increase in interest rates could reduce net interest income. Similarly, when interest-earning assets mature or reprice more quickly, or to a greater degree than interest-bearing liabilities, falling interest rates could reduce net interest income. Additionally, an increase in the general level of interest rates may also, among other things, adversely affect the demand for loans and our ability to originate loans and decrease loan prepayment rates or adversely affect our results of operations by reducing the ability of borrowers to make payments under their current adjustable-rate loan obligations. Conversely, a decrease in the general level of interest rates, among other things, may lead to prepayments on our loan and mortgage-backed securities portfolios and increased competition for deposits. Accordingly, changes in the general level of market interest rates may adversely affect our net yield on interest-earning assets, loan origination volume and our overall results.

Although our asset-liability management strategy is designed to control and mitigate exposure to the risks related to changes in the general level of market interest rates, those rates are affected by many factors outside of our control, including inflation, recession, unemployment, money supply, international disorder, instability in domestic and foreign financial markets and policies of various governmental and regulatory agencies, particularly the Federal Open Market Committee of the Federal Reserve. Adverse changes in the U.S. monetary policy or in economic conditions could materially and adversely affect us. We may not be able to accurately predict the likelihood, nature and magnitude of those changes or how and to what extent they may affect our business. We also may not be able to adequately prepare for or compensate for the consequences of such changes. Any failure to predict and prepare for changes in interest rates or adjust for the consequences of these changes may adversely affect our earnings and capital levels and overall results. For example, if interest rates continue to rise, we may be forced to raise the earnings credit rate that we pay many commercial clients on their DDA accounts, and as a result a greater amount of assessed fees on their accounts will be covered by the earnings credit rate, thus resulting in a reduction in the amount of net service charges we generate on deposits.

Prolonged lower interest rates may adversely affect our net income.

Prolonged lower interest rates, particularly medium and longer-term rates, may have an adverse impact on the composition of our earning assets, our net interest margin, our net interest income and our net income. Among other things, a period of prolonged lower rates may cause prepayments to increase as our clients seek to refinance existing home loans. Such an increase in prepayments and refinancing activity would likely result in a decrease in the weighted average yield of our earning assets, an increase in salary and bonus expense as a result of higher loan volume and an increase in provision expense for new loans added to the portfolio.

The transition away from LIBOR could subject the Bank to loss of income.

On July 27, 2017, the Chief Executive of the United Kingdom's Financial Conduct Authority, which regulates LIBOR, announced that it intends to stop persuading or compelling banks to submit LIBOR rates for the calibration of LIBOR to the administrator of LIBOR after 2021. The announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. It is impossible to predict whether and to what extent banks will continue to provide LIBOR submissions to the administrator of LIBOR or whether any additional reforms to LIBOR may be enacted in the United Kingdom or elsewhere. At this time, no consensus exists as to what rate or rates may become acceptable alternatives to LIBOR and it is impossible to predict the effect of any such alternatives on the value of LIBOR-based securities and variable rate loans, or other securities or financial arrangements, given LIBOR's role in determining market interest rates globally. The Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing the U.S. dollar LIBOR with a new index calculated by short-term repurchase agreements, backed by Treasury securities ("SOFR"). SOFR is observed and backward looking, which stands in contrast with LIBOR under the current methodology, which is an estimated forward-looking rate and relies, to some degree, on the expert judgment of submitting panel members. Given that SOFR is a secured rate backed by government securities, it will be a rate that does not take into account bank credit risk (as is the case with LIBOR). SOFR is therefore likely to be lower than LIBOR and is less likely to correlate with the funding costs of financial institutions. Whether or not SOFR attains traction as a LIBOR replacement tool remains in question, although some transactions using SOFR have been completed in 2019, and the future of LIBOR remains uncertain as this time. If LIBOR rates are no longer available, and we are required to implement substitute indices for the calculation of interest rates under our loan agreements with our borrowers, we may experience significant expenses in effecting the transition, and may be subject to disputes or litigation with customers and creditors over the appropriateness or comparability to LIBOR of the substitute indices, which could have an adverse effect on our results of operations.

As of December 31, 2019, we had $380.7 million in LIBOR-based loans and $609.6 million in securities indexed to LIBOR. Uncertainty as to the nature of alternative reference rates and as to potential changes or other reforms to LIBOR may adversely affect LIBOR rates and the value of LIBOR-based loans, if such loans do not mature or pre-pay before the transition. For new loan originations and renewals with maturities greater than one year, we have generally ceased relying on LIBOR and have moved to the Prime Rate as quoted in the Wall Street Journal (for commercial loans) or Treasury Yields.

We are exposed to higher credit risk by our exposure to construction, CRE, C&I, and leveraged lending

Construction, CRE, C&I, and Leveraged lending usually involve higher credit risks than other forms of lending. As of December 31, 2019, the following loan types accounted for the stated percentages of the bank's total loan portfolio: Construction—2%, CRE—12%, C&I—14%, which includes leveraged lending – 1% (of which approximately half are uni-tranche, first out positions).

CRE loans generally depend on the income produced by the underlying properties which, in turn, depends on their successful operation and management. Accordingly, the ability of such borrowers to repay these loans may be affected by adverse conditions in the local real estate market and the local economy. These types of loans also generally carry more risk as compared to residential mortgage lending, because they typically involve larger loan balances to a single borrower or groups of related borrowers. In recent years, CRE markets have been experiencing substantial growth, and increased competitive pressures have contributed significantly to historically low capitalization rates and rising property values. CRE prices, according to many U.S. CRE indices, are currently above the 2007 peak levels that contributed to the financial crisis. In addition, we are exposed to the New York City CRE market in particular. If the local economy, and particularly the real estate market, declines, the rates of delinquencies, defaults, foreclosures, bankruptcies and losses in our loan portfolio would likely increase. A failure to adequately implement enhanced risk management policies, procedures and controls could adversely affect our ability to increase this portfolio and could result in an increased rate of delinquencies in, and increased losses, from this portfolio. At December 31, 2019, nonperforming CRE mortgages totaled $3.7 million, or 1% of our total portfolio of CRE mortgage loans, and consisted of one nonperforming TDR.

Construction loans are dependent on both project completion and take out permanent financing. These loans carry greater risk because we cannot forecast the economic cycle. As a construction loans matures, the economy, while looking robust when the loan was originated, may not support the economic activity needed to stabilize a project and may decrease the chances of an institution providing permanent financing. Construction projects also run the risk of being over budget and if the sponsor cannot provide additional equity, we must make up the difference or the project will not be completed. As of December 31, 2019, we had one nonperforming construction loan.

In addition, with respect to CRE loans, the banking regulators are examining CRE lending activity with greater scrutiny and may require banks with higher levels of CRE loans to implement improved underwriting, internal controls, risk management policies and portfolio stress testing, as well as possibly higher levels of allowances for losses and capital levels as a result of CRE lending growth and exposures. At December 31, 2019, our outstanding CRE loans were equal to 298% of our total risk-based capital. If our regulators require us to maintain higher levels of capital than we would otherwise be expected to maintain, this could limit our ability to leverage our capital and have a material adverse effect on our business, financial condition, results of operations and prospects.

C&I loans are typically based on the borrowers' ability to repay the loans from the cash flow of their businesses. These loans may involve greater risk because the availability of funds to repay each loan depends substantially on the success of the business itself. In addition, the assets securing the loans have the following characteristics: (i) they depreciate over time, (ii) they are difficult to appraise and liquidate, and (iii) they fluctuate in value based on the success of the business. A subset of C&I Loans is leveraged loans, these loans carry all the risks of C&I loans; however, due to their higher leverage, generally have a higher probability of default and loss given defaults.

Construction, CRE loans, C&I loans, and Leveraged Loans are more susceptible to a risk of loss during a downturn in the business cycle. Our underwriting, review and monitoring cannot eliminate all of the risks related to these loans.

We are exposed to higher credit risk related to our multifamily real estate lending in New York City due to recent legislation.

On June 14, 2019, the New York State legislature passed the Housing Stability and Tenant Protection Act of 2019, impacting about one million rent regulated apartment units. Among other things, the new legislation: (i) curtails rent increases from material capital improvements and individual apartment improvements; (ii) all but eliminates the ability for apartments to exit rent regulation; (iii) does away with vacancy decontrol and high-income deregulation; and (iv) repealed the 20% vacancy bonus. While it is too early to measure the full impact of the legislation, in total, it generally limits a landlord's ability to increase rents on rent-regulated apartments and makes it more difficult to convert rent-regulated apartments to market-rate apartments. As a result, the value of the collateral located in New York State securing our multi-family loans or the future net operating income of such properties could potentially become impaired. At December 31, 2019, our total multifamily loan exposure in New York State is approximately $795 million, of which approximately $383 million, or 48%, represents our portfolio's composition of rent stabilized and rent controlled apartments in the New York multifamily market.

We are exposed to risks related to our PACE financings.

Property Assessed Clean Energy or PACE, financing is a means of financing energy-efficient upgrades or the installation of renewable energy sources for commercial, industrial and residential properties that are repaid over a selected term through property tax assessments, which are secured by the property itself and paid as an addition to the owners' property tax bills. The unique characteristic of PACE assessments is that the assessment is attached to the property rather than the individual borrower. Active programs for residential PACE financing now exist in California, Florida and Missouri. In 2019, we entered into four separate transactions to purchase PACE assessments attached to properties in California and Florida. As of December 31, 2019, we had a portfolio of $11.1 million in commercial PACE securities and $252.7 million in residential PACE securities. These securities are pari passu with tax liens and generally have priority over first mortgage liens.

Because PACE financing programs are typically enabled through state legislation and authorized at the local government level, variations between each state's programs may expose us to increased compliance costs and risks. In addition, the Economic Growth, Regulatory Release, and Consumer Protection Act required the CFPB to prescribe regulations relating to residential PACE financings. In March 2019, the CFPB issued an advanced notice of proposed rulemaking, but has not issued a proposed rule. Specifically, the CFPB is contemplating regulations for PACE financing under the ability-to-repay requirements under the Truth in Lending Act, which are currently in place for residential mortgage loans, and is soliciting information to better understand the PACE financing market. If final rules are adopted by the CFPB, we may be exposed to increased compliance and regulatory risks related to our residential PACE financings. If we fail to comply with any final rules adopted by the CFPB, we may face reputational and litigation risks with respect to our PACE financings.

Our estimated allowance for loan losses and fair value adjustments with respect to loans acquired in our acquisitions may prove to be insufficient to absorb actual losses in our loan portfolio, which may adversely affect our business, financial condition and results of operations.

We maintain an allowance for loan losses that represents management's judgment of probable losses and risks inherent in our loan portfolio. As of December 31, 2019, our allowance for loan losses totaled $33.8 million, which represents approximately 0.98% of our total loans, net. The level of the allowance reflects management's continuing evaluation of loan levels and portfolio composition, observable trends in nonperforming loans, historical loss experience, known and inherent risks in the portfolio, underwriting practices, adequacy of collateral, credit risk grading assessments and other factors. The determination of the appropriate level of the allowance for loan losses is inherently highly subjective and requires us to make significant estimates of and assumptions regarding current credit risks and future trends, all of which may undergo material changes. If, as a result of general economic conditions, there is a decrease in asset quality or growth in the loan portfolio, our management determines that additional increases in the allowance for loan losses are necessary, we may incur additional expenses which will reduce our net income, and our business, results of operations or financial condition may be materially and adversely affected. In addition, inaccurate management assumptions, deterioration of economic conditions affecting borrowers, new information regarding existing loans, identification or deterioration of additional problem loans, acquisition of problem loans and other factors, both within and outside of our control, may require us to increase our allowance for loan losses. In addition, we have historically maintained higher provisions for loan losses in our Indirect C&I portfolio and may continue to do so, even as we deemphasize and reallocate the balances of this portfolio.

Although our management has established an allowance for loan losses it believes is adequate to absorb probable and reasonably estimable losses in our loan portfolio, this allowance may not be adequate. In particular, if economic conditions in any of our markets were to deteriorate unexpectedly, additional loan losses not incorporated in the then-current allowance for loan losses may occur. Losses in excess of the existing allowance for loan losses will reduce our net income and could adversely affect our business, results of operations or financial condition, perhaps materially.

The application of the purchase method of accounting in the NRB acquisition and any future acquisitions will impact our allowance for loan losses. Under the purchase method of accounting, all acquired loans were recorded in our consolidated financial statements at their estimated fair value at the time of acquisition and any related allowance for loan losses was eliminated because credit quality, among other factors, was considered in the determination of fair value. To the extent that our estimates of fair value are too high, we will incur losses associated with the acquired loans.

In addition, our regulators, as an integral part of their periodic examination, review our methodology for calculating, and the adequacy of, our allowance and provision for loan losses. Although we believe that the methodology used by us to determine the amount of both the allowance for loan losses and provision is effective, the regulators or our auditor may conclude that changes are necessary based on information available to them at the time of their review, which could impact our overall credit portfolio. Such changes could result in, among other things, modifications to our methodology for determining our allowance or provision for loan losses or models, reclassification or downgrades of our loans, increases in our allowance for loan losses or other credit costs, imposition of new or more stringent concentration limits, restrictions in our lending activities and/or recognition of further losses. Further, if actual charge-offs in future periods exceed the amounts allocated to the allowance for loan losses, we may need additional provisions for loan losses to restore the adequacy of our allowance for loan losses.

New accounting standards could require us to increase our allowance for loan losses and may have a material adverse effect on our financial condition and results of operations.

The measure of our allowance for loan losses is dependent on the adoption and interpretation of accounting standards. The Financial Accounting Standards Board, or FASB, recently issued a new credit impairment model, the Current Expected Credit Loss, or CECL model, which will become applicable to us in 2023. Under the CECL model, we will be required to present certain financial assets carried at amortized cost, such as loans held for investment and held-to-maturity debt securities, at the net amount expected to be collected. The measurement of expected credit losses is to be based on information about past events, including historical experience,

current conditions, and reasonable and supportable forecasts that affect the collectability of the reported amount. This measurement will take place at the time the financial asset is first added to the balance sheet and periodically thereafter. This differs significantly from the "incurred loss" model currently required under GAAP, which delays recognition until it is probable a loss has been incurred. Accordingly, we expect that the adoption of the CECL model will materially affect how we determine our allowance for loan losses and could require us to significantly increase our allowance. Moreover, the CECL model may create more volatility in the level of our allowance for loan losses. If we are required to materially increase our level of allowance for loan losses for any reason, such increase could adversely affect our business, financial condition and results of operations.

We may not be able to maintain a strong core deposit base or access other low-cost funding sources.

We depend on checking, savings and money market deposit account balances and other forms of customer deposits as our primary source of funding for our lending activities. In addition, our future growth will largely depend on our ability to maintain and grow a strong deposit base. If we are unable to continue to attract and retain core deposits, to obtain third party financing on favorable terms, or to have access to interbank or other liquidity sources, we may not be able to grow our assets as quickly. We derive liquidity through core deposit growth, maturity of money market investments, and maturity and sale of investment securities and loans. Additionally, we have access to financial market borrowing sources on an unsecured and a collateralized basis for both short-term and long-term purposes including, but not limited to, the Federal Reserve, wholesale deposit markets and Federal Home Loan Banks, of which we are a member.

If these funding sources are not sufficient or available, this may adversely affect our ability to generate the funds necessary for lending operations, and we may have to acquire funds through higher-cost sources. In addition, we must compete with other banks and financial institutions for deposits. If our competitors raise rates on their deposits, we may face deposit attrition or experience higher funding costs by increasing our deposit rates in order to maintain our customer deposit base. As of December 31, 2019, approximately 47% of our deposits were non-interest-bearing. Higher funding costs will reduce our net interest margin, net interest income and net income. Any decline in available funding could adversely affect our ability to continue to implement our business strategy which could have a material adverse impact on our liquidity, business, financial condition and results of operations.

We are subject to liquidity risk.

We require liquidity to meet our deposit and debt obligations as they come due. Our access to funding sources in amounts adequate to finance our activities or on terms that are acceptable to us could be impaired by factors that affect us specifically or the financial services industry or economy generally. Factors that could detrimentally impact our access to liquidity sources include a downturn in the geographic markets in which our loans are concentrated, difficult credit markets, adverse regulatory or judicial actions against labor unions, political organizations or not-for profits, or adverse regulatory actions against us. Our access to deposits may also be affected by the liquidity needs of our depositors. As a part of our liquidity management, we must ensure we can respond effectively to potential volatility in our customers' deposit balances. For instance, our political campaigns, PACs, and state and national party committee clients totaled $578.6 million in deposits as of December 31, 2019, and may increase or decrease their deposit balances significantly as we approach an election campaign, resulting in short-term volatility in their deposit balances held with us through election cycles. We expect a substantial runoff at the end of the 2020 election cycle. Although we have been able to replace maturing or withdrawn deposits and advances historically as necessary, we might not be able to replace such funds in the future, especially if a large number of our depositors or those depositors with a high concentration of deposits sought to withdraw their accounts, regardless of the reason. We could encounter difficulty meeting a significant deposit outflow which could negatively impact our profitability or reputation. Any long-term decline in deposit funding would adversely affect our liquidity. While we believe our funding sources are adequate to meet any significant unanticipated deposit withdrawal, we may not be able to manage the risk of deposit volatility effectively. A failure to maintain adequate liquidity could materially and adversely affect our business, results of operations or financial condition.

Our business may be adversely affected by conditions in the financial markets and economic conditions generally.

Our financial performance generally, and, in particular, the ability of borrowers to pay interest on and repay the principal of outstanding loans and the value of collateral securing those loans, as well as demand for loans and other products and services we offer and whose success we rely on to drive our future growth, is highly dependent on the business environment in the markets in which we operate and in the United States as a whole. Some elements of the business environment that affect our financial performance include short-term and long-term interest rates, the prevailing yield curve, inflation, monetary supply, fluctuations in the debt and equity capital markets, and the strength of the domestic economy and the local economies in the markets in which we operate. Unfavorable market conditions can result in a deterioration of the credit quality of borrowers, an increase in the number of loan delinquencies, defaults and charge-offs, additional provisions for loan losses, adverse asset values and a reduction in assets under management or administration. The majority of our loan portfolio is secured by real estate. A decline in real estate values can negatively impact our ability to recover our investment should the borrower become delinquent. Loans secured by stock or other collateral may be adversely impacted by a downturn in the economy and other factors that could reduce the recoverability of our investment. Unsecured loans are dependent on

the solvency of the borrower, which can deteriorate, leaving us with a risk of loss. Unfavorable or uncertain economic and market conditions can be caused by declines in economic growth, business activity or investor or business confidence, limitations on the availability of or increases in the cost of credit and capital, increases in inflation or interest rates, high unemployment, natural disasters, epidemics and pandemics, state or local government insolvency, or a combination of these or other factors.

During 2019, the U.S. economy has continued to grow across a wide range of industries and regions in the United States. However, there are continuing concerns related to, among other things, the level of U.S. government debt and fiscal actions that may be taken to address that debt, the potential effects of coronavirus on international trade (including supply chains and export levels), travel, employee productivity and other economic activities, and the and depressed oil prices and the U.S.-China trade disputes and related tariffs, that may have a destabilizing effect on financial markets and economic activity. There can be no assurance that current economic conditions will continue or improve, and economic conditions could worsen. Economic pressure on consumers and uncertainty regarding continuing economic improvement may result in changes in consumer and business spending, borrowing and saving habits. A return of recessionary conditions and/or other negative developments in the domestic or international credit markets or economies may significantly affect the markets in which we do business, the value of our loans and investments, and our ongoing operations, costs and profitability. Declines in real estate values and sales volumes and high unemployment or underemployment may also result in higher than expected loan delinquencies, increases in our levels of nonperforming and classified assets and a decline in demand for our products and services. These negative events may cause us to incur losses and may adversely affect our capital, liquidity and financial condition.

Our business may be adversely affected by the current coronavirus pandemic.

In addition to the potential general economic risks described above, our business is at increased operational and financial risk due to the coronavirus pandemic. The operational risk is due to the potential effects of coronavirus on international trade (including supply chains), travel, employee attendance, vendor operations and other operational issues, The increased financial risk is due to the effects of destabilizing economic markets such as reductions in interest rates, higher than expected loan delinquencies, increases in our levels of nonperforming and classified assets and a decline in demand for our products and services. These negative events may cause us to incur losses and may adversely affect our capital, liquidity and financial condition.

The geographic concentration of our core markets in New York, Washington, D.C., and California, makes our business highly susceptible to downturns in these local economies and depressed banking markets, which could materially and adversely affect us.

Unlike larger financial institutions that are more geographically diversified, our banking franchise is concentrated in New York (particularly in New York City), Washington, D.C. and California (particularly in San Francisco). The local economic conditions in these areas have a significant impact on our residential, multifamily, and real estate loans, the ability of borrowers to repay these loans, and the value of the collateral securing these loans. Adverse changes in the economic conditions in the United States in general or in our primary markets in New York, Washington, D.C., and California could negatively affect our financial condition, results of operations and profitability. While economic conditions in New York, Washington, D.C. and California, along with the U.S. and worldwide, have improved since the end of the economic recession, a return of recessionary conditions could result in the following consequences, any of which could have a material adverse effect on our business, including but not limited to the following:

- loan delinquencies may increase;
- problem assets and foreclosures may increase;
- demand for our products and services may decline; and
- collateral for loans that we make, especially real estate, may decline in value, in turn reducing a customer’s borrowing power, and reducing the value of assets and collateral associated with our loans.

We may not be able to implement our growth strategy or manage costs effectively, resulting in lower earnings or profitability.

There can be no assurance that we will be able to continue to grow and to be profitable in future periods, or, if profitable, that our overall earnings will remain consistent or increase in the future. Our strategy is focused on organic growth, supplemented by opportunistic acquisitions, such as the NRB Acquisition. Our growth requires that we increase our loans, assets under management and deposits while managing risks by following prudent loan underwriting standards without increasing interest rate risk, increasing our noninterest expenses or compressing our net interest margin, maintaining more than adequate capital at all times, hiring and retaining qualified employees and successfully implementing strategic projects and initiatives. Even if we are able to increase our interest income, our earnings may nonetheless be reduced by increased expenses, such as additional employee compensation or other general and administrative expenses and increased interest expense on any liabilities incurred or deposits solicited to fund increases in assets. Additionally, if our competitors extend credit on terms we find to pose excessive risks, or at interest rates which we believe do not warrant the credit exposure, we may not be able to maintain our lending volume and could experience deteriorating financial performance. Our inability to manage our growth successfully or to continue to expand into new markets could have a material adverse effect on our business, financial condition or results of operations.

We may be adversely affected by risks associated with future acquisitions, including execution risk, which could adversely affect our growth and profitability.

We plan to grow our business both organically and through opportunistic acquisitions, similar to our NRB Acquisition, that fit within the mission-driven values of our franchise and that we believe support our business and make financial and strategic sense. We may have difficulty identifying suitable acquisition candidates that fit with our mission-driven values or on executing on acquisitions that we pursue, and we may not realize the anticipated benefits of any transactions we complete. Additionally, for any opportunistic acquisition we were to consider, we expect to face significant competition from numerous other financial services institutions, many of which will have greater financial resources than we do. Furthermore, although we believe that our position as a leading socially responsible bank may position us as an acquirer of choice, there are no assurances that potential acquisition targets or their stockholders may see us or any combination with us as such. Accordingly, attractive opportunistic acquisitions may not be available. Any of the foregoing matters could materially and adversely affect us.

Our acquisition activities could require us to use a substantial amount of cash, other liquid assets, and/or incur debt. In addition, if goodwill recorded in connection with our potential future acquisitions were determined to be impaired, then we would be required to recognize a charge against our earnings, which could materially and adversely affect our results of operations during the period in which the impairment was recognized. Also, acquisitions may involve the payment of a premium over book and market values and, therefore, some dilution of our tangible book value and net income per common share may occur in connection with any future transaction. Our inability to overcome these risks could have a material adverse effect on our profitability, return on equity and return on assets, our ability to implement our business strategy and enhance stockholder value, which, in turn, could have a material adverse effect on our business, financial condition and results of operations.

Our acquisition activities could involve a number of additional risks, including the risks of:

- the possibility that our mission-driven culture is disrupted as a result of an acquisition;
- the possibility that expected benefits may not materialize in the time frame expected or at all, or may be costlier to achieve, or that the acquired business will not perform to our expectations;
- incurring the time and expense associated with identifying and evaluating potential acquisitions and merger partners and negotiating potential transactions, resulting in management’s attention being diverted from the operation of our existing business;
- using inaccurate estimates and judgments to evaluate credit, operations, management, and market risks with respect to the target institution or assets;
- the potential for liabilities and claims arising out of the acquired business;
- incurring the time and expense required to integrate the operations and personnel of the combined businesses;
- the possibility that we will be unable to successfully implement integration strategies, due to challenges associated with integrating complex systems, technology, banking centers, and other assets of the acquired institution in a manner that minimizes any adverse effect on customers, suppliers, employees, and other constituencies;
- the possibility of regulatory approval for the acquisition being delayed, impeded, restrictively conditioned or denied due to existing or new regulatory issues surrounding Amalgamated, the target institution or the proposed combined entity as a result of, among other things, issues related to compliance with anti-money laundering and Bank Secrecy Act compliance, fair lending laws, fair housing laws, consumer protection laws, unfair, deceptive, or abusive acts or practices regulations, or the Community Reinvestment Act, and the possibility that any such issues associated with the target institution, of which we may or may not be aware at the time of the acquisition, could impact the combined entity after completion of the acquisition;
- applications for bank mergers and acquisitions, in particular, have been delayed in some cases for significant periods of time due to additional requests for information required by banking regulators to help them evaluate the risk of the proposed transaction in the banking context;
- the possibility that the acquisition may not be timely completed, if at all;

- creating an adverse short-term effect on our results of operations;
- losing key employees and customers as a result of an acquisition that is poorly received; and
- the possibility of a government shutdown, which could delay regulatory approval of transactions.

If we do not successfully manage these risks, our acquisition activities could have a material adverse effect on our operating results and financial condition, including short-term and long-term liquidity.

Adherence to our values and our focus on advancing progressive causes may negatively influence our short- or medium-term financial performance.

We are a mission-driven bank with the vision of being the financial institution for progressive people and organizations—those who are dedicated to creating a more socially equitable and environmentally sustainable world. We have a "triple bottom line" approach to business that not only focuses on our financial bottom line and long-term sustainability but also looks to social and environmental issues to measure our total cost of doing business. Accordingly, we may take actions that we believe will benefit our business and our values and, therefore, our stockholders, human health and welfare, and our ecosystem over a period of time, even if those actions do not maximize short- or medium-term financial results. However, these longer-term benefits may not materialize within the time frame we expect or at all, and short-term oriented investors may not agree with our triple bottom line approach.

Our ability to maintain our reputation is critical to the success of our business, including our ability to attract and retain customer relationships, and failure to do so may materially adversely affect our performance.

As a bank, our reputation is one of the most valuable components of our business. In addition, our values—to create a more just, compassionate and sustainable world—are an integral part of everything that we do. As such, we strive to conduct our business in a manner that enhances our reputation and our values. This is done, in part, by recruiting, hiring, and retaining employees who share our core values of being an integral part of the communities we serve, delivering superior service to our customers, and caring about our customers and enabling them to lead the charge to improve our communities and our country.

In addition, we are a Certified B Corporation ™. The term "Certified B Corporation" does not refer to a particular form of legal entity, but instead refers to companies certified by the B Lab, an independent nonprofit organization, as meeting rigorous standards of social and environmental performance, accountability and transparency. B Labs sets the standards for Certified B Corporation ™ certification and may change those standards over time. At our 2020 annual stockholder meeting, we are requesting that our stockholders approve changes to our Organizational Certificate in order to comply with the requirements to remain a Certified B Corporation™. Our reputation could be harmed if we lose our Certified B Corporation ™ status, whether by choice or by our failure to meet B Lab's certification requirements, if that change in status were to create a perception that we are no longer committed to the values shared by Certified B Corporations ™. Likewise, our reputation could be harmed if our publicly reported B Corporation ™ score declines, if that were to create a perception that we are less focused on meeting the Certified B Corporation ™ standards.

Our customers rely on us to deliver superior financial services while conducting our business in accordance with the values described above. A significant source of customers has been, and we expect will continue to be, the reputation we maintain. Damage to our reputation could undermine the confidence of our current and potential clients in our ability to provide financial services. Such damage could also impair the confidence of our counterparties and business partners, and ultimately affect our ability to effect transactions. Maintenance of our reputation depends not only on our success in maintaining our value-focused culture and controlling and mitigating the various risks described herein, but also on our success in complying with campaign finance and other regulations relating to our client base or lobbying efforts, identifying and appropriately addressing issues that may arise in areas such as potential conflicts of interest, anti-money laundering, client personal information and privacy issues, record-keeping, regulatory investigations and any litigation that may arise from the failure or perceived failure of us to comply with legal and regulatory requirements. If our reputation is negatively affected, by the actions of our employees or otherwise, our business and, therefore, our operating results may be materially adversely affected. Further, negative public opinion can expose us to litigation and regulatory action as we seek to implement our growth strategy, which would adversely affect our business, financial condition and results of operations.

As a fund manager, we continue to engage in stockholder activism, pressing companies to adopt best practices on a range of environmental, social and corporate governance topics. This activism could cause increased scrutiny over our own environmental, social and corporate governance activities. Any failure, or perceived failure, in our ability to maintain environmental, social and corporate governance best practices could damage our reputation adversely affecting our business, results of operations or financial condition.

Maintaining our reputation also depends on our ability to successfully prevent third-parties from infringing on our brand and associated trademarks. Defense of our reputation and our trademarks, including through litigation, could result in costs adversely affecting our business, results of operations or financial condition.

Changes in U.S. trade policies and other factors beyond our control, including the imposition of tariffs and retaliatory tariffs and the impacts of epidemics or pandemics, may adversely impact our business, financial condition and results of operations.

There have been changes and discussions with respect to U.S. trade policies, legislation, treaties and tariffs, including trade policies and tariffs affecting other countries, including China, the European Union, Canada and Mexico and retaliatory tariffs by such countries. Tariffs and retaliatory tariffs have been imposed, and additional tariffs and retaliation tariffs have been proposed. Such tariffs, retaliatory tariffs or other trade restrictions on products and materials that our customers import or export could cause the prices of our customers' products to increase which could reduce demand for such products, or reduce our customer margins, and adversely impact their revenues, financial results and ability to service debt; which, in turn, could adversely affect our financial condition and results of operations. In addition, to the extent changes in the political environment have a negative impact on us or on the markets in which we operate our business, results of operations and financial condition could be materially and adversely impacted in the future. It remains unclear what the U.S. Administration or foreign governments will or will not do with respect to tariffs already imposed, additional tariffs that may be imposed, or international trade agreements and policies. On January 26, 2020, President Trump signed a new trade deal between the United States, Canada and Mexico to replace the North American Free Trade Agreement. The full impact of this agreement on us, our customers and on the economic conditions in our primary banking markets is currently unknown. In addition, coronavirus and concerns regarding the extent to which it may spread have affected, and may increasingly affect, international trade (including supply chains and export levels), travel, employee productivity and other economic activities. A trade war or other governmental action related to tariffs or international trade agreements or policies, as well as coronavirus or other potential epidemics or pandemics, have the potential to negatively impact ours and/or our customers' costs, demand for our customers' products, and/or the U.S. economy or certain sectors thereof and, thus, adversely affect our business, financial condition, and results of operations.

We depend on our executive officers and other key employees, and our ability to attract additional key personnel, to continue the implementation of our long-term business strategy, and we could be harmed by the unexpected loss of their services.

We believe that our continued growth and future success will depend in large part on the skills of our executive officers and other key employees and our ability to motivate and retain these individuals, as well as our ability to attract, motivate and retain highly qualified senior and middle management and other skilled employees. Competition for employees is intense, and the process of locating key personnel with the combination of skills and attributes required to execute our business strategy may be lengthy. We may not be successful in retaining our key personnel, and the unexpected loss of services of one or more of our key personnel could have a material adverse effect on our business because of their skill, knowledge of our primary markets, years of industry experience and the difficulty of promptly finding qualified replacement personnel. If the services of any of our of key personnel should become unavailable for any reason, we may not be able to identify and hire qualified persons on terms acceptable to us, or at all, which could have a material adverse effect on our business, financial condition, results of operation and future prospects. In addition, we do not currently have employment agreements with any of our executive officers, other than our Chief Executive Officer, Keith Mestrich; however, we have a change in control policy applicable to certain executive officers other than Mr. Mestrich. Our officers have agreed to a one-year non-solicitation covenant; therefore, these officers could leave us and immediately begin competing against us and after one year begin soliciting our customers. Although Mr. Mestrich has entered into an employment agreement with us, it is possible that we or Mr. Mestrich may not renew the agreement prior to its expiration on June 30, 2020. The departure of any of our personnel could have a material adverse impact on our business, results of operations and growth prospects.

We depend on the accuracy and completeness of information about customers and counterparties.

In deciding whether to extend credit or enter into other transactions, and in evaluating and monitoring our loan and lease portfolio on an ongoing basis, we may rely on information furnished by or on behalf of customers and counterparties, including financial statements, credit reports and other financial information. We may also rely on representations of those customers or counterparties or of other third parties, such as independent auditors, as to the accuracy and completeness of that information. Reliance on inaccurate, incomplete, fraudulent or misleading financial statements, credit reports or other financial or business information, or the failure to receive such information on a timely basis, could result in loan losses, reputational damage or other effects that could have a material adverse effect on our business, financial condition or results of operations.

The fair value of our investment securities could fluctuate because of factors outside of our control, which could have a material adverse effect on us.

As of December 31, 2019, the fair value of Amalgamated's investment securities portfolio was approximately $1.5 billion. Factors beyond our control could significantly affect the fair value of these securities. These factors include, but are not limited to, changes in

market conditions including changes in interest rates or spreads, changes in the credit profile of individual securities, changes in prepayment behavior of individual securities, rating agency actions in respect of the securities, or adverse regulatory action. Any of these factors, among others, could cause other-than-temporary impairments, or OTTI, and realized and/or unrealized losses in future periods and declines in earnings and/or other comprehensive income (loss), which could materially and adversely affect our assets, business, cash flow, condition (financial or otherwise), liquidity, results of operations and prospects. The process for determining whether impairment of a security is OTTI usually requires complex, subjective judgments about the future financial performance and liquidity of the issuer, any collateral underlying the security as well as our intent and ability to hold the security for a sufficient period of time to allow for any anticipated recovery in fair value in order to assess the probability of receiving all contractual principal and interest payments on the security. Our failure to assess any impairments or losses with respect to our securities could have a material adverse effect on our assets, business, cash flow, condition (financial or otherwise), liquidity, results of operations and prospects.

Our trust and investment management business may be negatively impacted by changes in economic and market conditions and clients may seek legal remedies for investment performance.

Our trust and investment management business may be negatively impacted by changes in general economic and market conditions because the performance of this businesses is directly affected by conditions in the financial and securities markets. The financial markets and businesses operating in the securities industry are highly volatile (meaning that performance results can vary greatly within short periods of time) and are directly affected by, among other factors, domestic and foreign economic conditions and general trends in business and finance, and by the threat, as well as the occurrence of global conflicts, all of which are beyond our control. We cannot assure you that broad market performance will be favorable in the future. Declines in the financial markets or a lack of sustained growth may result in a decline in the performance of our investment management business and may adversely affect the market value and performance of the investment securities that we manage, which could lead to reductions in our investment management fees, because they are based primarily on the market value of the securities we manage, and could lead some of our clients to reduce their assets under management by us or seek legal remedies for investment performance. If any of these events occur, the financial performance of our trust and investment management business could be materially and adversely affected.

The investment management contracts we have with our clients are terminable without cause and on relatively short notice by our clients, which makes us vulnerable to short term declines in the performance of the securities under our management.

Like most other companies with an investment management business, the investment management contracts we have with our clients are typically terminable by the client without cause upon less than 30 days' notice. As a result, even short term declines in the performance of the securities we manage, which can result from factors outside our control such as adverse changes in market or economic conditions or the poor performance of some of the investments we have recommended to our clients, could lead some of our clients to move assets under our management to other asset classes such as broad index funds or treasury securities, or to investment advisors that have investment product offerings or investment strategies different than ours. Therefore, our operating results are heavily dependent on the financial performance of our investment portfolios and the investment strategies we employ in our investment management businesses and even short-term declines in the performance of the investment portfolios we manage for our clients, whatever the cause, could result in a decline in assets under management and a corresponding decline in investment management fees, which would adversely affect our results of operations.

A small number of our clients control a large portion of our total assets under management, and a loss of these clients or of assets under management more generally would negatively affect our revenue from investment management fees.

A small number of our clients currently control a significant portion of our total assets under management. As of December 31, 2019, we had $13.9 billion in assets under management (of which approximately $210.8 million is expected to run off in the future) spread across 542 investment management accounts. Of these accounts, approximately 9% control 67% of our assets under management.

We are subject to claims and litigation pertaining to our fiduciary responsibilities.

Some of the services we provide, such as trust and investment management services, require us to act as fiduciaries for our customers and others. From time to time, third parties make claims and take legal action against us pertaining to the performance of our fiduciary responsibilities. If these claims and legal actions are not resolved in a manner favorable to us, we may be exposed to significant financial liability and/or our reputation could be damaged. Either of these results may adversely impact demand for our products and services or otherwise have a harmful effect on our business and, in turn, on our financial condition and results of operations.

We are subject to execution risks in our Trust business.

Within our Investment Management business, we are required to trade securities for clients, to conform to any investment fund policies, and to associated performance requirements of various funds. We could face a financial liability (i.e. to correct performance shortfalls) for any failure to correctly execute against such standards, either through operational errors or system failures. Furthermore,

we could face a financial liability for any errors in our performance reporting or fund accounting, which could result in a client bringing an action against us on the basis of incorrect information. Within our custodial business, we are required to execute portfolio trading and funds transfer instructions for our clients. Accordingly, we could face a financial liability for any operational process defect or mistaken action on the basis of fraud.

We face operational risks due to potential outsourcing of our Trust business.

We are undertaking a new strategic initiative within our Trust business, which may create additional risks. First, we intend to outsource certain of our historically in-house business processes to vendors. As we begin the migration of this work from in-house to the vendor, we face operational continuity risk, including the loss of skilled employees before the work has been fully migrated, that our chosen vendor may not be able to faithfully or timely reproduce our current in-house work functions being outsourced to them. With this migration, we also face the risk that unforeseen complexity may delay the completion date and create unforeseen expense.

Secondly, we have announced a strategic relationship with Invesco, to become an Investment Subadvisor to our clients. As a part of this transition, we may be required to negotiate modifications to our contractual agreements with certain of our Investment Management clients. These negotiations may present the risk that our clients may instead remove their assets from our Investment management program, or may attempt to negotiate lower fees. In either case, this transition may present risk to our total amount of assets under management, or the revenue we derive from such business.

The market for investment managers is extremely competitive and the loss of a key investment manager to a competitor could adversely affect our investment advisory and wealth management business.

We believe that investment performance is one of the most important factors that affect the amount of assets under our management. As a result, we rely heavily on our investment managers to produce attractive investment returns for our clients. However, the market for investment managers is extremely competitive and is increasingly characterized by frequent movement of investment managers among different firms. In addition, our individual investment managers often have regular direct contact with particular clients, which can lead to a strong client relationship based on the client's trust in that individual manager. As a result, the loss of a key investment manager to a competitor could jeopardize our relationships with some of our clients and lead to the loss of client accounts. Losses of such accounts could have a material adverse effect on our business, financial condition, results of operations and prospects.

We face strong competition from other banks and financial institutions and other wealth and investment management firms that could hurt our business.

The banking business is highly competitive, and we experience competition in our markets from many other financial institutions. We compete with commercial banks, credit unions, savings and loan associations, mortgage banking firms, non-traditional financial-services providers, other financial service businesses, including investment advisory and wealth management firms, mutual fund companies, and securities brokerage and investment banking firms, as well as super-regional, national and international financial institutions that operate offices in our primary market areas and elsewhere. As customers' preferences and expectations continue to evolve, technology has lowered barriers to entry and made it possible for banks to expand their geographic reach by providing services over the Internet and for Fintech, i.e. "non-banks" to offer products and services traditionally provided by banks, such as automatic transfer and automatic payment systems. Because of this rapidly changing technology, our future success will depend in part on our ability to address our customers' needs by using technology and to identify and develop new, value-added products for existing and future customers. Failure to do so could impede our time to market, reduce customer product accessibility, and weaken our competitive position. Customer loyalty can be easily influenced by a competitor's new products, especially offerings that could provide cost savings or a higher return to the customer. Moreover, this competitive industry could become even more competitive as a result of legislative, regulatory and technological changes and continued consolidation.

We compete with these institutions both in attracting deposits and assets under management, and in making loans. We may not be able to compete successfully with other financial institutions in our markets, particularly with larger financial institutions operating in our markets that have significantly greater resources than us and offer financial products and services that we are unable to offer, putting us at a disadvantage in competing with them for loans and deposits and investment management clients, and we may have to pay higher interest rates to attract deposits, accept lower yields on loans to attract loans and pay higher wages for new employees, resulting in lower net interest margin and reduced profitability. In addition, competitors that are not depository institutions are generally not subject to the extensive regulations that apply to us. If we are unable to compete effectively with those banking or other financial services businesses, we could find it more difficult to attract new and retain existing clients and our net interest margins, net interest income and investment management fees could decline, which would adversely affect our results of operations and could cause us to incur losses in the future.

In addition, our ability to successfully attract and retain investment management clients depends on our ability to compete with competitors' investment products, level of investment performance, client services and marketing and distribution capabilities. If we are not successful in attracting new and retaining existing clients, our business, financial condition, results of operations and prospects may be materially and adversely affected.

Our smaller size may make it more difficult for us to compete with larger institutions and any inability to compete within the industry could hurt our business.

Our smaller size can make it more difficult to compete with other financial institutions which are generally larger and can more easily afford to invest in the marketing and technologies needed to attract and retain customers. Because our principal source of income is the net interest income we earn on our loans and investments after deducting interest paid on deposits and other sources of funds, our ability to generate the revenues needed to cover our expenses and finance such investments is limited by the size of our loan and investment portfolios. Our lower earnings could also make it more difficult to offer competitive salaries and benefits. As a smaller institution, we are also disproportionately affected by the continually increasing costs of compliance with new banking and other regulations.

Nonperforming assets take significant time to resolve and adversely affect our results of operations and financial condition, and could result in further losses in the future.

As of December 31, 2019, our nonperforming assets (which consist of nonaccrual loans, loans past due 90 days or more and still accruing interest, loans modified under troubled debt restructurings, other real estate owned and impaired securities) totaled $66.7 million, or 1.25% of our total assets, and our nonaccrual assets (which include nonaccrual loans, impaired securities and other real estate owned) totaled $31.0 million, or 0.60% of our total assets. In addition, we had $13.1 million in accruing loans that were 30-89 days delinquent as of December 31, 2019, excluding troubled debt restructurings. In the future, we may be required to increase our provision as a result of downgrading these loans or any other potential problem loans.

Our nonperforming assets adversely affect our net income in various ways. We do not record interest income on nonaccrual loans or other real estate owned, thereby adversely affecting our net income and returns on assets and equity, increasing our loan administration costs and adversely affecting our efficiency ratio. When we take collateral in foreclosure and similar proceedings, we are required to mark the collateral to its then-fair market value, which may result in a loss. These nonperforming loans and other real estate owned also increase our risk profile and the level of capital our regulators believe is appropriate for us to maintain in light of such risks. The resolution of nonperforming assets requires significant time commitments from management and can be detrimental to the performance of their other responsibilities. If we experience increases in nonperforming loans and nonperforming assets, our net interest income may be negatively impacted and our loan administration costs could increase, each of which could have an adverse effect on our net income and related ratios, such as return on assets and equity.

Our deposit insurance premiums could be substantially higher in the future, which could have a material adverse effect on our earnings.

The FDIC insures deposits at FDIC-insured depository institutions, such as us, up to $250,000 per account. Our regular assessments are based on our average consolidated total assets minus average tangible equity as well as by risk classification, which includes regulatory capital levels and the level of supervisory concern. In addition to ordinary assessments described above, the FDIC has the ability to impose special assessments in certain instances. We are generally unable to control the amount of premiums that we are required to pay for FDIC insurance. If there are additional bank or financial institution failures, we may be required to pay even higher FDIC premiums. If our financial condition deteriorates or if the bank regulators otherwise have supervisory concerns about us, then our assessments could rise. Any future additional assessments, increases or required prepayments in FDIC insurance premiums could reduce our profitability, may limit our ability to pursue certain business opportunities, or otherwise negatively impact our operations.

Our business needs and future growth may require us to raise additional capital, but that capital may not be available or may be dilutive.

We may need to raise additional capital, in the form of debt or equity securities, in the future to have sufficient capital resources to meet our commitments and fund our business needs and future growth, particularly if the quality of our assets or earnings were to deteriorate significantly. In addition, we are required by federal regulatory authorities to maintain adequate levels of capital to support our operations.

Our ability to raise capital will depend on, among other things, conditions in the capital markets, which are outside of our control, and our financial performance. Accordingly, we cannot provide assurance that such capital will be available on terms acceptable to us or at all. Any occurrence that limits our access to capital, may adversely affect our capital costs and our ability to raise capital and, in turn, our liquidity. Further, if we need to raise capital in the future, we may have to do so when many other financial institutions are also seeking to raise capital and would then have to compete with those institutions for investors. Any inability to raise capital on acceptable terms when needed could have a material adverse effect on our business, financial condition and results of operations and could be dilutive to both tangible book value and our share price.

In addition, an inability to raise capital when needed may subject us to increased regulatory supervision and the imposition of restrictions on our growth and business. These restrictions could negatively affect our ability to operate or further expand our operations through loan growth, acquisitions or the establishment of additional branches. These restrictions may also result in increases in operating expenses and reductions in revenues that could have a material adverse effect on our financial condition, results of operations and our share price.

A failure in, or breach of, our operational or security systems or infrastructure, or those of our third-party vendors and other service providers, including as a result of cyber-attacks, could disrupt our businesses, result in the disclosure or misuse of confidential or proprietary information, damage our reputation, increase our costs and cause losses.

Our operations rely on the secure processing, storage and transmission of confidential and other sensitive business and consumer information on our computer systems and networks and third-party providers. Under various federal and state laws, we are responsible for safeguarding such information. For example, our business is subject to the Gramm-Leach-Bliley Act, and the NYDFS cybersecurity regulations and the California Consumer Privacy Act which, among other things: (1) impose certain limitations on our ability to share nonpublic personal information about our customers with nonaffiliated third parties; (2) require that we provide certain disclosures to customers and others about our information collection, sharing and security practices and afford customers the right to "opt out" of any information sharing by us with nonaffiliated third parties (with certain exceptions); (3) limit retention of customer data; (4) require notification of certain data breaches; and (5) require that we develop, implement and maintain a written comprehensive information security program containing appropriate safeguards based on our size and complexity, the nature and scope of our activities, and the sensitivity of customer information we process, as well as plans for responding to data security breaches. Ensuring that our collection, use, transfer and storage of personal information complies with all applicable laws and regulations can increase our costs.

Although we take protective measures to maintain the confidentiality, integrity and availability of information across all geographic and product lines, and endeavor to modify these protective measures as circumstances warrant, the nature of the threats continues to evolve. In addition, our clients include both national and regional unions and high-profile political organizations, which may be more susceptible to highly-sophisticated and targeted attacks. As a result, our computer systems, software and networks may be subject to unauthorized access, loss or destruction of data (including confidential client information), account takeovers, unavailability of service, computer viruses or other malicious code, cyber-attacks and other events that could have an adverse security impact. Despite the defensive measures we take to manage our internal technological and operational infrastructure, these threats may originate externally from third parties such as foreign governments, organized crime and other hackers, and outsource or infrastructure-support providers and application developers, or may originate internally from within our organization. Furthermore, we may not be able to ensure that all of our clients, suppliers, counterparties and other third parties have appropriate controls in place to protect the confidentiality of the information that they exchange with us, particularly where such information is transmitted by electronic means. Given the increasingly high volume of our transactions, errors could be repeated or compounded before they are discovered and rectified. In addition, the increasing reliance on technology systems and networks and the occurrence and potential adverse impact of attacks on such systems and networks, both generally and in the financial services industry, have enhanced government and regulatory scrutiny of the measures taken by companies to protect against cyber-security threats. In particular, NYDFS implemented heightened cybersecurity regulations in March 2017. As these threats, and government and regulatory oversight of associated risks, continue to evolve, we may be required to expend additional resources to enhance or expand upon the security measures we currently maintain.

In particular, information pertaining to us and our customers is maintained, and transactions are executed, on our networks and systems or those of our customers or third-party partners, such as our online banking or reporting systems. The secure maintenance and transmission of confidential information, as well as execution of transactions over these systems, are essential to protect us and our customers against fraud and security breaches and to maintain our clients' confidence. While we have not experienced any material breaches of information security, such breaches may occur through intentional or unintentional acts by those having access or gaining access to our systems or our customers' or counterparties' confidential information, including employees. In addition, increases in criminal activity levels and sophistication, advances in computer capabilities, new discoveries, vulnerabilities in third-party technologies (including browsers and operating systems) or other developments could result in a compromise or breach of the technology, processes and controls that we use to prevent fraudulent transactions and to protect data about us, our customers and underlying transactions, as well as the technology used by our customers to access our systems. We cannot be certain that the security measures we, or processors, have in place to protect this sensitive data will be successful or sufficient to protect against all current and emerging threats designed to breach our systems or those of processors. Although we have developed, and continue to invest in, systems and processes that are designed to detect and prevent security breaches and cyber-attacks and periodically test our security, a breach of our systems, or those of processors, could result in losses to us or our customers; loss of business and/or customers; damage to our reputation; the incurrence of additional expenses (including the cost of notification to consumers, credit monitoring and forensics, and fees and fines imposed by the card networks); disruption to our business; our inability to grow our online services or other businesses; additional regulatory scrutiny or penalties; or our exposure to civil litigation and possible financial liability—any of which could have a material adverse effect on our business, financial condition and results of operations.

We depend on information technology and telecommunications systems of third-party servicers, and systems failures, interruptions or breaches of security involving these systems could have an adverse effect on our operations, financial condition and results of operations.

Our business is highly dependent on the successful and uninterrupted functioning of our information technology and telecommunications systems, third-party servicers accounting systems and mobile and online banking platforms. We outsource many of our major systems, such as data processing, loan servicing, item/payment processing systems, internal audit systems and online banking platforms. The failure of these systems, or the termination of a third-party software license or service agreement on which any of these systems is based, could interrupt our operations. Because our information technology and telecommunications systems interface with and depend on third-party systems, we could experience service denials if demand for such services exceeds capacity or such third-party systems fail or experience interruptions. If sustained or repeated, a system failure or service denial could result in a deterioration of our ability to process new and renewal loans or to gather deposits and provide customer service and it could compromise our ability to operate effectively, damage our reputation, result in a loss of customer business and subject us to additional regulatory scrutiny and possible financial liability, any of which could have a material adverse effect on our financial condition and results of operations. In addition, failure of third parties to comply with applicable laws and regulations, or fraud, misconduct, or material errors on the part of our employees or employees of any of these third parties could disrupt our operations or adversely affect our reputation.

It may be difficult for us to replace some of our third-party vendors, particularly vendors providing our core banking, debit card services and information services, in a timely manner if they are unwilling or unable to provide us with these services in the future for any reason and even if we are able to replace them, it may be at higher cost or result in the loss of customers. Any such events could have a material adverse effect on our business, financial condition or results of operations.

Our operations rely heavily on the secure processing, storage and transmission of information and the monitoring of a large number of transactions on a minute-by-minute basis, and even a short interruption in service could have significant consequences. We also interact with and rely financial counterparties and regulators. Each of these third parties may be targets of the same types of fraudulent activity, computer break-ins and other cyber security breaches described above or herein, and the cyber security measures that they maintain to mitigate the risk of such activity may be different than our own and may be inadequate.

As a result of financial entities and technology systems becoming more interdependent and complex, a cyber incident, information breach or loss, or technology failure that compromises the systems or data of one or more financial entities could have a material impact on counterparties or other market participants, including ourselves. Although we review business continuity and backup plans for our vendors and take other safeguards to support our operations, such plans or safeguards may be inadequate. As a result of the foregoing, our ability to conduct business may be adversely affected by any significant disruptions to us or to third parties with whom we interact.

Additionally, the FDIC, the NYDFS and other regulators expect financial institutions to be responsible for all aspects of their performance, including aspects which they delegate to third parties. Disruptions or failures in the physical infrastructure or operating systems that support our businesses and clients, or cyber-attacks or security breaches of the networks, systems, devices, or software that our clients use to access our products and services could result in client attrition, regulatory fines, penalties or intervention, reputational damage, reimbursement or other compensation costs, and additional compliance costs, any of which could materially adversely affect our results of operations or financial condition.

We, our customers, and other financial institutions with which we interact, are subject to ongoing, continuous attempts to penetrate key systems by individual hackers, organized criminals, and in some cases, state-sponsored organizations. Information security risks for financial institutions such as us have increased significantly in recent years in part because of the proliferation of new technologies, such as Internet and mobile banking, to conduct financial transactions, and the increased sophistication and activities of cyber criminals. Any failure, interruption or breach in security of our information systems could result in failures or disruptions in our customer relationship management, general ledger, deposit, loan and other systems, misappropriation of funds, and theft, disclosure or misuse of our proprietary or customer data. While we have significant internal resources, policies and procedures designed to prevent or limit the effect of the possible failure, interruption or security breach of our information systems, there can be no assurance that any such failure, interruption or security breach will not occur or, if they do occur, that they will be adequately addressed. As cyber threats continue to evolve, we may be required to expend significant additional resources to continue to modify or enhance our layers of defense or to investigate or remediate any information security vulnerabilities. The occurrence of any failure, interruption or security breach of our information systems could damage our reputation, result in a loss of customer business, subject us to additional regulatory scrutiny, or expose us to civil litigation and possible financial liability.

Our use of third-party vendors and our other ongoing third-party business relationships are subject to increasing regulatory requirements and attention.

We regularly use third-party vendors as part of our business. We also have substantial ongoing business relationships with other third parties. These types of third-party relationships are subject to increasingly demanding regulatory requirements and attention by our federal bank regulators. Recent regulation requires us to enhance our due diligence, ongoing monitoring and control over our third-party vendors and other ongoing third-party business relationships. We expect that our regulators will hold us responsible for deficiencies in our oversight and control of our third-party relationships and in the performance of the parties with which we have these relationships. As a result, if our regulators conclude that we have not exercised adequate oversight and control over our third-party vendors or other ongoing third party business relationships or that such third parties have not performed appropriately, we could be subject to enforcement actions, including civil money penalties or other administrative or judicial penalties or fines as well as requirements for customer remediation, any of which could have a material adverse effect our business, financial condition or results of operations.

We are at risk of increased losses from fraud.

Criminals committing fraud increasingly are using more sophisticated techniques and in some cases are part of larger criminal rings, which allow them to be more effective.

The fraudulent activity has taken many forms, ranging from check fraud, mechanical devices attached to ATM machines, social engineering and phishing attacks to obtain personal information or impersonation of our clients through the use of falsified or stolen credentials. Additionally, an individual or business entity may properly identify themselves, particularly when banking online, yet seek to establish a business relationship for the purpose of perpetrating fraud. Further, in addition to fraud committed against us, we may suffer losses as a result of fraudulent activity committed against third parties. Increased deployment of technologies, such as chip card technology, defray and reduce aspects of fraud; however, criminals are turning to other sources to steal personally identifiable information, such as unaffiliated healthcare providers and government entities, in order to impersonate the consumer to commit fraud. Many of these data compromises are widely reported in the media. Further, as a result of the increased sophistication of fraud activity, we have increased our spending on systems and controls to detect and prevent fraud. This will result in continued ongoing investments in the future. Nevertheless, these investments may prove insufficient and fraudulent activity could result in losses to us or our customers; loss of business and/or customers; damage to our reputation; the incurrence of additional expenses (including the cost of notification to consumers, credit monitoring and forensics, and fees and fines imposed by the card networks); disruption to our business; our inability to grow our online services or other businesses; additional regulatory scrutiny or penalties; or our exposure to civil litigation and possible financial liability any of which could have a material adverse effect on our business, financial condition and results of operations.

We must respond to rapid technological changes, and these changes may be more difficult or expensive than anticipated.

We will have to respond to future technological changes. Specifically, if our competitors introduce new banking products and services embodying new technologies, or if new banking industry standards and practices emerge, then our existing product and service offerings, technology and systems may be impaired or become obsolete. Further, if we fail to adopt or develop new technologies or to adapt our products and services to emerging industry standards, then we may lose current and future customers, which could have a material adverse effect on our business, financial condition and results of operations. Many of our competitors have substantially greater resources to invest in technological improvements than we do. The financial services industry is changing rapidly, and to remain competitive, we must continue to enhance and improve the functionality and features of our products, services and technologies. These changes may be more difficult or expensive than we anticipate.

We expect that new technologies and business processes applicable to the banking industry will continue to emerge, and these new technologies and business processes may be better than those we currently use. Because the pace of technological change is high and our industry is intensely competitive, we may not be able to sustain our investment in new technology as critical systems and applications become obsolete or as better ones become available. A failure to maintain current technology and business processes could cause disruptions in our operations or cause our products and services to be less competitive, all of which could have a material adverse effect on our business, financial condition or results of operations.

Our operations and clients are concentrated in large metropolitan areas, which could be the target of terrorist attacks.

The vast majority of our operations and clients are located in New York City, Washington, D.C., and San Francisco. In addition, at December 31, 2019, 74.0% of the properties securing our CRE, multifamily, or construction loans outstanding were located in the states of New York and California, and in Washington, D.C. These areas have been and may continue to be the target of terrorist attacks. A major terrorist attack in one of these areas could severely disrupt our operations and the ability of our clients to do business with us and cause losses to loans secured by properties in these areas. Such an attack could therefore adversely affect our business, financial condition, results of operations and prospects.

Weather-related events or other natural disasters may have an effect on the performance of our loan portfolios, especially in our California market, which could adversely affect our financial condition and results of operations.

Our operations and customer base are located in markets where natural disasters, including drought, severe storms, fires, floods, hurricanes and earthquakes have occurred. For instance, wildfires have occurred and continue to occur in a number of California counties where we do business. These fires have resulted in numerous fatalities and injuries and substantial property damage to homes, businesses and infrastructure in affected communities. In 2019, Pacific Gas and Electric Company and other California electric utilities instituted a program of public safety power outages when weather conditions and fire danger warranted. We expect that these events will continue to occur from time to time in the areas we serve, and these natural disasters may adversely affect our business and that of our customers. As of December 31, 2019, 21% of our single-family mortgage portfolio and 10% of our commercial real estate portfolio was located in California. A significant natural disaster in or near one or more of our markets could have a material adverse effect on our financial condition and results of operations

New lines of business, products, product enhancements or services may subject us to additional risks.

From time to time, we may implement new lines of business or offer new products, and product enhancements as well as new services within our existing lines of business. There are substantial risks and uncertainties associated with these efforts, particularly in instances in which the markets are not fully developed. In implementing, developing or marketing new lines of business, products, product enhancements or services, we may invest significant time and resources, although we may not assign the appropriate level of resources or expertise necessary to make these new lines of business, products, product enhancements or services successful or to realize their expected benefits. Further, initial timetables for the introduction and development of new lines of business, products, product enhancements or services may not be achieved, and price and profitability targets may not prove feasible. For example, several of our competitors have successfully introduced innovative investment management products. The introduction of such new products requires continued innovative efforts on the part of our management and may require significant time and resources as well as ongoing support and investment. External factors, such as compliance with regulations, competitive alternatives and shifting market preferences, may also affect the ultimate implementation of a new line of business or offerings of new products, product enhancements or services. Furthermore, any new line of business, product, product enhancement or service or system conversion could have a significant impact on the effectiveness of our system of internal controls. Failure to successfully manage these risks in the development and implementation of new lines of business or offerings of new products, product enhancements or services could have a material adverse effect on our business, financial condition or results of operations.

We may be adversely affected by the lack of soundness of other financial institutions.

Our ability to engage in routine funding and other transactions could be adversely affected by the actions and commercial soundness of other financial institutions. Financial services institutions are interrelated as a result of trading, clearing, counterparty or other relationships. Defaults by, or even rumors or questions about, one or more financial institutions, or the financial services industry generally, may lead to market-wide liquidity problems and losses of depositor, creditor and counterparty confidence and could lead to losses or defaults by us or by other institutions.

Our business could suffer if we experience employee work stoppages, union campaigns or other labor difficulties, and efforts by labor unions could divert management attention and adversely affect operating results.

As of December 31, 2019, we had 398 full-time employees, of which approximately 30% are represented by collective bargaining agreements or an employee union. Although we believe that our relationship with our employees is good, and we have not experienced any material work stoppages, work stoppages may occur in the future. Union activities also may significantly increase our labor costs, disrupt our operations and limit our operational flexibility. From time to time, we are subject to unfair labor practice charges, complaints and other legal, administrative and arbitration proceedings initiated against us by unions, the National Labor Relations Board or our employees, which could negatively impact our operating results. In addition, negotiating collective bargaining agreements could divert management attention, which could also adversely affect operating results. The collective bargaining agreement between us and Office and Professional Employees International Union, Local 153, AFL-CIO (“OPEIU”), expired on June 30, 2018 but then runs from year to year until terminated by either party upon sixty days’ notice. On July 26, 2018, we entered into an amendment to the collective bargaining agreement with OPEIU, which (i) extended the term of the collective bargaining agreement to June 30, 2020 and (ii) provided for a 3% wage increase effective July 1, 2018 and July 1, 2019, respectively. The amendment made no other material changes to the collective bargaining agreement. If we are unable to negotiate a new collective bargaining agreement in 2020, we may be subject to labor disruptions, such as union-initiated work stoppages, including strikes. Depending on the type and duration of any labor disruptions, our operating expenses could increase significantly, which could adversely affect our financial condition, results of operations and cash flows.

We participate in a multi-employer non-contributory defined benefit pension plan for both our unionized and non-unionized employees, which could subject us to substantial cash funding requirements in the future.

We are required to make contributions to the Consolidated Retirement Fund, a multi-employer pension plan that covers both our unionized and non-unionized employees. Our multi-employer pension plan expense totaled $6.3 million in 2019. Our obligations may be impacted by the funding status of the plan, the plan's investment performance, changes in the participant demographics, financial stability of contributing employers and changes in actuarial assumptions. In addition, if a participating employer becomes insolvent and ceases to contribute to a multiemployer plan, the unfunded obligation of the plan will be borne by the remaining participating employers. Under current law, an employer that withdraws or partially withdraws from a multi-employer pension plan may incur withdrawal liability to the plan. If, in the future, we choose to withdraw from the multi-employer pension plan in which we participate, we will likely need to record significant withdrawal liabilities, which could negatively impact our financial performance in the applicable periods.

Certain of our directors may have conflicts of interest in determining whether to present business opportunities to us or another entity with which they are, or may become, affiliated.

Certain of our directors are or may become subject to fiduciary obligations in connection with their service on the Boards of Directors of other corporations, including financial institutions. A director's association with other financial institutions, which give rise to fiduciary or contractual obligations to such institutions, may create conflicts of interest. To the extent that any of our directors become aware of acquisition opportunities that may be suitable for entities other than us to which they have fiduciary or contractual obligations, or they are presented with such opportunities in their capacities as fiduciaries to such entities, they may honor such obligations to such other entities. You should assume that to the extent any of our directors become aware of an opportunity that may be suitable both for us and another entity to which such person has a fiduciary obligation or contractual obligation to present such opportunity as set forth above, he or she may first give the opportunity to such other entity or entities and may give such opportunity to us only to the extent such other entity or entities reject or are unable to pursue such opportunity. In addition, you should assume that to the extent any of our directors become aware of an acquisition opportunity that does not fall within the above parameters, but that may otherwise be suitable for us, he or she may not present such opportunity to us.

Our Legal, Accounting and Regulatory and Compliance Risks

The reduction or elimination of the tax deductions for home mortgage interest payments and state and local taxes could reduce demand for our residential mortgage loans.

Recent changes in the tax laws may have an adverse effect on the market for, and valuation of, residential properties, and on the demand for such loans in the future, and could make it harder for borrowers to make their loan payments. In addition, these recent changes may also have a disproportionate effect on taxpayers in states with high residential home prices and high state and local taxes, such as New Jersey, New York and California. These tax law changes will increase the after-tax cost of mortgage loans to home buyers and owners, particularly those with higher incomes, and could therefore reduce demand for residential mortgage loans and depress housing prices. If home ownership becomes less attractive, demand for mortgage loans could decrease. Single family mortgage lending constitutes a large part of our lending business. Any reduction in the benefit of the home mortgage interest deduction could have a disproportionately adverse effect on us compared to other banking institutions and could materially and adversely affect our business, results of operations or financial condition. In addition, the value of the properties securing loans in our loan portfolio may be adversely impacted as a result of the changing economics of home ownership, which could require an increase in our provision for loan losses, which would reduce our profitability and could materially adversely affect our business, financial condition and results of operations.

Changes in our accounting policies or in accounting standards could materially affect how we report our financial results and condition.

Changes in our accounting policies or in accounting standards could materially affect how we report our financial results and condition. From time to time, the FASB changes the financial accounting and reporting standards that govern the preparation of our financial statements. As a result of changes to financial accounting or reporting standards, whether promulgated or required by the FASB or other regulators, we could be required to change certain of the assumptions or estimates we have previously used in preparing our financial statements, which could negatively affect how we record and report our results of operations and financial condition generally.

The appraisals and other valuation techniques we use in evaluating and monitoring loans secured by real property, other real estate owned ("OREO") and other repossessed assets may not accurately describe the fair value of the asset.

In considering whether to make a loan secured by real property, we generally require an appraisal of the property. However, an appraisal is only an estimate of the value of the property at the time the appraisal is made, and, as real estate values may change significantly in relatively short periods of time (especially in periods of heightened economic uncertainty), this estimate may not accurately describe the fair value of the real property collateral after the loan is made. As a result, we may not be able to realize the full amount of any remaining indebtedness if we foreclose on and sell the relevant property. In addition, we rely on appraisals and other valuation techniques to establish the value of our OREO and personal property that we acquire through foreclosure proceedings and to determine certain loan impairments. If any of these valuations are inaccurate, our consolidated financial statements may not reflect the correct value of our OREO, and our allowance may not reflect accurate loan impairments. This could have a material adverse effect on our business, financial condition or results of operations.

Our accounting estimates and risk management processes and controls rely on analytical and forecasting techniques and models and assumptions, which may not accurately predict future events.

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Our management must exercise judgment in selecting and applying many of these accounting policies and methods so they comply with GAAP and reflect management's judgment of the most appropriate manner in which to report our financial condition and results. In some cases, management must select the accounting policy or method to apply from two or more alternatives, any of which may be reasonable under the circumstances, yet which may result in our reporting materially different results than would have been reported under a different alternative.

Certain accounting policies are critical or significant to presenting our financial condition and results of operations. They require management to make difficult, subjective or complex judgments about matters that are uncertain. Materially different amounts could be reported under different conditions or using different assumptions or estimates. The critical accounting policies include the allowance, while the significant accounting policies include the fair value of securities and the accounting for income taxes. Because of the uncertainty of estimates involved in these matters, we may be required to significantly increase the allowance or sustain loan losses that are significantly higher than the reserve provided or significantly increase our accrued tax liability. Any of these could have a material adverse effect on our business, financial condition or results of operations. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

We could be adversely affected by a failure in our internal controls.

A failure in our internal controls could have a significant negative impact not only on our earnings, but also on the perception that customers, regulators and investors may have of us. As noted above, we intend to comply with Sarbanes-Oxley Act standards regarding our internal control over financial reporting. These rules and regulations will require, among other things, that we establish and periodically evaluate procedures with respect to our internal controls over financial reporting. We may not complete improvements to our internal control over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in the Bank. We continue to devote a significant amount of effort, time and resources to improving our controls and ensuring compliance with complex accounting standards and regulations. These efforts also include the management of controls to mitigate operational risks for programs and processes across the Bank.

Our internal controls, disclosure controls, processes and procedures, and corporate governance policies and procedures are based in part on certain assumptions and can provide only reasonable (not absolute) assurances that the objectives of the system are met. Any failure or circumvention of our controls, processes and procedures or failure to comply with regulations related to controls, processes and procedures could necessitate changes in those controls, processes and procedures, which may increase our compliance costs, divert management attention from our business or subject us to regulatory actions and increased regulatory scrutiny. Any of these could have a material adverse effect on our business, financial condition or results of operations.

The banking industry is heavily regulated and that regulation, together with any future legislation or regulatory changes, could limit or restrict our activities and adversely affect our operations or financial results.

We operate in an extensively regulated industry and we are subject to examination, supervision, and comprehensive regulation by various federal and state agencies, including the FDIC and the NYDFS. Our compliance with banking regulations is costly and restricts some of our activities, including payment of dividends, mergers and acquisitions, investments, loans and interest rates and locations of offices. We are also subject to capitalization guidelines established by our regulators, which require us to maintain adequate capital to support our business.

Since the recession ended, federal and state banking laws and regulations, as well as interpretations and implementations of these laws and regulations, have undergone substantial review and change. In particular, the Dodd-Frank Act drastically revised the laws and regulations under which we operate. The burden of regulatory compliance has increased under the Dodd-Frank Act and has increased our costs of doing business and, as a result, may create an advantage for our competitors who may not be subject to similar legislative and regulatory requirements. Regulations and laws may be modified at any time, and new legislation may be enacted that will affect us or our subsidiaries. Any future changes in federal and state laws and regulations, as well as the interpretation and implementation of such laws and regulations, could affect us in substantial and unpredictable ways, including those listed above or other ways that could have a material adverse effect on our business, financial condition or results of operations.

Furthermore, our regulators also have the ability to compel us to take certain actions, or restrict us from taking certain actions entirely, such as actions that our regulators deem to constitute an unsafe or unsound banking practice. Our failure to comply with any applicable laws or regulations, or regulatory policies and interpretations of such laws and regulations, could result in sanctions by regulatory agencies, civil money penalties or damage to our reputation, all of which could have a material adverse effect on our business, financial condition or results of operations.

There is uncertainty surrounding the potential legal, regulatory and policy changes by the current presidential administration in the U.S. that may directly affect financial institutions and the global economy.

The current presidential administration has indicated that it would like to see changes made to certain financial reform regulations, including the Dodd-Frank Act, which has resulted in increased regulatory uncertainty. Thus far, the current presidential administration has made no material changes to such regulations affecting our business; however, it is unclear what laws, regulations and policies may change in the future and whether future changes or uncertainty surrounding future changes will adversely affect our operating environment and therefore our business, financial condition and results of operations.

Our trust and investment management businesses are highly regulated.

Through our investment management division, we provide investment management, custody, safekeeping and trust services to institutional clients. These products and services require us to comply with a number of regulations issued by the Department of Labor, the Employee Retirement Income Security Act, the FDIC Statement of Principles of Trust Department Management, and federal and state securities regulators.

Our failure to comply with applicable laws or regulations could result in fines, suspensions of individual employees, litigation, or other sanctions. Any such failure could have an adverse effect on our reputation and could adversely affect our business, financial condition, results of operations or prospects.

Monetary policies and regulations of the Federal Reserve could adversely affect our business, financial condition and results of operations.

In addition to being affected by general economic conditions, our earnings and growth are affected by the policies of the Federal Reserve. An important function of the Federal Reserve is to regulate the money supply and credit conditions. Among the instruments used by the Federal Reserve to implement these objectives are open market purchases and sales of U.S. government securities, adjustments of the discount rate and changes in banks' reserve requirements against bank deposits. These instruments are used in varying combinations to influence overall economic growth and the distribution of credit, bank loans, investments and deposits. Their use also affects interest rates charged on loans or paid on deposits.

The monetary policies and regulations of the Federal Reserve have had a significant effect on the operating results of commercial banks in the past and are expected to continue to do so in the future. The effects of such policies upon our business, financial condition and results of operations cannot be predicted.

We face a risk of noncompliance with the Bank Secrecy Act and other anti-money laundering statutes and regulations and corresponding enforcement proceedings.

The federal Bank Secrecy Act, the PATRIOT Act and other laws and regulations require financial institutions, among other duties, to institute and maintain effective anti-money laundering programs, and to file suspicious activity and currency transaction reports as appropriate. The federal Financial Crimes Enforcement Network, established by the U.S. Treasury Department to administer the Bank Secrecy Act, is authorized to impose significant civil money penalties for violations of those requirements and has recently engaged in coordinated enforcement efforts with the individual federal banking regulators, as well as the U.S. Department of Justice, Drug Enforcement Administration and Internal Revenue Service. There is also increased scrutiny of compliance with the rules enforced by the Office of Foreign Assets Control (which we refer to as "OFAC"). Federal and state bank regulators also have begun to focus on

compliance with Bank Secrecy Act and anti-money laundering regulations. If our policies, procedures and systems are deemed deficient or the policies, procedures and systems of the financial institutions that we may acquire are deficient, we would be subject to liability, including fines, and regulatory actions such as restrictions on our ability to pay dividends and engage in our acquisition plans, which would negatively impact our business, financial condition and results of operations. In recent years, sanctions that the regulators have imposed on banks that have not complied with all requirements have been especially severe. Failure to maintain and implement adequate programs to combat money laundering and terrorist financing could also have serious reputational consequences for us, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to more stringent capital requirements in the future.

We are subject to regulatory requirements specifying minimum amounts and types of capital that we must maintain. From time to time, the regulators change these regulatory capital adequacy guidelines. If we fail to meet these minimum capital guidelines and other regulatory requirements, we may be restricted in the types of activities we may conduct and we may be prohibited from taking certain capital actions, such as paying dividends and repurchasing or redeeming capital securities.

In particular, the capital requirements applicable to us under the Basel III rules became fully phased-in on January 1, 2019. We are now required to satisfy additional, more stringent, capital adequacy standards than we have in the past. While we expect to meet the requirements of the Basel III rules, we may fail to do so. Failure to meet minimum capital requirements could result in certain mandatory and possible additional discretionary actions by regulators that, if undertaken, could have an adverse material effect on our financial condition and results of operations. In addition, these requirements could have a negative impact on our ability to lend, grow deposit balances, make acquisitions or make capital distributions in the form of dividends or share repurchases. Higher capital levels could also lower our return on equity.

We are periodically subject to examination and scrutiny by a number of banking agencies and, depending upon the findings and determinations of these agencies, we may be required to make adjustments to our business that could adversely affect us.

The FDIC and the NYDFS periodically conduct examinations of our business, including compliance with applicable laws and regulations. If, as a result of an examination, a banking agency were to determine that the financial condition, capital adequacy, asset quality, asset concentration, earnings prospects, management, liquidity sensitivity to market risk or other aspects of any of our operations has become unsatisfactory, or that we or our management are in violation of any law or regulation, the banking agency could take a number of different remedial actions as it deems appropriate. These actions include the power to enjoin “unsafe or unsound” practices, to require affirmative actions to correct any conditions resulting from any violation or practice, to issue an administrative order that can be judicially enforced, to direct an increase in our capital, to restrict our growth, to change the asset composition of our portfolio or balance sheet, to assess civil monetary penalties against our officers or directors, to remove officers and directors and, if it is concluded that such conditions cannot be corrected or there is an imminent risk of loss to depositors, to terminate our deposit insurance. If we become subject to such regulatory actions, our business, results of operations and reputation may be negatively impacted.

We are subject to the Community Reinvestment Act and federal and state fair lending laws, and failure to comply with these laws could lead to material penalties.

The Community Reinvestment Act (“CRA”), the Equal Credit Opportunity Act and the Fair Housing Act impose nondiscriminatory lending requirements on financial institutions. The FDIC, the NYDFS, the Department of Justice, and other federal and state agencies are responsible for enforcing these laws and regulations. There are proposed revisions to the CRA, which could affect our compliance obligations. Private parties may also have the ability to challenge an institution’s performance under fair lending laws in private class action litigation. A successful challenge to our performance under the fair lending laws and regulations could adversely impact our rating under the Community Reinvestment Act and result in a wide variety of sanctions, including the required payment of damages and civil money penalties, injunctive relief, imposition of restrictions on merger and acquisition activity and restrictions on expansion activity, which could negatively impact our reputation, business, financial condition and results of operations.

Our financial condition may be affected negatively by the costs of litigation.

We may be involved from time to time in a variety of litigation, investigations or similar matters arising out of our business. In many cases, we may seek reimbursement from our insurance carriers to cover such costs and expenses. Our insurance may not cover all claims that may be asserted against us, and any claims asserted against us, regardless of merit or eventual outcome, may harm our reputation. Should the ultimate judgments or settlements in any litigation or investigation significantly exceed our insurance coverage, they could have a material adverse effect on our business, financial condition and results of operations. In addition, we may not be able to obtain appropriate types or levels of insurance in the future, nor may we be able to obtain adequate replacement policies with acceptable terms, if at all.

From time to time we are, or may become, involved in suits, legal proceedings, information-gatherings, investigations and proceedings by governmental and self-regulatory agencies that may lead to adverse consequences.

Many aspects of the banking business involve a substantial risk of legal liability. From time to time, we are, or may become, the subject of information-gathering requests, reviews, investigations and proceedings, and other forms of regulatory inquiry, including by bank regulatory agencies, self-regulatory agencies, and law enforcement authorities. The results of such proceedings could lead to significant civil or criminal penalties, including monetary penalties, damages, adverse judgments, settlements, fines, injunctions, restrictions on the way we conduct our business or reputational harm.

Risks Related to Our Common Stock

Shares of our common stock are not an insured deposit.

Shares of our common stock are not bank deposits and are not insured or guaranteed by the FDIC or any other governmental agency and are subject to investment risk, including those outlined in this section.

The market price and trading volume of our common stock may be volatile, which could result in rapid and substantial losses for our stockholders.

The market price of our common stock may be highly volatile and could be subject to wide fluctuations. In addition, the trading volume on our common stock may fluctuate and cause significant price variations to occur. If the market price of our common stock declines significantly, you may be unable to resell your shares of common stock at or above your purchase price, if at all. We cannot assure you that the market price of our common stock will not fluctuate or decline significantly in the future. Some, but certainly not all, of the factors that could negatively affect the price of our common stock, or result in fluctuations in the price or trading volume of our common stock, include:

- general market conditions;
- domestic and international economic factors unrelated to our performance;
- variations in our quarterly operating results or failure to meet the market's earnings expectations;
- publication of research reports about us or the financial services industry in general;
- the failure of securities analysts to continue coverage our common stock;
- additions or departures of our key personnel;
- adverse market reactions to any indebtedness we may incur or securities we may issue in the future;
- actions by our stockholders;
- the operating and securities price performance of companies that investors consider to be comparable to us;
- changes or proposed changes in laws or regulations affecting our business; and
- actual or potential litigation and governmental investigations.

In addition, if the market for stocks in our industry, or the stock market in general, experiences a loss of investor confidence, the trading price of the common stock could decline for reasons unrelated to our business, financial condition or results of operations. If any of the foregoing occurs, it could cause our stock price to fall and may expose us to lawsuits that, even if unsuccessful, could be costly to defend and a distraction to management.

Because we are an emerging growth company and because we have decided to take advantage of certain exemptions from various reporting and other requirements applicable to emerging growth companies, our common stock could be less attractive to investors.

For as long as we remain an "emerging growth company," as defined in the JOBS Act, we will have the option to take advantage of certain exemptions from various reporting and other requirements that are applicable to other public companies that are not emerging growth companies, including:

- we may provide less than five years of selected historical financial information;

- we are exempt from the requirements to obtain an attestation and report from our auditors on management's assessment of our internal control over financial reporting under the Sarbanes-Oxley Act;
- we are permitted to have less extensive disclosure about our executive compensation arrangements; and
- we are not required to give our stockholders non-binding advisory votes on executive compensation or golden parachute arrangements.

We may continue to take advantage of some or all of the reduced regulatory and reporting requirements that will be available to us as long as we continue to qualify as an emerging growth company. It is possible that some investors could find our common stock less attractive because we may take advantage of these exemptions. If some investors find our common stock less attractive, there may be a less active trading market for our common stock and our stock price may be more volatile.

We will remain an emerging growth company until the earliest of (a) the last day of the first fiscal year in which our annual gross revenues exceed $1.07 billion, (b) the date that the market value of our common stock that is held by non-affiliates exceeds $700 million as of the last business day of June 30 of that year, (c) the date on which we have, during the previous three-year period, issued more than $1 billion in non-convertible debt, or (d) the end of fiscal year following the fifth anniversary of the completion of our initial public offering on August 13, 2018.

Because we have elected to use the extended transition period for complying with new or revised accounting standards for an "emerging growth company" our financial statements may not be comparable to companies that comply with these accounting standards as of the public company effective dates.

We have elected to use the extended transition period for complying with new or revised accounting standards under Section 7(a)(2)(B) of the Securities Act. This election allows us to delay the adoption of new or revised accounting standards that have different effective dates for public and private companies until those standards apply to private companies. As a result of this election, our financial statements may not be comparable to companies that comply with these accounting standards as of the public company effective dates. Because our financial statements may not be comparable to companies that comply with public company effective dates, investors may have difficulty evaluating or comparing our business, performance or prospects in comparison to other public companies, which may have a negative impact on the value and liquidity of our common stock. As an example, we are not required to implement CECL until 2023. As a result, any impact on our financial statements could be delayed by up to three years compared to other public companies. We cannot predict if investors will find our common stock less attractive because we plan to rely on this exemption. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile.

Securities analysts may not continue to cover our common stock.

The trading market for our common stock will depend in part on the research and reports that securities analysts publish about us and our business. We do not have any control over these securities analysts, and they may not cover our common stock. If securities analysts do not cover our common stock, the lack of research coverage may adversely affect our market price. If we are covered by securities analysts, and our common stock is the subject of an unfavorable report, the price of our common stock may decline. If one or more of these analysts cease to cover us or fail to publish regular reports on us, we could lose visibility in the financial markets, which could cause the price or trading volume of our common stock to decline**.**

The market price of our common stock could decline due to the large number of outstanding shares of our common stock eligible for future sale, including shares that will be available for sale following the expiration of contractual lock-up periods.

Sales of substantial amounts of our common stock in the public market, or the perception that these sales could occur, could cause the market price of our common stock to decline. These sales could also make it more difficult for us to sell equity or equity-related securities in the future, at a time and place that we deem appropriate.

As of December 31, 2019, we had 31,523,442 shares of common stock issued and outstanding. Subject in certain cases to certain senior executive and director stock retention policies, all of our shares of common stock are exempt from the registration requirements of the federal securities laws pursuant to Section 3(a)(2) of the Securities Act and are freely transferable. In addition, stockholders owning an anticipated aggregate 16.5 million shares of our common stock will remain entitled, under existing registration rights agreements, to require us to register those shares for public sale. Accordingly, the market price of our common stock could be adversely affected by actual or anticipated sales of a significant number of shares of our common stock in the future.

Future sales of our common stock, or other securities convertible into or exercisable or exchangeable for our common stock, may result in dilution or adversely affect our stock price.

The market price of our common stock may be adversely affected by the sale of a significant quantity of our outstanding common stock (including any securities convertible into or exercisable or exchangeable for common stock), or the perception that such a sale could occur. These sales, or the possibility that these sales may occur, also might make it more difficult for us to raise additional capital by selling equity securities in the future at a time and price that we deem appropriate.

We may not continue to pay dividends on our common stock.

We have paid a cash dividend to holders of our common stock four times since December 31, 2018. In February, May and August 2019, our Board of Directors declared and paid a dividend of $0.06 per share of our common stock. In October, our Board of Directors declared a dividend of $0.08 per share of our common stock, which was paid in November. We intend to continue paying a quarterly cash dividend of $0.08 per share of our common stock. Any actual determination relating to our dividend policy and the declaration of future dividends will be made, subject to applicable law and regulatory approvals, by our Board of Directors and will depend on a number of factors, including: (1) our historical and projected financial condition, liquidity and results of operations, (2) our capital levels and needs, (3) tax considerations, (4) any acquisitions or potential acquisitions that we may examine, (5) statutory and regulatory prohibitions and other limitations, (6) the terms of any credit agreements or other borrowing arrangements that restrict our ability to pay cash dividends, (7) general economic conditions and (8) other factors deemed relevant by our Board of Directors. The Board of Directors may determine not to pay any cash dividends at any time. There can be no assurance that we will pay any dividends to holders of our common stock, or as to the amount of any such dividends. For more information, see "*Cautionary Note Regarding Forward-Looking Statements*", "*Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities—Dividend Policy*" and "*Supervision and Regulation – Payment of Dividends*."

We have engaged in repurchases of our common stock.

At our 2019 Annual Meeting of stockholders, we obtained stockholder approval of a plan to repurchase up to $25 million of our outstanding common stock. As of December 31, 2019, we purchased $5.8 million of shares under this program. We intend to continue repurchases under this program in 2020 and have requested regulatory and shareholder approval to increase this amount by an additional $10 million. This program subjects us to risk of loss if the market price of the stock falls below the repurchase price.

Our common stock is subordinate to our existing and future indebtedness.

Shares of our common stock are equity interests and do not constitute indebtedness. As such, our common stock ranks junior to all of our customer deposits and indebtedness, and other non-equity claims on us, with respect to assets available to satisfy claims. Additionally, holders of common stock may be subject to the prior dividend and liquidation rights of any series of preferred stock we may issue.

We have several significant investors whose individual interests may differ from yours.

A significant percentage of our common stock is currently held by investment funds affiliated with The Yucaipa Companies, LLC ("Yucaipa") and an amalgamation of Workers United and numerous joint boards, locals or similar organizations authorized under the constitution of Workers United (the "Workers United Related Parties"). Yucaipa owns approximately 12% of our outstanding common stock and the Workers United Related Parties own approximately 40% of our common stock. Although Yucaipa entered into a passivity commitment with regulators that limit its ability to influence us either individually or as a group, it will continue to have a significant level of influence over us because of its level of common stock ownership and its right to representation on our Board of Directors. For example, Yucaipa will have a greater ability than our other stockholders to influence the election of directors and the potential outcome of other matters submitted to a vote of our stockholders, including mergers and other acquisition transactions, amendments to our restated organization certificate and bylaws, and other extraordinary corporate matters. The interests of these investors could conflict with the interests of our other stockholders, and any future transfer by these investors of their shares of common stock to other investors who have different business objectives could adversely affect our business, results of operations, financial condition, prospects or the market value of our common stock.

Yucaipa and Workers United Related Parties have also entered into agreements with us that contain certain provisions, including, among others, provisions relating to our governance, information rights, tag-along rights, board designation rights, and certain board and stockholder approval rights. Additionally, Yucaipa and Workers United Related Parties have entered into agreements with us that provide certain registration rights, including demand registration rights, and in the case of the Workers United Related Parties, the establishment of an advisory board.

Transfers of our common stock owned by the Workers United Related Parties could adversely impact your rights as a stockholder and the market price of our common stock.

The Workers United Related Parties may transfer all or part of the shares of our common stock that they own, without allowing you to participate or realize a premium for any investment in our common stock, or distribute shares of our common stock that it owns to their members. Sales or distributions by the Workers United Related Parties of such common stock could adversely impact prevailing market prices for our common stock.

Additionally, a sale of a controlling interest by the Workers United Related Parties to a third party could adversely impact the market price of our Class A common stock and our business, financial condition and results of operations. For example, a change in control caused by the sale of our shares by the Workers United Related Parties may result in a change of management decisions and business policy.

Future equity issuances could result in dilution, which could cause the value of our common stock to decline.

Based on 31,523,442 shares issued and outstanding at December 31, 2019, after receiving approval from our Board of Directors and subject to any limitations under applicable laws or the rules of The Nasdaq Global Market, we may issue up to 38,476,558 additional shares of our common stock, as authorized in our restated organization certificate, which authorized amount could be increased by a vote of a majority of our outstanding shares. We may issue additional shares of our common stock in the future pursuant to current or future equity compensation plans or in connection with future acquisitions or financings. If we choose to raise capital by selling shares of our common stock for any reason, the issuance would have a dilutive effect on the holders of our common stock and could have a material negative effect on the value of our common stock.

Failure to establish and maintain effective internal control over financial reporting could have an adverse effect on our business and results of operations.

Our management is required to conduct an annual assessment of the design adequacy and operating effectiveness of our internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act and rules promulgated under the Exchange Act. We have reviewed design adequacy and tested operating effectiveness of controls supported by formal policies, processes and practices related to financial reporting and the identification of key financial reporting risks, and assessed potential impact and linkage of related risks to specific areas and controls within our organization. If we fail to adequately comply with the requirements of Section 404 of the Sarbanes-Oxley Act and our assessment of internal control over financial reporting is not accurate, we may be subject to adverse regulatory consequences and there could be a negative reaction in the financial markets due to a loss of investor confidence in us and the reliability of our financial statements.

Any failure to maintain internal controls over financial reporting, or any difficulties that we may encounter in such maintenance, could also result in significant deficiencies or material weaknesses, result in material misstatements in our consolidated financial statements and cause us to fail to meet our reporting obligations. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements.

Any and all of these factors could have an adverse effect on us and lead to a decline in the price of our common stock.

Various factors could make a takeover attempt of us more difficult to achieve.

Certain provisions of our organizational documents, in addition to certain federal and state banking laws and regulations, could make it more difficult for a third-party to acquire us without the consent of our Board of Directors, even if doing so were perceived to be beneficial to our stockholders. For example, state law, our organizational certificate, our bylaws, or the Investor Rights Agreements provide for, among other things:

- no cumulative voting in the election of directors;
- the issuance of “blank check” preferred stock by our Board of Directors, without further stockholder approval;
- limitations on the ability of stockholders to call a special meeting of stockholders, which requires the holders of at least two-thirds of the outstanding shares of the Bank entitled to vote at the meeting to call a special meeting;
- a penalty associated with the Bank’s withdrawal from its participation in the ERISA multiemployer plan;
- advance notice requirements for stockholder proposals and director nominations; and
- the approval by a super-majority of outstanding common stock for extraordinary corporate matters such as, among other things, a merger, other business combination, or a sale of all or substantially all of our assets.

We believe that these provisions protect our stockholders from coercive or otherwise unfair takeover tactics by requiring potential acquirers to negotiate with our Board of Directors and by providing our Board of Directors with more time to assess any acquisition proposal. However, these provisions apply even if the offer may be determined to be beneficial by some stockholders and could delay or prevent an acquisition that our Board of Directors determines is in our best interest and that of our stockholders.

Furthermore, banking laws impose notice, approval and ongoing regulatory requirements on any stockholder or other party that seeks to acquire direct or indirect "control" of an FDIC-insured depository institution, such as us, which could delay or prevent an acquisition.

In addition, the current collective bargaining agreement with the Office and Professional Employees International Union, Local 153, AFL-CIO, has a provision that requires any successor entity in a merger or other transaction to agree to be bound by the terms of the collective bargaining agreement. This provision could impact our ability to complete a merger or other similar transaction.

The combination of these provisions could effectively inhibit a non-negotiated merger or other business combination, which could adversely impact the value of our common stock.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 2. Properties.

As of December 31, 2019, our 11 branch offices, and our two production offices are leased. One branch office, located at 3770 E. Tremont Avenue, Bronx, New York is owned. Included in our year-end totals are one leased branch office in San Francisco, California. We believe that current facilities are adequate to meet our present and foreseeable needs, subject to possible future expansion.

We lease 133,276 square feet in a building located at 275 Seventh Avenue, New York, New York 10001 that serves as our corporate headquarters.

Item 3. Legal Proceedings.

We are subject to certain pending and threatened legal actions that arise out of the normal course of business. Management, following consultation with legal counsel, does not expect the ultimate disposition of any or a combination of these matters to have a material adverse effect on our business. However, given the nature, scope and complexity of the extensive legal and regulatory landscape applicable to our business (including laws and regulations governing consumer protection, fair lending, fair labor, privacy, ERISA, information security and anti-money laundering and anti-terrorism laws), we, like all banking organizations, are subject to heightened legal and regulatory compliance and litigation risk.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information and Holders of Record

Our Class A common stock is listed on The NASDAQ Global Market under the symbol "AMAL." As of December 31, 2019, we had 31,523,442 shares of common stock outstanding and approximately 131 stockholders of record.

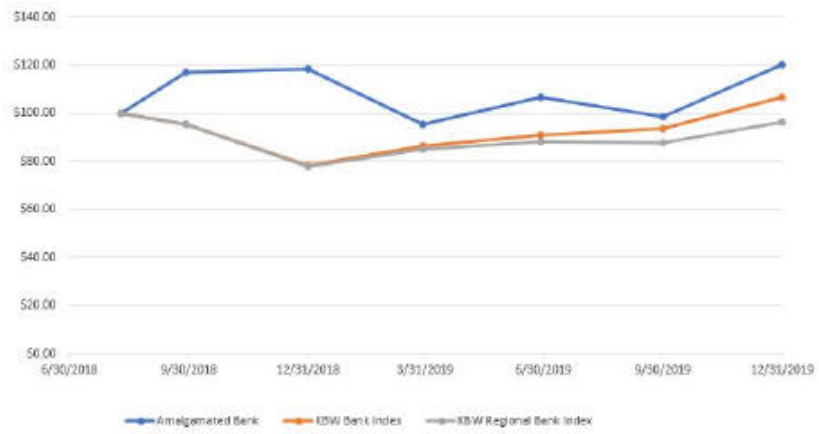
Dividend Policy

We have paid a cash dividend to holders of our common stock quarterly since our initial public offering in August 2018. In October 2019, our Board of Directors declared and paid a dividend of $0.08 per share of our common stock, which was a $0.02 increase from the dividend paid in previous quarters. We intend to continue paying a quarterly cash dividend of $0.08 per share of our common stock. Any actual determination relating to our dividend policy and the declaration of future dividends will be made, subject to applicable law and regulatory approvals, by our Board of Directors and will depend on a number of factors, including: (1) our historical and projected financial condition, liquidity and results of operations, (2) our capital levels and needs, (3) tax considerations, (4) any acquisitions or potential acquisitions that we may examine, (5) statutory and regulatory prohibitions and other limitations, (6) the terms of any credit agreements or other borrowing arrangements that restrict our ability to pay cash dividends, (7) general economic conditions and (8) other factors deemed relevant by our Board of Directors. The Board of Directors may determine not to pay any cash dividends at any time.

We are subject to bank regulatory requirements that in some situations could affect our ability to pay dividends. The FDIC's prompt corrective action regulations prohibit depository institutions, such as us, from making any "capital distribution," which includes any transaction that the FDIC determines, by order or regulation, to be "in substance a distribution of capital," unless the depository institution will continue to be at least adequately capitalized after the distribution is made. Pursuant to these provisions, it is possible that the FDIC would seek to prohibit the payment of dividends on our capital stock if we failed to maintain a status of at least adequately capitalized. The New York Banking Law contains similar provisions. There can be no assurance that we will pay any dividends to holders of our common stock, or as to the amount of any such dividends. See "*Cautionary Note Regarding Forward- Looking Statements*" and "*Supervision and Regulation – Payment of Dividends*." If we did pay dividends on our capital stock, those dividends would be payable out of our capital surplus.

Stock Performance Graph

The following stock performance graph compares the cumulative total shareholder returns for our common stock, KBW Bank Index and the KBW Regional Bank Index for the periods indicated. The graph assumes that an investor originally invested $100 in shares of our common stock at its closing price on August 8, 2018, the first day that our shares were traded, and assumes reinvestment of dividends and other distributions to stockholders. The following stock performance graph and related information shall not be deemed to be "soliciting material" or "filed" with the FDIC, or subject to the liabilities of Section 18 of the Exchange Act, nor shall such information be incorporated by reference into any future filings under the Exchange Act, except to the extent we specifically incorporate it by reference into such filing. The stock performance graph represents past performance and should not be considered an indication of future performance.



	Cumulative Total Returns Period Ending						
Index	**8/9/2018**	**9/30/2018**	**12/31/2018**	**3/31/2019**	**6/30/2019**	**9/30/2019**	**12/31/2019**
Amalgamated Bank	$100.00	$116.91	$ 118.54	$ 95.45	$106.78	$ 98.42	$ 120.00
KBW Bank Index	100.00	95.29	78.50	86.26	90.98	93.62	106.86
KBW Regional Bank Index	100.00	95.65	77.81	85.11	88.44	87.86	96.38

Repurchases of Equity Securities

The following schedule summarizes our total monthly share repurchase activity for the three months ended December 31, 2019:

	Issuer Purchases of Equity Securities			
Period	**Total number of shares purchased (1)**	**Average price paid per share**	**Total number of shares purchased as part of publicly announced plans or programs**	**Approximate dollar value that may yet be purchased under plans or programs (2)**
October 1 through October 31, 2019	123,659	$ 16.37	123,659	$ 19,214,163
November 1 through November 30, 2019	6,823	18.67	—	19,214,163
December 1 through December 31, 2019	—	—	—	19,214,163
Total	130,482	$ 16.49	123,659	

(1) Includes shares withheld by the Bank to pay the taxes associated with the vesting of stock options. There were 6,823 shares withheld for taxes during the quarter.

(2) On May 29, 2019, the Bank's Board of Directors authorized a share repurchase program authorizing the repurchase of up to $25 million of its outstanding common stock. No time limit was set for the completion of the share repurchase program. The authorization does not require the Bank to acquire any specified number of common shares and may be commenced, suspended or discontinued without prior notice. Under this authorization, $2,023,924 were purchased during the quarter.

Item 6. Selected Financial Data.

The following table sets forth our selected historical consolidated financial data for the periods and as of the dates indicated. We derived our balance sheet and income statement data for the years ended December 31, 2019, 2018, 2017, and 2016 from our audited financial statements. This data should be read in conjunction with the audited consolidated financial statements and the notes thereto contained elsewhere in this report and the information contained in this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

(In thousands)	Year Ended December 31, 2019	2018	2017	2016
Selected Operating Data:				
Interest income	$ 185,954	$ 163,964	$ 139,058	$ 126,653
Interest expense	19,317	14,219	17,761	23,300
Net interest income	166,637	149,745	121,297	103,353
Provision for (recovery of) loan losses	3,837	(260)	6,672	7,557
Net interest income after provision for loan losses	162,800	150,005	114,625	95,796
Non-interest income	29,201	28,318	27,370	31,790
Non-interest expense	127,827	128,003	122,274	116,890
Income before income taxes	64,174	50,320	19,721	10,696
Provision (benefit) for income taxes	16,972	5,666	13,613	137
Net income	$ 47,202	$ 44,654	$ 6,108	$ 10,559
Selected Financial Data:				
Total assets	$5,325,338	$4,685,489	$4,041,162	$4,042,499
Total cash and cash equivalents	122,538	80,845	116,459	140,635
Investment securities	1,517,474	1,179,251	952,960	1,183,820
Total net loans	3,438,767	3,210,636	2,779,913	2,509,085
Bank-owned life insurance	80,714	79,149	72,960	71,267
Total deposits	4,640,982	4,105,306	3,233,108	3,009,458
Borrowed funds	75,000	92,875	402,605	638,870
Total common stockholders' equity	490,410	439,237	337,234	334,276
Total stockholders' equity	490,544	439,371	344,068	341,110

	Year Ended December 31,			
	2019	2018	2017	2016
Selected Financial Ratios and Other Data (1):				
Earnings				
Basic	$ 1.49	$ 1.47	$ 0.21	$ 0.38
Diluted	1.47	1.46	0.21	0.38
Book value per common share (excluding minority interest)	15.56	13.82	12.26	12.15
Common shares outstanding	31,523,442	31,771,585	28,060,985	28,060,985
Weighted average common shares outstanding, basic	31,733,195	30,368,673	28,060,985	27,859,740
Weighted average common shares, outstanding diluted	32,205,248	30,633,270	28,060,985	27,859,740
(1) December 31, 2017 and 2016 balances effected for stock split that occurred on July 27, 2018				
Selected Performance Metrics:				
Return on average assets	0.96%	1.01%	0.15%	0.27%
Return on average equity	10.03%	11.38%	1.74%	3.02%
Loan yield	4.27%	4.27%	4.17%	4.19%
Securities yield	3.36%	3.01%	2.50%	2.30%
Deposit cost	0.35%	0.26%	0.24%	0.23%
Net interest margin	3.55%	3.56%	3.15%	2.79%
Efficiency ratio	65.27%	71.89%	82.25%	86.49%
Asset Quality Ratios:				
Nonaccrual loans to total loans	0.90%	0.74%	0.70%	1.47%
Nonperforming assets to total assets	1.25%	1.27%	2.20%	2.03%
Allowance for loan losses to nonaccrual loans	109%	156%	183%	96%
Allowance for loan losses to total loans	0.98%	1.15%	1.28%	1.40%
Annualized net charge-offs (recoveries) to average loans	0.22%	(0.05)%	0.24%	0.23%
Capital Ratios:				
Tier 1 leverage capital ratio	8.90%	8.88%	8.41%	8.23%
Tier 1 risk-based capital ratio	13.01%	13.22%	11.55%	11.61%
Total risk-based capital ratio	14.01%	14.46%	12.80%	12.87%
Common equity tier 1 capital ratio	13.01%	13.22%	11.39%	11.56%

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis presents information concerning our consolidated financial condition as of December 31, 2019, as compared to December 31, 2018, and our results of operations for the year ended December 31, 2019 and December 31, 2018. Information regarding our consolidated financial condition as of December 31, 2018, as compared to December 31, 2017, and our results of operations for the year ended December 31, 2017 is set forth in our Form 10 Registration Statement filed with the FDIC on July 19, 2018. This discussion and analysis is best read in conjunction with our audited consolidated financial statements and related notes appearing elsewhere in this report. Historical results of operations and the percentage relationships among any amounts included, and any trends that may appear, may not indicate results of operations for any future periods.

In addition to historical information, this discussion includes certain forward-looking statements regarding business matters and events and trends that may affect our future results. Comments regarding our business that are not historical facts are considered forward-looking statements that involve inherent risks and uncertainties. Actual results may differ materially from those contained in these forward-looking statements. For additional information regarding our cautionary disclosures, see the "*Cautionary Statement Regarding Forward-Looking Statements*" beginning on page i of this report.

Overview

Our business

Amalgamated Bank is a commercial bank and chartered trust company headquartered in New York, New York with approximately $5.3 billion in total assets, $3.4 billion in total loans and $4.6 billion in total deposits as of December 31, 2019. We completed an initial public offering of our Class A common stock in August 2018.

We were formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions. Although we are no longer majority union-owned, The Amalgamated Clothing Workers of America's successor, Workers United, an affiliate of the Service Employees International Union that represents workers in the textile, distribution, food service and gaming industries, remains a significant stockholder, holding approximately 40% of our equity as of December 31, 2019.

We offer a complete suite of commercial and retail banking, investment management and trust and custody services. Our commercial banking and trust businesses are national in scope and we also offer a full range of products and services to both commercial and retail customers through our 11 branch offices across four boroughs of New York City, one branch office in Washington, D.C., one branch office in San Francisco, and our digital banking platform. Our corporate divisions include Commercial Banking, Trust and Investment Management and Consumer Banking. Our product line includes residential mortgage loans, C&I loans, CRE loans, multifamily mortgages, and a variety of commercial and consumer deposit products, including non-interest bearing accounts, interest-bearing demand products, savings accounts, money market accounts and certificates of deposit. We also offer online banking and bill payment services, online cash management, safe deposit box rentals, debit card and ATM card services and the availability of a nationwide network of ATMs for our customers.

We currently offer a wide range of trust, custody and investment management services, including asset safekeeping, corporate actions, income collections, proxy services, account transition, asset transfers, and conversion management. We also offer a broad range of investment products, including both index and actively-managed funds spanning equity, fixed-income, real estate and alternative investment strategies to meet the needs of our clients. As of December 31, 2019, our trust business held $32.4 billion in assets under custody and managed $13.9 billion in assets under management. Our products and services are tailored to our target customer base that prefers a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national labor unions, political organizations, foundations, socially responsible businesses, and other for-profit companies that seek to balance their profit-making activities with activities that benefit their other stakeholders, as well as the members and stakeholders of these commercial customers. Our goal is to be the go-to financial partner for people and organizations who strive to make a meaningful impact in our society and who care about their communities, the environment, and social justice. We have obtained B Corporation ™ certification, a distinction we earned after being evaluated under rigorous standards of social and environmental performance, accountability, and transparency. We are also the largest of 10 commercial financial institutions in the United States that are members of the Global Alliance for Banking on Values, a network of banking leaders from around the world committed to advancing positive change in the banking sector.

New Resource Bank acquisition

On May 18, 2018, we closed on our strategic acquisition of NRB, a California state-chartered bank, which expanded our commercial relationships in San Francisco. We believe the acquisition provided us with the opportunity to offer mission-aligned products and services to a new market that we believe is highly concentrated with our target customer base. We acquired $335.2 million in loans, net of fair value adjustments, and assumed $361.9 million in total deposits in the transaction.

Under the terms of the merger agreement, each share of NRB common stock was converted into the right to receive 0.0315 shares of our Class A common stock. Total consideration paid was approximately $58.8 million consisting of $57.4 million of our Class A common stock. We recorded $12.9 million of goodwill related to the acquisition.

Stock Split

On July 20, 2018, our Board of Directors declared a 20-for-1 stock split payable on July 27, 2018 to stockholders of record as of the close of business on July 9, 2018. The stock split resulted in an additional 19 shares for every one share held and was payable in shares of Class A common stock on the existing shares of Class A common stock.

Recent Market Conditions

Our financial performance generally, and in particular the ability of our borrowers to repay their loans, the value of collateral securing those loans, as well as demand for loans and other products and services we offer, is highly dependent on the business environment in our primary markets where we operate and in the United States as a whole. In early 2020, an outbreak of a novel strain of coronavirus was identified in Wuhan, China. The coronavirus has since spread within China and infections have been found in a number of countries around the world, including the United States. The coronavirus and its associated impacts on trade (including supply chains and export levels), travel, employee productivity and other economic activities has had, and may continue to have, a destabilizing effect on financial markets and economic activity. The extent of the impact of the coronavirus on our operational and financial performance is currently uncertain and cannot be predicted and will depend on certain developments, including, among others, the duration and spread of the outbreak, its impact on our customers, employees and vendors, and governmental, regulatory and private sector responses, which may be precautionary, to the coronavirus.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared based on the application of accounting policies generally accepted in the United States, or GAAP, the most significant of which are described in Note 1 of our audited consolidated financial statements, starting on page 87 of this report. To prepare financial statements in conformity with GAAP, management makes estimates, assumptions and judgments based on available information. These estimates, assumptions and judgments affect the amounts reported in the financial statements and accompanying notes. These estimates, assumptions and judgments are based on information available as of the date of the financial statements and, as this information changes, actual results could differ from the estimates, assumptions and judgments reflected in the financial statements. In particular, management has identified accounting policies that, due to the estimates, assumptions and judgments inherent in those policies, are critical in understanding our financial statements. Management has presented the application of these policies to the Audit Committee of our Board of Directors.

The following is a discussion of the critical accounting policies and significant estimates that require us to make complex and subjective judgments. Additional information about these policies can be found in Note 1 of our consolidated financial statements, which begin on page 87 of this report.

Additional information about our significant accounting policies and estimates can be found in Note 1 of our consolidated financial statements, starting on page 87 of this report.

Allowance for loan losses

We maintain an allowance for loan and lease losses (“allowance”) at a level we believe is sufficient to absorb probable incurred losses in our loan portfolio. Management determines the adequacy of the allowance based on periodic evaluations of the loan portfolio and other factors, including past loss experience, the results of our ongoing loan grading process, the amount of past due and nonperforming loans, legal requirements, recommendations or requirements of regulatory authorities, and current economic conditions. These evaluations are inherently subjective as they require management to make material estimates, all of which may be susceptible to significant change. Actual losses in any year may exceed allowance amounts. The allowance is increased by provisions charged to expense and decreased by provisions released from expense or by actual charge-offs, net of recoveries or previous amounts charged-off.

In accordance with the accounting guidance for business combinations, there was no allowance brought forward on any of the loans we acquired in our acquisition of NRB. For purchased non-credit impaired loans, credit and interest rate discounts representing the principal losses expected over the life of the loan are a component of the initial fair value and the total combined discount is accreted to interest income over the life of the loan. Subsequent to the acquisition date, the method used to evaluate the sufficiency of the discount is similar to organic loans, and if necessary, additional reserves are recognized in the allowance.

Our allowance consists of specific and general components. The specific components relate to loans that are individually classified as impaired. Once a loan is deemed to be impaired, we follow guidelines set forth in Accounting Standards Codification ("ASC") No. 310. For loans secured by CRE, we use collateral value as the basis for determining the size of the impairment. Accruing troubled debt restructurings ("TDRs") are generally evaluated based on the cash flow of the property with any shortfall in the stabilized value of the property charged off. We then compare that balance to the 'as is' appraisal value and hold any shortfall as an allowance. Non-accruing loans (TDRs or otherwise) are generally considered collateral dependent via sale of the asset, and we apply the "as is" appraisal less expected cost to sell with any shortfall charged off. For C&I loans, we generally use discounted cash flow as the basis for determining the size of the impairment and any shortfall is held as a specific reserve.

The general component relates to loans that are not impaired and not individually evaluated. Loans in the general component are grouped into the following homogeneous pools:

- CRE loans;
- multi-family loans;
- construction and land loans;
- C&I;
- leveraged commercial loans;
- uni-tranche leveraged commercial loans;
- consumer/small business;
- purchased student loans;
- purchased Government Guaranteed loans
- legacy purchased HELOCs and 1-4 family residential loans;
- HELOCs and 1-4 family residential loans originated by us; and
- recently purchased 1-4 family residential loans.

Commercial loans are further segmented by risk grade: pass, special mention, and classified. We use a historical lookback period to determine loss rates based on our own loss experiences, or, if there is insufficient data, through proxy data. The current lookback period starts in 2010, the earliest time that we have relevant data and will continue to lengthen until we experience a complete economic cycle. Additionally, we apply an estimated loss emergence period (the "LEP") to recognize that an event may have already occurred that has yet to manifest itself as a deterioration in the credit that may eventually lead to a loss. There are three components to the LEP: (1) observable—the observed time from a downgrade or delinquency to a loss; (2) known pre-emergence period—the time from when information becomes available until a downgrade is recorded; and (3) unknown period—the time between when an event (e.g. loss of income source) occurred until it becomes known and impacts the financial situation of the borrower. We also consider qualitative factors that mirror nine environmental factors suggested by the 2006 Interagency Policy Statement on the Allowance for Loan and Lease Losses. These factors are reviewed each quarter using empirical data, where it is available and relevant, to guide management's judgment to set the level and direction of risk for each factor. The maximum size is determined quarterly by looking at the current loss coverage of the allowance against the historical maximum loss rates during the look back period. We update the loss factors quarterly and the LEP annually. We do not use an unallocated allowance. Together, the quantitative and qualitative reserves form the general component of the allowance. Our allowance is heavily weighted to the general allowances for pools of loans, ASC 450-20, which incorporate quantitative adjustments (e.g., historical loan loss rates) and is not overly reliant on Qualitative adjustments (e.g., portfolio growth and trends, credit concentrations, economic and regulatory factors, etc.). This is a function of the dynamic lookback period, which expands from 2010 and is designed to capture a full credit cycle, and the 'accordion feature' of the qualitative scale. The current range of possible outcomes for the qualitative allowance is $3 million to $50 million and at year-end 2019, our qualitative allowance is $13.4 million.

Based on management's determination, the overall level of allowance is periodically adjusted to account for the inherent and specific risks within the entire portfolio. The evaluation is inherently subjective, as it requires estimates that are susceptible to significant

revision as more information becomes available. While management uses available information to recognize losses on loans, future additions or reductions in the allowance may be necessary due to changes in one or more evaluation factors, such as management's assumptions as to rates of default, loss or recoveries, or management's intent with regard to disposition or cure options. The amount of the allowance is also affected by the size and composition of the loan portfolio. Based on this assessment, the allowance and allocation are adjusted each quarter. The allowance reflects management's best estimate of the losses that are inherent in the loan portfolio at the balance sheet date. A shift in lending strategy may also warrant a change in the allowance due to a changing credit profile. In addition, various regulatory agencies review our allowance and may require us to recognize additions to, or charge-offs against, the allowance based on their judgment about information available to them at the time of their examination.

There are several controls around the allowance to insure an adequate, precise, and supportable value. We start with a separation of duties. There is a Process Owner who calculates the allowance and incorporates process controls to insure that all balances are accounted for and the overall accuracy of the data. Next, there is a Control Owner that performs separate controls to confirm the data, calculations, and results. We also have the ALLL Management Committee comprised of the Chief Credit Risk Officer, Chief Financial Officer, Chief Accounting Officer, and Chief Risk Officer who review the totality of the ALLL, assumptions, data, controls and offers creditable challenges. The ALLL Management committee compares the ALLL to our peers, historic results, and current expectations and then approves the ALLL. The Credit Policy Committee thereafter reviews the ALLL, any changes from the prior quarter, and ratifies the ALLL.

Accounting for Business Combinations

We account for transactions that meet the definition of a purchase business combination by recording the assets acquired and liabilities assumed at their fair value on the acquisition date. Determining the fair value of assets acquired, including identified intangible assets, and liabilities assumed often involves estimates based on third-party valuations, such as appraisals, or internal valuations based on discounted cash flow analysis or other valuation techniques that may include estimates of attrition, inflation, asset growth rates, discount rates, multiples of earnings or other relevant factors. In addition, the determination of the useful lives over which an intangible asset will be amortized is subjective. If the fair value of the assets acquired exceeds the purchase price plus the fair value of the liabilities assumed, a bargain purchase gain is recognized. Conversely, if the purchase price plus the fair value of the liabilities assumed exceeds the fair value of the assets acquired, goodwill is recognized.

Loans Acquired in Business Combinations

We record purchased loans at fair value at the date of acquisition based on a discounted cash flow methodology that considers various factors, including the type of loan and related collateral, classification status, whether the loan has a fixed or variable interest rate, its term and whether or not the loan was amortizing, and our assessment of risk inherent in the cash flow estimates. These cash flow evaluations are inherently subjective as they require material estimates, all of which may be susceptible to significant change. Purchased loans are segregated into two categories upon purchase: (1) loans purchased without evidence of deteriorated credit quality since origination, referred to as purchased non-credit impaired ("non-PCI") loans, and (2) loans purchased with evidence of deteriorated credit quality since origination for which it is probable that all contractually required payments will not be collected, referred to as purchased credit impaired ("PCI") loans.

We account for and evaluate PCI loans for impairment in accordance with the provisions of ASC 310-30. We estimate the cash flows expected to be collected on purchased loans based upon the expected remaining life of the loans, which includes the effects of estimated prepayments. Cash flow evaluations are inherently subjective as they require material estimates, all of which may be susceptible to significant change. We will perform re-estimations of cash flows on our PCI loan portfolio on a quarterly basis. Any decline in expected cash flows as a result of these re-estimations, due in any part to a change in credit, is deemed credit impairment, and recorded as provision for loan and lease losses during the period. Any decline in expected cash flows due only to changes in expected timing of cash flows is recognized prospectively as a decrease in yield on the loan and any improvement in expected cash flows, once any previously recorded impairment is recaptured, is recognized prospectively as an adjustment to the yield on the loan. Non-PCI loans outside the scope of ASC 310-30 are accounted for under ASC 310-20. For non-PCI loans, credit and interest rate discounts representing the principal losses expected over the life of the loan are a component of the initial fair value and the total combined discount is accreted to interest income over the life of the loan. Subsequent to the acquisition date, the method used to evaluate the sufficiency of the discount is similar to organic loans, and if necessary, additional reserves are recognized in the allowance.

Fair value

The use of fair values is required in determining the carrying values of certain assets and liabilities, as well as for specific disclosures. ASC No. 820-10 defines fair value as an estimate of the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction (i.e., not a forced transaction, such as a liquidation or distressed sale) between market participants at the measurement date and is based on the assumptions market participants would use when pricing an asset or liability.

In determining the fair value of financial instruments, market prices of the same or similar instruments are used whenever such prices are available. For financial instruments that trade actively and have quoted market prices or observable market parameters, there is minimal subjectivity involved in measuring fair value. If observable market prices are unavailable or impracticable to obtain, we are required to make judgments about assumptions that market participants would use in estimating the fair value of the financial instrument. For example, reduced liquidity in the capital markets or changes in secondary market activities could result in observable market inputs becoming unavailable. Fair value is estimated using modeling techniques and incorporates assumptions about interest rates, duration, prepayment speeds, future expected cash flows, market conditions, risks inherent in a particular valuation technique and the risk of nonperformance. These assumptions are inherently subjective as they require material estimates, all of which may be susceptible to significant change. The models used to determine fair value adjustments are periodically evaluated by management for relevance under current facts and circumstances.

Fair value measurement and disclosure guidance differentiates between those assets and liabilities required to be carried at fair value at every reporting period on a recurring basis, such as investment securities that are available-for-sale and those assets and liabilities that are only required to be adjusted to fair value under certain circumstances on a non-recurring basis, such as when there is evidence of impairment.

See Note 14 of our consolidated financial statements, which are included beginning on page 119 of this report, for further information on the fair value of financial instruments.

Income taxes

We use the asset and liability method to account for income taxes. The objective of this method is to establish deferred tax assets and liabilities for the temporary differences between the financial reporting basis and the income tax basis of our assets and liabilities at enacted tax rates expected to be in effect when such amounts are realized or settled. Our annual tax rate is based on our income, statutory tax rates and available tax planning opportunities. Changes to the estimate of accrued taxes occur periodically due to changes in tax rates, interpretations of tax laws, the status of examinations being conducted by taxing authorities and changes to statutory, judicial, and regulatory guidance that impact the relative risks of tax positions. These changes, when they occur, can affect deferred and accrued taxes as well as the current period's income tax expense and can be material to our operating results. The "Tax Cuts and Jobs Act" had the effect of reducing our deferred tax asset by $13.9 million in the fourth quarter of 2017 which was charged through our provision for income taxes in that same period. Tax laws are complex and subject to different interpretations by the taxpayer and respective governmental taxing authorities. Significant judgment is required in determining tax expense and in evaluating tax positions, including evaluating uncertainties.

Deferred income tax assets represent amounts available to reduce income taxes payable on taxable income in future years. Such assets arise because of temporary differences between the financial reporting and tax bases of assets and liabilities, as well as from net operating loss carryforwards. At least once each year, or more frequently, if warranted, we make estimates of future taxable income that we believe we are likely to generate during those future periods. If we conclude, on the basis of those estimates and the amount of tax benefit available to use, that it is more likely than not that we will be able to use those tax benefits before their expiration, we recognize the deferred tax assets in full on our balance sheet. However, if we conclude that it is more likely than not that we will not be able to utilize those tax benefits in full before their expiration, then we establish a valuation allowance to reduce the deferred tax asset on our balance sheet to the amount that we believe we can utilize. The assessment of tax assets and liabilities involves the use of estimates, assumptions, interpretations, and judgments concerning certain accounting pronouncements and federal and state tax codes. There can be no assurance that future events, such as court decisions or positions of federal and state taxing authorities, will not differ from management's current assessment, the impact of which could be significant to our consolidated results of operations and reported earnings.

See Note 11 of our consolidated financial statements, which are included beginning on page 111 of this report for further information on income taxes.

Recently Issued Accounting Pronouncements

See Note 2 of our consolidated financial statements, which are included beginning on page 92 of this report for a discussion of recently issued accounting pronouncements that have been or will be adopted by us that will require enhanced disclosures in our financial statements in future periods.

Impact of Inflation and Changing Prices

Our consolidated financial statements have been prepared in accordance with GAAP, which requires us to measure financial position and operating results primarily in terms of historic dollars. Changes in the relative value of money due to inflation or recession generally are not considered. The primary effect of inflation on our operations is reflected in increased operating costs. Unlike most industrial companies, our assets and liabilities are primarily monetary in nature. Therefore, the effect of changes in interest rates will have a more significant effect on our performance than will the effect of changing prices and inflation in general. While interest rates are greatly influenced by changes in the inflation rate, they do not necessarily change at the same rate or in the same magnitude as the inflation rate. Interest rates are highly sensitive to many factors that are beyond our control, including changes in the expected rate of inflation, the influence of general and local economic conditions and the monetary and fiscal policies of the United States government, its agencies and various other governmental regulatory authorities. For more information about how we evaluate interest rate risk, please see the section entitled "*Quantitative and Qualitative Disclosures about Market Risk – Evaluation of Interest Rate Risk*."

Results of Operations

General

Our results of operations depend substantially on net interest income, which is the difference between interest income on interest-earning assets, consisting primarily of interest income on loans, investment securities and other short-term investments and interest expense on interest-bearing liabilities, consisting primarily of interest expense on deposits and borrowings. Our results of operations are also dependent on non-interest income, consisting primarily of income from Trust Department fees, service charges on deposit accounts, net gains on sales of investment securities and income from bank-owned life insurance. Other factors contributing to our results of operations include our provisions for loan losses, income taxes, and non-interest expenses, such as salaries and employee benefits, occupancy and depreciation expenses, professional fees, data processing fees and other miscellaneous operating costs.

We had net income for the year ended December 31, 2019 of $47.2 million, or $1.47 per diluted common share, compared to $44.7 million, or $1.46 per diluted common share, for the year ended December 31, 2018. The $2.5 million increase in net income for the year ended December 31, 2019, compared to the year ended December 31, 2018, was primarily due to a $16.9 million increase in net interest income and a $0.9 million improvement in non-interest income, partially offset by an $11.3 million increase in income tax expense (due to a $7.6 million realization of a deferred tax asset in 2018 and higher pre-tax income) and a $4.1 million increase in the provision for loan losses.

Net Interest Income

Net interest income, representing interest income less interest expense, is a significant contributor to our revenues and earnings. We generate interest income from interest, dividends and prepayment fees on interest-earning assets, including loans, investment securities and other short-term investments. We incur interest expense from interest paid on interest-bearing liabilities, including interest-bearing deposits, FHLB advances and other borrowings. To evaluate net interest income, we measure and monitor (i) yields on our loans and other interest-earning assets, (ii) the costs of our deposits and other funding sources, (iii) our net interest spread and (iv) our net interest margin. Net interest spread is equal to the difference between rates earned on interest-earning assets and rates paid on interest-bearing liabilities. Net interest margin is equal to the annualized net interest income divided by average interest-earning assets. Because non-interest-bearing sources of funds, such as non-interest-bearing deposits and stockholders’ equity, also fund interest-earning assets, net interest margin includes the benefit of these non-interest-bearing sources.

Changes in the market interest rates and interest rates we earn on interest-earning assets or pay on interest-bearing liabilities, as well as the volume and types of interest-earning assets, interest-bearing and non-interest-bearing liabilities, are usually the largest drivers of periodic changes in net interest spread, net interest margin and net interest income.

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

	Year Ended December 31,								
	2019			2018			2017		
(In thousands)	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate
Interest earning assets:									
Interest-bearing deposits in banks	$ 75,487	$ 949	1.26%	$ 87,606	$ 1,444	1.65%	$ 89,000	$ 645	0.72%
Securities and FHLB stock	1,338,339	45,010	3.36%	1,081,950	32,616	3.01%	1,098,138	27,425	2.50%
Total loans, net (1)	3,276,603	139,995	4.27%	3,039,779	129,904	4.27%	2,663,889	110,988	4.17%
Total interest earning assets	4,690,429	185,954	3.96%	4,209,335	163,964	3.90%	3,851,026	139,058	3.61%
Non-interest earning assets:									
Cash and due from banks	8,159			13,243			6,703		
Other assets	239,336			190,755			176,838		
Total assets	$4,937,924			$4,413,333			$4,034,567		
Interest bearing liabilities:									
Savings, NOW and money market deposits	1,902,414	9,068	0.48%	1,681,545	6,005	0.36%	1,466,839	4,516	0.31%
Time deposits	435,157	5,393	1.24%	416,482	3,568	0.86%	427,089	2,852	0.67%
Total deposits	2,337,571	14,461	0.62%	2,098,027	9,573	0.46%	1,893,928	7,368	0.39%
Federal Home Loan Bank advances	202,837	4,835	2.38%	253,257	4,646	1.83%	570,129	10,360	1.82%
Other Borrowings	890	21	2.36%	—	—	—%	1,513	33	2.16%
Total interest bearing liabilities	2,541,298	19,317	0.76%	2,351,284	14,219	0.60%	2,465,570	17,761	0.72%
Non interest bearing liabilities:									
Demand and transaction deposits	1,832,083			1,626,373			1,173,215		
Other liabilities	93,816			43,421			45,602		
Total liabilities	4,467,197			4,021,078			3,684,387		
Stockholders' equity	470,727			392,254			350,180		
Total liabilities and stockholders' equity	$4,937,924			$4,413,333			$4,034,567		
Net interest income / interest rate spread		166,637	3.20%		149,745	3.29%		121,297	2.89%
Net interest earning assets / net interest margin	$2,149,131		3.55%	$1,858,051		3.56%	$1,385,456		3.15%

(1) Amounts are net of deferred origination costs / (fees) and the allowance for loan losses

Years Ended December 31, 2019 and 2018

Our net interest income was $166.6 million for the year ended 2019, an increase of $16.9 million, or 11.3%, from the year ended 2018. This increase was primarily due to a $236.8 million increase in average loans, a $256.4 million increase in average securities and a 0.35% increase in the yield on securities, partially offset by a $239.5 million increase in interest bearing deposits and a 0.16% increase in the rate paid on those deposits.

Our net interest spread was 3.20% for the year ended 2019, compared to 3.29% for the year ended 2018, a decrease of nine basis points. Our net interest margin was 3.55% for the year ended 2019, compared to 3.56% for the year ended 2018, a decrease of one basis point.

The yield on average earning assets was 3.96% for the year ended 2019, compared to 3.90% for the year ended 2018, an increase of six basis points. This increase was driven primarily by a 0.35% increase in the yield on securities and FHLB stock due to higher average market rates and the addition of PACE assessments to the securities portfolio. The average rate on interest-bearing liabilities was 0.76% for the year ended 2019, an increase of 16 basis points from the year ended 2018. The average rate paid on interest-bearing deposits was 0.62% for the year ended 2019, an increase of 16 basis points from the year ended 2018. The average rate on total borrowings was 2.38% for the year ended 2019, an increase of 0.55% from the year ended 2018. These increases were primarily due to an increase in the average Federal Funds rate in 2019 compared to 2018. Noninterest-bearing deposits represented 44% of average deposits for the years ended December 31, 2019 and December 31, 2018, contributing to a total cost of deposits of 0.35% in the year ended 2019.

Rate-Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in weighted average interest rates (rate). The table below presents the effect of volume and rate changes on interest income and expense. Changes in volume are changes in the average balance multiplied by the previous period's average rate. Changes in rate are changes in the average rate multiplied by the average balance from the previous period. The net changes attributable to the combined impact of both rate and volume have been allocated proportionately to the changes due to volume and the changes due to rate.

	Year Ended December 31, 2019 over 2018			Year Ended December 31, 2018 over 2017		
(In thousands)	Volume	Changes Due To Rate	Net Change	Volume	Changes Due To Rate	Net Change
Interest earning assets:						
Interest-bearing deposits in banks	$ (182)	$ (313)	$ (495)	$ (10)	$ 809	$ 799
Securities and FHLB stock	8,330	4,064	12,394	(410)	5,601	5,191
Total loans, net	10,118	(27)	10,091	16,002	2,914	18,916
Total interest income	18,266	3,724	21,990	15,582	9,324	24,906
Interest bearing liabilities:						
Savings, NOW and money market deposits	863	2,200	3,063	712	777	1,489
Time deposits	166	1,659	1,825	(73)	788	716
Total deposits	1,029	3,859	4,888	639	1,565	2,205
Federal Home Loan Bank advances	(1,036)	1,225	189	(5,812)	98	(5,714)
Other Borrowings	21	—	21	(16)	(16)	(33)
Total borrowings	(1,015)	1,225	210	(5,828)	82	(5,747)
Total interest expense	14	5,084	5,098	(5,189)	1,647	(3,542)
Change in net interest income	$18,252	$(1,360)	$16,892	$20,771	$ 7,677	$28,448

Provision for Loan Losses

We establish an allowance through a provision for loan losses charged as an expense in our Consolidated Statements of Income. The provision for loan losses is the amount of expense that, based on our judgment, is required to maintain the allowance at an adequate level to absorb probable losses inherent in the loan portfolio at the balance sheet date and that, in management's judgment, is appropriate under GAAP. Our determination of the amount of the allowance and corresponding provision for loan losses considers ongoing evaluations of the credit quality and level of credit risk inherent in our loan portfolio, levels of nonperforming loans and charge-offs, statistical trends and economic and other relevant factors. The allowance is increased by provisions charged to expense and decreased by provisions released from expense or by actual charge-offs, net of recoveries on prior loan charge-offs. In accordance with accounting guidance for business combinations, we recorded all loans acquired in our acquisition of NRB at their estimated fair value at the date of acquisition with no carryover of the related allowance.

Our provisions for loan losses totaled an expense of $3.8 million for the year ended December 31, 2019, compared to a recovery of $0.3 million for 2018. The expense for the year ended 2019 was driven by an increase in specific reserves on two indirect C&I loans and growth in our loan portfolio, partially offset by improvement in our loss factors. The recovery for the year ended 2018 was primarily due to recoveries in our legacy purchased Residential 1-4 Family (1st and 2nd lien) portfolios and improvement in our loss factors, offset by downgrades and specific reserves in the indirect C&I portfolio

For a further discussion of the allowance, see "*Allowance for Loan Losses*" below.

Non-Interest Income

Our non-interest income primarily includes Trust Department fees, which consist of fees received in connection with investment advisory and custodial management services of investment accounts, service fees charged on deposit accounts, gain or loss on the sale of loans, fixed assets and investment securities available for sale, gain or loss on other real estate owned, and income on bank-owned life insurance.

The following table presents our non-interest income for the periods indicated:

	Year Ended December 31,	
(In thousands)	2019	2018
Trust Department fees	$18,598	$18,790
Service charges on deposit accounts	8,544	8,183
Bank-owned life insurance	1,649	1,667
Gain (loss) on sale of investment securities available for sale, net	83	(249)
Gain (loss) on other real estate owned, net	(564)	(494)
Other income	891	421
Total non-interest income	$29,201	$28,318

Our non-interest income increased to $29.2 million for the year ended 2019, up $0.9 million, or 3.1%, from $28.3 million for the year ended 2018. The increase was primarily driven by a $0.5 million increase in gain on the sale of loans recorded in Other income, a $0.4 million increase in service charges on deposit accounts and a $0.1 million gain on the sale of securities compared to a loss in 2018. These increases were partially offset by a $0.2 million decrease in Trust Department fees.

Trust Department fees. Trust Department fees consist of fees we receive in connection with our investment advisory and custodial management services of investment accounts. Our Trust Department fees were $18.6 million in 2019, a decrease of $0.2 million, or 1.0%, from 2018, primarily due to the decline in income from our real-estate fund (discussed below), partially offset by increases in the market value of assets. Our investment management business earns fees from a real estate fund that will wind down over the next few years. This fund generated $3.1 million in fees for the year ended 2019 and $4.2 million in fees for 2018, reflected in our Trust Department fees. We expect that management fees from this real-estate fund will continue to decline as properties are sold.

Service charges on deposit accounts. We earn fees from our clients for deposit related services. Service charges on deposit accounts were $8.5 million for the year ended 2019, an increase of $0.4 million, or 4.4%, from the year ended 2018, primarily due to increases in the number of customers and customer activity resulting both from the NRB acquisition and organic growth in our commercial clients.

Bank-owned life insurance income. Income on bank-owned life insurance was $1.6 million for the year ended 2019, compared to $1.7 million for the year ended 2018.

Gain (loss) on other real estate owned. We earn income or take losses on the sale of properties that we have acquired as the result of the workout process on troubled loans. We had net losses on the sale of foreclosed residential properties of $0.6 million for the year ended 2019, compared to net losses of $0.5 million for the year ended 2018. The loss in 2019 was primarily due to the sale price of these properties being lower than our fair value estimates.

Other income. Other income consists of gains/(losses) on the sale of loans, fees on letters of credit, penalty fees on loans and miscellaneous fees. We had other income of $0.9 million for the year ended 2019 compared to $0.4 million for the year ended 2018. The decrease of $0.5 million was primarily due to the sale of one indirect C&I loan at a loss in the year ended 2018.

Non-Interest Expense

Non-interest expense primarily includes compensation and employee benefits, occupancy and depreciation expense, professional fees, including legal, accounting and other professional services, regulatory assessments, data processing, office maintenance and depreciation expense, amortization of intangible assets, advertising and promotion, and other expenses. Management monitors the ratio of non-interest expense to total revenues (net interest income plus non-interest income), which is commonly known as the efficiency ratio.

The following table presents non-interest expense for the periods indicated:

	Year Ended December 31,	
(In thousands)	2019	2018
Compensation and employee benefits, net	$ 70,276	$ 67,425
Occupancy and depreciation	17,721	16,481
Professional fees	11,934	13,688
Data processing	10,880	11,570
Office maintenance and depreciation	3,540	3,643
Amortization of intangible assets	1,374	969
Advertising and promotion	2,908	3,402
Other	9,194	10,825
Total non-interest expense	$127,827	$128,003

Our non-interest expense decreased to $127.8 million for the year ended 2019, down $0.2 million, or 0.1%, from $128.0 million for the year ended 2018. The decrease was primarily due to decreases in professional fees of $1.8 million, FDIC insurance of $1.1 million recorded in Other expenses, data processing of $0.7 million, advertising and promotion of $0.5 million, and certain other expenses of $0.5 million, partially offset by increases in compensation and benefits costs of $2.9 million, occupancy and depreciation expenses of $1.2 million and amortization of intangible asset expenses of $0.4 million.

Compensation and employee benefits. Compensation and employee benefit costs are the largest component of our non-interest expense and include employee payroll expense, incentive compensation, pension plan expenses, health benefits and payroll taxes. Compensation and employee benefits increased to $70.3 million for the year ended 2019, up $2.9 million, or 4.2%, from the year ended 2018, primarily due to an increase in salary and bonus pool expense, an increase in temporary personnel expense and an increase in medical benefits expense.

Occupancy and depreciation. Rent, real estate taxes, depreciation and maintenance comprise the majority of occupancy and depreciation expense. Occupancy and depreciation expense increased to $17.7 million in the year ended 2019, up $1.2 million, or 7.5%, due to expenses related to the closure of our Chelsea branch office in August of 2019 and the acceleration of expenses related the closure of two additional branch offices which closed in February of 2020.

Professional fees. Professional fees include consulting, legal, audit, and trust sub-advisor fees. Professional fees decreased to $11.9 million in the year ended 2019, down $1.8 million, or 12.8%, from the year ended 2018. The decrease was primarily due to higher consulting, legal and accounting expenses related to our initial public offering and follow-on offering in 2018.

Data processing. Data processing expenses include payments to vendors who provide software and services on an outsourced basis and other costs related to our systems, including internal networks. Data processing expense decreased to $10.9 million for the year ended 2019, down $0.7 million, or 6.0%, from the year ended 2018, primarily driven by $1.1 million in costs related to the integration of NRB in 2018.

Income Taxes

We had income tax expense of $17.0 million for the year ended December 31, 2019, compared to $5.7 million for the year ended December 31, 2018, an increase of $11.3 million.

In the year ended December 31, 2018, we recognized $7.6 million more in gross deferred tax assets than previously recognized from our carried forward net operating losses in New York City and New York State. These deferred tax assets were determined more likely than not to not have been fully realizable at December 31, 2017, and therefore were not recognized. Given the increase in earnings in 2018, we were able to recognize the benefit from these deferred tax assets in the year ended December 31, 2018. This recognition benefited our provision for income taxes by the same amount for the year ended December 31, 2018.

Excluding the impact of the $7.6 million benefit from the increase in and realizability of the deferred tax assets in 2018, we had a $3.7 million increase in income tax expense in 2019 that was primarily due to an increase in pre-tax earnings of $13.9 million in the year ended December 31, 2019, compared to the year ended December 31, 2018. Our effective tax rate for the year ended December 31, 2019 was 26.4% compared to 11.3% for the year ended December 31, 2018. Our effective tax rate for the years ended December 31, 2019 and 2018, excluding the $7.6 million adjustment in 2018, was 26.4% for both periods.

Financial Condition

Balance Sheet

Our total assets were $5.3 billion at December 31, 2019, compared to $4.7 billion at December 31, 2018. The $639.8 million increase was driven by an increase in investment securities of $338.2 million, the addition of $228.1 million in loans receivable, net and the addition of a right-of-use lease asset with a net value of $47.3 million on December 31, 2019.

Our total liabilities were $4.8 billion at December 31, 2019, compared to $4.2 billion at December 31, 2018. Our total deposits were $4.6 billion at December 31, 2019, compared to $4.1 billion at December 31, 2018. The increase in deposits of $535.7 million was due to a $616.3 million increase in non-interest bearing demand deposits, partially offset by a decrease in interest bearing deposits. Total borrowings were $75.0 million at December 31, 2019 compared to $92.9 million at December 31, 2018.

Investment Securities

The primary goal of our securities portfolio is to maintain an available source of liquidity and an efficient investment return on excess capital, while maintaining a low risk profile. We also use our securities portfolio to manage interest rate risk, meet CRA goals and to provide collateral for certain types of deposits or borrowings. An Investment Committee chaired by our Chief Financial Officer manages our investment securities portfolio according to written investment policies approved by our Board of Directors. Investments in our securities portfolio may change over time based on management's objectives and market conditions.

We seek to minimize credit risk in our securities portfolio through diversification, concentration limits, restrictions on high risk investments (such as subordinated positions), comprehensive pre-purchase analysis and stress testing, ongoing monitoring and by investing a significant portion of our securities portfolio in U.S. Government sponsored entity ("GSE") obligations. GSEs include the Federal Home Loan Mortgage Corporation ("FHLMC"), the Federal National Mortgage Association ("FNMA"), the Government National Mortgage Association ("GNMA") and the Small Business Administration. GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private corporations controlled by the U.S. Government. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations. We invest in non-GSE securities in order to generate higher returns, improve portfolio diversification and or reduced interest rate and prepayment risk. With the exception of small legacy CRA investments comprising less than .1% of the portfolio or Trust Preferred securities, all of our non-GSE securities are senior positions that are the top of the capital structure.

Our investment securities portfolio consists of securities classified as available-for-sale and held-to-maturity. There were no trading securities in our investment portfolio during the years ended December 31, 2019 and 2018. All available-for sale securities are carried at fair value and may be used for liquidity purposes should management consider it to be in our best interest.

We had available-for-sale securities of $1.2 billion at both December 31, 2019 and December 31, 2018. The increase of $49.6 million from the year end of 2018 was primarily due to increases in fixed rate asset backed securities, floating rate collateralized loan obligation securities and fixed rate agency CMBS, partially offset by declines in other sections of the investment securities portfolio.

The held-to-maturity securities portfolio consists of residential and commercial PACE assessments, tax exempt municipal bonds and other debt. We carry these securities at amortized cost. We had held-to-maturity securities of $292.7 million and $4.1 million at December 31, 2019 and 2018, respectively.

Certain securities have fair values less than amortized cost and, therefore, contain unrealized losses. At December 31, 2019, we evaluated those securities which had an unrealized loss for other than temporary impairment, or OTTI, and determined substantially all of the decline in value to be temporary. There were $524.9 million of investment securities with unrealized losses at December 31, 2019 of which $6.5 million had a continuous unrealized loss position for 12 consecutive months or longer that was greater than 5% of amortized cost. We anticipate full recovery of amortized cost with respect to these securities by the time that these securities mature, or sooner in the case that a more favorable market interest rate environment causes their fair value to increase. We do not intend to sell these securities and it is more likely than not that we will be required to sell them before full recovery of their amortized cost basis, which may be at the time of their maturity.

The following table is a summary of our investment portfolio, using market value for available-for-sale securities and amortized cost for held-to-maturity securities, as of the dates indicated.

(In thousands)	December 31, 2019 Amount	December 31, 2019 % of Portfolio	December 31, 2018 Amount	December 31, 2018 % of Portfolio	December 31, 2017 Amount	December 31, 2017 % of Portfolio
Available for sale:						
Mortgage-related:						
GSE residential certificates	$ 36,385	2.4%	$ 79,771	6.8%	$106,450	11.2%
GSE CMOs	282,434	18.6%	270,988	23.0%	169,222	17.8%
GSE commercial certificates & CMO	253,913	16.7%	233,166	19.8%	230,981	24.2%
Non-GSE residential certificates	59,008	3.9%	101,362	8.6%	62,958	6.6%
Non-GSE commercial certificates	46,874	3.1%	55,060	4.7%	31,784	3.3%
Other debt:						
U.S. Treasury	199	0.0%	198	0.0%	198	0.0%
ABS	523,777	34.5%	403,996	34.1%	276,819	29.0%
Trust preferred	13,897	0.9%	15,990	1.4%	23,298	2.4%
Corporate	8,283	0.6%	13,649	1.1%	28,486	3.0%
Other	—	0.0%	990	0.1%	999	0.1%
Equity:						
Access Capital Community Fund	—	0.0%	—	0.0%	12,164	1.3%
Total available for sale	1,224,770	80.7%	1,175,170	99.6%	943,359	99.0%
Held to maturity:						
Mortgage-related:						
GSE commercial certificates	$ —	0.0%	$ —	0.0%	$ 5,079	0.5%
GSE residential certificates	635	0.0%	656	0.1%	824	0.1%
Non GSE commercial certificates	270	0.0%	325	0.0%	398	0.0%
Other debt:						
PACE	263,805	17.4%	—	0.0%	—	0.0%
Municipal	22,894	1.5%	—	0.0%	—	0.0%
Other	5,100	0.3%	3,100	0.3%	3,300	0.3%
Total held to maturity	292,704	19.3%	4,081	0.4%	9,601	1.0%
Total securities	$1,517,474	100.0%	$1,179,251	100.0%	$952,960	100.0%

The following table show contractual maturities and yields for the securities available-for-sale and held-to-maturity portfolios:

	Contractual Maturity as of December 31, 2019							
	One Year or Less		One to Five Years		Five to Ten Years		Due after Ten Years	
(In thousands)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)	Amortized Cos t	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)
Available for sale:								
Mortgage-related:								
GSE residential certificates	$ —	0.0%	$ —	0.0%	$ —	0.0%	$ 36,639	2.1%
GSE residential CMOs	—	0.0%	—	0.0%	33,145	2.2%	244,367	3.0%
GSE commercial certificates & CMO	—	0.0%	25,251	2.4%	76,170	2.5%	148,936	2.6%
Non-GSE residential certificates	—	0.0%	—	0.0%	—	0.0%	58,643	3.2%
Non-GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	46,868	3.3%
Other debt:								
U.S. Treasury	—	0.0%	199	1.7%	—	0.0%	—	0.0%
ABS	—	0.0%	16,433	3.9%	126,612	3.3%	381,244	3.2%
Trust preferred	—	0.0%	—	0.0%	14,623	2.5%	—	0.0%
Corporate	—	0.0%	3,000	6.5%	4,957	6.2%	—	0.0%
Other	—	0.0%	—	0.0%	—	0.0%	—	0.0%
Held to maturity:								
Mortgage-related:								
GSE residential certificates	—	0.0%	—	0.0%	11	6.2%	624	3.7%
Non GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	270	5.5%
Other debt:								
PACE	—	0.0%	—	0.0%	—	0.0%	263,805	4.6%
Municipal	—	0.0%	—	0.0%	—	0.0%	22,894	2.9%
Other	—	0.0%	5,100	2.6%	—	0.0%	—	0.0%
Total securities	$ —	0.0%	$ 49,983	3.1%	$255,518	2.9%	$1,204,290	3.4%

(1)Estimated yield based on book price [amortized cost divided by par] using estimated prepayments and no change in interest rates.

The following table shows a breakdown of our asset backed securities by sector and ratings:

December 31, 2019
ABS Securities:

(In thousands)	Amount	%	Expected Avg. Life in Years	Credit Ratings *Highest Rating if split rated* % Floating	% AAA	% AA	% A	% Not Rated	Total
CLO Commercial and industrial	$291,289	56%	3.5	100%	100%	0%	0%	0%	100%
Consumer	94,440	18%	4.6	0%	25%	2%	71%	2%	100%
Mortgage	89,769	17%	2	100%	100%	0%	0%	0%	100%
Student	48,279	9%	5.1	97%	83%	17%	0%	0%	100%
Total Securities:	$523,777	100%	3.6	82%	85%	2%	13%	0%	100%

Loans

Lending-related income is the most important component of our net interest income and is the main driver of our results of operations. Total loans, net of deferred origination fees, were $3.4 billion as of December 31, 2019, an increase of $228.1 million, compared to $3.2 billion as of December 31, 2018. The increase was primarily driven by a $259.1 million increase in residential mortgages (first lien) and a $51.5 million increase in multifamily mortgages, partially offset by an $82.2 million decrease in C&I loans as the result of our strategic and planned reduction of the indirect C&I portfolio, which decreased approximately $176 million.

We actively purchase loans from other originating institutions that we believe provide attractive risk-adjusted returns. Over the last two years we have made the following loan purchases:

- In 2019, we purchased $88.4 million of fixed and floating rate commercial loans that are unconditionally guaranteed by the U.S. Government, and we purchased $33.3 million of these loans in 2018.
- In 2019, we purchased $29.8 million of residential solar loans and $12.3 million of commercial solar loans and we purchased $57.2 million and $34.9 million of these loans, respectively, in 2018.
- In 2018, we purchased $49.2 million of student loans made to borrowers with strong credit profiles who have completed degrees, mainly at the graduate level.

We plan to selectively evaluate the purchase of additional loan pools that meet our underwriting criteria as part of our strategic plan.

The following table sets forth the composition of our loan portfolio, including our purchased loan pools, as of December 31, 2019, December 31, 2018, December 31, 2017 and December 31, 2016.

(In thousands)	December 31, 2019 Amount	% of total loans	At December 31, 2018 Amount	% of total loans	At December 31, 2017 Amount	% of total loans	At December 31, 2016 Amount	% of total loans
Commercial portfolio:								
Commercial and industrial	$ 474,342	13.7%	$ 556,537	17.2%	$ 687,417	24.4%	$ 719,965	28.3%
Multifamily	976,380	28.2%	916,337	28.3%	902,475	32.1%	747,804	29.4%
Commercial real estate	421,947	12.2%	440,704	13.6%	352,475	12.5%	384,950	15.1%
Construction and land development	62,271	1.8%	46,178	1.4%	11,059	0.4%	8,350	0.3%
Total commercial portfolio	1,934,940	55.9%	1,959,756	60.5%	1,953,426	69.4%	1,861,069	73.1%
Retail portfolio:								
Residential real estate lending	1,366,473	39.4%	1,110,410	34.2%	800,617	28.4%	681,228	26.7%
Consumer and other	163,077	4.7%	171,184	5.3%	61,929	2.2%	4,180	0.2%
Total retail	1,529,550	44.1%	1,281,594	39.5%	862,546	30.6%	685,408	26.9%
Total loans	3,464,490	100.0%	3,241,350	100.0%	2,815,972	100.0%	2,546,477	100.0%
Net deferred loan origination fees (costs)	8,124		6,481		(94)		(1,734)	
Allowance for loan losses	(33,847)		(37,195)		(35,965)		(35,658)	
Total loans, net	$3,438,767		$3,210,636		$2,779,913		$2,509,085	

Commercial loan portfolio

Our commercial loan portfolio comprised 55.9% of our total loan portfolio at December 31, 2019 and 60.5% of our total loan portfolio at December 31, 2018. The major categories of our commercial loan portfolio are discussed below:

C&I. Our C&I loans are generally made to small and medium-sized manufacturers and wholesale, retail and service-based businesses to provide either working capital or to finance major capital expenditures. The primary source of repayment for C&I loans is generally operating cash flows of the business. We also seek to minimize risks related to these loans by requiring such loans to be collateralized by various business assets (including inventory, equipment and accounts receivable). The average size of our C&I loans at December 31, 2019 by exposure was $2.3 million with a median size of $0.9 million. We have shifted our lending strategy to focus on developing full customer relationships including deposits, cash management, and lending. The businesses that we focus on are generally mission aligned with our core values, including organic and natural products, sustainable companies, clean energy, nonprofits, and B Corporations ™.

Our C&I loans totaled $474.3 million at December 31, 2019, which comprised 24.5% of commercial loans and 13.7% of our total loan portfolio. During the year ended December 31, 2019, the C&I loan portfolio decreased by 14.8% from $556.5 million at December 31, 2018 as a result of our strategic decision to deemphasize certain parts of that portfolio.

Multifamily. Our multifamily loans are generally used to purchase or refinance apartment buildings of five units or more, which collateralize the loan, in major metropolitan areas within our markets. Multifamily loans have 82% of their exposure in NYC—our largest geographic concentration. Our multifamily loans have been underwritten under stringent guidelines on loan to value and debt service coverage ratios that are designed to mitigate credit and concentration risk in this loan category. As of December 31, 2019, 42% of these loans had a loan-to-value ratio at or below 60% at origination and 88% had a loan-to-value ratio at or below 75% at origination, by original loan amount. The average size of our multifamily loan exposure at December 31, 2019 was $5.1 million with a median size of $3.6 million.

Our multifamily mortgage loans totaled $976.4 million at December 31, 2019 which comprised 50.5% of commercial loans and 28.2% of the total loan portfolio. In 2019, our multifamily mortgage loan portfolio increased by 6.6% from $916.3 million at December 31, 2018.

CRE. Our CRE loans are used to purchase or refinance office buildings, retail centers, industrial facilities, medical facilities and mixed-used buildings. Included in this total are 37 owner-occupied buildings which account for an aggregate total of $56.5 million in loans as of December 31, 2019.

Our CRE mortgages totaled $421.9 million at December 31, 2019, which comprised 21.8% of commercial loans and 12.2% of the total loan portfolio. In 2019, our CRE mortgage portfolio decreased by 4.3% from $440.7 million at December 31, 2018.

Retail loan portfolio

Our retail loan portfolio comprised 44.1% of our loan portfolio at December 31, 2019 and 39.5% of our loan portfolio at December 31, 2018. The major categories of our retail loan portfolio are discussed below.

Residential real estate lending. Our residential 1-4 family mortgage loans are residential mortgages that are primarily secured by single-family homes, which can be owner occupied or investor owned. These loans are either originated by our loan officers or purchased from other originators with the servicing retained by such originators. Our residential real estate lending portfolio is 98% first mortgage loans and 2% second mortgage loans. As of December 31, 2019, 79% of our residential 1-4 family mortgage loans were either originated by our loan officers since 2012 or were acquired in our acquisition of NRB, 14% were purchased from two third parties on or after July, 2014, and 7% were purchased by us from other originators before 2010. Our residential real estate lending loans totaled $1.4 billion at December 31, 2019, which comprised 89.3% of our retail loan portfolio and 39.4% of our total loan portfolio. In 2019, our residential real estate lending loans increased by 23.1% from $1.1 billion at December 31, 2018, primarily from loans originated by us.

Consumer and other. Our consumer and other portfolio is comprised of purchased student loans, purchased residential solar loans, unsecured consumer loans and overdraft lines. Our consumer and other loans totaled $163.1 million at December 31, 2019, which comprised 10.7% of our retail loan portfolio and 4.7% of our total loan portfolio, compared to 13.4% of our retail loan portfolio and 5.3% of our total loan portfolio at December 31, 2018. In 2019, our consumer and other loans decreased by 4.7% from $171.2 million at December 31, 2018. This decrease is primarily attributed to paydowns of purchased student loans of $24.4 million, and an increase of $16.2 million in purchased residential solar loans.

Maturities and Sensitivity of Loans to Changes in Interest Rates

The information in the following table is based on the contractual maturities of individual loans, including loans that may be subject to renewal at their contractual maturity. Renewal of these loans is subject to review and credit approval, as well as modification of terms upon maturity. Actual repayments of loans may differ from the maturities reflected below because borrowers have the right to prepay obligations with or without prepayment penalties. The following tables summarize the loan maturity distribution by type and related interest rate characteristics at December 31, 2019, and December 31, 2018.

(In thousands)	One year or less	After one but within five years	After 5 years	Total
December 31, 2019:				
Commercial Portfolio:				
Commercial and industrial	$ 88,036	$ 183,387	$ 202,919	$ 474,342
Multifamily	96,845	608,647	270,888	976,380
Commercial real estate	53,669	251,729	116,549	421,947
Construction and land development	35,121	14,124	13,026	62,271
Retail Portfolio:				
Residential real estate lending	436	634	1,365,403	1,366,473
Consumer and other	714	4,042	158,321	163,077
Total retail	$274,821	$1,062,563	$2,127,106	$3,464,490

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 902,981	$1,366,370	$2,269,351
Floating or adjustable interest rates	159,582	760,736	920,318
Total Loans	$1,062,563	$2,127,106	$3,189,669

(In thousands)	One year or less	After one but within five years	After 5 years	Total
December 31, 2018:				
Commercial Portfolio:				
Commercial and industrial	$ 88,320	$ 302,905	$ 165,312	$ 556,537
Multifamily	54,038	615,296	247,003	916,337
Commercial real estate	48,581	265,494	126,629	440,704
Construction and land development	16,994	15,923	13,261	46,178
Retail Portfolio:				
Residential real estate lending	24	818	1,109,568	1,110,410
Consumer and other	809	4,045	166,330	171,184
Total Loans	$208,766	$1,204,481	$1,828,103	$3,241,350

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 908,753	$1,135,775	$2,044,528
Floating or adjustable interest rates	295,728	692,328	988,056
Total Loans	$1,204,481	$1,828,103	$3,032,584

Allowance for Loan Losses

We maintain the allowance at a level we believe is sufficient to absorb probable incurred losses in our loan portfolio given the conditions at the time. Management determines the adequacy of the allowance based on periodic evaluations of the loan portfolio and other factors, including end-of-period loan levels and portfolio composition, observable trends in nonperforming loans, our historical loan losses, known and inherent risks in the portfolio, underwriting practices, adverse situations that may impact a borrower's ability to repay, the estimated value and sufficiency of any underlying collateral, credit risk grade assessments, loan impairment and economic conditions. These evaluations are inherently subjective as they require management to make material estimates, all of which may be susceptible to significant change. The allowance is increased by provisions for loan losses charged to expense and decreased by actual charge-offs, net of recoveries of previous amounts charged-off.

The allowance consists of specific allowances for loans that are individually classified as impaired and general components. Impaired loans include loans placed on nonaccrual status and troubled debt restructurings. Loans are considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due in accordance with the original contractual terms of the loan agreements. When determining if we will be unable to collect all principal and interest payments due in accordance with the original contractual terms of the loan agreement, we consider the borrower's overall financial condition, resources and payment record, support from guarantors, and the realized value of any collateral. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

Impaired loans are individually identified and evaluated for impairment based on a combination of internally assigned risk ratings and a defined dollar threshold. If a loan is impaired, a specific reserve is applied to the loan so that the loan is reported, net, at the discounted expected future cash flows or at the fair value of collateral if repayment is collateral dependent. Impaired loans which do not meet the criteria for individual evaluation are evaluated in homogeneous pools of loans with similar risk characteristics.

In accordance with the accounting guidance for business combinations, there was no allowance brought forward on any of the loans we acquired in our acquisition of NRB. For purchased non-credit impaired loans, credit discounts representing the principal losses expected over the life of the loan are a component of the initial fair value and the discount is accreted to interest income over the life of the loan. Subsequent to the acquisition date, the method used to evaluate the sufficiency of the credit discount is similar to organic loans, and if necessary, additional reserves are recognized in the allowance. As of December 31, 2019, we have recognized $0.8 million in additional reserves.

The following table presents, by loan type, the changes in the allowance for the periods indicated.

	Year Ended December 31,			
	2019	2018	2017	2016
(In thousands)				
Balance at beginning of period	$37,195	$35,965	$35,658	$33,664
Loan charge-offs:				
Commercial portfolio:				
Commercial and industrial	9,236	33	7,458	3,758
Multifamily	—	—	—	—
Commercial real estate	—	—	—	—
Construction and land development	—	—	—	—
Retail portfolio:			—	
Residential real estate lending	683	791	6,162	4,440
Consumer and other	710	378	345	583
Total loan charge-offs	10,629	1,202	13,965	8,781
Recoveries of loans previously charged-off:				
Commercial portfolio:				
Commercial and industrial	1,696	54	1,177	101
Multifamily	—	—	—	—
Commercial real estate	—	—	483	—
Construction and land development	—	—	—	—
Retail portfolio:				
Residential real estate lending	1,594	2,464	5,791	2,900
Consumer and other	154	174	149	217
Total loan recoveries	3,444	2,692	7,600	3,218
Net (recoveries) charge-offs	7,185	(1,490)	6,366	5,563
Provision for (recovery of) loan losses	3,837	(260)	6,672	7,557
Balance at end of period	$33,847	$37,195	$35,965	$35,658

The allowance decreased $3.3 million to $33.8 million at December 31, 2019 from $37.2 million at December 31, 2018. At December 31, 2019, we had $65.5 million of impaired loans for which we made a specific allowance of $7.5 million, compared to $58.3 million of impaired loans at December 31, 2018 for which we made a specific allowance of $9.6 million. The ratio of allowance to total loans was 0.98% and 1.15% for December 31, 2019 and 2018, respectively. The decrease is attributable to the higher loan balances and lower specific reserves at December 31, 2019 compared to December 31, 2018.

Allocation of Allowance for Loan Losses

The following table presents the allocation of the allowance and the percentage of the total amount of loans in each loan category listed as of the dates indicated.

	At December 31, 2019		At December 31, 2018		At December 31, 2017		At December 31, 2016	
(In thousands)	Amount	% of total loans	Amount	% of total loans	Amount	% of total loans	Amount	% of total loans
Commercial Portfolio:								
Commercial and industrial	$11,126	14.2%	$16,046	17.2%	$15,455	24.4%	$16,069	28.3%
Multifamily	5,210	28.4%	4,736	28.3%	5,280	32.1%	5,299	29.4%
Commercial real estate	2,492	12.6%	2,573	13.6%	3,377	12.5%	3,665	15.1%
Construction and land development	808	1.8%	1,089	1.4%	188	0.4%	146	0.3%
Total commercial portfolio	19,636	57.0%	24,444	60.5%	24,300	69.4%	25,179	73.1%
Retail Portfolio:								
Residential real estate lending	14,149	38.2%	11,987	34.2%	11,265	28.4%	10,381	26.7%
Consumer and other	62	4.8%	764	5.3%	400	2.2%	98	0.2%
Total retail portfolio	14,211	43.0%	12,751	39.5%	11,665	30.6%	10,479	26.9%
Total allowance for loan losses	$33,847		$37,195		$35,965		$35,658	

Nonperforming Assets

Nonperforming assets include all loans categorized as nonaccrual or restructured, other real estate owned and other repossessed assets. The accrual of interest on loans is discontinued, or the loan is placed on nonaccrual, when the full collection of principal and interest is in doubt. We generally do not accrue interest on loans that are 90 days or more past due (unless we are in the process of collection or an extension and feel that the customer is not in financial difficulty). When a loan is placed on nonaccrual, previously accrued but unpaid interest is reversed and charged against interest income and future accruals of interest are discontinued. Payments by borrowers for loans on nonaccrual are applied to loan principal. Loans are returned to accrual status when, in our judgment, the borrower's ability to satisfy principal and interest obligations under the loan agreement has improved sufficiently to reasonably assure recovery of principal and the borrower has demonstrated a sustained period of repayment performance.

A loan is identified as a troubled debt restructuring, or TDR, when we, for economic or legal reasons related to the borrower's financial difficulties, grant a concession to the borrower. The concessions may be granted in various forms, including interest rate reductions, principal forgiveness, extension of maturity date, waiver or deferral of payments and other actions intended to minimize potential losses. A loan that has been restructured as a TDR may not be disclosed as a TDR in years subsequent to the restructuring if certain conditions are met. Generally, a nonaccrual loan that is restructured remains on nonaccrual status for a period no less than six months to demonstrate that the borrower can meet the restructured terms. However, the borrower's performance prior to the restructuring or other significant events at the time of restructuring may be considered in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual status after a shorter performance period. If the borrower's performance under the new terms is not reasonably assured, the loan remains classified as a nonaccrual loan.

The following table sets forth our nonperforming assets as of December 31, 2019, December 31, 2018 and December 31, 2017:

(In thousands)	December 31, 2019	December 31, 2018	December 31, 2017
Loans 90 days past due and accruing	$ 446	$ —	$ 6,971
Nonaccrual loans excluding held for sale loans and restructured loans	5,992	8,379	4,914
Nonaccrual loans held for sale	—	—	4,186
Restructured loans—nonaccrual	25,019	15,482	14,785
Restructured loans—accruing	34,367	34,457	43,981
Other real estate owned	809	844	1,907
Impaired securities	65	93	12,296
Total nonperforming assets	$ 66,698	$ 59,255	$ 89,040
Nonaccrual loans:			
Commercial and industrial	$ 15,564	$ 12,153	$ 12,569
Multifamily	—	—	—
Commercial real estate	3,693	4,112	—
Construction and land development	3,652	—	—
Total commercial portfolio	22,909	16,265	12,569
Residential real estate lending	7,774	7,586	7,104
Consumer and other	328	10	26
Total retail portfolio	8,102	7,596	7,130
Total nonaccrual loans	$ 31,011	$ 23,861	$ 19,699
Nonperforming assets to total assets	1.25%	1.27%	2.20%
Nonaccrual assets to total assets	0.60%	0.53%	0.64%
Nonaccrual loans to total loans	0.90%	0.74%	0.70%
Allowance for loan losses to nonaccrual loans	109%	156%	183%
Troubled debt restructurings:			
TDRs included in nonaccrual loans	$ 25,019	$ 15,482	$ 14,785
TDRs in compliance with modified terms	$ 34,367	$ 34,457	$ 43,981

Total nonperforming assets were $66.7 million at December 31, 2019 compared to $59.3 million at December 31, 2018. The $7.4 million increase was due to an increase of $6.6 million in nonaccrual commercial loan balances.

The amount of interest that would have been recorded on nonaccrual loans, had the loans not been classified as nonaccrual, totaled $0.8 million for the year ended December 31, 2019 and $2.2 million for the year ended December 31, 2018. We recognized $0.1 million in interest income on nonaccrual loans for the year ended December 31, 2019, compared to no interest income for the year ended December 31, 2018.

Potential problem loans are loans which management has doubts as to the ability of the borrowers to comply with the present loan repayment terms. Potential problem loans are performing loans and include our substandard-accruing commercial loans and/or loans 30-89 days past due. Potential problem loans are not included in the nonperforming assets table above and totaled $20.9 million, or 0.4% of total assets, at December 31, 2019, as follows: $8.1 million are commercial loans currently in workout that management expects will be rehabilitated; $8.2 million are commercial loans that are current on payments and are reported as 30-89 days past due, in renewal or extension negotiations, and inclusive of workouts; $5.3 million are residential 1-4 family or retail loans, with $3.3 million at 30 days delinquent, and $2.2 million at 60 days delinquent.

Deferred Tax Asset

We had a net deferred tax asset, net of deferred tax liabilities, of $28.4 million at December 31, 2019 and $39.3 million at December 31, 2018.

A valuation allowance is required for deferred tax assets if, based on available evidence, it is more likely than not that all or some portion of the asset will not be realized due to the inability to generate sufficient taxable income in the period and/or of the character necessary to utilize the benefit of the deferred tax asset. The more-likely-than-not criterion means the likelihood of realization is greater than 50%. When evaluating whether it is more likely than not that all or some portion of the deferred tax asset will not be realized, all available evidence, both positive and negative, that may affect the ability to realize deferred tax assets should be identified and considered in determining the appropriate amount of the valuation allowance. Management assesses all the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets.

During 2018, we determined that we could realize the income tax benefit from incremental deferred tax assets on New York City and New York State net operating losses in the amount of $7.6 million, which had not been previously recognized. These incremental deferred tax assets were determined more likely than not to not have been fully recoverable at December 31, 2017 and therefore could not be realized. Given the increase in taxable income in 2018, we were able to realize these incremental deferred tax assets in the year ended December 31, 2018. This resulted in a benefit to the provision for income taxes in the Consolidated Statement of Income for the same amount. As of December 31, 2018 and 2019, our deferred tax assets were fully realizable with no valuation allowance held against the balance. Our management concluded that it was more likely than not that the entire amount will be realized.

We will evaluate the recoverability of our net deferred tax asset on a periodic basis and record decreases (increases) as a deferred tax provision (benefit) in the Consolidated Statement of Income as appropriate.

Deposits

Deposits represent our primary source of funds. We are focused on growing our core deposits through relationship-based banking with our business and consumer clients. Total deposits were $4.6 billion at December 31, 2019, compared to $4.1 billion at December 31, 2018. We assumed $361.9 million in deposits in our acquisition of NRB on May 18, 2018. In addition to our acquisition, our deposit growth was also attributable to our mission-based strategy of developing and maintaining relationships with our clients who share similar values and through maintaining a high level of service.

We gather deposits through each of our 11 branch offices across four boroughs of New York City, our one branch office in Washington, D.C., our one branch office in San Francisco that was acquired in our acquisition of NRB and through the efforts of our commercial banking team which focuses nationally on business growth. Through our branch network, online, mobile and direct banking channels, we offer a variety of deposit products including demand deposit accounts, money market deposits, NOW accounts, savings and certificates of deposit. We bank politically active customers, such as campaigns, PACs, and state and national party committees, which we refer to as political deposits. These deposits exhibit seasonality based on election cycles. As of December 31, 2019, we had approximately $578.6 million in political deposits which are primarily in demand deposits, compared to $181.9 million as of December 31, 2018. We believe that these deposits will begin to decrease heading into the 2020 presidential election cycle.

Our total deposits include deposits from Workers United and its related entities of $86.9 million and $120.9 million at December 31, 2019 and 2018, respectively.

The following table sets forth the average balance amounts and the average rates paid on deposits held by us for the years ended December 31, 2019 and December 31, 2018.

	2019			2018			2017		
	Average Balance	Income / Expense	Average Rate Paid	Average Balance	Income / Expense	Average Rate Paid	Average Balance	Income / Expense	Average Rate Paid
(In thousands)									
Non-interest bearing demand deposit accounts	$1,832,083	$ —	0.00%	$1,626,374	$ —	0.00%	$1,173,214	$ —	0.00%
NOW accounts	225,017	1,039	0.46%	201,353	797	0.40%	196,936	438	0.22%
Money market deposit accounts	1,340,138	7,324	0.55%	1,161,309	4,683	0.40%	966,740	3,688	0.38%
Savings accounts	337,259	704	0.21%	318,882	525	0.16%	303,164	390	0.13%
Time deposits	435,157	5,393	1.24%	416,482	3,568	0.86%	423,638	2,852	0.67%
Brokered CD	19,981	509	2.55%	—	—	—%	3,451	21	0.61%
	$4,189,635	$14,970	0.36%	$3,724,400	$ 9,573	0.26%	$3,067,143	$ 7,389	0.24%

Time deposits of $100,000 or more outstanding at December 31, 2019 are summarized as follows:

	Maturities as of December 31, 2019
(In thousands)	
Within three months	$ 134,550
After three but within six months	42,711
After six months but within twelve months	94,984
After twelve months	5,716
	$ 277,961

Borrowings and Other Interest-Bearing Liabilities

In addition to deposits, we also utilize FHLB advances as a supplementary funding source to finance our operations. Our advances from the FHLB are collateralized by residential, multifamily real estate loans and securities.

As of December 31, 2019, borrowings totaled $75.0 million with a period ending weighted average rate of 1.84%. The maximum month-end balance of borrowing during 2019 was $413.8 million. The average balance of borrowing for 2019 was $203.7 million with an average rate of 2.38%.

The following tables outline our various sources of borrowed funds during the years ended December 31, 2019, December 31, 2018 and December 31, 2017, and the amounts outstanding at the end of each period, the maximum month-end amount for each component during the periods, the average amounts for each period, and the average interest rate that we paid for each borrowing source. The maximum month-end balance represents the high indebtedness for each component of borrowed funds at any time during each of the periods shown.

	Year ended December 31, 2019				
(In thousands)	Ending Balance	Period End Rate	Maximum Month End Balance	Period Balance	Average Rate
Borrowing from FHLB	$75,000	1.84%	$ 363,775	$202,837	2.38%
Fed Funds purchased	$ —	0.00%	$ 50,000	$ 890	2.36%
Total	$75,000	1.84%	$ 413,775	$203,727	2.38%

(In thousands)	Year ended December 31, 2018				
	Ending Balance	Period End Rate	Maximum Month End Balance	Period Balance	Average Rate
Borrowing from FHLB	$92,875	2.13%	$ 401,775	$253,257	1.83%
Total	$92,875	2.13%	$ 401,775	$253,257	1.83%

(In thousands)	Year ended December 31, 2017				
	Ending Balance	Period End Rate	Maximum Month End Balance	Period Balance	Average Rate
Borrowing from FHLB	$402,600	1.49%	$ 680,100	$570,129	1.82%
Fed Funds purchased	5	2.00%	15,000	699.00	0.82%
Securities sold under agreements to repurchase	—	0.00%	—	814	3.32%
Total	$402,605	1.49%	$ 695,100	$571,642	1.82%

Liquidity

Liquidity refers to our ability to maintain cash flow that is adequate to fund our operations, support asset growth, maintain reserve requirements and meet present and future obligations of deposit withdrawals, lending obligations and other contractual obligations through either the sale or maturity of existing assets or by obtaining additional funding through liability management. Our Funding and Liquidity Risk Management Policy provides the framework that we use to maintain adequate liquidity and sources of available liquidity at levels that enable us to meet all reasonably foreseeable short-term, long-term and strategic liquidity demands. The Asset and Liability Management Committee, is responsible for oversight of liquidity risk management activities in accordance with the provisions of our Liquidity Risk Management Policy and applicable bank regulatory capital and liquidity laws and regulations. Our liquidity risk management process includes (i) ongoing analysis and monitoring of our funding requirements under various balance sheet and economic scenarios, (ii) review and monitoring of lenders, depositors, brokers and other liability holders to ensure appropriate diversification of funding sources and (iii) liquidity contingency planning to address liquidity needs in the event of unforeseen market disruption impacting a wide range of variables. We continuously monitor our liquidity position in order for our assets and liabilities to be managed in a manner that will meet our immediate and long-term funding requirements. We manage our liquidity position to meet the daily cash flow needs of customers, while maintaining an appropriate balance between assets and liabilities to meet the return on investment objectives of our stockholders. We also monitor our liquidity requirements in light of interest rate trends, changes in the economy, and the scheduled maturity and interest rate sensitivity of our securities and loan portfolios and deposits. Liquidity management is made more complicated because different balance sheet components are subject to varying degrees of management control. For example, the timing of maturities of our investment portfolio is fairly predictable and subject to a high degree of control when we make investment decisions. Net deposit inflows and outflows, however, are far less predictable and are not subject to the same degree of certainty.

Our liquidity position is supported by management of our liquid assets and liabilities and access to alternative sources of funds. Our short-term and long-term liquidity requirements are primarily to fund on-going operations, including payment of interest on deposits and debt, extensions of credit to borrowers and capital expenditures. These liquidity requirements are met primarily through our deposits, FHLB advances and the principal and interest payments we receive on loans and investment securities. Cash, interest-bearing deposits in third-party banks, securities available for sale and maturing or prepaying balances in our investment and loan portfolios are our most liquid assets. Other sources of liquidity that are available to us include the sale of loans we hold for investment, the ability to acquire additional national market non-core deposits, borrowings through the Federal Reserve’s discount window and the issuance of debt or equity securities. We believe that the sources of available liquidity are adequate to meet our current and reasonably foreseeable future liquidity needs.

At December 31, 2019, our cash and equivalents, which consist of cash and amounts due from banks and interest-bearing deposits in other financial institutions, amounted to $122.5 million, or 2.3% of total assets, compared to $80.8 million, or 1.7% of total assets at December 31, 2018. Our available-for-sale securities at December 31, 2019 were $1.2 billion, or 23.0% of total assets, compared to $1.2 billion, or 25.1% of total assets at December 31, 2018. Investment securities with an aggregate fair value of $108.3 million at December 31, 2019 were pledged to secure public deposits and repurchase agreements.

The liability portion of the balance sheet serves as our primary source of liquidity. We plan to meet our future cash needs through the generation of deposits. Customer deposits have historically provided a sizeable source of relatively stable and low-cost funds. We are also a member of the FHLB, from which we can borrow for leverage or liquidity purposes. The FHLB requires that securities and

qualifying loans be pledged to secure any advances. At December 31, 2019, we had $75.0 million in advances from the FHLB and a remaining credit availability of $1.4 billion. In addition, we maintain borrowing capacity of approximately $133.3 million with the Federal Reserve's discount window that is secured by certain securities from our portfolio which are not pledged for other purposes.

Capital Resources

Total stockholders' equity at December 31, 2019 was $490.5 million, compared to $439.4 million at December 31, 2018, an increase of $51.2 million, or 11.6%. The increase was primarily driven by net income of $47.2 million for the year ended December 31, 2019, and an increase of $15.2 million in accumulated other comprehensive income from the increase in the fair value of available-for-sale securities, partially offset by $8.3 million in dividend payments and $5.8 million in repurchases of our common stock.

We are subject to various regulatory capital requirements administered by federal banking regulators. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by federal banking regulators that, if undertaken, could have a direct material effect on our financial statements.

Regulatory capital rules adopted in July 2013 and fully-phased in as of January 1, 2019, which we refer to as Basel III rules, impose minimum capital requirements for bank holding companies and banks. The Basel III rules apply to all national and state banks and savings associations regardless of size and bank holding companies and savings and loan holding companies with consolidated assets of more than $3 billion. In order to avoid restrictions on capital distributions or discretionary bonus payments to executives, a covered banking organization must maintain the fully-phased in "capital conservation buffer" of 2.5% on top of its minimum risk-based capital requirements. This buffer must consist solely of common equity Tier 1 risk-based capital, but the buffer applies to all three measurements (common equity Tier 1 risk-based capital, Tier 1 capital and total capital). The capital conservation was 1.875% in 2018.

The following table shows the regulatory capital ratios for us at the dates indicated:

	Actual		For Capital Adequacy Purposes (1)		To Be Considered Well Capitalized	
(In thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
December 31, 2019						
Total capital to risk weighted assets	$490,831	14.01%	$280,265	8.00%	$350,331	10.00%
Tier I capital to risk weighted assets	455,668	13.01%	210,199	6.00%	280,265	8.00%
Tier I capital to average assets	455,668	8.90%	204,852	4.00%	256,065	5.00%
Common equity tier 1 to risk weighted assets	455,668	13.01%	157,649	4.50%	227,715	6.50%
December 31, 2018						
Total capital to risk weighted assets	$454,078	14.46%	$251,287	8.00%	$314,109	10.00%
Tier I capital to risk weighted assets	415,267	13.22%	188,465	6.00%	251,287	8.00%
Tier I capital to average assets	415,267	8.88%	187,126	4.00%	233,908	5.00%
Common equity tier 1 to risk weighted assets	415,267	13.22%	141,349	4.50%	204,171	6.50%

(1) Amounts are shown exclusive of the applicable capital conservation buffer of 2.50% in 2019 and 1.875% in 2018.

As of December 31, 2019, we were categorized as "well capitalized" under the prompt corrective action measures, and met the then-applicable capital conservation buffer.

Contractual Obligations

We have entered into contractual obligations in the normal course of business that involve elements of credit risk, interest rate risk and liquidity risk.

The following table summarizes these relations as of December 31, 2019 and December 31, 2018:

Contractual Obligations:

December 31, 2019

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long Term Debt	$ 75,000	$75,000	$ —	$ —	$ —
Operating Leases	69,679	10,743	20,816	19,459	18,661
Purchase Obligations	13,413	2,012	4,024	4,024	3,353
	$158,092	$87,755	$24,840	$23,483	$ 22,014

December 31, 2018

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long Term Debt	$ 92,875	$76,300	$16,575	$ —	$ —
Operating Leases	80,455	10,776	21,326	19,958	28,395
	$173,330	$87,076	$37,901	$19,958	$ 28,395

Off-Balance Sheet items

We are a party to financial instruments with off-balance sheet risk in the normal course of business to meet the financing needs of our customers. These financial instruments include commitments to extend credit, commercial letters of credit and standby letters of credit. Those instruments involve, to varying degrees, elements of credit and interest rate risk in excess of the amount recognized in the consolidated statements of financial condition. The contractual or notional amounts of those instruments reflect the extent of involvement we have in particular classes of financial instruments.

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. Commitments generally have fixed expiration dates or other termination clauses and may require payment of a fee. Since many of the commitments are expected to expire without being drawn upon, the total commitment amount does not necessarily represent future cash requirements. We evaluate each customer's creditworthiness on a case-by-case basis. The amount of collateral obtained, if deemed necessary by us upon extension of credit, is based on management's credit evaluation of the counterparty. Collateral is primarily obtained in the form of commercial and residential real estate (including income producing commercial properties).

Standby letters of credit are conditional commitments issued by us to guarantee to a third-party the performance of a customer. Those guarantees are primarily issued to support public and private borrowing arrangements, bond financing and similar transactions. The credit risk involved in issuing letters of credit is essentially the same as that involved in extending loan facilities to customers.

Commitments to make loans are generally made for periods of 60 days or less. Excluding impaired loans charging default interest and Letters of Credit, fixed rate commercial loan commitments have interest rates ranging from 1.0% to 8.0% and maturities up to 2048, and variable rate loan commitments have interest rates ranging from 3.0% to 11.3% and maturities up to 2048. Our exposure to credit loss in the event of non-performance by the other party to the financial instrument for commitments to extend credit and standby letters of credit is represented by the contractual or notional amount of those instruments. We use the same credit policies in making commitments and conditional obligations as for funded instruments. We do not anticipate any material losses as a result of the commitments and standby letters of credit. See Note 15 of our consolidated financial statements, which are included on page 123 of this document for further information on commitments.

At December 31, 2019, we had commitments to extend credit totaling $567.1 million and standby letters of credit totaling $15.2 million.

Item 7A. Quantitative and Qualitative Disclosures about Market Risk.

Our primary market risk is interest rate risk, which is defined as the risk of loss of net interest income or net interest margin because of changes in interest rates.

We seek to measure and manage the potential impact of interest rate risk on our net interest income and net interest expense. Interest rate risk occurs when interest-earning assets and interest-bearing liabilities mature or re-price at different times, on a different basis or in unequal amounts. Interest rate risk also arises when our assets, liabilities and off-balance sheet contracts each respond differently to changes in interest rates, including as a result of explicit and implicit provisions in agreements related to such assets and liabilities and in off-balance sheet contracts that alter the applicable interest rate and cash flow characteristics as interest rates change. The two primary examples of such provisions that we are exposed to are the duration and rate sensitivity associated with indeterminate-maturity deposits (*e.g.*, non-interest-bearing checking accounts, negotiable order of withdrawal accounts, savings accounts and money market deposits accounts) and the rate of prepayment associated with fixed-rate lending and mortgage-backed securities. Interest rates may also affect loan demand, credit losses, mortgage origination volume and other items affecting earnings.

Our Asset Liability Management Committee, chaired by our Treasurer, manages our interest rate risk according to written policies approved by our Board of Directors. Changes in our risk profiles are monitored and managed on a continual basis while risk limits are based on quarterly calculations. We use two primary models to monitor interest rate risk: economic value of equity and net interest income simulations. Scenarios include parallel shifts, ramped shifts, twists of yield curves and other adverse impacts. In addition, we monitor the impact of changes to various assumptions including asset prepayments and deposit repricing and decay assumptions. Our risk management infrastructure also requires the Asset Liability Management Committee to periodically review and disclose all key assumptions used, compare these assumptions and observations to actual historical experience, and check model reliability and validity by sample testing data inputs, back testing and third party validation.

We manage our interest rate risk by monitoring calculated risk measures and balance sheet trends such as growth in fixed rate loans, deposit trends and other factors that affect our risk profile. In order to counter changes in risk, we evaluate costs and other trade-offs associated with changing the composition of assets and liabilities; such as selling fixed rate securities, extending the term of borrowings, changing pricing of loans or deposits or selling residential mortgage loans in the secondary market. We do not engage in speculative trading activities relating to interest rates, foreign exchange rates, commodity prices, equities or credit.

We are also subject to credit risk. Credit risk is the risk that borrowers or counterparties will be unable or unwilling to repay their obligations in accordance with the underlying contractual terms. We manage and control credit risk in the loan portfolio by adhering to well-defined underwriting criteria and account administration standards established by management. Written credit policies document underwriting standards, approval levels, exposure limits and other limits or standards deemed necessary and prudent. Portfolio diversification at the obligor, industry, product and/or geographic location levels is actively managed to mitigate concentration risk. In addition, credit risk management also includes an independent credit review process that assesses compliance with commercial, real estate and other credit policies, risk ratings and other critical credit information. In addition to implementing risk management practices that are based upon established and sound lending practices, we adhere to sound credit principles. We understand and evaluate our customers' borrowing needs and capacity to repay, in conjunction with their character and history.

Evaluation of Interest Rate Risk

Our simulation models incorporate various assumptions, which we believe are reasonable but which may have a significant impact on results such as: (1) the timing of changes in interest rates, (2) shifts or rotations in the yield curve, (3) loan and securities prepayment speeds for different interest rate scenarios, (4) interest rates and balances of indeterminate-maturity deposits for different scenarios, and (5) new volume and yield assumptions for loans, securities and deposits. Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest rates on our results but rather as a means to better plan and execute appropriate asset-liability management strategies and manage our interest rate risk.

Potential changes to our net interest income and economic value of equity in hypothetical rising and declining rate scenarios calculated as of December 31, 2019 are presented in the following table. The projections assume immediate, parallel shifts downward of the yield curve of 100 basis points and immediate, parallel shifts upward of the yield curve of 100, 200, 300 and 400 basis points. In the current interest rate environment, a downward shift of the yield curve of 200, 300 and 400 basis points does not provide us with meaningful results.

The results of this simulation analysis are hypothetical, and a variety of factors might cause actual results to differ substantially from what is depicted. For example, if the timing and magnitude of interest rate changes differ from those projected, our net interest income might vary significantly. Non-parallel yield curve shifts such as a flattening or steepening of the yield curve or changes in interest rate

spreads, would also cause our net interest income to be different from that depicted. An increasing interest rate environment could reduce projected net interest income if deposits and other short-term liabilities re-price faster than expected or faster than our assets re-price. Actual results could differ from those projected if we grow assets and liabilities faster or slower than estimated, if we experience a net outflow of deposit liabilities or if our mix of assets and liabilities otherwise changes. Actual results could also differ from those projected if we experience substantially different repayment speeds in our loan portfolio than those assumed in the simulation model. Finally, these simulation results do not contemplate all the actions that we may undertake in response to potential or actual changes in interest rates, such as changes to our loan, investment, deposit, funding or hedging strategies.

Change in Market Interest Rates as of December 31, 2019	**Estimated Increase (Decrease) in:**			
Immediate Shift	Economic Value of Equity	Economic Value of Equity	Year 1 Net Interest Income	Year 1 Net Interest Income
+400 basis points	-21.0%	$(193,902)	3.1%	$ 5,574
+300 basis points	-13.9%	(128,686)	4.6%	8,416
+200 basis points	-6.8%	(62,441)	5.5%	10,102
+100 basis points	-0.8%	(7,065)	4.8%	8,755
-100 basis points	-7.6%	(70,480)	-6.8%	(12,436)

Item 8. Financial Statements and Supplementary Data.

Consolidated Statements of Financial Condition
(Dollars in thousands)

	December 31, 2019	December 31, 2018
Assets		
Cash and due from banks	$ 7,596	$ 10,510
Interest-bearing deposits in banks	114,942	70,335
Total cash and cash equivalents	122,538	80,845
Securities:		
Available for sale, at fair value (amortized cost of $1,217,087 and $1,188,710, respectively)	1,224,770	1,175,170
Held-to-maturity (fair value of $292,837 and $4,105, respectively)	292,704	4,081
Loans receivable, net of deferred loan origination costs (fees)	3,472,614	3,247,831
Allowance for loan losses	(33,847)	(37,195)
Loans receivable, net	3,438,767	3,210,636
Accrued interest and dividends receivable	19,088	14,387
Premises and equipment, net	17,778	21,654
Bank-owned life insurance	80,714	79,149
Right-of-use lease asset	47,299	—
Deferred tax asset	31,441	39,697
Goodwill and other intangible assets	19,665	21,039
Other assets	30,574	38,831
Total assets	$ 5,325,338	$ 4,685,489
Liabilities		
Deposits	$ 4,640,982	$ 4,105,306
Borrowed funds	75,000	92,875
Operating leases	62,404	—
Other liabilities	56,408	47,937
Total liabilities	4,834,794	4,246,118
Commitments and contingencies	—	—
Stockholders' equity		
Common stock, par value $.01 per share (70,000,000 shares authorized; 31,523,442 and 31,771,585 shares issued and outstanding, respectively)	315	318
Additional paid-in capital	305,738	308,678
Retained earnings	181,132	142,231
Accumulated other comprehensive income (loss), net of income taxes	3,225	(11,990)
Total Amalgamated Bank stockholders' equity	490,410	439,237
Noncontrolling interests	134	134
Total stockholders' equity	490,544	439,371
Total liabilities and stockholders' equity	$ 5,325,338	$ 4,685,489

See accompanying notes to consolidated financial statements

Consolidated Statements of Income
(Dollars in thousands, except for per share amounts)

	Year Ended December 31,	
	2019	2018
INTEREST AND DIVIDEND INCOME		
Loans	$139,995	$129,904
Securities	44,197	31,576
Federal Home Loan Bank of New York stock	813	1,040
Interest-bearing deposits in banks	949	1,444
Total interest and dividend income	185,954	163,964
INTEREST EXPENSE		
Deposits	14,461	9,573
Borrowed funds	4,856	4,646
Total interest expense	19,317	14,219
NET INTEREST INCOME	166,637	149,745
Provision for (recovery of) loan losses	3,837	(260)
Net interest income after provision for loan losses	162,800	150,005
NON-INTEREST INCOME		
Trust Department fees	18,598	18,790
Service charges on deposit accounts	8,544	8,183
Bank-owned life insurance	1,649	1,667
Gain (loss) on sale of investment securities available for sale, net	83	(249)
Gain (loss) on other real estate owned, net	(564)	(494)
Other	891	421
Total non-interest income	29,201	28,318
NON-INTEREST EXPENSE		
Compensation and employee benefits	70,276	67,425
Occupancy and depreciation	17,721	16,481
Professional fees	11,934	13,688
Data processing	10,880	11,570
Office maintenance and depreciation	3,540	3,643
Amortization of intangible assets	1,374	969
Advertising and promotion	2,908	3,402
Other	9,194	10,825
Total non-interest expense	127,827	128,003
Income before income taxes	64,174	50,320
Income tax expense	16,972	5,666
Net income	47,202	44,654
Net income attributable to noncontrolling interests	—	—
Net income attributable to Amalgamated Bank and subsidiaries	$ 47,202	$ 44,654
Earnings per common share—basic	$ 1.49	$ 1.47
Earnings per common share—diluted	$ 1.47	$ 1.46

See accompanying notes to consolidated financial statements

Consolidated Statements of Comprehensive Income
(Dollars in thousands)

	Year Ended December 31,	
	2019	2018
Net income	$47,202	$44,654
Other comprehensive income, net of taxes:		
Change in total obligation for postretirement benefits and for prior service credit and for other benefits	(183)	909
Net unrealized gains (losses) on securities available for sale:		
Unrealized holding gains (losses)	21,309	(8,995)
Reclassification adjustment for losses (gains) realized in income	(86)	241
Net unrealized gains (losses) on securities available for sale	21,223	(8,754)
Other comprehensive income (loss), before tax	21,040	(7,845)
Income tax benefit (expense)	(5,825)	2,179
Total other comprehensive income (loss), net of taxes	15,215	(5,666)
Total comprehensive income, net of taxes	$62,417	$38,988

See accompanying notes to consolidated financial statements

Consolidated Statements of Changes in Stockholders' Equity
(Dollars in thousands)

	Preferred Stock Class B	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2017 (1)	$ 6,700	$ 281	$243,771	$ 99,506	$ (6,324)	$ 343,934	$ 134	$344,068
Net income	—	—	—	44,654	—	44,654	—	44,654
Dividend declared on AREMCO Sr. Preferred class B shares and Jr. Preferred shares	—	—	—	(22)	—	(22)	—	(22)
Cash dividend, $0.06 per share	—	—	—	(1,907)	—	(1,907)	—	(1,907)
Acquisition of New Resource Bank	—	37	57,410	—	—	57,447	—	57,447
Retirement of class B preferred stock	(6,700)	—	(268)	—	—	(6,968)	—	(6,968)
SARs conversion to stock-based options	—	—	6,845	—	—	6,845	—	6,845
Stock-based compensation expense	—	—	920	—	—	920	—	920
Other comprehensive loss, net of taxes	—	—	—	—	(5,666)	(5,666)	—	(5,666)
Balance at December 31, 2018	$ —	$ 318	$308,678	$142,231	$ (11,990)	$ 439,237	$ 134	$439,371
Net income	—	—	—	47,202	—	47,202	—	47,202
Dividend declared on AREMCO Sr. Pp referred class B shares and Jr. Preferred shares	—	—	—	(22)	—	(22)	—	(22)
Cash dividend, $0.26 per share	—	—	—	(8,279)	—	(8,279)	—	(8,279)
Repurchase of class A common stock		(3)	(5,782)	—	—	(5,785)	—	(5,785)
Exercise of stock options	—	—	400	—	—	400	—	400
Stock-based compensation expense	—	—	2,442	—	—	2,442	—	2,442
Other comprehensive income, net of taxes	—	—	—	—	15,215	15,215	—	15,215
Balance at December 31, 2019	$ —	$ 315	$305,738	$181,132	$ 3,225	$ 490,410	$ 134	$490,544

(1) effected for stock split that occurred on July 27, 2018

See accompanying notes to consolidated financial statements

Consolidated Statements of Cash Flows
(Dollars in thousands)

	Year Ended December 31, 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income attributable to Amalgamated Bank	$ 47,202	$ 44,654
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	4,629	4,196
Amortization of intangible assets	1,374	969
Deferred income tax expense	5,029	4,660
Provision for (recovery of) loan losses	3,837	(260)
Stock-based compensation expense	2,442	920
Net amortization (accretion) on loan fees, costs, premiums, and discounts	1,471	(1,719)
Net amortization on securities	(5,845)	489
OTTI recognized in earnings	(3)	(8)
Net loss (gain) on sale of securities available for sale	(83)	249
Net loss (gain) on sale of loans	(13)	451
Net loss (gain) on sale of other real estate owned	564	494
Proceeds from sales of loans held for sale	21,014	4,086
Decrease (increase) in cash surrender value of bank-owned life insurance	(1,565)	(853)
Decrease (increase) in accrued interest and dividends receivable	(4,701)	(1,962)
Decrease (increase) in other assets (1)	(4,322)	(16,575)
Decrease in accrued interest payable	351	(402)
Increase (decrease) in other liabilities (2)	12,080	(8,370)
Net cash provided by operating activities	83,461	31,019
CASH FLOWS FROM INVESTING ACTIVITIES		
Originations and purchases of loans, net of principal repayments	(350,263)	(94,706)
Proceeds from sales of loans	115,856	4,199
Purchase of securities available for sale	(479,311)	(595,286)
Purchase of securities held to maturity	(291,601)	(2,000)
Proceeds from sales of securities available for sale	245,260	125,390
Maturities, principal payments and redemptions of securities available for sale	205,557	249,973
Maturities, principal payments and redemptions of securities held to maturity	9,016	7,515
Net decrease (increase) of Federal Home Loan Bank of New York stock	147	15,120
Purchases of premises and equipment	(753)	(1,427)
Proceeds from sale of other real estate owned	209	1,172
Net cash acquired in business combination	—	31,744
Net cash used in investing activities	(545,883)	(258,306)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in deposits	535,676	510,300
Net increase (decrease) in FHLB advances	(17,875)	(309,725)
Net increase (decrease) in federal funds purchased	—	(5)
Retirement of class B preferred stock	—	(6,968)
Repurchase of class A common stock	(5,785)	—
Cash dividend paid	(8,301)	(1,929)
Exercise of stock options	400	—
Net cash provided by financing activities	504,115	191,673
Increase (decrease) in cash, cash equivalents, and restricted cash	41,693	(35,614)
Cash, cash equivalents, and restricted cash at beginning of year	80,845	116,459
Cash, cash equivalents, and restricted cash at end of year	$ 122,538	$ 80,845
Supplemental disclosures of cash flow information:		
Interest paid during the year	$ 18,966	$ 14,621
Income taxes paid during the year	9,311	3,558
Supplemental non-cash investing activities:		
Initial recognition of Right-of-use lease asset	$ 55,813	$ —
Initial recognition of Operating leases liability	71,122	—
Loans transferred to other real estate owned	738	603
Fair value of assets acquired	—	380,326
Fair value of liabilities assumed	—	366,218

(1) Includes $8.4 million of right of use asset amortization
(2) Includes $2.2 million accretion of operating lease liabilities

See accompanying notes to consolidated financial statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting, Consolidation and the Use of Estimates

The accounting and reporting policies of Amalgamated Bank (unless we state otherwise or the context otherwise requires, references in this report to "we," "our," "us," the "Bank," and "Amalgamated" refer to Amalgamated Bank) conform to accounting principles generally accepted in the United States of America (GAAP) and predominant practices within the banking industry. The Bank uses the accrual basis of accounting for financial statement purposes.

The accompanying consolidated financial statements include the accounts of the Bank and its majority-owned and wholly-owned subsidiaries. All significant inter-company transactions and balances are eliminated in consolidation.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. In particular, estimates and assumptions are used in measuring the fair value of certain financial instruments, determining the appropriateness of the allowance for loan and lease losses ("allowance"), evaluating potential other-than-temporary securities impairment, assessing the ability to realize deferred tax assets, and the valuation of share-based payment awards. Estimates and assumptions are based on available information and judgment; therefore actual results could differ from those estimates.

Cash, Cash Equivalents and Restricted Cash

For purposes of reporting cash flows, cash, cash equivalents, and restricted cash include cash, due from banks, interest-bearing deposits in other banks and federal funds sold with original maturities of three months or less. The Bank had $3.0 million and $6.4 million of cash deposits in other banks in excess of the FDIC insurance limits as of December 31, 2019 and December 31, 2018, respectively. This exposure is monitored as part of the Bank's counterparty credit review which is conducted at least annually. Additionally the Bank had $0.4 million and $1.4 million in restricted cash as of December 31, 2019 and December 31, 2018, respectively and is included in Total cash and cash equivalents on the Consolidated Statements of Financial Condition. The Bank's restricted cash reflects funds held in other financial institutions to secure business operating rights or contractually obligated minimum account funding requirements.

Securities

Purchases of equity securities that have readily determinable fair values and all investments in debt securities are designated as either trading, available for sale or held to maturity depending on the intent and ability to hold the securities. The initial designation is made at the time of purchase. During the years ended December 31, 2019 and 2018, there were no transfers of securities between the trading, available for sale or held to maturity categories. Additionally, as of December 31, 2019 and December 31, 2018, the Bank had no securities designated as trading.

Securities available for sale are carried at fair value, with any net unrealized appreciation or depreciation in fair value reported net of taxes as a component of accumulated other comprehensive income (loss) in stockholders' equity. Debt securities held to maturity are carried at amortized cost provided management does not have the intent to sell these securities and does not anticipate that it will be necessary to sell these securities before the full recovery of principal and interest, which may be at maturity. The Bank reported its investments in "Property Assessed Clean Energy" ("PACE") assessments as held to maturity securities.

Management conducts a periodic evaluation of securities available for sale and held to maturity to determine if the amortized cost basis of a security has been other-than-temporarily impaired (OTTI). The evaluation of other-than-temporary impairment is a quantitative and qualitative process, which is subject to risks and uncertainties. If the amortized cost of an investment exceeds its fair value, management evaluates, among other factors, general market conditions, the duration and extent to which the fair value is less than amortized cost, the probability of a near-term recovery in value, whether management intends to sell the security and whether it is more likely than not that the Bank will be required to sell the security before full recovery of the investment or maturity. Management also considers specific adverse conditions related to the financial health, projected cash flow and business outlook for the investee, including industry and sector performance, operational and financing cash flow factors and rating agency actions.

For equity securities, once a decline in fair value is determined to be other than temporary, an impairment charge is recorded through current earnings based upon the estimated fair value of the security at time of impairment and a new cost basis in the investment is established. For debt investment securities deemed to be other-than-temporarily impaired, the investment is written down to fair value with the estimated credit loss charged to current earnings and the noncredit-related impairment loss charged to other comprehensive income. If market, industry and/or investee conditions deteriorate, the Bank may incur future impairments.

Premiums (discounts) on debt securities are amortized (accreted) to income using the level yield method to the contractual maturity date adjusted for actual prepayment experience.

Realized gains and losses on sale of securities are determined using the specific identification method and are reported in non-interest income.

Loans Held for Sale

Loans held for sale in the secondary market are carried at the lower of cost or estimated fair value in the aggregate. Net unrealized losses, if any, are recognized through a valuation allowance by charges to current earnings. Gains or losses resulting from sales of loans held for sale, net of unamortized deferred fees and costs, are recognized at the time of sale and are included in other non-interest income on the Consolidated Statements of Income. The Bank had $2.3 million and $0.6 million of performing residential loans classified as held for sale as of December 31, 2019 and December 31, 2018, respectively. Loans held for sale are included in other assets in the Consolidated Statements of Financial Condition in both 2019 and 2018.

Loans and Loan Interest Income Recognition

Loans are stated at the principal amount outstanding, net of charge-offs, deferred origination costs and fees and purchase premiums and discounts. Loan origination and commitment fees and certain direct and indirect costs incurred in connection with loan originations are deferred and amortized to income over the life of the related loans as an adjustment to yield. Premiums or discounts on purchased portfolios are amortized or accreted to income using the level yield method.

Interest on loans is generally recognized on the accrual basis. Interest is not accrued on loans that are more than 90 days delinquent on payments, and any interest that was accrued but unpaid on such loans is reversed from interest income at that time, or when deemed to be uncollectible. Interest subsequently received on such loans is recorded as interest income or alternatively as a reduction in the amortized cost of the loan if there is significant doubt as to the collectability of the unpaid principal balance. Loans are returned to accrual status when principal and interest amounts contractually due are brought current and future payments are reasonably assured.

A loan is impaired when, based on current information and events, it is probable that the Bank will not be able to collect all amounts due, both principal and interest, according to the contractual terms. Individual loans which are deemed to be impaired are measured based on the present value of expected future cash flows discounted at the loan's effective interest rate or at the loan's observable market price or the fair value of the collateral net of estimated selling costs if the loan is collateral dependent. Individual loan impairment evaluation is generally limited to multifamily, CRE, C&I, construction and certain restructured 1-4 family residential loans. Smaller balance loans including HELOCs, consumer and student loans, as well as non-restructured 1-4 family residential loans, are considered homogeneous. When assessing homogenous loans for impairment, the Bank considers regulatory guidance concerning the classification and management of retail credits. The aggregate amount of individually and collectively measured loan impairment is included as a component of the allowance.

Loans are considered Troubled Debt Restructurings (TDRs) if the borrower is experiencing financial difficulty and is afforded a concession by the Bank, such as, but not limited to: (i) payment deferral; (ii) a reduction of the stated interest rate for the remaining contractual life of the loan; (iii) an extension of the loan's original contractual term at a stated interest rate lower than the current market rate for a new loan with similar risk; (iv) capitalization of interest; or (v) forgiveness of principal or interest. Generally, TDRs are placed on non-accrual status (and reported as non-performing loans) until the loan qualifies for return to accrual status. A TDR loan is considered impaired. A loan extended or renewed at a stated interest rate equal to the market interest rate for new debt with similar risk is not considered to be a TDR.

Allowance for Loan Losses

The allowance for loan and lease losses ("allowance") is a valuation allowance for probable incurred credit losses. The Bank monitors its entire loan portfolio on a regular basis and considers numerous factors including (i) end-of-period loan levels and portfolio composition, (ii) observable trends in non-performing loans, (iii) the Bank's historical loan loss experience, (iv) known and inherent risks in the portfolio, (v) underwriting practices, (vi) adverse situations which may affect the borrower's ability to repay, (vii) the estimated value and sufficiency of any underlying collateral, (viii) credit risk grading assessments, (ix) loan impairment, and (x) economic conditions.

The allowance consists of specific and general components. The specific component relates to loans that are individually classified as impaired. Additions to the allowance are charged to expense, and realized losses, net of recoveries, are charged to the allowance. Based on the determination of management, the overall level of allowance is periodically adjusted to account for the inherent and specific risks within the entire portfolio. Based on review of the classified loans and the overall allowance levels as they relate to the entire loan portfolio at December 31, 2019, management believes the allowance is adequate.

Generally, a loan is considered for charge-off when it is in default of either principal or interest after 90 days or more. In addition to delinquency criteria, other triggering events may include, but are not limited to, notice of bankruptcy by the borrower or guarantor, death of the borrower, and deficiency balance from the sale of collateral.

Some financial instruments, such as loan commitments, credit lines, letters of credit, and overdraft protection, are issued to meet customer financing needs. These are agreements to provide credit or to support the credit of others, as long as conditions established in the contract are met, and usually have expiration dates. Commitments may expire without being used. Off-balance sheet risk to credit loss exists up to the face amount of these instruments, although material losses are not anticipated. The same credit policies are used to make such commitments as are used for loans, often including obtaining collateral at exercise of the commitment. An allowance is calculated and recorded in other liabilities within the Consolidated Statements of Financial Condition.

While management uses available information to recognize losses on loans, future additions or reductions to the allowance may be necessary due to changes in one or more evaluation factors; management’s assumptions as to rates of default, loss or recovery, or management’s intent with regard to disposition. A shift in lending strategy may warrant a change in the allowance due to a changing credit risk profile. In addition, various regulatory agencies, as an integral part of the examination process, periodically review the Bank’s allowance. Such agencies may require the Bank to recognize additions to, or charge-offs against, the allowance based on their judgment about information available to them at the time of their examination.

Other Real Estate Owned

Other real estate owned (“OREO”) properties acquired through, or in lieu of, foreclosure are recorded initially at fair value less costs to sell. Any write-down of the recorded investment in the related loan is charged to the allowance prior to transfer. OREO assets are subsequently accounted for at lower of cost or fair value less estimated costs to sell. If fair value declines subsequent to foreclosure, a valuation allowance is recorded through non-interest income. Costs relating to the development and improvement of other real estate owned are capitalized. Costs relating to holding other real estate owned, including real estate taxes, insurance and maintenance, are charged to expense as incurred.

Goodwill and Intangible Assets

Goodwill resulting from business combinations is generally determined as the excess of the fair value of the consideration transferred over the fair value of the net assets acquired and liabilities assumed as of the acquisition date. Goodwill and indefinite-lived intangible assets are not amortized, but tested for impairment at least annually, or more frequently if events and circumstances exist that indicate the carrying amount of the asset may be impaired. The Bank elected June 30 as the annual date for impairment testing. Other intangible assets with definite useful lives are amortized over their estimated useful lives to their estimated residual values. Core deposit intangible assets are amortized on an accelerated method over their estimated useful lives of ten years.

Premises and Equipment

Premises and equipment are stated at cost less accumulated depreciation and amortization. Depreciation of furniture, fixtures, and equipment is computed by the straight-line method over the estimated useful lives of the related assets. Furniture and fixtures are generally depreciated over ten years. Equipment, computer hardware and computer software are normally depreciated over three to seven years. Amortization of leasehold improvements is computed by the straight-line method over their estimated useful lives or the terms of the leases, whichever is shorter. Fully depreciated assets with no determinable salvage value are disposed. Repairs and maintenance are charged to expense as incurred.

Bank-Owned Life Insurance

The Bank invests in bank-owned life insurance ("BOLI"). BOLI involves the purchase of life insurance policies by the Bank on a chosen group of employees. The Bank is the owner and beneficiary of the policies. The insurance and earnings thereon is used to offset a portion of future employee benefit costs. BOLI is carried at the cash surrender value of the underlying policies. Earnings from BOLI, as well as changes in cash surrender value, are recognized as non-interest income.

Securities Sold Under Agreements to Repurchase

The Bank enters into sales of securities under agreements to repurchase with selected security dealers and commercial banks. The counterparties have agreed to sell, and the Bank has agreed to repurchase, the same securities at maturity of the agreements. Such transfers are accounted for as secured financing transactions since the Bank maintains effective control over the transferred securities and the transfers do not otherwise satisfy the criteria for sale accounting. Securities transferred pursuant to such agreements remain reflected as an asset in the Bank's Consolidated Statements of Financial Condition while the proceeds received are reflected as a liability to the counterparty. As December 31, 2019 and 2018 none of the Bank's repurchase agreements represented repurchase-to-maturity transactions.

Advertising Costs

The Bank expenses advertising and promotion costs as incurred.

Income Taxes

There are two components of income tax expense: current and deferred. Current income tax expense (benefit) approximates cash to be paid (refunded) for income taxes for the applicable period. Deferred income tax expense (benefit) results from differences between assets and liabilities measured for financial reporting and for income-tax return purposes.

The Bank records as a deferred tax asset on its Consolidated Statement of Financial Condition an amount equal to the tax credit and tax loss carry-forwards and tax deductions (tax benefits) that we believe will be available to us to offset or reduce the amounts of our income taxes in future periods. Under applicable federal and state income tax laws and regulations, such tax benefits will expire if not used within specified periods of time. Accordingly, the ability to fully utilize our deferred tax asset may depend on the amount of taxable income that we generate during those time periods. At least once each year, or more frequently, if warranted, we make estimates of future taxable income that we believe we are likely to generate during those future periods. If we conclude, on the basis of those estimates and the amount of the tax benefits available to us, that it is more likely than not that we will be able to fully utilize those tax benefits prior to their expiration, we recognize the deferred tax asset in full on our Consolidated Statement of Financial Condition. If, however, we conclude on the basis of those estimates and the amount of the tax benefits available to us that it has become more likely than not that we will be unable to utilize those tax benefits in full prior to their expiration, then we would establish (or increase any existing) a valuation allowance to reduce the deferred tax asset on our Consolidated Statement of Financial Condition to the amount which we believe we are more likely than not to be able to utilize. Such a reduction is implemented by recognizing a non-cash charge that would have the effect of increasing the provision, or reducing any benefit, for income taxes that we would otherwise have recorded in our Consolidated Statements of Income. The determination of whether and the extent to which we will be able to utilize our deferred tax asset involves management judgments and assumptions that are subject to period-to-period changes as a result of changes in tax laws, changes in the market, or economic conditions that could affect our operating results or variances between our actual operating results and our projected operating results, as well as other factors.

When measuring the amount of current taxes to be paid (or refunded) management considers the merit of various tax treatments in the context of statutory, judicial and regulatory guidance. Management also considers results of recent tax audits and historical experience. While management considers the amount of income taxes payable (or receivable) to be appropriate based on information currently available, future additions or reductions to such amounts may be necessary due to unanticipated events or changes in circumstances. Management has not taken, and does not expect to take, any position in a tax return which it deems to be uncertain.

The Bank recognizes interest and penalties related to income tax matters in income tax expense.

Post-Retirement Benefit Plans

The Bank sponsors several post-retirement benefit plans for current and former employees. Contributions to the trustee of a multi-employer defined benefit pension plan are recorded as expense in the period of contribution. The Bank made $6.3 million and $6.4

million in pension plan contributions for the 2019 and 2018 plan years, respectively. Plan obligations and related expenses for other post retirement plans are calculated using actuarial methodologies. The measurement of such obligations and expenses requires management to make certain assumptions, in particular the discount rate, which is evaluated on an annual basis. Other factors include retirement patterns, mortality and turnover assumptions. The Bank uses a December 31 measurement date for its post retirement benefit plans. FASB ASC 715 30 “Compensation – Retirement Benefits – Defined Benefit Plans – Pension” requires the Bank to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its statement of financial condition and to recognize changes in that funded status in the year the changes occur through comprehensive income.

Comprehensive Income

Comprehensive income includes net income and all other changes in equity during a period, except those resulting from investments by owners and distributions to owners. Other comprehensive income includes income, expenses, gains and losses that under generally accepted accounting principles are included in comprehensive income but excluded from net income. Other comprehensive income (loss) and accumulated other comprehensive income (loss) are reported net of deferred income taxes. Accumulated other comprehensive income for the Bank includes unrealized holding gains or losses on available for sale securities, and actuarial gains or losses on the Bank’s pension plans. FASB ASC 715-30 “Compensation – Retirement Benefits – Defined Benefit Plans – Pension” requires employers to recognize the overfunded or underfunded status of a defined benefit postretirement plan as an asset or liability in its statement of financial position and to recognize changes in that funded status in the year the changes occur through comprehensive income.

Stock-Based Compensation

Stock-based compensation is recorded in accordance with FASB ASC No. 718, “Accounting for Stock-Based Compensation” which requires the Bank to record compensation cost for stock options and restricted stock granted to employees in return for employee service. The cost is measured at the fair value of the options and restricted stock when granted, and this cost is expensed over the employee service period, which is normally the vesting period of the options and restricted stock. Forfeitures of options and restricted stock result in a retirement of the related award and a reversal of the cost previously incurred. The Bank’s performance-based restricted stock units (“RSUs”) are subject to the achievement of the Bank’s 2019 corporate goals. The Bank’s stock-based compensation plans are further described in Note 13, Employee Benefit Plans.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Adoption of Accounting Standards in 2018

In the first quarter of 2018, the Bank adopted Accounting Standards Update ("ASU") 2014-09, "Revenue from Contracts with Customers (Topic 606)" which implements a common revenue standard that clarifies the principles for recognizing revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. While the guidance in ASU 2014-09 supersedes most existing industry-specific revenue recognition accounting guidance, most of the Bank's revenue comes from financial instrument interest income and other sources which are not within the scope of ASU 2014-09. The Bank's revenue streams that are determined within scope are recorded in "Trust Department fees" and "Service charges on deposit accounts" within non-interest income. The following table presents the Bank's non-interest income:

	Year Ended December 31,	
(In thousands)	**2019**	**2018**
Trust Department fees	$ 18,598	$ 18,790
Service charges on deposit accounts	8,544	8,183
Bank-owned life insurance	1,649	1,667
Gain (loss) on sale of investment securities available for sale, net	83	(249)
Gain (loss) on other real estate owned, net	(564)	(494)
Other income	891	421
Total non-interest income	$ 29,201	$ 28,318

For revenue streams within the scope of ASU 2014-09, the Bank recognizes revenue as obligations to customers are satisfied. The Bank adopted Topic 606 using the modified retrospective method applied to all in scope revenue streams and adoption did not result in a change to the accounting for any in scope revenue streams. As such, no cumulative effect adjustment to retained earnings was recorded at January 1, 2018. Additionally, as a result of the Bank's ongoing assessment of Topic 606, the Bank has determined its recognition practices continue to be in compliance with the amended guidance through December 31, 2019. The Bank evaluated its significant customer contracts and determined its trust advisory fee service agreements and retail banking service charges on deposit accounts are in scope of the amended guidance. The Bank's trust advisory fee service arrangements are generally for union-affiliated health and pension welfare trusts where the Bank's fee structure as investment manager is either a flat fee or a percentage of the related market value. The fees are mainly paid either monthly or quarterly on an as-performed service basis. The Bank's retail banking service charge on deposit account arrangements for non-commercial clients are comprised of the accumulation of small, homogeneous standard arrangements of fee types such as service fees, ATM/Debit Fees, escrow fees, return item fees, minimum balance fees, gift card fees, safe deposit rental fees and prepaid card fees. Fee arrangements for commercial clients are comprised mainly of the accumulation of homogeneous standard arrangements for cash management services with fee types such as depository services, image cash letter, ACH, account reconciliation, positive pay, controlled disbursement, and treasury management.

Accounting Standards Effective in 2019

In February 2016, the FASB issued ASU 2016-02 "Leases (Topic 842)". The new lease accounting standard requires the recognition of a right of use asset and related lease liability by lessees for leases classified as operating leases under current GAAP. Topic 842, which replaces the current guidance under Topic 840, retains a distinction between finance leases and operating leases. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by lessee does not significantly change from current GAAP. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize right of use assets and lease liabilities. The standard became effective for annual reporting periods beginning after December 15, 2018. A modified retrospective transition approach must be applied for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements. Transition accounting for leases that expired before the earliest comparative period presented is not required. The Bank elected the effective date transition method of applying the new leases standard at the beginning of the period of adoption on January 1, 2019. The standard provides several optional practical expedients in transition. The Bank elected the "package of practical expedients", which permits the Bank not to reassess prior conclusions about lease identification, lease classification and initial direct costs and allows it to continue to account for leases that commenced prior to the adoption date as operating leases. The Bank analyzed all its significant leases to determine if a lease was in

scope of the ASU and determined 15 facilities leases were in scope. Based on leases outstanding at December 31, 2018, the Bank recorded a $71.1 million Operating leases liability and a $55.8 million related Right-of-use asset upon commencement on January 1, 2019. The measurement of the Right-of-use asset included a $15.3 million reduction to account for accrued rent previously established under Topic 840. The Bank has presented its Right-of-use asset and related Operating leases liability on the Consolidated Statements of Financial Condition. The balances contained within reflect all related initial measurement and subsequent accounting through the third quarter of 2019. Refer to Note 16—Leases for further details.

Accounting Standards Effective in 2020 onward

In August 2018, the FASB issued ASU 2018-13, "Fair Value Measurement (Topic 820)—Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement", which improves the effectiveness of fair value measurement disclosures. The amendments modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement as follows: removes disclosure requirements for the amount and reasons for transfer between Level 1 and Level 2 assets and liabilities in the fair value hierarchy; modifies disclosure requirements for transfers in to and out of Level 3 assets and liabilities in the fair value hierarchy; adds disclosure requirements for the changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements and the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The amendments in this update are effective for all entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years, with early adoption, including adoption in an interim period, is permitted. Adoption of ASU 2018-13 is not expected to have a material effect on the Bank's operating results or financial condition.

In June 2016, the FASB amended existing guidance for ASU 2017-04, "Intangibles – Goodwill and Other (Topic 350)", to simplify the subsequent measurement of goodwill. The amendment requires an entity to perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount of the reporting unit exceeds its fair value, not to exceed the total amount of goodwill allocated to that reporting unit. The amendments also eliminate the requirement for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. The amendments are effective for public business entities for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The amendments should be applied prospectively. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition in the first annual period and in the interim period within the first annual period when the entity initially adopts the amendments. As a result of the Bank's acquisition of New Resource Bank ("NRB") in the latter half of the second quarter of 2018, the Bank elected June 30, 2019 as the beginning date for annual impairment testing. Adoption of ASU 2017-04 is not expected to have a material effect on the Bank's operating results or financial condition.

In June 2016, the FASB issued ASU 2016-13, "Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments." ASU 2016-13 significantly changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model and provides for recording credit losses on available for sale debt securities through an allowance account. ASU 2016-13 also requires certain incremental disclosures. In October 2019, the FASB voted to extend the adoption date for entities eligible to be smaller reporting companies, public business entities (PBEs) that are not SEC filers, and entities that are not PBEs from January 1, 2020 to January 1, 2023. Based on the Bank's qualification as an emerging growth company under the Jumpstart Our Business Startups Act, the Bank had previously planned to adopt ASU 2016-13 in the first quarter of 2021 using the required modified retrospective method with a cumulative effect adjustment as of the beginning of the reporting period. In light of the extension afforded by the FASB's recent decision, the Bank is currently evaluating the benefits of adopting at the later date, however the Bank has not altered its preparation plans for adoption. In preparation, the Bank has performed work in assessing and enhancing its technology environment and related data needs and availability. Additionally, a Management Committee comprised of members from multiple departments has been established to monitor the Bank's progress towards timely adoption. As adoption will require the implementation of significant changes to the existing credit loss estimation model and is dependent on the economic forecast, and our timing of adoption has not been decided, evaluating the overall impact of the ASU on the Bank's Consolidated Financial Statements is not yet determinable.

3. OTHER COMPREHENSIVE INCOME (LOSS)

The Bank records unrealized gains and losses, net of taxes, on securities available for sale in other comprehensive income (loss) in the Consolidated Statements of Changes in Stockholders' Equity. Gains and losses on securities available for sale are reclassified to operations as the gains or losses are recognized. OTTI losses on debt securities are reflected in earnings as realized losses to the extent the impairment is related to credit losses. The amount of the impairment related to other factors is recognized in other comprehensive income (loss). The Bank also recognizes as a component of other comprehensive income (loss) the actuarial gains or losses as well as the prior service costs or credits that arise during the period from post-retirement benefit plans.

Other comprehensive income (loss) components and related income tax effects were as follows:

(In thousands)	Year Ended December 31, 2019	2018
Change in total obligation for postretirement benefits and for prior service credit and for other benefits	$ (183)	$ 909
Income tax effect	57	(247)
Net change in total obligation for postretirement benefits and prior service credit and for other benefits	(126)	662
Unrealized holding gains (losses) on available for sale securities	$ 21,309	$ (8,995)
Reclassification adjustment for losses (gains) realized in income	(86)	241
Change in unrealized gains (losses) on available for sale securities	21,223	(8,754)
Income tax effect	(5,882)	2,426
Net change in unrealized gains (losses) on available for sale securities	15,341	(6,328)
Total	$ 15,215	$ (5,666)

The following is a summary of the accumulated other comprehensive income (loss) balances, net of income taxes:

(In thousands)	Balance as of January 1, 2019	Current Period Change	Income Tax Effect	Balance as of December 31, 2019
Unrealized losses on benefits plans	$ (2,193)	$ (183)	$ 57	$ (2,319)
Unrealized losses on available for sale securities	$ (9,797)	$21,223	$ (5,882)	$ 5,544
Total	$ (11,990)	$21,040	$ (5,825)	$ 3,225

The following represents the reclassifications out of accumulated other comprehensive income (loss):

(In thousands)	Year Ended December 31, 2019	2018	Affected Line Item in the Consolidated Statements of Income
Realized gains (losses) on sale of available for sale securities	$ 83	$ (249)	Gain (loss) on sale of investment securities available for sale, net
Recognized gains (losses) on OTTI securities	3	8	Non-Interest Income - other
Income tax expense	24	(67)	Income tax expense
Total reclassifications, net of income tax	$ 62	$ (174)	
Prior service credit on pension plans and other postretirement benefits	$ 29	$ 29	Compensation and employee benefits
Income tax expense	(8)	(8)	Income tax expense
Total reclassifications, net of income tax	$ 21	$ 21	
Total reclassifications, net of income tax	$ 83	$ (153)	

4. INVESTMENT SECURITIES

The amortized cost and fair value of investment securities available for sale and held to maturity as of December 31, 2019 are as follows:

	December 31, 2019			
(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 36,639	$ 97	$ (351)	$ 36,385
GSE CMOs	277,512	5,350	(428)	282,434
GSE commercial certificates & CMO	250,357	4,003	(447)	253,913
Non-GSE residential certificates	58,643	459	(94)	59,008
Non-GSE commercial certificates	46,868	49	(43)	46,874
	670,019	9,958	(1,363)	678,614
Other debt:				
U.S. Treasury	199	—	—	199
ABS	524,289	1,634	(2,146)	523,777
Trust preferred	14,623	—	(726)	13,897
Corporate	7,957	326	—	8,283
Other	—	—	—	—
	547,068	1,960	(2,872)	546,156
Total available for sale	$1,217,087	$ 11,918	$ (4,235)	$1,224,770
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 635	$ 23	$ —	$ 658
Non GSE commercial certificates	270	19	—	289
	905	42	—	947
Other debt:				
PACE Assessments	263,805	810	—	264,615
Municipal	22,894	598	(1,307)	22,185
Other	5,100	—	(10)	5,090
	291,799	1,408	(1,317)	291,890
Total held to maturity	$ 292,704	$ 1,450	$ (1,317)	$ 292,837

As of December 31, 2019, available for sale and held to maturity securities with a fair value of $711.2 million and $0.6 million, respectively, were pledged. The majority of the securities were pledged to the FHLB to secure outstanding advances, letters of credit and to provide additional borrowing potential. In addition, securities were pledged to provide capacity to borrow from the Federal Reserve and to collateralize municipal deposits.

The amortized cost and fair value of investment securities available for sale and held to maturity as of December 31, 2018 are as follows:

	December 31, 2018			
(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 82,083	$ —	$ (2,312)	$ 79,771
GSE CMOs	273,364	1,776	(4,152)	270,988
GSE commercial certificates & CMO	235,805	538	(3,177)	233,166
Non-GSE residential certificates	102,446	120	(1,204)	101,362
Non-GSE commercial certificates	55,594	12	(546)	55,060
	749,292	2,446	(11,391)	740,347
Other debt:				
U.S. Treasury	200	—	(2)	198
ABS	406,813	423	(3,240)	403,996
Trust preferred	17,954	—	(1,964)	15,990
Corporate	13,451	249	(51)	13,649
Other	1,000	—	(10)	990
	439,418	672	(5,267)	434,823
Total available for sale	$1,188,710	$ 3,118	$ (16,658)	$1,175,170
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 656	$ —	$ —	$ 656
Non GSE commercial certificates	325	12	(2)	335
	981	12	(2)	991
Other debt:	3,100	14	—	3,114
Total held to maturity	$ 4,081	$ 26	$ (2)	$ 4,105

The following summarizes the amortized cost and fair value of debt securities available for sale and held to maturity, exclusive of mortgage-backed securities, by their contractual maturity as of December 31, 2019. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty.

	Available for Sale		Held to Maturity	
(In thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due within one year	$ —	$ —	$ —	$ —
Due after one year through five years	19,632	20,001	5,100	5,090
Due after five years through ten years	146,193	145,471	—	—
Due after ten years	381,243	380,684	286,699	286,800
	$547,068	$546,156	$291,799	$291,890

Proceeds received and gains and losses realized on sales of securities available for sale are summarized below:

(In thousands)	Year Ended December 31, 2019	2018
Proceeds	$245,260	$125,390
Realized gains	$ 1,912	$ 403
Realized losses	(1,829)	(652)
Net realized gains (losses)	$ 83	$ (249)

The Bank controls and monitors inherent credit risk in its securities portfolio through diversification, concentration limits, periodic securities reviews, and by investing a significant portion of the securities portfolio in U.S. Government sponsored entity (GSE) obligations. GSEs include the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA), the Government National Mortgage Association (GNMA) and the Small Business Administration (SBA). GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations (CMOs).

The following summarizes the fair value and unrealized losses for those available for sale securities as of December 31, 2019 and 2018, segregated between securities that have been in an unrealized loss position for less than twelve months and those that have been in a continuous unrealized loss position for twelve months or longer at the respective dates:

	December 31, 2019					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ 4,849	$ (11)	$ 18,620	$ (340)	$ 23,469	$ (351)
GSE CMOs	43,794	(118)	23,995	(310)	67,789	(428)
GSE commercial certificates	59,615	(428)	14,001	(19)	73,616	(447)
Non-GSE residential certificates	2,836	(11)	13,537	(83)	16,373	(94)
Non-GSE commercial certificates	19,276	(25)	7,048	(18)	26,324	(43)\
Other debt:						
ABS	95,095	(218)	191,650	(1,928)	286,745	(2,146)
Trust preferred	—	—	13,897	(726)	13,897	(726)
	$ 225,465	$ (811)	$ 282,748	$ (3,424)	$508,213	$ (4,235)

	December 31, 2018					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ —	$ —	$ 79,770	$ (2,312)	$ 79,770	$ (2,312)
GSE CMOs	15,003	(47)	94,436	(4,105)	109,439	(4,152)
GSE commercial certificates	14,438	(71)	183,119	(3,106)	197,557	(3,177)
Non-GSE residential certificates	12,862	(75)	68,064	(1,129)	80,926	(1,204)
Non-GSE commercial certificates	41,650	(546)	—	—	41,650	(546)
Other debt:						
ABS	294,703	(3,107)	15,688	(133)	310,391	(3,240)
Trust preferred	—	—	15,990	(1,964)	15,990	(1,964)
Corporate	4,900	(51)	—	—	4,900	(51)
US Treasury	—	—	198	(2)	198	(2)
Other	—	—	990	(10)	990	(10)
	$ 383,556	$ (3,897)	$ 458,255	$ (12,761)	$ 841,811	$ (16,658)

The temporary impairment of equity and fixed income securities (mortgage-related securities, U.S. Treasury and GSE securities, trust preferred securities and corporate debt) is primarily attributable to changes in overall market interest rates and/or changes in credit spreads since the investments were acquired. In general, as market interest rates rise and/or credit spreads widen, the fair value of fixed rate securities will decrease, as market interest rates fall and/or credit spreads tighten, the fair value of fixed rate securities will increase. Management considers that the temporary impairment of the Bank's investments in trust preferred securities as of December 31, 2019 is primarily due to a widening of credit spreads since the time these investments were acquired, as well as market uncertainty for this class of investments. As of December 31, 2019, temporarily impaired trust preferred securities consist of direct investments in the trust preferred issuances of two large financial institutions. As of December 31, 2019, the amortized cost and fair value of the Bank's investment in these trust preferred securities was $14.6 million and $13.9 million, respectively. All of the trust preferred securities were rated investment grade by not less than three nationally recognized statistical rating organization's ("NRSROs"). All of the issues are current as to their dividend payments and management is not aware of a decision of any trust preferred issuer to exercise its option to defer dividend payments.

As of December 31, 2019, excluding GSE, US Treasury and TRUPS, discussed above, the temporarily impaired securities totaled $346.1 million with an unrealized loss of $3.6 million. With the exception of $4.0 million which were not rated, the remaining securities were rated investment grade by at least one NRSROs with no ratings below investment grade. All issues were current as to their interest payments. Management considers that the temporary impairment of these investments as of December 31, 2019 is primarily due to an increase in market interest rates since the time these investments were acquired.

During the years ended December 31, 2019 and December 31, 2018, the Bank recorded an OTTI recovery of $2,900 and $8,000, respectively.

For all the Bank's security investments that are temporarily impaired as of December 31, 2019, management does not have the intent to sell these investments, does not believe it will be necessary to do so before anticipated recovery, and believes the Bank has the ability to hold these investments. The Bank expects to collect all amounts due according to the contractual terms of these investments. Therefore, the Bank does not consider these securities to be other-than-temporarily impaired at December 31, 2019. None of these positions or other securities held in the portfolio or sold during the year were purchased with the intent of selling them or would otherwise be classified as trading securities under ASC No. 320, Investments – Debt and Equity Securities.

Events which may cause material declines in the fair value of debt and equity security investments may include, but are not limited to, deterioration of credit metrics, higher incidences of default, worsening liquidity, worsening global or domestic economic conditions or adverse regulatory action. Management does not believe that there are any cases of unrecorded OTTI as of December 31, 2019; however it is reasonably possible that the Bank may recognize OTTI in future periods.

5. FEDERAL HOME LOAN BANK STOCK

As a condition of membership with the Federal Home Loan Bank of New York (FHLBNY), the Bank is required to hold FHLBNY stock in an amount equal to 0.125% of its aggregate mortgage related assets plus 4.5% of its outstanding FHLBNY advances. The Bank's holdings of FHLBNY stock are pledged against outstanding advances.

FHLBNY stock is a non-marketable equity security and is, therefore, reported at cost, which equals par value (the amount at which shares have been redeemed in the past). The investment is periodically evaluated for impairment based on, among other things, the capital adequacy of the FHLBNY and its overall financial condition.

Dividend income on FHLBNY stock amounted to approximately $0.8 million and $1.0 million during the year ended December 31, 2019 and 2018, respectively.

6. LOANS RECEIVABLE, NET

Loans receivable are summarized as follows:

(In thousands)	December 31, 2019	December 31, 2018
Commercial and industrial	$ 474,342	$ 556,537
Multifamily	976,380	916,337
Commercial real estate	421,947	440,704
Construction and land development	62,271	46,178
Total commercial portfolio	1,934,940	1,959,756
Residential real estate lending	1,366,473	1,110,410
Consumer and other	163,077	171,184
Total retail portfolio	1,529,550	1,281,594
	3,464,490	3,241,350
Net deferred loan origination costs (fees)	8,124	6,481
	3,472,614	3,247,831
Allowance for loan losses	(33,847)	(37,195)
	$ 3,438,767	$ 3,210,636

The Bank had $2.3 million and $0.6 million in residential 1-4 family mortgages held for sale at December 31, 2019 and December 31, 2018, respectively. Both were recorded in Other Assets in the Consolidated Statements of Financial Condition.

The following table presents information regarding the quality of the Bank's loans as of December 31, 2019:

(In thousands)	30-89 Days Past Due	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 3,970	$ 781	$ 22	$ 4,773	$14,783	$ 454,786	$ 474,342
Multifamily	—	—	—	—	—	976,380	976,380
Commercial real estate	1,020	3,693	—	4,713	—	417,234	421,947
Construction and land development	2,635	3,652	—	6,287	—	55,984	62,271
Total commercial portfolio	7,625	8,126	22	15,773	14,783	1,904,384	1,934,940
Residential real estate lending	17,817	7,384	424	25,625	390	1,340,458	1,366,473
Consumer and other	1,782	328	—	2,110	—	160,967	163,077
Total retail portfolio	19,599	7,712	424	27,735	390	1,501,425	1,529,550
	$ 27,224	$15,838	$ 446	$ 43,508	$15,173	$3,405,809	$3,464,490

The following table presents information regarding the quality of the Bank's loans as of December 31, 2018:

(In thousands)	30-89 Days Past Due	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 8,658	$ 9,512	$—	$ 18,170	$ 2,641	$ 535,726	$ 556,537
Multifamily	4,930	—	—	4,930	—	911,407	916,337
Commercial real estate	2,085	—	—	2,085	4,112	434,507	440,704
Construction and land development	—	—	—	—	—	46,178	46,178
Total commercial portfolio	15,673	9,512	—	25,185	6,753	1,927,818	1,959,756
Residential real estate lending	7,240	7,145	—	14,385	441	1,095,584	1,110,410
Consumer and other	280	10	—	290	—	170,894	171,184
Total retail portfolio	7,520	7,155	—	14,675	441	1,266,478	1,281,594
	$ 23,193	$16,667	$ —	$ 39,860	$ 7,194	$3,194,296	$3,241,350

In general, a modification or restructuring of a loan constitutes a TDR if the Bank grants a concession to a borrower experiencing financial difficulty. Loans modified in TDRs are placed on non-accrual status until the Bank determines that future collection of principal and interest is reasonably assured, which generally requires that the borrower demonstrate performance according to the restructured terms for a period of at least six months. The Bank's TDRs primarily involve rate reductions, forbearance of arrears or extension of maturity. TDRs are included in total impaired loans as of the respective date.

The following table presents information regarding the Bank's TDRs as of December 31, 2019 and December 31, 2018:

	December 31, 2019			December 31, 2018		
(In thousands)	Accruing	Non-Accrual	Total	Accruing	Non-Accrual	Total
Commercial and industrial	$ 8,984	$14,783	$23,767	$ —	$12,153	$12,153
Commercial real estate	5,114	3,693	8,807	10,923	—	10,923
Construction and land development	—	3,652	3,652	—	—	—
Residential real estate lending	20,269	2,891	23,160	23,534	3,329	26,863
	$34,367	$25,019	$59,386	$34,457	$15,482	$49,939

The financial effects of TDRs granted for the twelve months ended December 31, 2019 are as:

			Weighted Average Interest Rate		
(In thousands)	Number of Loans	Recorded Investment	Pre-Modification	Post-Modification	Charge-off Amount
Commercial and industrial	3	$ 22,131	5.86%	5.86%	$ —
Commercial real estate	1	3,693	8.54%	6.54%	—
Construction and land development	1	3,652	6.50%	8.00%	—
Residential real estate lending	1	221	6.00%	4.50%	—
	6	$ 29,697	6.27%	6.20%	$ —

During the twelve months ended December 31, 2019 there were four residential 1-4 family 1st mortgage TDR loans in the amount of $1.2 million that re-defaulted, out of which none were again modified as a TDR.

The financial effects of TDRs granted for the twelve months ended December 31, 2018 are as follows:

(In thousands)	Number of Loans	Recorded Investment	Weighted Average Interest Rate Pre-Modification	Weighted Average Interest Rate Post-Modification	Charge-off Amount
Commercial and industrial	1	$ 5,273	5.00%	5.00%	$ —
Residential real estate lending	8	1,669	6.22%	4.41%	—
	9	$ 6,942	5.29%	4.86%	$ —

During the twelve months ended December 31, 2018 there were three residential 1-4 family 1st mortgage TDR loans in the amount of $0.4 million that re-defaulted, out of which none were again modified as a TDR.

The following tables summarize the Bank's loan portfolio by credit quality indicator as of December 31, 2019:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 427,279	$ 14,445	$ 32,151	$ 467	$ 474,342
Multifamily	976,380	—	—	—	976,380
Commercial real estate	418,254	—	3,693	—	421,947
Construction and land development	58,619	—	3,652	—	62,271
Residential real estate lending	1,359,089	—	7,384	—	1,366,473
Consumer and other	162,749	—	328	—	163,077
Total loans	$3,402,370	$ 14,445	$ 47,208	$ 467	$3,464,490

The following tables summarize the Bank's loan portfolio by credit quality indicator as of December 31, 2018:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 498,986	$ 22,162	$ 25,877	$ 9,512	$ 556,537
Multifamily	916,337	—	—	—	916,337
Commercial real estate	419,806	—	20,898	—	440,704
Construction and land development	41,408	—	4,770	—	46,178
Residential real estate lending	1,103,265	—	7,145	—	1,110,410
Consumer and other	171,174	—	10	—	171,184
Total loans	$3,150,976	$ 22,162	$ 58,700	$ 9,512	$3,241,350

The above classifications follow regulatory guidelines and can be generally described as follows:

- pass loans are of satisfactory quality
- special mention loans have a potential weakness or risk that may result in the deterioration of future repayment
- substandard loans are inadequately protected by the current net worth and paying capacity of the borrower or of the collateral pledged (these loans have a well-defined weakness and there is a distinct possibility that the Bank will sustain some loss)
- doubtful loans, based on existing circumstances, have weaknesses that make collection or liquidation in full highly questionable and improbable

In addition, residential loans are classified utilizing an inter-agency methodology that incorporates the extent of delinquency. Assigned risk rating grades are continuously updated as new information is obtained.

The following table provides information regarding the methods used to evaluate the Bank's loan portfolio for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of as of December 31, 2019:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 24,870	$ —	$ 8,807	$ 3,652	$ 28,043	$ —	$ 65,372
Collectively evaluated for impairment	449,472	976,380	413,140	58,619	$1,338,430	$163,077	$3,399,118
Total loans	$ 474,342	$ 976,380	$ 421,947	$ 62,271	$1,366,473	$163,077	$3,464,490
Allowance for loan losses:							
Individually evaluated for impairment	$ 6,144	$ —	$ —	$ —	$ 1,325	$ —	$ 7,469
Collectively evaluated for impairment	4,982	5,210	2,492	808	$ 12,824	$ 62	$ 26,378
Total allowance for loan losses	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$ 33,847

The following table provides information regarding the methods used to evaluate the Bank's loan portfolio for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of as of December 31, 2018:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 12,153	$ —	$ 15,035	$ —	$ 31,161	$ —	$ 58,349
Collectively evaluated for impairment	544,384	916,337	425,669	46,178	$1,079,249	$171,184	$3,183,001
Total loans	$ 556,537	$ 916,337	$ 440,704	$ 46,178	$1,110,410	$171,184	$3,241,350
Allowance for loan losses:							
Individually evaluated for impairment	$ 8,067	$ —	$ —	$ —	$ 1,487	$ —	$ 9,554
Collectively evaluated for impairment	7,979	4,736	2,573	1,089	$ 10,500	$ 764	$ 27,641
Total allowance for loan losses	$ 16,046	$ 4,736	$ 2,573	$ 1,089	$ 11,987	$ 764	$ 37,195

The activities in the allowance by portfolio for the year ended December 31, 2019 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 16,046	$ 4,736	$ 2,573	$ 1,089	$ 11,987	$ 764	$ 37,195
Provision for (recovery of) loan losses	2,620	474	(81)	(281)	1,251	(146)	3,837
Charge-offs	(9,236)	—	—	—	(683)	(710)	(10,629)
Recoveries	1,696	—	—	—	1,594	154	3,444
Ending Balance	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$ 33,847

The activities in the allowance by portfolio for the year ended December 31, 2018 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 15,455	$ 5,280	$ 3,377	$ 188	$ 11,265	$ 400	$35,965
Provision for (recovery of) loan losses	570	(544)	(804)	901	(950)	567	(260)
Charge-offs	(33)	—	—	—	(791)	(378)	(1,202)
Recoveries	54	—	—	—	2,463	175	2,692
Ending Balance	$ 16,046	$ 4,736	$ 2,573	$ 1,089	$ 11,987	$ 764	$37,195

The following is additional information regarding the Bank's individually impaired loans and the allowance related to such loans as of December 31, 2019 and 2018:

	December 31, 2019			
(In thousands)	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 4,496	$ 4,397	$ 4,558	$ —
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
	16,955	19,970	17,397	—
Loans with a related allowance:				
Residential real estate lending	23,547	25,206	27,288	1,325
Commercial and industrial	24,870	18,512	29,534	6,144
	48,417	43,718	56,822	7,469
Total individually impaired loans:				
Residential real estate lending	28,043	29,603	31,846	1,325
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
Commercial and industrial	24,870	18,512	29,534	6,144
	$65,372	$63,688	$74,219	$7,469

(In thousands)	December 31, 2018			
	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 4,297	$ 4,203	$ 5,930	$ —
	4,297	4,203	5,930	—
Loans with a related allowance:				
Residential real estate lending	26,864	28,398	30,029	1,487
Commercial real estate	15,035	10,468	15,096	—
Commercial and industrial	12,153	12,361	16,041	8,067
	54,052	51,227	61,166	9,554
Total individually impaired loans:				
Residential real estate lending	31,161	32,601	35,959	1,487
Commercial real estate	15,035	10,468	15,096	—
Commercial and industrial	12,153	12,361	16,041	8,067
	$58,349	$55,430	$67,096	$9,554

As of December 31, 2019 and 2018, mortgage loans with an unpaid principal balance of $1.1 billion and $792.0 million respectively, are pledged to the FHLBNY to secure outstanding advances and letters of credit.

There was one related party loan outstanding as of December 31, 2019 and three outstanding as of December 31, 2018, with total principal balances of $0.6 million and $1.0 million, respectively. As of December 31, 2019, all related party loans were current.

7. PREMISES AND EQUIPMENT

Premises and equipment are summarized as follows:

(In thousands)	December 31, 2019	December 31, 2018
Buildings, premises and improvements	$ 40,325	$ 40,558
Furniture, fixtures and equipment	7,207	10,415
Projects in process	207	251
	47,739	51,224
Accumulated depreciation and amortization	(29,961)	(29,570)
	$17,778	$21,654

Depreciation and amortization expense charged to operations amounted to approximately $4.6 million and $4.2 million for the years ended December 31, 2019 and 2018, respectively.

8. DEPOSITS

Deposits are summarized as follows:

	December 31,			
	2019		2018	
(In thousands)	Amount	Weighted Average Rate	Amount	Weighted Average Rate
Non-interest bearing demand deposit accounts	$ 2,179,247	0.00%	$ 1,565,503	0.00%
NOW accounts	230,919	0.38%	230,859	0.41%
Money market deposit accounts	1,508,674	0.37%	1,548,699	0.30%
Savings accounts	328,587	0.19%	335,254	0.21%
Time deposits	393,555	1.29%	424,991	1.00%
	$4,640,982	0.26%	$4,105,306	0.26%

The scheduled maturities of time deposits as of December 31, 2019 are as follows:

(In thousands)	
2020	$ 371,826
2021	11,490
2022	5,391
2023	1,997
2024	2,851
Thereafter	—
	$393,555

Time deposits of $250,000 or more aggregated to $63.1 million and $65.4 million as of December 31, 2019 and 2018, respectively.

From time to time the Bank will issue time deposits through the Certificate of Deposit Account Registry Service (CDARS) for the purpose of providing FDIC insurance to Bank customers with balances in excess of FDIC insurance limits. CDARS deposits totaled approximately $192.0 million and $176.5 million as of December 31, 2019 and 2018, respectively. The average balance of such deposits was approximately $190.1 million and $133.3 million for the years ended December 31, 2019 and 2018, respectively.

Total deposits include deposits from Workers United and other related entities in the amounts of $86.9 million and $120.9 million as of December 31, 2019 and 2018, respectively.

Included in total deposits are state and municipal deposits totaling $100.4 million and $100.5 million as of December 31, 2019 and 2018, respectively. Such deposits are secured by letters of credit issued by the FHLBNY or by securities pledged with the FHLBNY.

Interest expense on deposits is summarized as follows:

	Year Ended December 31,	
(In thousands)	2019	2018
NOW accounts	$ 998	$ 525
Money market deposit accounts	4,638	3,693
Savings accounts	704	769
Time deposits	8,121	4,586
	$14,461	$9,573

9. BORROWED FUNDS

Borrowed funds are summarized as follows:

	December 31,			
	2019		2018	
(In thousands)	Amount	Weighted Average Rate	Amount	Weighted Average Rate
FHLB advances	$75,000	1.84%	$92,875	2.13%

FHLBNY advances are collateralized by the FHLBNY stock owned by the Bank plus a pledge of other eligible assets comprised of securities and mortgage loans. As of December 31, 2019, the value of the other eligible assets has an estimated market value net of haircut totaling $1.5 billion (comprised of securities of $386.9 million and mortgage loans of $1.1 billion). The pledged securities have been delivered to the FHLBNY. The fair value of assets pledged to the FHLBNY is required to be not less than 110% of the outstanding advances.

The following table summarizes the carrying value of significant categories of borrowed funds as of December 31, 2019, by contractual maturity:

(In thousands)	FHLBNY Advances
2020	75,000

None of the FHLBNY advances are structured to provide the counterparty with the option to require the Bank to prepay the borrowings before maturity. However, the Bank has the option to prepay the borrowings subject to paying a prepayment fee based on market conditions existing at the time of prepayment. During the year ended December 31, 2019 the Bank did not elect to prepay any borrowed funds. Prepayments of $85.0 million and related fees of approximately $8 thousand were incurred during the year ended December 31, 2018.

Interest expense on borrowed funds is summarized as follows:

	Year Ended December 31,	
(In thousands)	2019	2018
FHLBNY advances	$ 4,835	$ 4,646
Fed Funds Purchased	21	—
	$4,856	$4,646

10. REGULATORY CAPITAL

The Bank is subject to various regulatory capital requirements administered by the federal banking agencies. Failure to meet minimum capital requirements can result in certain mandatory and possibly additional discretionary actions by regulators that, if undertaken, could have a direct material effect on the Bank's consolidated financial statements. Under capital adequacy guidelines and the regulatory framework for prompt corrective action, the Bank must meet specific capital requirements that involve quantitative measures of the Bank's assets, liabilities, and certain off-balance sheet items calculated under regulatory accounting practices. The Bank's capital amounts and classifications also are subject to qualitative judgments by the regulators about components, risk weightings, and other factors.

Quantitative measures established by regulation to ensure capital adequacy require the Bank to maintain minimum amounts and ratios (set forth in the following table) of total and Tier 1 capital (as defined in the regulations) to risk weighted assets, and of Tier 1 capital (as defined in the regulations) to average assets. Management believes as of December 31, 2019 and 2018, the Bank met all capital adequacy requirements.

As of December 31, 2019, the most recent notification from the Federal Deposit Insurance Corporation categorized the Bank as "well capitalized" under the regulatory framework for prompt corrective action. To be categorized as "well capitalized," the Bank must maintain minimum total risk-based, Tier 1 risk-based and Tier 1 leverage ratios as set forth in the table below. Since that notification, there are no conditions or events that management believes have changed the institution's category.

The Bank's actual capital amounts and ratios are presented in the following table:

	Actual		For Capital Adequacy Purposes (1)		To Be Considered Well capitalized	
(In thousands)	**Amount**	**Ratio**	**Amount**	**Ratio**	**Amount**	**Ratio**
December 31, 2019						
Total capital to risk weighted assets	$490,831	14.01%	$280,265	8.00%	$350,331	10.00%
Tier I capital to risk weighted assets	455,668	13.01%	210,199	6.00%	280,265	8.00%
Tier I capital to average assets	455,668	8.90%	204,852	4.00%	256,065	5.00%
Common equity tier 1 to risk weighted assets	455,668	13.01%	157,649	4.50%	227,715	6.50%
December 31, 2018						
Total capital to risk weighted assets	$454,078	14.46%	$251,287	8.00%	$314,109	10.00%
Tier I capital to risk weighted assets	415,267	13.22%	188,465	6.00%	251,287	8.00%
Tier I capital to average assets	415,267	8.88%	187,126	4.00%	233,908	5.00%
Common equity tier 1 to risk weighted assets	415,267	13.22%	141,349	4.50%	204,171	6.50%

(1) Amounts are shown exclusive of the applicable capital conservation buffer of 2.50% in 2019 and 1.875% in 2018.

11. INCOME TAXES

The components of the provision (benefit) for income taxes for the years ended December 31, 2019 and 2018 are as follows:

	Year Ended December 31,	
(In thousands)	**2019**	**2018**
Current:		
Federal	$10,656	$ 351
State and local	1,287	655
	11,943	1,006
Deferred:		
Federal	1,880	8,775
State and local	3,149	(4,115)
	5,029	4,660
Total income tax provision	$16,972	$ 5,666

A reconciliation of the expected income tax expense at the statutory federal income tax rate of 21% to the Bank's actual income tax benefit and effective tax rate for the years ended December 31, 2019 and 2018 is as follows:

	Year Ended December 31,			
	2019		2018	
(In thousands)	**Amount**	**%**	**Amount**	**%**
Tax expense at federal income tax rate	$13,476	21.00%	$10,567	21.00%
Increase (decrease) resulting from:				
Tax exempt income	(423)	-0.66%	(351)	-0.70%
Change in DTA rate	(186)	-0.29%	89	0.18%
State tax, net of federal benefit	4,030	6.28%	2,905	5.77%
Stock options windfall	(68)	-0.11%	—	0.00%
Incremental DTA realization / valuation allowance release	—	0.00%	(7,632)	-15.17%
Other	143	0.23%	88	0.17%
Total	$16,972	26.45%	$ 5,666	11.25%

As of December 31, 2019 the Bank had remaining federal, state and local NOL carryforwards of approximately $5.3 million, $102.6 million and $74.1 million, respectively, which are available to offset future federal, state and local income and which expire over varying periods from 2028 through 2037.

During 2018, the Bank determined that it could realize the income tax benefit from incremental deferred tax assets on New York City and New York State net operating losses in the amount of $7.6 million, which had not been previously recognized. Although these incremental deferred tax assets were determined more likely than not to not have been fully recoverable at December 31, 2017, given the increase in taxable income in 2018, the Bank was able to realize these incremental deferred tax assets in the year ended December 31, 2018. This resulted in a benefit to the provision for income taxes in the Consolidated Statement of Income for the same amount.

Deferred income tax assets and liabilities result from temporary differences between the carrying value of assets and liabilities for financial reporting purposes and for income tax return purposes. These assets and liabilities are measured using the enacted tax rates and laws that are currently in effect and are reported net in the accompanying Consolidated Statement of Financial Condition.

The significant components of the net deferred tax assets and liabilities at December 31, 2019 and 2018, are as follows:

(In thousands)	December 31, 2019	2018
Deferred tax assets:		
Excess tax basis over carrying value of assets:		
Allowance for loan losses	$ 11,157	$12,291
Nonaccrual interest income	499	1,101
Postretirement and other employee benefits	464	494
Available for sale securities carried at fair value for financial statement purposes	—	3,742
Depreciation and amortization	1,413	664
Operating leases	17,373	4,227
Federal, state and local net operating loss carryforward	12,756	15,368
Other, net	1,160	1,810
Gross deferred tax asset	44,822	39,697
Deferred tax liabilities:		
Available for sale securities carried at fair value for financial statement purposes	(2,139)	—
Purchase accounting adjustments, net	(904)	(446)
Operating leases	(13,381)	—
Gross deferred tax liabilities	(16,424)	(446)
Deferred tax asset, net	$ 28,398	$39,251

As of December 31, 2019, the Bank's deferred tax assets were valued without an allowance as management concluded that it is more likely than not that the entire amount may be realized. ASC 740, Income Taxes, provides for the recognition of deferred tax assets if realization of such assets is more likely than not. Management reassesses the need for a valuation allowance on an annual basis, or more frequently if warranted. If it is later determined that a valuation allowance is required, it generally will be an expense to the income tax provision in the period such determination is made.

The Bank has no uncertain tax positions. The Bank and its subsidiaries are subject to Federal, New York State, California, Colorado, District of Columbia, Florida, New Jersey and New York City income taxes. A tax position is recognized as a benefit only if it is "more likely than not" that the tax position would be sustained in a tax examination; with a tax examination presumably to occur. The amount recognized is the largest amount of tax benefit that is greater than 50% likely of being realized on examination. For tax positions not meeting the "more likely than not" test, no tax benefit is recorded.

As of December 31, 2019, the Bank is subject to possible examination by federal, state, and local taxing authorities for 2015 and subsequent tax years. Income tax receivable, which is included in other assets, totaled $0.8 million and $3.0 million as of December 31, 2019 and 2018, respectively.

12. EARNINGS PER SHARE

The two-class method is used in the calculation of basic and diluted earnings per share. Under the two-class method, earnings available to common stockholders for the period are allocated between common stockholders and participating securities according to participation rights in undistributed earnings. Our options are not considered participating securities as they do not receive dividend distributions and the Bank has no other participating securities. The assumed conversion of our options was dilutive for the year ended December 31, 2019 after the conversion of SARs to options on July 26, 2018 and therefore was included in the computation of diluted earnings per share for the period July 26, 2018 through December 31, 2019. The factors used in the earnings per share computation follow:

	Year Ended December 31,	
(In thousands, except per share amounts)	**2019**	**2018**
Net income attributable to Amalgamated Bank	$47,202	$44,654
Dividends paid on preferred stock	(22)	(22)
Income attributable to common stock	$47,180	$44,632
Weighted average common shares outstanding, basic	31,733	30,369
Basic earnings per common share	**$ 1.49**	**$ 1.47**
Income attributable to common stock	$47,180	$44,632
Weighted average common shares outstanding, basic	31,733	30,369
Incremental shares from assumed conversion of options and RSUs	472	264
Weighted average common shares outstanding, diluted	32,205	30,633
Diluted earnings per common share	**$ 1.47**	**$ 1.46**

13. EMPLOYEE BENEFIT PLANS

The Bank offers various pension and retirement benefit plans, as well as a long-term incentive plan to eligible employees and directors. Significant benefit plans are described as follows:

Pension Plan

The Bank participates in a multi-employer non-contributory pension plan which covers substantially all full-time employees, both unionized and non-unionized. Employees generally qualify for participation in the plan on the first January 1st or July 1st after attaining age 21 and completing 1,000 Hours of Service in a 12 consecutive month period. The collective bargaining agreement covering the unionized employees was last renewed in July 2015. It was extended in July 2018 and is expected to be renewed in the second quarter of 2020. Under the terms of this plan, participants vest 100% upon completion of five years of service, as defined in the plan document. Plan assets are invested in the Consolidated Retirement Fund (CRF). The Employer Identification Number of the CRF is 13-3177000 and the Plan Number is 001.

As a multi-employer plan, the Administrator of the CRF does not make separate actuarial valuations with respect to each employer, nor are plan assets so segregated. The benefits provided by the CRF are being funded by the Bank and other participating employers through contributions to the Administrator, which are necessary to maintain the CRF on a sound actuarial basis. Contributions are calculated based on a percentage of participants' qualifying base salary, which percentage is determined from time to time by the CRF Board of Trustees.

The Pension Protection Act of 2006 (PPA) ranks the funded status of multi-employer plans depending upon a plan's current and projected funding. A plan is in the Red Zone (Critical Status) if it has a current funded percentage (as defined) of less than 65%. A plan is in the Yellow Zone (Endangered Status) if it has a current funded percentage of less than 80%, or projects a credit balance deficit within seven years. A plan is in the Green Zone if it has a current funded percentage greater than 80% and does not have a projected credit balance deficit within seven years. For the 2019 and 2018 plan years, pursuant to the PPA, the CRF was certified to be in the Green Zone (i.e. neither Critical Status nor Endangered Status).

The following table summarizes certain information regarding contributions made by the Bank to the CRF:

(In thousands)	Contributions	Bank contributions greater than 5% of total contributions received by the CRF?
Year Ended December 31,		
2019	$ 6,254	Yes
2018	6,392	Yes

The amounts of contributions presented in the preceding table represent expense recorded by the Bank during the respective periods.

Retirement Benefit Plans

The Bank offers a post-retirement health and life insurance plan and provides other non-qualifying supplemental retirement plan benefits to certain existing and former directors and employees. The Bank's policy is to fund the cost of health and life benefits in amounts determined in accordance with the plan provisions. The other retirement benefit plans generally contain vesting provisions and service requirements. These plans are unfunded and represent a general obligation of the Bank.

The following table summarizes the plan's benefit obligation, the changes in the plan's benefit obligation, changes in plan assets and the plan's funded status:

(In thousands)	2019	2018
Change in benefit obligation:		
Benefit obligation at beginning of year	$4,469	$5,465
Service cost	—	—
Interest cost	165	163
Amendments	—	—
Actuarial loss (gain)	373	(650)
Benefits paid	(480)	(509)
Benefit obligation at end of year	4,527	4,469
Change in plan assets:		
Employer contributions	480	509
Benefits paid	(480)	(509)
Plan assets at end of year	—	—
Benefit obligation, included in other liabilities	$4,527	$4,469

The following table presents before tax effected amounts recognized in accumulated other comprehensive income (loss) at December 31:

(In thousands)	2019	2018
Net actuarial loss	$3,591	$3,436
Prior service credit	(378)	(406)
Total amount recognized	$3,213	$3,030

The following table summarizes the components of net periodic benefit cost and other amounts recognized in other comprehensive income:

(In thousands)	2019	2018
Components of net periodic benefit cost:		
Service cost	$ —	$ —
Interest cost	165	163
Prior service credit amortization	(29)	(29)
Prior service credit due to curtailments	—	—
Recognized actuarial (gain) loss	219	288
Net periodic benefit	$ 355	$ 422
Components of other amounts:		
Net regular actuarial (gain) loss	$ 373	$(650)
Recognized actuarial gain (loss)	(219)	(288)
Prior service credit amortization	29	29
Prior service credit due to curtailments	—	—
Prior service credit due to amendment	—	—
Total recognized in other comprehensive income	$ 183	$(909)
Total recognized in comprehensive income	$ 538	$(487)

The following table summarizes certain weighted average assumptions used to measure the plans' obligation at the end of the year as well as net periodic benefit expense during the year:

	2019	2018
Weighted average assumptions used to determine benefit obligations:		
Discount rate	2.77%	3.91%
Weighted average assumptions used to determine net periodic benefit cost:		
Discount rate	3.92%	3.16%

The net actuarial loss and prior service credit that is expected to be amortized from accumulated other comprehensive income (loss) and into net periodic (benefit) expense during the year ended December 31, 2020 is $0.3 million.

Future estimated benefit payments are expected to be approximately $0.4 million per annum during the period 2020 through 2029.

401(k) Plans

The Bank also offers 2 retirement savings plans which are qualified under Section 401(k) of the Internal Revenue Code (401(k) Plan). Substantially all employees are eligible to participate, and participants can contribute up to 15% of their salary subject to certain limitations. The Bank does not make contributions to the 401(k) Plan and as such does not incur any direct compensation expense related to the 401(k) Plan.

Stock Appreciation Rights Conversion

On July 26, 2018, the Bank converted each of its outstanding SARs into nonqualified stock option awards ("options") on a one-for-one basis, at the same strike price, on the same terms, and on the same vesting schedule as the original SARs awards, after giving effect to the stock split. Following the conversion of the 2,342,000 SARs outstanding on July 26, 2018, the Bank reserved for issuance, pursuant to the converted options, 2,342,000 shares. The conversion resulted in the Bank transitioning from a liability, cash settled accounting expense that requires a quarterly update (a variable expense) to a more standard equity settled accounting expense (a fixed expense), and accordingly a change in the award classification from a liability to equity. The converted stock options are governed by individual option agreements.

Long Term Incentive Plan

Stock Options:

During the year ended December 31, 2018, the Bank issued SARs shares of 633,420, (after giving effect to the stock split) prior to the conversion of SARs to options, using a baseline share price of $14.65 per share. The SARs were converted to options (as noted above). The options vest evenly over a three-year period and are exercisable at the option of the vested holders until the termination of each tranche after 10 years. The Bank does not currently have an active stock option plan that is available for issuing new options.

A summary of the status of the Bank's options as of December 31, 2019 follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value
Outstanding, December 31, 2018	2,304,720	$ 12.85	7.5 years	
Granted	—	—	—	
Forfeited/ Expired	(9,900)	11.72	—	
Exercised	(243,800)	11.12	—	
Outstanding, December 31, 2019	2,051,020	13.06	6.6 years	$ 13,104
Vested and Exercisable, December 31, 2019	1,501,974	$ 12.60	6.3 years	$ 10,293

The weighted average remaining contractual life of the outstanding options at December 31, 2019 is 6.6 years. The weighted average remaining life of the options exercisable at December 31, 2019 is 6.3 years. The range of exercise prices is $11.00 to $14.65 per share.

The fair value of each option granted in 2018 was estimated on the date of the grant using the Black-Scholes option-pricing model with the following weighted average assumptions: dividend yield of 0.0%, risk-free interest rate of 2.27%, expected life of 6.0 years, and expected volatility of 20%. The volatility percentage was based on the average expected volatility of similar public financial institutions to the Bank. The weighted average fair value of the options granted in 2018 was $3.68 per share.

Total options compensation costs to employees and directors for the years ended December 31, 2019 and 2018 was $1.4 million and $2.2 million in expense respectively, and is recorded within the Consolidated Statements of Income. Of the unvested portion of the options, $0.7 million will be recognized in 2020. The fair value of all awards outstanding as of December 31, 2019 and 2018 was $8.6 million and $9.9 million respectively. Cash payments of $1.6 million and $0.8 million were made in 2019 and 2018, respectively related to the exercise of vested SAR awards at $14.65 and $13.75 per share, respectively, prior to the conversion of the SARs to options.

Restricted Stock Units:

The Amalgamated Bank 2019 Equity Incentive Plan (the "Equity Plan") provides for the grant of stock-based incentive awards to officers, employees and directors of the Bank. The number of shares of common stock of the Bank available for stock-based awards under the Equity Plan is 1,250,000, of which 1,002,845 were available for issuance as of December 31, 2019.

The Board of Directors determines awards under the Equity Plan. The Bank accounts for the Equity Plan under ASC No. 718.

RSUs represent an obligation to deliver shares to an employee or director at a future date if certain vesting conditions are met. RSUs are subject to a time-based vesting schedule, the satisfaction of performance conditions, or the satisfaction of market conditions, and are settled in shares of the Bank's common stock. RSUs do not provide dividend equivalent rights from the date of grant and do not provide voting rights. RSUs accrue dividends based on dividends paid on common shares, but those dividends are paid in cash upon satisfaction of the specified vesting requirements on the underlying RSU.

During the year ended December 31, 2019, in accordance with the Equity Plan for employees, the Bank granted 192,999 RSUs to employees and reserved 227,364 shares for issuance upon vesting based upon the possibility of the Bank's employees achieving the maximum share payout.

A summary of the status of the Bank's employee RSUs as of December 31, 2019 follows:

	Shares	Grant Date Fair Value
Unvested, December 31, 2018	—	$ —
Awarded	192,999	17.81
Forfeited	(3,000)	17.67
Unvested, December 31, 2019	189,999	$17.81

Of the 192,999 RSUs granted to employees, 124,269 RSUs time-vest ratably over three years and were granted at a fair value of $17.67. The Bank granted 35,142 performance-based RSUs at a fair value of $17.67 which vest subject to the achievement of the Bank's corporate goals for the three-year period from January 1, 2019 to December 31, 2021. The corporate goal is based on the Bank achieving a specified target increase in Adjusted Tangible Book Value. The minimum and maximum awards that are achievable are 0 and 52,713 shares, respectively.

The Bank granted 33,588 market-based RSUs at a fair value of $18.49 which vest subject to the Bank's performance on relative total shareholder return compared to a group of peer banks over a three-year period from May 1, 2019 to April 30, 2022. The minimum and maximum awards that are achievable are 0 and 50,382 shares, respectively.

Compensation expense attributable to the employee RSUs was $0.8 million for the year ended December 31, 2019. As of December 31, 2019, there was $2.6 million of total unrecognized compensation cost related to the non-vested RSUs granted to employees. This expense may increase or decrease depending on the expected number of performance-based shares to be issued. This expense is expected to be recognized ratably over 2.2 years.

During the year ended December 31, 2019, in accordance with the Equity Plan for directors, the Bank granted 21,791 RSUs that vest after one year. The Bank recorded expense of $0.2 million for the year ended December 31, 2019. As of December 31, 2019, there was $0.1 million of total unrecognized cost related to the non-vested RSUs granted to directors.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. A description of the disclosure hierarchy and the types of financial instruments recorded at fair value that management believes would generally qualify for each category are as follows:

Level 1—Valuations are based on quoted prices in active markets for identical assets or liabilities. Accordingly, valuation of these assets and liabilities does not entail a significant degree of judgment. Examples include most U.S. Government securities and exchange-traded equity securities.

Level 2—Valuations are based on either quoted prices in markets that are not considered to be active or significant inputs to the methodology that are observable, either directly or indirectly. Financial instruments in this level would generally include mortgage-related securities and other debt issued by GSEs, non-GSE mortgage-related securities, corporate debt, certain redeemable fund investments and certain trust preferred securities.

Level 3—Valuations are based on inputs to the methodology that are unobservable and significant to the fair value measurement. These inputs reflect management's own judgments about the assumptions that market participants would use in pricing the assets and liabilities.

The following summarizes those financial instruments measured at fair value in the consolidated statements of financial condition categorized by the relevant class of investment and level of the fair value hierarchy:

	December 31, 2019			
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 36,385	$ —	$ 36,385
GSE CMOs	—	282,434	—	282,434
GSE commercial certificates	—	253,913	—	253,913
Non-GSE residential certificates	—	59,008	—	59,008
Non-GSE commercial certificates	—	46,874	—	46,874
Other debt:				
U.S. Treasury	199	—	—	199
ABS	—	523,777	—	523,777
Trust preferred	—	13,897	—	13,897
Corporate	—	8,283	—	8,283
Total assets carried at fair value	$ 199	$1,224,571	$ —	$1,224,770

(In thousands)	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 79,771	$ —	$ 79,771
GSE CMOs	—	270,988	—	270,988
Non-GSE residential certificates	—	101,362	—	101,362
GSE commercial certificates	—	233,166	—	233,166
Non-GSE commercial certificates	—	55,060	—	55,060
Other debt:	—			
U.S. Treasury	198	—	—	198
ABS	—	403,996		403,996
Trust preferred	—	15,990	—	15,990
Corporate	—	13,649	—	13,649
Other	—	990	—	990
Total assets carried at fair value	$ 198	$1,174,972	$ —	$1,175,170

During the years ended December 31, 2019 and 2018, there were no transfers of financial instruments between Level 1 and Level 2. There were no financial instruments measured at fair value on a recurring basis and categorized as Level 3 in the Consolidated Statement of Financial Condition during the years ended December 31, 2019 and 2018.

The following tables summarize assets measured at fair value on a non-recurring basis:

(In thousands)	December 31, 2019				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Fair Value Measurements:					
Impaired loans	$57,903	$ —	$ —	$57,903	$ 57,903
Other real estate owned	809	—	—	977	977
	$58,712	$ —	$ —	$58,880	$ 58,880

(In thousands)	December 31, 2018				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Fair Value Measurements:					
Impaired loans	$48,795	$ —	$ —	$48,795	$ 48,795
Other real estate owned	844	—	—	977	977
	$49,639	$ —	$ —	$49,772	$ 49,772

A description of the methods, factors and significant assumptions utilized in estimating the fair values for significant categories of financial instruments follows:

- Securities – Investments in fixed income securities are generally valued based on evaluations provided by an independent pricing service. These evaluations represent an exit price or their opinion as to what a buyer would pay for a security, typically in an institutional round lot position, in a current sale. The pricing service utilizes evaluated pricing techniques that vary by asset class and incorporate available market information and, because many fixed income securities do not trade on a daily basis, applies available information through processes such as benchmark curves, benchmarking of available securities, sector groupings and matrix pricing. Model processes, such as option adjusted spread models, are used to value securities that have prepayment features. In those limited cases where pricing service evaluations are not available for a fixed income security, management will typically value those instruments using observable market inputs in a discounted cash flow analysis. Held to maturity securities are generally categorized as Level 2.

- Loans receivable—Loans are valued using a present value technique that incorporates management's assumptions as to what a market participant would assume given the attributes of the loans. The observable U.S. Treasury yield curve is a significant input to the valuation. Assumptions, including prepayment speeds and credit spreads, are based on observable market data where possible or alternatively are based on terms currently offered on loans to borrowers of similar credit quality. Fair values for loans considered impaired are based on discounted cash flows using the loan's initial effective interest rate or the fair value of the underlying collateral in the case of collateral dependent loans. The methods used to estimate the fair value of loans are extremely sensitive to the assumptions and estimates used. While management has attempted to use assumptions and estimates that best reflect the Bank's loan portfolio and current market conditions, a greater degree of subjectivity is inherent in these values than in those determined in active markets. Loans would generally be categorized as Level 3.

- Deposits – Deposits without a defined maturity date are valued at the amount payable on demand. Certificates of deposit, which are categorized as Level 2, are valued using a present value technique that incorporates current rates offered by the Bank for certificates of comparable remaining maturity.

- Borrowed funds – FHLBNY advances and repurchase agreements are valued using a present value technique that incorporates current rates offered by the FHLBNY for advances of comparable remaining maturity. FHLBNY advances and repurchase agreements are categorized as Level 2.

- FHLBNY stock – FHLBNY stock is a non-marketable equity security categorized as Level 2 and reported at cost, which equals par value (the amount at which shares have been redeemed in the past). No significant observable market data is available for this security.

- Other – The Bank holds or issues other financial instruments for which management considers the carrying value to approximate fair value. Such items include cash and due from banks; interest-bearing deposits in banks, and accrued interest receivable and payable. Many of these items are short term in nature with minimal risk characteristics.

For those financial instruments that are not recorded at fair value in the consolidated statements of financial condition, but are measured at fair value for disclosure purposes, management follows the same fair value measurement principles and guidance as for instruments recorded at fair value.

There are significant limitations in estimating the fair value of financial instruments for which an active market does not exist. Due to the degree of management judgment that is often required, such estimates tend to be subjective, sensitive to changes in assumptions and imprecise. Such estimates are made as of a point in time and are impacted by then-current observable market conditions; also such estimates do not give consideration to transaction costs or tax effects if estimated unrealized gains or losses were to become realized in the future. Because of inherent uncertainties of valuation, the estimated fair value may differ significantly from the value that would have been used had a ready market for the investment existed and the difference could be material. Lastly, consideration is not given to nonfinancial instruments, including various intangible assets, which could represent substantial value. Fair value estimates are not necessarily representative of the Bank's total enterprise value.

The following table summarizes the financial statement basis and estimated fair values for significant categories of financial instruments:

	December 31, 2019				
(In thousands)	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Financial assets:					
Cash and cash equivalents	$ 122,538	$122,538	$ —	$ —	$ 122,538
Available for sale securities	1,224,770	199	1,224,571	—	1,224,770
Held to maturity securities	292,704	—	23,132	269,705	292,837
Loans receivable, net	3,438,767	—	—	3,474,296	3,474,296
FHLBNY stock (1)	7,039	—	7,039		7,039
Accrued interest and dividends receivable	19,088	—	19,088	—	19,088
Other assets (2)	2,328	—	—	2,328	2,328
Financial liabilities:					
Deposits payable on demand	4,247,427	—	4,247,427	—	4,247,427
Time deposits	393,555	—	394,385	—	394,385
Borrowed funds	75,000	—	75,000	—	75,000
Accrued interest payable	1,383	—	1,383	—	1,383

(1) Prices not quoted in active markets but redeemable at par.

(2) Loans held for sale recorded in other assets.

	December 31, 2018				
(In thousands)	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Financial assets:					
Cash and cash equivalents	$ 80,845	$80,845	$ —	$ —	$ 80,845
Available for sale securities	1,175,170	198	1,174,972	—	1,175,170
Held to maturity securities	4,081	—	4,103	—	4,103
Loans receivable, net	3,210,636	—	—	3,143,214	3,143,214
FHLBNY stock (1)	7,186	—	7,186		7,186
Accrued interest and dividends receivable	14,387	—	14,387	—	14,387
Other assets (2)	587	—	—	587	587
Financial liabilities:					
Deposits payable on demand	3,680,314	—	3,680,314	—	3,680,314
Time deposits	424,991	—	424,937	—	424,937
Borrowed funds	92,875	—	92,505	—	92,505
Accrued interest payable	1,032	—	1,032	—	1,032

(1) Prices not quoted in active markets but redeemable at par.

(2) Loans held for sale recorded in other assets.

15. COMMITMENTS, CONTINGENCIES AND OFF BALANCE SHEET RISK

Credit Commitments

The Bank is party to various credit related financial instruments with off balance sheet risk. The Bank, in the normal course of business, issues such financial instruments in order to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Such commitments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the consolidated statements of financial condition.

As of December 31, 2019, the following financial instruments were outstanding whose contract amounts represent credit risk:

(In thousands)	Year Ended December 31, 2019	2018
Commitments to extend credit	$567,117	$271,474
Standby letters of credit	15,169	14,024
Total	$582,286	$285,498

Commitments to extend credit are agreements to lend to a customer as long as there is no violation of any condition established in the contract. These commitments have fixed expiration dates and other termination clauses and generally require the payment of nonrefundable fees. Since a portion of the commitments are expected to expire without being drawn upon, the contractual principal amounts do not necessarily represent future cash requirements. The Bank's maximum exposure to credit risk is represented by the contractual amount of these instruments. These instruments represent ultimate exposure to credit risk only to the extent they are subsequently drawn upon by customers.

Standby letters of credit are conditional lending commitments issued by the Bank to guarantee the financial performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers. The balance sheet carrying value of standby letters of credit approximates any nonrefundable fees received but not yet recorded as income. The Bank considers this carrying value, which is not material, to approximate the estimated fair value of these financial instruments.

The Bank reserves for the credit risk inherent in off balance sheet credit commitments. This reserve, which is included in other liabilities, amounted to approximately $1.3 million and $1.6 million as of December 31, 2019 and 2018, respectively.

Other Commitments and Contingencies

The Bank is required to maintain a certain average level of funds on deposit with the Federal Reserve Bank of New York ("FRBNY") to satisfy contractual clearing requirements. As of December 31, 2019 the Bank was required to maintain deposit reserves with the FRBNY in the amount of $9.1 million. This requirement is permitted to be reduced by the amount of available vault cash. Due to the Board of Governors of the Federal Reserve System's decision to pay interest on required and excess reserves, the Bank has maintained a significant portion of its available cash on deposit with the FRBNY in the form of excess reserves. The entire balance on deposit with the FRBNY amounted to approximately $114.8 million and $69.2 million as of December 31, 2019 and 2018, respectively.

Certain interest-bearing deposits in banks have been pledged by the Bank to secure borrowed funds and for other business purposes. The Bank had no such pledged cash deposits as of December 31, 2019 and 2018.

In the ordinary course of business, there are various legal proceedings pending against the Bank. Based on the opinion of counsel, management believes that the aggregate liabilities, if any, arising from such actions would not have a material adverse effect on the consolidated financial position or results of operations of the Bank.

16. LEASES

The Bank as a lessee has operating leases primarily consisting of real estate arrangements where the Bank operates its headquarters, branches and business production offices. All leases identified as in scope are accounted for as operating leases as of December 31, 2019. These leases are typically long-term leases and generally are not complicated arrangements or structures. Several of the leases contain renewal options at a rate comparable to the fair market value based on comparable analysis to similar properties in the Bank's geographies.

Real estate operating leases are presented as a Right-of-use ("ROU") asset and a related Operating lease liability on the Consolidated Statements of Financial Condition. The ROU asset represents the Bank's right to use the underlying asset for the lease term and the lease liabilities represent the obligation to make lease payments arising from the lease. The ROU asset and related lease liability were recognized at commencement on the adoption date of January 1, 2019 and are primarily based on the present value of lease payments over the lease term. The Bank applied its incremental borrowing rate ("IBR") as the discount rate to the remaining lease payments to derive a present value calculation for initial measurement of the lease liability. The IBR reflects the interest rate the Bank would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments. Lease expense is recognized on a straight-line basis over the lease term.

The following table summarizes our lease cost and other operating lease information:

(In thousands)		Twelve Months Ended December 31, 2019
Operating lease cost	$	10,572
Cash paid for amounts included in the measurement of Operating leases liability	$	10,776
Weighted average remaining lease term on operating leases (in years)		6.5
Weighted average discount rate used for operating leases liability		3.25%
Note: Sublease income and variable income or expense considered immaterial		

Cash paid for rent expense for the year-ended December 31, 2018 was $10.8 million.

The following table presents the remaining commitments for operating lease payments for the next five years and thereafter, as well as a reconciliation to the discounted Operating leases liability recorded in the Consolidated Statements of Financial Condition:

(In thousands)	
Year Ending December 31,	
2020	10,743
2021	10,583
2022	10,233
2023	9,725
2024	9,734
Thereafter	18,661
Total undiscounted operating lease payments	69,679
Less: present value adjustment	7,275
Total Operating leases liability	$62,404

17. GOODWILL AND INTANGIBLE ASSETS

On May 18, 2018, the Bank closed on its acquisition of New Resource Bank ("NRB"), and NRB merged with and into the Bank. The Bank recorded goodwill of $12.9 million and a core deposit intangible of $9.1 million, which are not deductible for tax purposes.

The Bank accounted for the acquisition under the acquisition method of accounting in accordance with FASB ASC 805, "Business Combinations." Accordingly, the assets acquired and liabilities assumed were recorded at their respective acquisition date fair values, and identifiable intangible assets were recorded at fair value and are depicted on the Consolidated Statement of Cash Flows.

Goodwill

The Bank tested goodwill for impairment at the end of the second quarter of 2019. The consolidated bank is considered one reporting unit as Amalgamated Bank, and evaluated goodwill at that reporting unit level. The Bank elected to perform a qualitative assessment to determine if it was more likely than not that the fair value of the reporting unit exceeded its carrying value, including goodwill. The qualitative assessment indicated that it was more likely than not that the fair value of the reporting unit exceeded its carrying value and no further testing was required. The results of this assessment indicated that goodwill was not impaired.

Intangible Assets

The following table reflects the estimated amortization expense, comprised entirely by the Bank's core deposit intangible asset, for the next five years and thereafter:

(In thousands)	
2020	$1,370
2021	1,207
2022	1,047
2023	888
Thereafter	2,216
Total	$6,728

Accumulated amortization of the core deposit intangible was $2.3 million as of December 31, 2019.

18. QUARTERLY FINANCIAL DATA (UNAUDITED)

Selected Consolidated Quarterly Financial Data

Selected Operating Data:	**2019 Quarter Ended**			
(In thousands, except per share data)	**March 31,**	**June 30,**	**September 30,**	**December 31,**
Interest income	$ 45,774	$46,528	$ 46,697	$ 46,955
Interest expense	5,001	4,672	4,940	4,705
Net interest income	40,773	41,856	41,757	42,250
Provision (release) for loan losses	2,186	2,127	(558)	83
Net interest income after provision for loan losses	38,587	39,729	42,315	42,167
Non-interest income	7,417	6,349	7,659	7,776
Non-interest expense	31,448	31,002	31,886	33,490
Income before income taxes	14,556	15,076	18,088	16,453
Provision for income taxes	3,743	3,891	4,893	4,445
Net income	$ 10,813	$11,185	$ 13,195	$ 12,008
Basic earnings per share	$ 0.34	$ 0.35	$ 0.41	$ 0.38
Diluted earnings per share	$ 0.33	$ 0.35	$ 0.41	$ 0.37

Selected Operating Data:	**2018 Quarter Ended**			
(In thousands, except per share data)	**March 31,**	**June 30,**	**September 30,**	**December 31,**
Interest income	$ 36,243	$40,160	$ 43,099	$ 44,462
Interest expense	3,442	3,465	3,057	4,255
Net interest income	32,801	36,695	40,042	40,207
Provision (release) for loan losses	851	(2,766)	791	864
Net interest income after provision for loan losses	31,950	39,461	39,251	39,343
Non-interest income	7,015	6,204	7,547	7,552
Non-interest expense	28,788	30,138	34,053	35,024
Income before income taxes	10,177	15,527	12,745	11,871
Provision for income taxes	2,516	3,935	3,328	(4,113)
Net income	$ 7,661	$11,592	$ 9,417	$ 15,984
Basic earnings per share (1)	$ 0.27	$ 0.39	$ 0.30	$ 0.50
Diluted earnings per share (1)	$ 0.27	$ 0.39	$ 0.29	$ 0.49

(1) effected for stock split that occurred on July 27, 2018

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Amalgamated Bank:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial condition of Amalgamated Bank and subsidiaries (the Company) as of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years then ended, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 13, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations Of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP

We have served as the Company's auditor since 2012.

New York, New York
March 13, 2020

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our Chief Executive Officer (principal executive officer) and Chief Financial Officer (principal financial officer), with the participation of other members of management, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e)) under the Exchange Act, as of the end of the period covered by this report. Based on such evaluations, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective (at the reasonable assurance level) to ensure that the information required to be included in this report has been recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and to ensure that the information required to be included in this report was accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

Remediation

As previously disclosed in Item 9A of our Annual Report on Form 10-K for the year ended December 31, 2018, management identified a material weakness in internal control over financial reporting during the course of the audit of our financial statements for 2018 relating to the completeness and accuracy of our deferred income taxes and concluded that our internal control over financial reporting was not effective as of December 31, 2018. During the course of the year ended December 31, 2019, management believes that the deficiencies that contributed to the material weakness in 2018 were effectively remediated. Our remediation actions included: (i) an evaluation of the abilities of our tax provider (ii) enhancing the control operator's review procedures to substantiate the completeness and accuracy of deferred tax assets, and (iii) enhancing the tax calculation workbook to allow a more precise review of the tax provision.

Changes in Internal Control over Financial Reporting

Other than the remediation described above, there were no changes in our internal control over financial reporting during the quarter ended December 31, 2019 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Internal control over financial reporting is a process to provide reasonable assurance regarding the reliability of our financial reporting for external purposes in accordance with accounting principles generally accepted in the United States. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management, including the Chief Executive Officer and Chief Financial Officer, assessed the effectiveness of our internal control over financial reporting as of December 31, 2019. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO") in Internal Control-Integrated Framework (2013). Based on such assessment our management has concluded that, as of December 31, 2019, our internal control over financial reporting was effective based on those criteria.

As an "emerging growth company" under the JOBS Act, we are exempt from the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. As a result, our independent registered public accounting firm is not required to issue an attestation report with respect to the effectiveness of our internal control over financial reporting as of December 31, 2019; however, KPMG LLP has issued an unqualified attestation report on the effectiveness of our internal control over financial reporting as of December 31, 2019. This report entitled "Report of Independent Registered Public Accounting Firm" appears on the following two pages 129 and 130.

KPMG LLP
345 Park Avenue
New York, NY 10154-0102

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Amalgamated Bank:

Opinion on the Consolidated Financial Statements

We have audited Amalgamated Bank and subsidiaries' (the Company) internal control over financial reporting as of December 31 , 201 9, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in Internal Control – Integrated Framework (2()13) issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCA03), the consolidated statements Of financial condition Of the Company as Of December 31, 2019 and 2018, the related consolidated statements of income, comprehensive income, changes in stockholders' equity, and cash flows for each of the years then ended, and the related notes (collectively, the consolidated financial statements), and our report dated March 13, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management Report on Internal Control over Financial Reporting Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the securities and Exchange Commission the PCAOB

We conducted our audit in accordance with the standards Of the PCAOE. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects, Our audit of internal control over financial reporting included obtaining an understanding Of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the Circumstances. We believe that Our audit provides a reasonable basis for Our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability Of financial reporting and the preparation Of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions Of the assets Of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting princples, and that receipts and expenditures of the

company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because Of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

KPMG LLP

New York, New York
March 13, 2020

Item 9B. Other Information.

None.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

Information required by Item 10 is hereby incorporated by reference from our proxy statement to be filed with the FDIC not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 11. Executive Compensation.

Information required by Item 11 is hereby incorporated by reference from our proxy statement to be filed with the FDIC not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

Information required by Item 12 is hereby incorporated by reference from our proxy statement to be filed with the FDIC not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Information required by Item 13 is hereby incorporated by reference from our proxy statement to be filed with the FDIC not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

Item 14. Principal Accounting Fees and Services.

Information required by Item 14 is hereby incorporated by reference from our proxy statement to be filed with the FDIC not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

PART IV

Item 15. Exhibits, Financial Statement Schedules.

A list of financial statements filed herewith is contained in Part II, Item 8, “Financial Statements and Supplementary Data,” above of this Annual Report on Form 10-K and is incorporated by reference herein. The financial statement schedules have been omitted because they are not required, not applicable or the information has been included in our consolidated financial statements. The exhibits required by this Item are contained in the Exhibit Index on page 135 of this Annual Report on Form 10-K and are incorporated herein by reference.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AMALGAMATED BANK

March 13, 2020

By: /s/ Keith Mestrich
Keith Mestrich
Chief Executive Officer *(Principal Executive Officer)*

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Keith Mestrich, his or her true and lawful attorney-in-fact and agent, with full power of substitution and resubstitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with Federal Deposit Insurance Corporation, granting unto attorney-in-fact and agent full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that attorney-in-fact and agent, or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Donald E. Bouffard, Jr. Donald E. Bouffard, Jr.	Director	March 13, 2020
/s/ Maryann Bruce Maryann Bruce	Director	March 13, 2020
/s/ Patricia Diaz Dennis Patricia Diaz Dennis	Director	March 13, 2020
/s/ Robert C. Dinerstein Robert C. Dinerstein	Director	March 13, 2020
/s/ Mark A. Finser Mark A. Finser	Director	March 13, 2020
/s/ Lynne P. Fox Lynne P. Fox	Director and Chair of the Board	March 13, 2020
/s/ Julie Kelly Julie Kelly	Director	March 13, 2020
/s/ John McDonagh John McDonagh	Director	March 13, 2020
/s/ Keith Mestrich Keith Mestrich	Director, President, & Chief Executive Officer (Principal Executive Officer)	March 13, 2020
/s/ Robert G. Romasco Robert G. Romasco	Director	March 13, 2020
/s/ Edgar Romney, Sr. Edgar Romney, Sr.	Director	March 13, 2020
/s/ Stephen R. Sleigh Stephen R. Sleigh	Director	March 13, 2020
/s/ Andrew LaBenne Andrew LaBenne	Chief Financial Officer (Principal Financial Officer)	March 13, 2020
/s/ Jason Darby Jason Darby	Chief Accounting Officer (Principal Accounting Officer)	March 13, 2020

EXHIBIT INDEX

Exhibit Number	Description
3.1	Amended and Restated Organization Certificate of Amalgamated Bank (incorporated by reference to Exhibit 3.1 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
3.2	By-Laws of Amalgamated Bank (incorporated by reference to Exhibit 3.2 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
4.1	Specimen stock certificate of Amalgamated Bank's Class A common stock (incorporated by reference to Exhibit 4.1 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
4.2	Investor Rights Agreement by and between Amalgamated Bank and the Workers United Related Parties (a form of which is incorporated by reference to Exhibit 4.3 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
4.3	Registration Rights Agreement, dated April 11, 2012, by and among Amalgamated Bank and the Various Stockholders Party Thereto (incorporated by reference to Exhibit 4.4 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
4.4	See Exhibits 3.1 and 3.2 for provisions of the Amended and Restated Organization Certificate and By-Laws of Amalgamated Bank defining rights of the holders of common stock of Amalgamated Bank
4.5	FDIC, upon request, copies of instruments defining the rights of holders of long-term debt of the registrant and its consolidated subsidiaries; currently no issuance of debt of the registrant exceeds 10% of the assets of the registrant and its subsidiaries on a consolidated basis.
4.6	Description of Amalgamated Bank Capital Stock**
10.1	Amended and Restated Employment Agreement, dated July 25, 2017, between Amalgamated Bank and Keith Mestrich (incorporated by reference to Exhibit 10.1 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.2	Amendment to the Amended and Restated Employment Agreement, dated May 16, 2019, between Amalgamated Bank and Keith Mestrich (incorporated by reference to Exhibit 10.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on May 20, 2019)*
10.3	Change in Control Plan, approved by the Board of Directors on July 9, 2018 (incorporated by reference to Exhibit 10.2 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.4	Collective Bargaining Agreement with OPEIU, Local 153, AFL-CIO, July 1, 2015 (incorporated by reference to Exhibit 10.5 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.5	Amendment to the Collective Bargaining Agreement with OPEIU, Local 153, AFL-CIO, July 26, 2018 (incorporated by reference to Exhibit 10.1 to Amalgamated Bank's Amended Quarterly Report on Form 10-Q/A filed with the FDIC on November 13, 2018)*
10.6	Independent Office Agreement with Local 32BJ SEIU (incorporated by reference to Exhibit 10.6 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.7	Side Letter with the various Funds associated with The Yucaipa Companies, LLC (a form of which is incorporated by reference to Exhibit 10.7 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)
10.8	Consolidated Retirement Plan, as amended and restated on January 1, 2015 (incorporated by reference to Exhibit 10.8 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.9	Amalgamated Bank 2017 Long Term Incentive Plan (incorporated by reference to Exhibit 10.9 to Amalgamated Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018)*
10.10	Amalgamated Bank Annual Incentive Plan*, **
10.11	Form of Nonqualified Stock Option Agreement (incorporated by reference to Exhibit 10.10 to Amalgamated Bank's Form 10/A Registration Statement filed with the FDIC on July 30, 2018)*
10.12	Amalgamated Bank 2019 Equity Incentive Plan (incorporated by reference to Exhibit 99.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on May 2, 2019)*
10.13	Form of Award Agreement for Restricted Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on May 24, 2019)*

10.14	Form of Award Agreement for Performance Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive Plan (incorporated by reference to Exhibit 10.2 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on May 24, 2019)*
10.15	Form of Revised Award Agreement for Performance Stock Units to be made under the Amalgamated Bank 2019 Equity Incentive Plan*,**
16.1	Letter of KPMG LLP dated December 17, 2019 to the FDIC regarding statements included in the Current Report on Form 8-K filed with the FDIC December 17, 2019 (incorporated by reference to Exhibit 16.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC December 17, 2019)
21.1	Subsidiaries of Amalgamated Bank**
24.1	Power of Attorney (included on signature page)**
31.1	Rule 13a-14(a) Certification of the Chief Executive Officer**
31.2	Rule 13a-14(a) Certification of the Chief Financial Officer**
32.1	Section 1350 Certifications**

* Management contract or compensatory plan or arrangement.
** Filed herewith.

Exhibit 4.6

Amalgamated Bank
DESCRIPTION OF AMALGAMATED BANK CAPITAL STOCK

References to "we," "us," "our," "Amalgamated," and the "Bank" herein refer to Amalgamated Bank. General references to our "common stock" refer to our Class A common stock, par value $0.01 per share.

The following descriptions include summaries of the material terms of our capital stock. Because it is a summary, it may not contain all the information that is important to you. For a complete description, you should refer to applicable law and the more detailed provisions of our organization certificate, as amended (our "organization certificate"), and the second amended and restated bylaws (our "bylaws"), each of which has been filed with the FDIC and are incorporated by reference herein.

Please note that, with respect to any of our shares held in book-entry form through The Depository Trust Company or any other share depositary, the depositary or its nominee will be the sole registered and legal owner of those shares, and references in this prospectus to any "stockholder" or "holder" of those shares means only the depositary or its nominee. Persons who hold beneficial interests in our shares through a depositary will not be registered or legal owners of those shares and will not be recognized as such for any purpose. For example, only the depositary or its nominee will be entitled to vote the shares held through it, and any dividends or other distributions to be paid, and any notices to be given, in respect of those shares will be paid or given only to the depositary or its nominee. Owners of beneficial interests in those shares will have to look solely to the depositary with respect to any benefits of share ownership, and any rights they may have with respect to those shares will be governed by the rules of the depositary, which are subject to change from time to time. We have no responsibility for those rules or their application to any interests held through the depositary.

General

Our authorized capital stock consists of 70,000,000 shares of Class A common stock, par value $0.01 per share, 100,000 shares of Class B common stock, par value $0.01 per share, and 1,000,000 shares of preferred stock, par value $0.01 per share. As of December 31, 2019, there were 31,523,441 shares of our Class A common stock issued and outstanding which were held by approximately 129 record holders. No shares of either our Class B common stock or preferred stock are currently outstanding.

Common Stock

Dividends. Subject to the rights and preferences of the holders of any outstanding shares of preferred stock, dividends may be declared and paid on our common stock (both Class A and Class B) from any lawfully available funds. However, dividends may only be declared by our board of directors and the board's ability to declare dividends is subject to limitations under applicable law and regulation. For more information, see disclosures set forth in our Annual Report on Form 10-K, Part II, Item 5, under the caption "*Dividend Policy*," of which this exhibit is a part.

Liquidation or Dissolution. In the event of our liquidation, dissolution, or winding-up, holders of our common stock (both Class A and Class B) are entitled to share equally and ratably in our assets, if any, remaining after the payment of all debts and liabilities (including our deposit liabilities) and the liquidation preference of any outstanding preferred stock.

Voting Powers. Holders of our Class A common stock are entitled to one vote per share on all matters on which the holders of Class A common stock are entitled to vote. Any holders of our Class B common stock would have no voting powers, either general or special, except as otherwise provided by law. Under our bylaws, the holders of a majority of shares issued, outstanding, and entitled to vote, present in person or by proxy, will constitute a quorum to transact business, including the election of directors, except where the vote of a higher percentage of the shares issued, outstanding and entitled to vote is required by our organization certificate or our bylaws, in which case such higher percentage will be necessary to constitute a quorum with respect to the relevant matter. Once a quorum is present, except as otherwise provided by law, our organization certificate, our bylaws or in respect of a contested election of directors, all matters to be voted on by our stockholders must be approved by a majority of shares constituting a quorum. In the case of a contested election of directors, where a quorum is present a plurality of the votes cast will be sufficient to elect each director. No holders of our common stock (neither Class A nor Class B) are entitled to cumulative voting.

Preemptive or Other Rights. Generally, our common stockholders have no preemptive rights or other right to purchase, subscribe for or take any part of any shares of capital stock in the Bank of any class or series whatsoever. The outstanding shares of common stock are fully paid and nonassessable, except as provided by Section 114 of New York banking law. The rights, preferences, and privileges of common stockholders are subject to those of any classes or series of preferred stock that we may issue in the future.

Preferred Stock

We currently have no outstanding shares of preferred stock. We are authorized to issue "blank check" preferred stock, which may be issued in one or more series upon authorization of our board of directors. Our board of directors is authorized to fix the designation of the series, the number of authorized shares of any series, the relative rights, preferences and limitations applicable to each series of preferred stock. The authorized shares of our preferred stock are available for issuance without further action by our stockholders, unless such action is required by applicable law or the rules of any stock exchange on which our securities may be listed.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC.

Transfer Restrictions

The shares of common stock currently outstanding were offered and sold pursuant to an exemption from registration under the Securities Act of 1933, as amended, and other exemptions provided by the laws of the United States and other jurisdictions where such securities were offered and sold. Shares of our common stock may only be transferred or sold in compliance with all applicable state, federal and foreign securities laws.

Ownership Limitations

Federal and state banking laws prevent any holder of our capital stock from acquiring "control" of us, as defined under applicable statutes and regulations, without obtaining the prior approval of the Federal Reserve System, the FDIC or the New York State Department of Financial Services, as applicable.

Listing and Trading

Our common stock is listed on The Nasdaq Global Market under the symbol "AMAL."

Anti-takeover Effects

The provisions of our organization certificate and bylaws and the New York banking law summarized in the following paragraphs may have anti-takeover effects and may delay, defer, or prevent a tender offer or takeover attempt that a stockholder might consider to be in such stockholder's best interest, including those attempts that might result in a premium over the market price for the shares held by stockholders, and may make removal of management more difficult.

Authorized but Unissued Stock. Upon the affirmative vote or written consent of at least a majority of our entire board of directors, the authorized but unissued shares of Class A common stock, Class B common stock and "blank check" preferred stock will be available for future issuance without stockholder approval. These additional shares may be used for a variety of corporate purposes, including future public offerings to raise additional capital, corporate acquisitions, and employee benefit plans. The existence of authorized but unissued and unreserved shares of Class A common stock, Class B common stock and preferred stock may enable the board of directors to issue shares to persons friendly to current management, which could render more difficult or discourage any attempt to obtain control of the bank by means of a proxy contest, tender offer, merger or otherwise, and thereby protect the continuity of the bank's management.

Number, Term, and Removal of Directors. Our bylaws provide that the number of directors shall be fixed from time to time by resolution of at least a majority of the directors then in office, but may not consist of fewer than seven nor more than 21 members. We currently have 12 members of our board of directors. In an uncontested election, our directors are elected to one-year terms by a majority of the votes, cast at a meeting of stockholders at which a quorum is present by the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. Otherwise, in a contested election, our directors are elected to one-year terms by a plurality vote. Any one or more of our directors may be removed from the board for cause by a majority vote of the stockholders or the board of directors. Our bylaws provide that all vacancies on the board of directors not exceeding one-third of the entire board may be filled by a majority of the remaining directors for the unexpired term. All vacancies exceeding one-third of the entire board will be filled by the vote of a majority of stockholders entitled to vote thereon.

Ability to Call a Special Meeting. Our bylaws provide that a special meeting of the stockholders will be called when requested by at least two-thirds of all outstanding shares entitled to vote at the meeting requested to be called; provided, however, that a stockholder of record must first submit a request in writing to the President that the board fix a record date for the purpose of determining the stockholders entitled to demand that the President call such special meeting. If the board fails to adopt a resolution fixing a record date within 10 days of a proper request, the record date shall be deemed to be 20 days from the President's receipt of the request. A special meeting of the stockholders shall not be called unless stockholders of record as of the record date who hold, in the aggregate, not less than two-thirds of the outstanding shares of the Bank entitled to vote at the meeting requested to be called, promptly provide one or more demands to call such special meeting in writing and in proper form to the President at the principal executive offices of the Bank within 60 days of the record date.

Stockholder Proposals. Our bylaws require that a stockholder who wishes to nominate a director or propose business to be considered by the stockholders at the annual stockholders meeting shall provide proper notice of the nomination or business to be considered to the President not earlier than the close of business on the 120th day and not later than the close of business on the 90th day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than 30 days before or more than 60 days after such anniversary date, notice by the stockholder must be delivered not earlier than the close of business on the 120th day prior to the date of such annual meeting and not later than the close of business on the later of the 90th day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than 100 days prior to the date of such annual meeting, then the 10th day following the day on which public announcement of the date of such meeting is first made by the Bank. Additionally, a stockholder may nominate a director at a special meeting of the stockholders called for the purpose of electing directors by providing proper notice of such nomination to the President not earlier than the close of business on the 120th day prior to the date of such special meeting and not later than the close of business on the later of the 90th day prior to the date of such special meeting or, if the first public announcement of the date of such special meeting is less than 100 days prior to the date of such special meeting, then the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the board to be elected at such meeting.

Indemnification of Directors, Officers, and Employees

Our bylaws state that we shall, to the fullest extent permitted by applicable law, indemnify each person made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person or such person's testator or intestate is or was a director, officer or employee of us, or serves or served at our request any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, incurred in connection with such action or proceeding or any appeal therein. We also may advance expenses to any person entitled to indemnification in advance of the final disposition thereof if such person undertakes to (i) repay such amount in full if such person is ultimately found not to be entitled to indemnification and (ii) repay such amount in part to the extent that the expenses so advanced exceeded the amount to which such person was entitled to be indemnified.

In addition to the indemnification required in our bylaws, we may from time to time enter into indemnification agreements with member of our board of directors. These agreements provide for the indemnification of our directors for certain expenses and liabilities incurred in connection with any action, suit, proceeding, to which they are a party, or are threatened to be made a party, by reason of the fact that they are or were, or serving at the Bank's request, as a director, officer, partner, trustee, employee or agent of another foreign or domestic corporation, partnership, joint venture, trust, employee benefit plan or other enterprise. We believe that these charter and bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

Limitation of Liability for Directors

Other than the right to indemnification described immediately above, our organization certificate and bylaws do not limit the liability of its directors.

Stockholder Vote on Fundamental Issues

Under New York banking law, a plan of merger by a bank must generally be approved by the affirmative vote of the holders of at least two-thirds of the votes entitled to be cast on the plan regardless of the class or voting group to which the shares belong, and two-thirds of the votes entitled to be cast on the plan within each voting group entitled to vote as a separate voting group on the plan. However, in accordance with New York banking law, a New York bank's stockholders are only entitled to vote on a plan of merger if (i) the total assets of the merging corporation exceed 10% of the total assets of the receiving corporation; (ii) the name or the authorized shares of the receiving corporation changes; or (iii) any other change or amendment to our organization certificate or bylaws of the receiving corporation is made that requires stockholder approval. A corporation's articles of incorporation may require a lower or higher vote for approval, but the required vote must be at least a majority of the votes entitled to be cast on the plan by each voting group entitled to vote separately on the plan. Our organization certificate and bylaws do not alter the default rules of New York law.

Exhibit 10.10

Amalgamated Bank
Annual Incentive Plan

SECTION 1: Establishment & Purpose.

1.1 Establishment of Plan. The Bank, upon approval by the Committee, hereby establishes this Amalgamated Bank Annual Incentive Plan effective January 1, 2019 ("***Effective Date***").

1.2 Purpose of Plan. The purpose of this Plan is to accomplish the following objectives:

- to align Participants with the Bank's strategic plan and critical performance goals,
- to motivate and reward the achievement of performance goals,
- to provide competitive total compensation opportunities,
- to enable the Bank to attract, motivate and retain top talent,
- to increase engagement and commitment to the Bank, and
- to ensure incentives are appropriately risk-balanced

Annual Bonuses under this Plan are payable in cash or other property, but not the equity securities of the Bank or its Subsidiaries.

1.3 Compliance with Applicable Laws. The Plan is subject to any applicable provisions of the New York Banking Law or the regulations of the New York State Banking Board, and any other applicable law or regulation.

SECTION 2: Definitions.

The following capitalized words when used in this Plan have the following meanings unless a different meaning plainly is required by the context:

2.1 *"Act"* means the Securities Exchange Act of 1934, as amended.

2.2 "***Annual Bonus***" means an incentive payment, in cash unless otherwise determined by the Committee, due to a Participant upon the achievement of certain Performance Measures as provided in this Plan.

2.3 *"Bank"* means Amalgamated Bank, a New York state-chartered bank and trust company, and its successors and assigns.

2.4 "***Base Salary***" means a Participant's annualized base salary as of the last day of the applicable Performance Period or, if earlier, the date of promotion, role change, or termination of employment if the Annual Bonus is being prorated due to a promotion or role change, or a payment is made on account of death, Disability or Retirement.

2.5 *"Board"* means the Board of Directors of the Bank.

2.6 *"Code"* means the Internal Revenue Code of 1986, as amended, and all regulations and formal guidance issued thereunder, as amended from time to time, or any successor legislation thereto.

2.7 "***Committee***" means the Compensation Committee of the Board, or such other committee as shall be appointed by the Board as provided in Section 3.1 to administer the Plan. The full Board may choose to retain authority to act as the "Committee" with respect to certain awards made under the Plan or with respect to certain powers, in which case references herein to the Committee shall be deemed to refer to the full Board.

2.8 *"Continuous Service"* means the absence of any interruption or termination of service as an Employee or Contractor. Continuous Service shall not be considered interrupted in the case of: (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Committee, provided that in each case such leave is for a period of not more than 90 days, unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Bank policy adopted from time to time; or (iv) in the case of transfers between locations of the Bank or between the Bank, its Affiliates, or their respective successors. Changes in status between service as an Employee and a Contractor will not constitute an interruption of Continuous Service.

2.9 *"Contractor"* means an individual or entity providing services to the Bank **(**not as an Employee) as described in Treas. Reg. §1.409A-1(f)(1) and which for any taxable year accounts for gross income from the performance of services under the cash receipts and disbursements method of accounting.

2.10 "***Director***" means a member of the Board.

2.11 "***Disability***" or "***Disabled"***, except as otherwise approved by the Committee, shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, means a condition under which a Participant (i) is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months; or (ii) is, by reason of any medically determinable physical or mental impairment which can be expected to result in death or can be expected to last for a continuous period of not less than 12 months, receiving income replacement benefits for a period of not less than three months under an accident or health plan covering employees of the Bank or its Subsidiaries. Disability will be determined by the Committee on the basis of such medical evidence as the Committee deems warranted under the circumstances.

2.12 "***Employee***" means any person employed by the Bank or any of its Subsidiaries.

2.13 "*Maximum Annual Bonus*" means a dollar amount or a percentage of Base Salary, as determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the maximum level of the Performance Measures is achieved.

2.14 "***Non-Employee Director***" means a Director who both (i) is not a current Employee or Officer and does not receive compensation (either directly or indirectly) from the Bank or one of its Subsidiaries for services rendered as a consultant or in any capacity other than as a Director, and (ii) is otherwise considered a "non-employee director" for purposes of Rule 16b-3.

2.15 "***Officer***" means a person who is an officer of the Bank within the meaning of Section 16 of the Exchange Act.

2.16 "*Participant*" means any Employee who is determined by the Bank to be expected to work at least twenty hours per week for the Bank and its Subsidiaries, (ii) not covered by a collective bargaining agreement to which the Bank or any Subsidiary is a party and (iii) not participating in a sales commission plan established or maintained by the Bank or any Subsidiary.

2.17 "*Performance Measures*" means the performance goals selected for each Participant or class of Participants with respect to each Performance Period, the achievement of which shall determine the amount of the Participant's Annual Bonus for the Performance Period. The Performance Measures may include any earnings (e.g., earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; and earnings per share; each as may be defined by the Committee); financial return ratios (e.g., return on investment; return on invested capital; return on equity; and return on assets; each as may be defined by the Committee); "Texas ratio"; expense ratio; efficiency ratio; increase in revenue, operating or net cash flows; cash flow return on investment; total shareholder return; market share; net operating income, operating income or net income; debt load reduction; loan and lease losses; expense management; economic value added; stock price; book value; overhead; assets; asset quality level; charge offs; loan loss reserves; loans; deposits; nonperforming assets; growth of loans, deposits, or assets; interest sensitivity gap levels; regulatory compliance; improvement of financial rating; achievement of balance sheet or income statement objectives; improvements in capital structure; profitability; profit margins; budget comparisons or strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures; or any other objective approved by the Committee, in its sole discretion. The Performance Measures may be determined on a Bank-wide basis, with respect to one or more business units, divisions, Subsidiaries, or business segments, and in either absolute terms or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. The Committee will appropriately make adjustments in the method of calculating the attainment of Performance Measures for a Performance Period as follows: (i) to exclude restructuring and/or other nonrecurring charges; (ii) to exclude exchange rate effects; (iii) to exclude the effects of changes to generally-accepted accounting principles; (iv) to exclude the effects of any statutory adjustments to corporate tax rates; (v) to exclude the effects of any "extraordinary items" as determined under generally-accepted accounting principles; (vi) to exclude the dilutive effects of acquisitions or joint ventures; (vii) to assume that any business divested by the Bank-achieved performance objectives at targeted levels during the balance of a Performance Period following such divestiture; (viii) to exclude the effects of stock-based compensation and the award of bonuses under the Bank's bonus plans; (ix) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally-accepted accounting principles; (x) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally-accepted accounting principles; and (xi) to exclude the effect of any other unusual, non-recurring gain or loss or other extraordinary item. In addition, the Committee retains the discretion to increase, reduce or eliminate the compensation or economic benefit due upon attainment of Performance Measures and to define the manner of calculating the Performance Measures it selects to use for such Performance Period.

2.18 "*Performance Period*" means each consecutive twelve (12)-month period commencing on the first day of each fiscal year of the Bank during the term of this Plan, or a portion of such twelve-month period with respect to an Employee who becomes a Participant during such period, or such other period as determined by the Committee. As of the Effective Date, the Bank's fiscal year is the calendar year.

2.19 "*Plan*" means this Amalgamated Bank Annual Incentive Plan.

2.20 "***Retirement***" means the Participant's termination of employment with the Bank and its Subsidiaries while in good standing at or after age 65 with at least five years of Continuous Service.

2.21 "***Rule 16b-3***" means Rule 16b-3 promulgated under the Act or any successor to Rule 16b-3, as in effect from time to time.

2.22 "*Subsidiary*" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

2.23 "*Target Annual Bonus*" means a dollar amount or a percentage of Base Salary determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the target level of the Performance Measures is achieved.

2.24 "*Threshold Annual Bonus*" means a dollar amount or a percentage of Base Salary, as determined by the Committee (or its delegate) for each Performance Period, which represents the payment that the Participant will earn if the threshold level of the Performance Measures is achieved.

SECTION 3: Administration.

3.1 Administration by Committee. The Plan shall be administered by the Committee. Except to the extent that the full Board is serving as the Committee hereunder, the Committee shall be composed solely of three or more Non-Employee Directors in accordance with Rule 16b-3 and shall act only by a majority of its members then in office (*provided* that with respect to any Annual Bonus of a Committee member, such member shall recuse himself or herself from any such vote).

3.2 Powers of Committee. The Plan shall be administered by the Committee. The Committee shall have full power and authority, subject to all applicable provisions of this Plan and applicable law, to:

(a) establish, amend, suspend or waive such rules and regulations and appoint such agents as it deems necessary or advisable for the proper administration of this Plan,
(b) construe, interpret and administer this Plan and any instrument or agreement relating to this Plan, including correcting any defect, supplying any omission or reconciling any inconsistency in the manner and to the extent it shall deem desirable to carry this Plan into effect,
(c) waive, prospectively or retroactively, any conditions that apply to any Annual Bonus,
(d) increase or decrease the amount of any Annual Bonus, and
(e) generally, exercise such powers and perform such acts as the Committee deems necessary or expedient to promote the best interests of the Bank and that are not in conflict with the provisions of the Plan.

3.3 Delegation to an Officer. The Committee may delegate its powers and duties under this Plan, including but not limited to designating the Performance Measures and other terms of Annual Bonuses, and/or approving achievement of the applicable Performance Measures, to one or more Officers or a committee of such Officers, subject to such terms, conditions and limitations as the Committee may establish in its sole discretion; *provided, however*, that no such Officer shall have powers with respect to his or her own Annual Bonus.

3.4 Effect of Committee's Decision. All determinations, interpretations and constructions made by the Committee will not be subject to review by any person and will be final, binding and conclusive on all persons.

SECTION 4: Participation.

Any Employee who, as of the first day of a Performance Period, satisfies the eligibility requirements to become a Participant shall participate in this Plan for that Performance period. A person who is hired by the Bank or any Subsidiary, or promoted to a position in which he is eligible to be a Participant, during a Performance Period shall participate in this Plan, but any Annual Bonus for such Performance Period will be pro-rated.

SECTION 5: Performance Measures.

5.1 Designation of Bonus Levels, Bank Performance Measures and Weightings. Prior to the start of or during each Performance Period, the Committee shall:

(a) establish a Threshold Annual Bonus, Target Annual Bonus and Maximum Annual Bonus for each Participant or class of Participants (e.g., based on job title);

(b) designate the corporate Performance Measures that will apply to such Performance Period; and

(c) determine the weightings between individual and corporate Performance Measures for each Participant or class of Participants.

5.2 Designation of Individual Performance Measures. The individual Performance Measures for each Participant other than the Bank's Chief Executive Officer and his/her direct reports shall be determined by the Chief Executive Officer's direct report that is above such Participant in the Bank's organizational structure. The Committee will have the sole authority to establish the individual Performance Measures for the Bank's Chief Executive Officer and his/her direct reports.

5.3 Approval of Achievement of Performance Measures. Following the close of each Performance Period and prior to payment of any amount to any Participant under this Plan, the Committee (or its delegate) must approve which of the applicable Bank Performance Measures for that Performance Period have been achieved and, in the case of the Bank's Chief Executive Officer and his/her direct reports, the attainment of individual Performance Measures and the corresponding Annual Bonus amounts. Division managers will approve the attainment of individual Performance Measures and the corresponding Annual Bonus amounts for all Participants other than the Bank's Chief Executive Officer and his/her direct reports. Such approval shall be made in time to permit payments to be made as set forth in Section 6.

5.4 Individual Pool. The Committee may provide that, regardless of achievement of Bank Performance Measures for a Performance Period, a bonus pool shall be created that may be used, as determined by the Committee in its sole discretion, to reward certain high-performers. In no event shall such pool exceed the total dollar amount that would be due based solely upon target level achievement of Individual Performance Measures.

SECTION 6: Benefit Payments & Conditions.

6.1 Time and Form of Payments. All payments of Annual Bonuses pursuant to this Plan shall be made not later than the fifteenth (15th) day of the third (3rd) month following the end of the Performance Period. All payments shall be made in cash, unless otherwise approved by the Committee.

6.2 Continued Employment. Except as otherwise approved by the Committee or specifically set forth in a written employment agreement between the Employee and the Bank or one of its Subsidiaries in effect on the date of such payment, no Annual Bonus payment under this Plan with respect to a Performance Period shall be paid or owed to a Participant who, on the date payment is made, is not employed in good standing with the Bank or one of its Subsidiaries or has delivered notice of resignation to the Bank or one of its Subsidiaries; *provided*, *however*, the following special provisions apply in cases of death, Disability or Retirement:

(a) Death or Disability—In the event that the Participant dies or becomes permanently Disabled, the Participant shall continue to be entitled to a pro-rated Annual Bonus based on his or her period of employment during the Performance Period, and assuming achievement of individual Performance Measures at target if the death or Disability occurs prior to the end of the Performance Period (or if such death or Disability occurs after the close of the Performance Period, based on actual performance), or

(b) Retirement—In the event the Participant Retires after the close of the Performance Period but prior to payment of the Annual Bonus, the Participant shall be entitled to the full Annual Bonus amount based on actual performance. If the Participant Retires prior to the last day of the Performance Period, the Committee may, but is not obligated to, approve payment of a prorated Annual Bonus to the Participant based on his or her period of employment during the Performance Period and actual performance.

Notwithstanding the foregoing, if the Committee determines (at any time) that the Participant willfully engaged, during the Performance Period in which his or her termination of employment, death or Retirement occurred, in any activity injurious to the Bank, the Committee may choose to forfeit the entire Annual Bonus otherwise due with respect to such Performance Period or may demand that the Participant repay the Bank any portion of the Annual Bonus already received. In all events of termination of employment, payment (if any) of the Annual Bonus shall be made at the normal time that Annual Bonuses are paid for a Performance Period.

6.3 Regulatory Action. Annual Bonuses will not be earned or paid, regardless of achievement of Performance Measures, (i) to the extent that any regulatory agency issues a formal, written enforcement action, memorandum of understanding or other directive action that, or a regulation, prohibits or limits the eligibility of the Participant for or pay out of the Annual Bonus to the Participant under the Plan, or (ii) if, after a review of the Bank's or its Subsidiaries' credit quality measures, the Committee considers it imprudent to provide or pay out the Annual Bonus under the Plan.

6.4 Ethical Obligations. The Bank and its Subsidiaries are committed to doing business in an honest and ethical manner and to complying with all applicable laws and regulations. Participant actions are expected to comply with the policies established by the Bank and its Subsidiaries, including their Codes of Ethics and Insider Trading Policies. Any Annual Bonus otherwise due to a Participant under the Plan may be reduced or eliminated upon a determination by the Committee or any governmental body or official designated by applicable law that the Participant has violated any such laws, regulations, codes or policies.

6.5 Clawback. A Participant who is an Officer must repay any compensation previously paid or otherwise made available to the Participant under this Plan (i) to the extent required by the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, (ii) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (iii) to the extent that the Committee determines that the Participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the Participant has willfully engaged in any activity injurious to the Bank, and/or (iv) in instances of regulatory or capital issues and bad risk behavior (i.e., significant negative individual actions such as violations of risk policies). The Participant acknowledges the rights of the Bank and its Subsidiaries to make deductions from the Participant's compensation and to engage in any legal or equitable action or proceeding in order to enforce the provisions of this Section.

6.6 Other Restrictions. The Committee may impose other restrictions on any Annual Bonus, or any cash or property paid in connection with an Annual Bonus, as the Committee deems advisable.

SECTION 7: Amendment and Termination.

The Committee may amend, alter, suspend, discontinue or terminate this Plan at any time, except that no such amendment, alteration, suspension, discontinuation or termination shall be made that would violate applicable law or the rules or regulations of the NASDAQ Stock Market or any other securities rules and regulations that are applicable to the Bank. No right to receive an Annual Bonus shall accrue after the termination of this Plan. However, unless otherwise expressly provided by the Committee, any right to receive an Annual Bonus for the Performance Period in which such termination takes effect may extend beyond the termination of this Plan, and the authority of the Committee and its delegates to amend or otherwise administer this Plan shall extend beyond the termination of this Plan.

SECTION 8: General Provisions.

8.1 Tax Withholding. The Bank or its Subsidiaries shall be entitled to withhold and deduct from future wages of a Participant (or from other amounts that may be due and owing to a Participant from the Bank or a Subsidiary), or make other arrangements for the collection of, all legally required amounts necessary to satisfy any and all federal, state, local and foreign withholding and employment-related tax requirements attributable to an Annual Bonus. The Bank may establish such rules and procedures concerning timing of any withholding election as it deems appropriate. Notwithstanding any action taken or not taken by the Bank or its Subsidiaries, the Participant shall remain solely liable for all taxes due with respect to his or her Annual Bonus.

8.2 Nontransferability. Except as otherwise determined by the Committee, no right to any Annual Bonus under this Plan, whether payable in cash or property, shall be transferable by a Participant other than by will or by the laws of descent and distribution; *provided, however*, that if so determined by the Committee, a Participant may, in the manner established by the Committee, designate a beneficiary or beneficiaries to exercise the rights of the Participant and receive any Annual Bonus upon the death of the Participant. No right to any Annual Bonus under this Plan may be pledged, attached or otherwise encumbered, and any purported pledge, attachment or encumbrance thereof shall be void and unenforceable against the Bank.

8.3 Electronic Delivery. Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, or posted on the Bank's intranet (or other shared electronic medium controlled by the Bank to which the Participant has access).

8.4 Deferrals. To the extent permitted by applicable law, the Committee, in its sole discretion, (i) may determine that any cash or in-kind payment of any Annual Bonus may be deferred, (ii) may establish programs and procedures for deferral elections to be made

by Participants and (iii) may implement such other terms and conditions that are consistent with the provisions of the Plan and in accordance with applicable law. Deferrals by Participants will be made in accordance with Section 409A of the Code. Consistent with Section 409A of the Code, the Committee may provide for distributions while a Participant is still an employee or otherwise providing services to the Bank.

8.5 Compliance with Section 409A of the Code. This Plan will be interpreted to the greatest extent possible in a manner that makes this Plan and the Annual Bonuses paid hereunder exempt from Section 409A of the Code, and, to the extent not so exempt, compliant with Section 409A of the Code. Notwithstanding anything to the contrary in this Plan, if a Participant holding an Annual Bonus that constitutes "deferred compensation" under Section 409A of the Code is a "specified employee" for purposes of Section 409A of the Code, no distribution or payment of any amount that is due because of a "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) will be issued or paid before the date that is six months following the date of such Participant's "separation from service" (as defined in Section 409A of the Code without regard to alternative definitions thereunder) or, if earlier, the date of the Participant's death, unless such distribution or payment can be made in a manner that complies with Section 409A of the Code, and any amounts so deferred will be paid in a lump sum on the day after such six month period elapses.

8.6 Headings. Headings are given to the Sections and subsections of this Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of this Plan or any provision thereof.

8.7 Successors. All obligations of the Bank under this Plan shall be binding on any successor to the Bank, whether the existence of such successor is the result of a direct or indirect merger, consolidation, purchase of all or substantially all of the business and/or assets of the Bank or otherwise.

8.8 No Employment or Other Service Rights. Nothing in this Plan or any instrument executed under the Plan or in connection with any Annual Bonus will confer upon any Participant any right to continue to serve the Bank or a Subsidiary in the capacity in effect at the commencement of participation or any Performance Period or will affect the right of the Bank or any of its Subsidiaries to terminate the employment of an Employee with or without notice and with or without cause. Any Participant's employment with the Bank and any of its Subsidiaries shall continue to be at-will.

8.9 No Trust or Fund Created. This Plan, and any action taken pursuant to the provisions thereof, shall not create or be construed to create a trust or separate fund of any kind, or a pledge or a fiduciary relationship between the Bank or any Subsidiary and a Participant or any other person or to require the Bank to segregate any funds for a Participant's benefit. To the extent that any person acquires a right to receive payments from the Bank or any Subsidiary pursuant to this Plan, such right shall be no greater than the right of any unsecured general creditor of the Bank or of any Subsidiary.

8.10 Governing Law. The validity, construction and effect of this Plan or any Annual Bonus payable under this Plan shall be determined in accordance with the laws of the state in which the Participant is employed.

8.11 Severability. Each provision in this Plan is severable, and if any provision is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

This Plan is being executed, on behalf of the Bank, by the undersigned duly-authorized officer of the Bank.

Amalgamated Bank

By: /s/ James Paul
James Paul
Chief Administrative Officer

Exhibit 10.15

Amalgamated Bank
Amalgamated Bank 2019 Equity Incentive Plan

PERFORMANCE UNIT AWARD AGREEMENT

Amalgamated Bank (the "**Bank**") hereby grants you restricted stock units through the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**"), subject to certain restrictions as described herein (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**").

Participant ("**you**"): _____ Date of Grant: May 1, 2019

Number of Restricted Stock Units: _____, which are divided into:

o Book Value Growth RSUs _____ [*50% of FMV, rounded down*]

Vesting Schedule: The vesting and forfeiture provisions that apply to your Restricted Stock Units are described in the Plan and the attached Terms and Conditions. You will vest in your Restricted Stock Units (in whole Shares, rounded down) based on the Bank's achievement of the following Performance Measures during the designated Performance Periods so long as the following conditions are met as of the end of the applicable Performance Period: (a) you have not Separated from Service, (b) you have not provided notice to us of your resignation, and (c) we have not provided notice to you of your termination for Cause. Determination of the number of RSUs that vest based on achievement of each of the following Performance Measures is mutually exclusive.

(a) Book Value Growth RSUs. RSUs (rounded down to the nearest whole Share) representing fifty percent (50%) of the total Fair Market Value of your Award on its Date of Grant (**"Book Value Growth RSUs"**) shall vest based on Adjusted Tangible Book Value Growth per Share over the Performance Period as follows:

Performance Period	Threshold Goal	Target Goal	Maximum Goal
1/1/19—12/31/21	7.18% (*70% of target*)	10.25%	13.33% (*130% of target*)
Payout Level	50%	100%	150%

For purposes of this Award, "**Adjusted Tangible Book Value Growth**" means stockholders' equity, excluding minority interests, preferred stock, goodwill, core deposit intangibles, mergers and acquisitions, share repurchases, non-core items (such as tax adjustments), dividends paid on Bank stock, stock-based compensation expense, and other comprehensive income. The Performance Period for this measure will be 1/1/2019 to 12/31/21 to align with the Bank's fiscal year.

(b) Relative TSR RSUs. The remainder of your RSUs (**"Relative TSR RSUs"**) shall vest based on Relative TSR over the Performance Period as follows:

Performance Period	Threshold Goal	Target Goal	Maximum Goal
5/1/19—4/30/22	25th Percentile of Peers	50th Percentile of Peers	75th Percentile of Peers
Award Payout Level	50%	100%	150%

For purposes of this Award, "**Relative TSR**" means TSR (Share price appreciation plus accumulated dividends) measured relative to the S&P's Global Industry Classification Standard (GICS) industry code of "Banks" (industry code 401010) with total assets between $3B and $7B, including all of the compensation peers set forth on Appendix A to this Award Agreement (*provided* that if any such compensation peer is acquired, declares bankruptcy or becomes subject to a regulatory takeover during the Performance Period, such compensation peer shall be assumed to have the lowest TSR of all compensation peers during the Performance Period). The end-price for TSR will be the average closing price during the 30-day period ending on the last day of the Performance Period. The starting price will be the closing price on the last business day immediately preceding the start of the Performance Period. The Performance Period for this measure will begin on 5/1/19 and end on 4/30/22 in order to align the accounting value, grant value, and starting price for Participants.

The final number of Shares to be paid under your Award will be based on the extent to which each of the Performance Measures is achieved, with pro rata adjustment of Shares if achievement of Performance Measures exceeds the Threshold Goal and falls between the Threshold, Target and Maximum Goals.

Effect of Separation from Service. If you Separate from Service before the end of the Performance Periods for any reason you will forfeit all RSUs in which you have not yet vested as of your Separation from Service, unless:

- Your Separation from Service is due to Disability or retirement (defined as age 65 with 5 continuous years of service with the Bank or its affiliates), and no Cause exists, in which case the unvested portion of your RSUs will continue to vest based on actual achievement of Performance Measures at the end of the applicable Performance Period as if you had not Separated from Service, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You die and no Cause exists, or you Separate from Service due to an involuntary termination by the Bank without Cause or due to your voluntary resignation for Good Reason, in which case your RSUs will immediately vest based on target achievement of Performance Measures, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.
- You Separate from Service within one year following a Change in Control due to a Qualifying Termination (as defined in the Plan), in which case your RSUs will vest based on the Committee's determination of actual performance and the Performance Measures will be determined as of (a) the most recent-completed fiscal quarter, for Adjusted Tangible Book Value Growth, and (b) as of the date of the Change in Control, for Relative TSR. If actual performance cannot be determined, your RSUs will vest based on achievement of Performance Measures at Target Goal, subject to pro-ration based on the number of full months that you worked during each Performance Period prior to your Separation from Service as a percentage of the total Performance Period.

If the Committee determines, at any time, that Cause exists at the time of your Separation from Service, all of your rights under this RSU Award will terminate immediately, you will forfeit all RSUs that have not yet vested as of the date of your Separation from Service, and the Bank shall have the right to repurchase any Shares that you have already received as a result of RSUs that have already vested, at the lower of Fair Market Value or the price paid by you, all as described in the Plan. The existence of "Cause" will be determined in the sole discretion of the Committee (or if the Board has chosen to reserve such power, the Board).

Note, however, that except where there is a Change in Control, or you die or become Disabled, you will not vest in any portion of your Award prior to the first anniversary after its Date of Grant.

To the extent dividends are paid on Shares covered by your RSUs prior to the date they become vested, you will be entitled to receive those dividends upon the vesting of the applicable RSU.

Additional Terms: Your rights and duties and those of the Bank under your Award are governed by the provisions of this Award Agreement, and the attached Terms and Conditions and Plan document, both of which are incorporated into this Award Agreement by reference. If there is any discrepancy between these documents, the Plan document will always govern.

This Award is designated as incentive compensation that is in addition to your regular cash wages. No amount of Common Stock or income received by you pursuant to this Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan or program of the Bank or its Subsidiaries. It will not be included in calculating any employment-related benefits to which you may be entitled from the Bank or any Subsidiary. Participation in the Plan is discretionary and voluntary, and the Plan can be terminated at any time. This Award does not create a right or entitlement to future awards, whether pursuant to the Plan or otherwise.

The governing law for purposes of resolving any issue relating to this Award or the Plan shall be United States federal law and, where appropriate, the laws of the State of New York. Any dispute regarding this Award or the Plan shall be resolved by a court of law in the City of New York, State of New York.

Questions: If you have any questions regarding your Award, please see the enclosed Terms and Conditions and Plan document, or contact our Human Resources department.

AMALGAMATED BANK

Date: March 13, 2020

By: /s/ Keith Mestrich
Keith Mestrich, President and Chief Executive Officer

AMALGAMATED BANK 2019 EQUITY INCENTIVE PLAN

PERFORMANCE UNIT TERMS AND CONDITIONS

This document is intended to provide you some background on the Amalgamated Bank 2019 Equity Incentive Plan (the "**Plan**") and to help you better understand the terms and conditions of the Restricted Stock Unit award (the "**Award,**" "**Restricted Stock Units**" or "**RSUs**") granted to you under the Plan. References in this document to "**our**," "**us**," "**we**," and "**Bank**" are intended to refer to Amalgamated Bank, Inc.

Background

1. **How are Award recipients chosen?**

Under our current process, the Compensation Committee ("**Committee**") approves executive equity awards, although the Committee may delegate the power to make non-officer awards to an officer of the Bank and the Board has the authority to reserve these powers to the full Board with respect to some or all eligible individuals.

2. **What is the value of my Award?**

The value of each Share covered by your RSU Award is equal to the market price of one Share of Bank Common Stock, and will have the same value as established on the exchange on which the Shares are traded.

Under current tax laws, you will be taxed on the market price of the Share(s) vesting under your RSU Award at the time the Shares (or in certain cases, their cash equivalent) are paid to you in settlement of your Award. We recommend that you consult your personal tax advisor to discuss the potential tax consequences to you of receiving this Award.

Note that no amount of cash or Common Stock received by you pursuant to your Award will be considered compensation for purposes of any severance or any pension, retirement, insurance or other employee benefit plan of the Bank or its Subsidiaries.

Terms and Conditions

3. **When will my Restricted Stock Units vest?**

Generally, your Restricted Stock Units will vest (in whole Shares, rounded down) based on achievement of the Performance Measures during the Performance Periods, as set forth in your Award Agreement.

Your Award Agreement may provide for earlier vesting dates upon specific events. Please refer to your Award Agreement to see if special early vesting dates apply to your Restricted Stock.

The Committee may, in its sole discretion, choose to accelerate or extend the vesting of Awards in special circumstances.

4. **When do I receive payment?**

As soon as administratively practical after the date the Performance Period applicable to your RSUs ends, as specified in your Award Agreement, the specified number of Shares of our Common Stock will be delivered to you for each RSU that vests. Delivery of Shares, either electronically or in certificate form (as we determine), will usually be made within approximately 30 days after such Performance Period end. Fractional shares will not be paid. In some cases, the Bank may instead pay the cash equivalent of Shares to you.

By accepting this Award, you acknowledge that, except as may otherwise be provided in your Award Agreement, if you Separate from Service prior to the end of the Performance Periods, you will forfeit all of your unvested RSUs and any other rights associated with your unvested RSUs under the Plan.

5. **Do I have to pay any tax in connection with this RSU Award?**

Yes, you are subject to federal (and in some cases, state and local) income taxes on the fair market value of your Restricted Stock Units in the year that you are paid Shares of Common Stock (or in certain cases, their cash equivalent) in settlement of your Award. If you are an employee, we are required under current federal (and some state and local) tax laws to withhold taxes from you. This may be accomplished by withholding whole Shares of Common Stock with an equivalent value. We will round down to the nearest whole Share. To the extent this Share withholding is not sufficient, or is prohibited or limited by applicable law, you will ultimately be responsible for any additional taxes due. If withholding is determined by us to be not possible or inadequate, we will have the right to require cash payment and/or make deductions from other payments due to you that are sufficient to satisfy these requirements.

You may not rely on the Bank or any of its officers, directors or employees for tax or legal advice regarding this Award. We make no representations with respect to and hereby disclaim all responsibility as to the tax treatment of your Award.

6. **What are my rights as a stockholder with respect to my Restricted Stock Units?**

Until you actually receive Shares (if any) in settlement of your Award, you will generally have no rights as a stockholder with respect to those Shares, such as the right to vote the Shares or the right to receive dividends, unless the Board has specifically provided otherwise in your Award Agreement.

7. **Are there restrictions on the transfer of my Restricted Stock Units?**

You may not sell, transfer, pledge, assign, or otherwise alienate or hypothecate your RSUs, whether voluntarily or involuntarily, by operation of law or otherwise, except upon your death or as otherwise specifically provided in the Plan. If you die, your beneficiary or the personal representative of your estate can act on your behalf. Once you receive any Share, you will normally be entitled to all rights of ownership to such Share. Under certain circumstances described in the Plan, however, these rights may be delayed or subject to additional limitations or restrictions.

8. **How do I designate my beneficiary or beneficiaries?**

You must obtain and file a completed beneficiary designation form with our Human Resources department. Each time you file a beneficiary designation form, all previously-filed beneficiary designation forms will be revoked and of no further force or effect. If you want to name multiple beneficiaries, all beneficiaries must be listed on a single beneficiary designation form (including attachments, if necessary). If you do not file a beneficiary designation form, benefits remaining unpaid at your death will be paid to your estate.

9. **Are there restrictions on the delivery and sale of Shares?**

Shares issued to you upon the vesting of Restricted Stock Units are subject to federal securities laws. In some cases, state or local securities laws may also apply. If the Board determines that certain registrations or filings are needed or desired to comply with these various securities laws, then we may delay the delivery of your Shares until the necessary approvals or filings are obtained. In order for us to meet an exemption from securities registration requirements, we may also require you to provide us with certain information, representations and warranties before we will issue Shares to you.

Where applicable, the certificates evidencing any Shares may contain wording (or otherwise as appropriate in electronic format) indicating that conditions, restrictions, rights and obligations apply.

10. **Does the receipt of my Award guarantee continued service with the Bank?**

No. Neither the establishment of the Plan, your Award of RSUs, nor the issuance of Shares or other consideration in connection with your Award, gives you the right to continued employment or service with the Bank (or any of our Subsidiaries).

11. **What events can trigger forfeiture of my Restricted Stock Units?**

Except as may otherwise be specifically provided in your Award Agreement, your unvested RSUs will normally be cancelled and forfeited upon your Separation from Service.

In addition, your RSUs and any cash or Shares paid to you in settlement of your RSUs, and any profits from sale of such Shares, are subject to clawback, recoupment or repayment if you commit certain bad acts, you engage in certain practices injurious to the Bank or its Subsidiaries, or if the Bank experiences regulatory or capital issues. These clawback, recoupment and repayment provisions are set forth in detail in Section 8(j) of the Plan.

The Committee may, in its discretion, accelerate the vesting of your Award in special circumstances, subject to certain provisions of the Plan and the law.

12. **What documents govern my Restricted Stock Units?**

The Plan, your Award Agreement, and these Terms and Conditions express the entire understanding between you and the Bank with respect to your Restricted Stock Units. In the event of any conflict between these documents, the terms of the Plan will always govern. You should never rely on any oral description of the Plan or your Award Agreement because the written terms of the Plan will always govern. The Committee has the sole authority to interpret this document and the Plan. Any such interpretation will be binding on you, us, and other persons.

APPENDIX A
Relative TSR Comparator Group List (n = 66)

1st Source Corporation (NasdaqGS:SRCE)	Heritage Financial Corporation (NasdaqGS:HFWA)
Allegiance Bancshares, Inc. (NasdaqGM:ABTX)	HomeTrust Bancshares, Inc. (NasdaqGS:HTBI)
Bar Harbor Bankshares (AMEX:BHB)	Horizon Bancorp, Inc. (NasdaqGS:HBNC)
Bridge Bancorp, Inc. (NasdaqGS:BDGE)	Independent Bank Corporation (NasdaqGS:IBCP)
Bryn Mawr Bank Corporation (NasdaqGS:BMTC)	Lakeland Bancorp, Inc. (NasdaqGS:LBAI)
Byline Bancorp, Inc. (NYSE:BY)	Lakeland Financial Corporation (NasdaqGS:LKFN)
Camden National Corporation (NasdaqGS:CAC)	Live Oak Bancshares, Inc. (NasdaqGS:LOB)
Carolina Financial Corporation (NasdaqCM:CARO)	Mercantile Bank Corporation (NasdaqGS:MBWM)
Carter Bank & Trust (NasdaqGS:CARE)	Midland States Bancorp, Inc. (NasdaqGS:MSBI)
CBTX, Inc. (NasdaqGS:CBTX)	MidWestOne Financial Group, Inc. (NasdaqGS:MOFG)
Central Pacific Financial Corp. (NYSE:CPF)	National Bank Holdings Corporation (NYSE:NBHC)
Century Bancorp, Inc. (NasdaqGS:CNBK.A)	Nicolet Bankshares, Inc. (NasdaqCM:NCBS)
City Holding Company (NasdaqGS:CHCO)	OFG Bancorp (NYSE:OFG)
CNB Financial Corporation (NasdaqGS:CCNE)	Origin Bancorp, Inc. (NasdaqGS:OBNK)
Community Trust Bancorp, Inc. (NasdaqGS:CTBI)	Peapack-Gladstone Financial Corporation (NasdaqGS:PGC)
ConnectOne Bancorp, Inc. (NasdaqGS:CNOB)	Peoples Bancorp Inc. (NasdaqGS:PEBO)
Enterprise Financial Services Corp (NasdaqGS:EFSC)	Preferred Bank (NasdaqGS:PFBC)
Equity Bancshares, Inc. (NasdaqGS:EQBK)	QCR Holdings, Inc. (NasdaqGM:QCRH)
FB Financial Corporation (NYSE:FBK)	Republic Bancorp, Inc. (NasdaqGS:RBCA.A)
Fidelity Southern Corporation (NasdaqGS:LION)	Seacoast Banking Corporation of Florida (NasdaqGS:SBCF)
Financial Institutions, Inc. (NasdaqGS:FISI)	Southside Bancshares, Inc. (NasdaqGS:SBSI)
First Bancorp (NasdaqGS:FBNC)	Stock Yards Bancorp, Inc. (NasdaqGS:SYBT)
First Financial Corporation (NasdaqGS:THFF)	The Bancorp, Inc. (NasdaqGS:TBBK)
First Foundation Inc. (NasdaqGM:FFWM)	The First Bancshares, Inc. (NasdaqGM:FBMS)
First Internet Bancorp (NasdaqGS:INBK)	The First of Long Island Corporation (NasdaqCM:FLIC)
First Mid-Illinois Bancshares, Inc. (NasdaqGM:FMBH)	Tompkins Financial Corporation (AMEX:TMP)
Flushing Financial Corporation (NasdaqGS:FFIC)	TriCo Bancshares (NasdaqGS:TCBK)
Franklin Financial Network, Inc. (NYSE:FSB)	TriState Capital Holdings, Inc. (NasdaqGS:TSC)
German American Bancorp, Inc. (NasdaqGS:GABC)	Triumph Bancorp, Inc. (NasdaqGS:TBK)
Great Southern Bancorp, Inc. (NasdaqGS:GSBC)	Univest Financial Corporation (NasdaqGS:UVSP)
Hanmi Financial Corporation (NasdaqGS:HAFC)	Veritex Holdings, Inc. (NasdaqGM:VBTX)
HarborOne Bancorp, Inc. (NasdaqGS:HONE)	Washington Trust Bancorp, Inc. (NasdaqGS:WASH)
Heritage Commerce Corp (NasdaqGS:HTBK)	Westamerica Bancorporation (NasdaqGS:WABC)

Appendix A
Eligible Positions and Target Award Percentages

Title/Responsibilities	Target Incentive (as % of Base Salary)
Chief Executive Officer	66.7%
Chief Financial Officer	50%
Chief Operating Officer	50%
EVP, Commercial Banking	75%
Executive Vice Presidents	40%
Senior Vice Presidents	30%
First Vice Presidents	15%
Vice Presidents	10%
Assistant Vice Presidents	7.5%
Assistant Managers	5%
Senior Revenue Generators	50%
Revenue Generators	30%

Exhibit 21.1

List of Subsidiaries

The following is a list of the subsidiaries of Amalgamated Bank:

1. Amalgamated Real Estate Management Company, Inc.
2. 275 Property Holdings, Inc.
3. 275A Property Holdings, Inc.
4. 727 Holdings, LLC
5. AT2017 LLC
6. The New Hillman Company

The following is a list of the subsidiaries of Amalgamated Bank, as Trustee of Longview Ultra Construction Loan Investment Fund (for trust other real estate owned properties):

1. Mill Condominiums LLC
2. LV Holdings LLC
3. LV Holdings Sole Member LLC
4. 1352 Lofts Property Corporation
5. 1352 Lofts Property Holdings, LP
6. 39 Grant Property Holdings, LLC
7. Winthrop Club at Bletchley Park LLC
8. 80 East Milton Avenue, LLC
9. Park Lafayette Property Holdings, LLC
10. 21 WATER STREET DEVELOPMENT LLC
11. Water Street Property Holdings LLC
12. Tower Drive Property Holdings LLC
13. Tower Drive Development LLC
14. One Madison R/A Holdings, LLC
15. ABQ Studios, LLC
16. Pacifica Mesa Studios, LLC
17. Bletchley Hotel at O'Hare Field LLC
18. Terrazio on South Wabash LLC
19. 321 Glisan Property Holdings LLC
20. Water Street Development at Sag Harbor LLC
21. Broad Street Property Holdings GP Corporation
22. Broad Street Property Holdings, LP
23. Signit Parking at LAX, LLC
24. Humnit Hotel at LAX, LLC
25. Lacon Property Development LLC
26. 66th Street Property Development LLC
27. Fort Tryon Overlook LLC
28. Fort Tryon Overlook Property Owner LLC

Exhibit 31.1

Rule 13a-14(a) Certification of the Chief Executive Officer

I, Keith Mestrich, certify that:

1. I have reviewed this annual report on Form 10-K of Amalgamated Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 13, 2020

/s/ Keith Mestrich

Keith Mestrich, President and Chief Executive Officer

Exhibit 31.2

Rule 13a-14(a) Certification of the Chief Financial Officer

I, Andrew Labenne, certify that:

1. I have reviewed this annual report on Form 10-K of Amalgamated Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the Audit Committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 13, 2020

/s/ Andrew Labenne

Andrew Labenne, Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Amalgamated Bank (the "Bank") on Form 10-K for the period ended December 31, 2019 as filed with the Federal Deposit Insurance Corporation on the date hereof (the "Report"), the undersigned, the Chief Executive Officer and the Chief Financial Officer of the Bank, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

/s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer
March 13, 2020

/s/ Andrew Labenne
Andrew Labenne
Chief Financial Officer
March 13, 2020

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, DC 20006

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended March 31, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For transition period from _____ to _____

FDIC Certificate Number: 622

(Exact name of Registrant as specified in its charter)

New York	**13-4920330**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

275 Seventh Avenue, New York, NY 10001
(Address of principal executive offices) (Zip Code)

(212) 255-6200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.01 per share	AMAL	Nasdaq Stock Market, LLC

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes ☐ No ☒

As of April 30, 2020, the Registrant had 31,000,299 shares of Class A common stock outstanding at $0.01 par value per share.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical fact and generally can be identified by the use of forward-looking terminology, such as "may," "will," "anticipate," "intend," "could," "should," "would," "believe," "project," "plan," "goal," "target," "potential," "pro-forma," "seek," "contemplate," "expect," "estimate," "continue," "anticipate" and "intend," or the negative thereof as well as other similar words and expressions of the future. These forward-looking statements include statements related to our plans, objectives, strategies, projected growth, anticipated future financial performance (including underlying assumptions), and management's long-term performance goals, as well as statements relating to the anticipated effects or consequences of various transactions or events on our results of operations and financial condition and statements about the future performance, operations, products and services of Amalgamated Bank ("Amalgamated").

Forward-looking statements are subject to risks, uncertainties and assumptions that are difficult to predict as to timing, extent, likelihood and degree of occurrence, which could cause our actual results to differ materially from those anticipated in or by such statements. Potential risks and uncertainties include, but are not limited to, the following:

- our ability to maintain our reputation;
- our ability to carry out our business strategy prudently, effectively and profitably;
- our ability to attract customers based on shared values or mission alignment;
- the impact of the recent outbreak of the novel coronavirus, or COVID-19, on our business, including the impact of the actions taken by governmental authorities to try and contain the virus or address the impact of the virus on the United States economy (including, without limitation, the Coronavirus Aid, Relief and Economic Security Act, or the CARES Act), and the resulting effect of these items on our operations, liquidity and capital position, and on the financial condition of our borrowers and other customers;
- impairment of investment securities, goodwill, other intangible assets or deferred tax assets;
- projections on loans, assets, deposits, liabilities, revenues, expenses, net income, capital expenditures, liquidity, dividends, capital structure or other financial items;
- inaccuracy of the assumptions and estimates we make in establishing our allowance for loan losses and other estimates, including future changes in the allowance for loan losses resulting from the future adoption and implementation of the new Current Expected Credit Loss ("CECL") methodology;
- our policies with respect to asset quality and loan charge-offs, including future changes in the allowance for loan losses resulting from the anticipated adoption and implementation of the new Current Expected Credit Loss ("CECL") methodology;
- the composition of our loan portfolio and the potential deterioration in the financial condition of borrowers resulting in significant increases in loan losses, provisions for those losses that exceed our current allowance for loan losses and higher loan charge-offs;
- the availability of and access to capital, and our ability to allocate capital prudently, effectively and profitably;
- our ability to pay dividends;
- our ability to achieve organic loan and deposit growth and the composition of such growth;
- our ability to identify and effectively acquire potential acquisition or merger targets, including our ability to be seen as an acquirer of choice and our ability to obtain regulatory approval for any acquisition or merger and thereafter to successfully integrate any acquisition or merger target;
- time and effort necessary to resolve nonperforming assets;
- fluctuations in the values of our assets and liabilities and off-balance sheet exposures;

- general economic conditions (both generally and in our markets) may be less favorable than expected, which could result in, among other things, a deterioration in credit quality, a reduction in demand for credit and a decline in real estate values;
- the general decline in the real estate and lending markets, particularly in our market areas, including the effects of the enactment of or changes to rent-control and other similar regulations on multi-family housing;
- changes in the demand for our products and services;
- other financial institutions having greater financial resources and being able to develop or acquire products that enable them to compete more successfully than we can;
- restrictions or conditions imposed by our regulators on our operations or the operations of banks we acquire may make it more difficult for us to achieve our goals;
- legislative or regulatory changes, including changes in tax issues, accounting standards and compliance requirements, whether of general applicability or specific to us and our subsidiaries;
- the costs, effects and outcomes of litigation, regulatory proceedings, examinations, investigations, or similar matters, or adverse facts and developments related thereto;
- possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations;
- competitive pressures among depository and other financial institutions may increase significantly;
- adverse effects of failures by our vendors to provide agreed upon services in the manner and at the cost agreed, particularly our information technology vendors and those vendors performing a service on our behalf;
- changes in the interest rate environment may reduce margins or the volumes or values of the loans we make or have acquired;
- adverse changes in the bond and equity markets;
- cybersecurity risks, and the vulnerability of our network and online banking portals, and the systems of parties with whom we contract, to unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches that could adversely affect or disrupt our business and financial performance or reputation;
- our ability to attract and retain key personnel can be affected by the increased competition for experienced employees in the banking industry;
- the possibility of earthquakes and other natural disasters affecting the markets in which we operate;
- war or terrorist activities causing further deterioration in the economy or causing instability in credit markets;
- economic, governmental or other factors may affect the projected population, residential and commercial growth in the markets in which we operate; and
- descriptions of assumptions underlying or relating to any of the foregoing.

Amalgamated cautions readers that the foregoing list of factors is not exclusive, is not necessarily in order of importance and not to place undue reliance on forward-looking statements. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations. Additional factors that may cause actual results to differ materially from those contemplated by any forward-looking statements also may be found in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current Reports on Form 8-K filed with the FDIC and available at the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws.

Part I
Item 1. – Financial Statements
Consolidated Statements of Financial Condition
(Dollars in thousands)

Assets	March 31, 2020 (unaudited)	December 31, 2019
Cash and due from banks	$ 95,849	$ 7,596
Interest-bearing deposits in banks	166,887	114,942
Total cash and cash equivalents	262,736	122,538
Securities:		
Available for sale, at fair value (amortized cost of $1,458,989 and $1,217,087, respectively)	1,441,805	1,224,770
Held-to-maturity (fair value of $293,857 and $292,837, respectively)	286,251	292,704
Loans receivable, net of deferred loan origination costs (fees)	3,557,335	3,472,614
Allowance for loan losses	(42,348)	(33,847)
Loans receivable, net	3,514,987	3,438,767
Accrued interest and dividends receivable	17,403	19,088
Premises and equipment, net	17,083	17,778
Bank-owned life insurance	81,098	80,714
Right-of-use lease asset	44,853	47,299
Deferred tax asset	37,413	31,441
Goodwill and other intangible assets	19,322	19,665
Other assets	29,002	30,574
Total assets	$5,751,953	$5,325,338
Liabilities		
Deposits	$5,076,557	$4,640,982
Borrowed funds	—	75,000
Operating leases	60,812	62,404
Other liabilities	141,315	56,408
Total liabilities	5,278,684	4,834,794
Commitments and contingencies	—	—
Stockholders' equity		
Common stock, par value $.01 per share (70,000,000 shares authorized; 31,000,299 and 31,523,442 shares issued and outstanding, respectively)	310	315
Additional paid-in capital	299,332	305,738
Retained earnings	188,160	181,132
Accumulated other comprehensive income (loss), net of income taxes	(14,667)	3,225
Total Amalgamated Bank stockholders' equity	473,135	490,410
Noncontrolling interests	134	134
Total stockholders' equity	473,269	490,544
Total liabilities and stockholders' equity	$5,751,953	$5,325,338

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Income (unaudited)
(Dollars in thousands, except for per share amounts)

	Three Months Ended March 31,	
	2020	2019
INTEREST AND DIVIDEND INCOME		
Loans	$35,612	$35,296
Securities	12,554	9,875
Federal Home Loan Bank of New York stock	69	310
Interest-bearing deposits in banks	396	293
Total interest and dividend income	48,631	45,774
INTEREST EXPENSE		
Deposits	3,915	2,946
Borrowed funds	27	2,055
Total interest expense	3,942	5,001
NET INTEREST INCOME	44,689	40,773
Provision for (recovery of) loan losses	8,588	2,186
Net interest income after provision for loan losses	36,101	38,587
NON-INTEREST INCOME		
Trust Department fees	4,085	4,721
Service charges on deposit accounts	2,411	1,871
Bank-owned life insurance	384	420
Gain (loss) on sale of investment securities available for sale, net	499	292
Gain (loss) on other real estate owned, net	(23)	(249)
Other	1,762	362
Total non-interest income	9,118	7,417
NON-INTEREST EXPENSE		
Compensation and employee benefits	17,458	17,430
Occupancy and depreciation	5,506	4,271
Professional fees	2,983	3,165
Data processing	2,264	2,749
Office maintenance and depreciation	856	887
Amortization of intangible assets	342	389
Advertising and promotion	667	622
Other	2,194	1,935
Total non-interest expense	32,270	31,448
Income before income taxes	12,949	14,556
Income tax expense	3,404	3,743
Net income	9,545	10,813
Net income attributable to noncontrolling interests	—	—
Net income attributable to Amalgamated Bank and subsidiaries	$ 9,545	$10,813
Earnings per common share - basic	$ 0.30	$ 0.34
Earnings per common share - diluted	$ 0.30	$ 0.33

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Comprehensive Income (unaudited)
(Dollars in thousands)

	Three Months Ended March 31,	
	2020	2019
Net income	$ 9,545	$10,813
Other comprehensive income, net of taxes:		
Change in total obligation for postretirement benefits, prior service credit, and other benefits	73	47
Net unrealized gains (losses) on securities available for sale:		
Unrealized holding gains (losses)	(24,368)	9,710
Reclassification adjustment for losses (gains) realized in income	(499)	(293)
Net unrealized gains (losses) on securities available for sale	(24,867)	9,417
Other comprehensive income (loss), before tax	(24,794)	9,464
Income tax benefit (expense)	6,902	(2,618)
Total other comprehensive income (loss), net of taxes	(17,892)	6,846
Total comprehensive income (loss), net of taxes	$ (8,347)	$17,659

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Changes in Stockholders' Equity (unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2020						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2019	$ 315	$305,738	$181,132	$ 3,225	$ 490,410	$ 134	$490,544
Net income	—	—	9,545	—	9,545	—	9,545
Cash dividend, $0.08 per share	—	—	(2,517)	—	(2,517)	—	(2,517)
Repurchase of class A common stock	(5)	(6,996)	—	—	(7,001)	—	(7,001)
Exercise of stock options	—	(23)	—	—	(23)	—	(23)
Stock-based compensation expense	—	613	—	—	613	—	613
Other comprehensive income (loss), net of taxes	—	—	—	(17,892)	(17,892)	—	(17,892)
Balance at March 31, 2020	$ 310	$299,332	$188,160	$ (14,667)	$ 473,135	$ 134	$473,269

	Three Months Ended March 31, 2019						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2018	$ 318	$308,678	$142,231	$ (11,990)	$ 439,237	$ 134	$439,371
Net income	—	—	10,813	—	10,813	—	10,813
Cash dividend, $0.06 per share	—	—	(1,906)	—	(1,906)	—	(1,906)
Stock-based compensation expense	—	355	—	—	355	—	355
Other comprehensive income, net of taxes	—	—	—	6,846	6,846	—	6,846
Balance at March 31, 2019	$ 318	$309,033	$151,138	$ (5,144)	$ 455,345	$ 134	$455,479

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Cash Flows (unaudited)
(Dollars in thousands)

	Three Months Ended March 31, 2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 9,545	$ 10,813
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	1,320	1,079
Amortization of intangible assets	342	389
Deferred income tax expense (benefit)	(1,156)	2,120
Provision for (recovery of) loan losses	8,588	2,186
Stock-based compensation expense	613	355
Net amortization (accretion) on loan fees, costs, premiums, and discounts	421	23
Net amortization on securities	167	70
OTTI recognized in earnings	—	(1)
Net loss (gain) on sale of securities available for sale	(499)	(292)
Net loss (gain) on sale of loans	(135)	22
Net loss (gain) on sale of other real estate owned	23	182
Net loss (gain) on owned property held for sale	(1,428)	—
Proceeds from sales of loans held for sale	9,864	3,755
Decrease (increase) in cash surrender value of bank-owned life insurance	(384)	(336)
Decrease (increase) in accrued interest and dividends receivable	1,685	(485)
Decrease (increase) in other assets (1)	(7,461)	5,863
Increase (decrease) in accrued expenses and other liabilities (2)	(3,961)	(5,611)
Net cash provided by operating activities	17,544	20,132
CASH FLOWS FROM INVESTING ACTIVITIES		
Originations and purchases of loans, net of principal repayments	(85,229)	(59,091)
Purchase of securities available for sale	(240,276)	(142,773)
Purchase of securities held to maturity	(2,104)	(5,250)
Proceeds from sales of securities available for sale	27,763	49,921
Maturities, principal payments and redemptions of securities available for sale	60,501	34,940
Maturities, principal payments and redemptions of securities held to maturity	8,434	15
Net decrease (increase) of Federal Home Loan Bank of New York stock	3,375	(7,240)
Purchases of premises and equipment	(844)	(168)
Proceeds from sale of other real estate owned	—	60
Net cash used in investing activities	(228,380)	(129,586)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in deposits	435,575	1,769
Net increase (decrease) in FHLB advances	(75,000)	160,900
Repurchase of class A common stock	(7,001)	—
Cash dividend paid	(2,517)	(1,906)
Exercise of stock options	(23)	—
Net cash provided by financing activities	351,034	160,763
Increase (decrease) in cash, cash equivalents, and restricted cash	140,198	51,309
Cash, cash equivalents, and restricted cash at beginning of year	122,538	80,845
Cash, cash equivalents, and restricted cash at end of year	$ 262,736	$ 132,154
Supplemental disclosures of cash flow information:		
Interest paid during the year	$ 4,220	$ 4,774
Income taxes paid during the year	136	170
Supplemental non-cash investing activities:		
Initial recognition of Right-of-use lease asset	$ —	$ 55,813
Initial recognition of Operating leases liability	—	71,122
Loans transferred to other real estate owned	—	455
Purchase of securities available for sale, net not settled	89,435	—

(1) Includes $2.4 million and $1.9 million of right of use asset amortization for the respective periods
(2) Includes $0.5 million and $0.6 million accretion of operating lease liabilities for the respective periods

See accompanying notes to consolidated financial statements (unaudited)

1. BASIS OF PRESENTATION

The accounting and reporting policies of Amalgamated Bank (the "Bank") conform to accounting principles generally accepted in the United States of America, or GAAP and predominant practices within the banking industry. The Bank uses the accrual basis of accounting for financial statement purposes.

The accompanying unaudited consolidated financial statements include the accounts of the Bank and its majority-owned and wholly-owned subsidiaries and have been prepared in accordance with instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with GAAP. All significant inter-company transactions and balances are eliminated in consolidation. In the opinion of the Bank's management, all adjustments necessary for a fair presentation of the consolidated financial position and the results of operations for the interim periods presented have been included. A more detailed description of the Bank's accounting policies is included in its Annual Report on Form 10-K for the year ended December 31, 2019 (the "2019 Annual Report"). These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes appearing in the 2019 Annual Report.

Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 as a global pandemic, which continues to spread throughout the United States and around the world. The COVID-19 pandemic has adversely affected, and may continue to adversely affect economic activity globally, nationally and locally. COVID-19 and actions taken to mitigate its spread have had and are expected to continue to have an adverse impact on the economy and financial markets. It is unknown how long the adverse conditions associated with the COVID-19 pandemic will last and what the complete financial effect will be to the Bank. It is reasonably possible that certain significant estimates made in the financial statements could be materially and adversely impacted in the near term as a result of these conditions.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Standards Adopted in 2019

In February 2016, the FASB issued ASU 2016-02 “Leases (Topic 842)”. The new lease accounting standard requires the recognition of a right of use asset and related lease liability by lessees for leases classified as operating leases under current GAAP. Topic 842, which replaces the current guidance under Topic 840, retains a distinction between finance leases and operating leases. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by lessee does not significantly change from current GAAP. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize right of use assets and lease liabilities. The standard became effective for annual reporting periods beginning after December 15, 2018. A modified retrospective transition approach must be applied for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements. Transition accounting for leases that expired before the earliest comparative period presented is not required. The Bank elected the effective date transition method of applying the new leases standard at the beginning of the period of adoption on January 1, 2019. The standard provides several optional practical expedients in transition. The Bank elected the “package of practical expedients”, which permits the Bank not to reassess prior conclusions about lease identification, lease classification and initial direct costs and allows it to continue to account for leases that commenced prior to the adoption date as operating leases. The Bank analyzed all its significant leases to determine if a lease was in scope of the ASU and determined 15 facilities leases were in scope. Based on leases outstanding at December 31, 2018, the Bank recorded a $71.1 million Operating leases liability and a $55.8 million related Right-of-use asset upon commencement on January 1, 2019. The measurement of the Right-of-use asset included a $15.3 million reduction to account for accrued rent previously established under Topic 840. The Bank has presented its Right-of-use asset and related Operating leases liability on the Consolidated Statements of Financial Condition. Refer to Note 12 - Leases for further details.

Accounting Standards Effective in 2020 and onward

In August 2018, the FASB issued ASU 2018-13, “Fair Value Measurement (Topic 820)—Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement”, which improves the effectiveness of fair value measurement disclosures. The amendments modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement as follows: removes disclosure requirements for the amount and reasons for transfer between Level 1 and Level 2 assets and liabilities in the fair value hierarchy; modifies disclosure requirements for transfers in to and out of Level 3 assets and liabilities in the fair value hierarchy; adds disclosure requirements for the changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements and the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The amendments in this update are effective for all entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years, with early adoption, including adoption in an interim period, is permitted. Adoption of ASU 2018-13 did not have a material effect on the Bank’s operating results or financial condition.

In June 2016, the FASB amended existing guidance for ASU 2017-04, “Intangibles – Goodwill and Other (Topic 350)”, to simplify the subsequent measurement of goodwill. The amendment requires an entity to perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount of the reporting unit exceeds its fair value, not to exceed the total amount of goodwill allocated to that reporting unit. The amendments also eliminate the requirement for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. The amendments are effective for public business entities for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The amendments should be applied prospectively. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition in the first annual period and in the interim period within the first annual period when the entity initially adopts the amendments. As a result of the Bank’s acquisition of New Resource Bank (“NRB”) in the latter half of the second quarter of 2018, the Bank elected June 30, 2019 as the beginning date for annual impairment testing. Adoption of ASU 2017-04 is not expected to have a material effect on the Bank’s operating results or financial condition.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments.” ASU 2016-13 significantly changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model and provides for recording credit losses on available for sale debt securities through an allowance account. ASU 2016-13 also requires certain incremental disclosures. In October 2019, the FASB voted to extend the adoption date for entities eligible to be smaller reporting companies, public business entities (PBEs) that are not SEC filers, and entities that are not PBEs from January 1, 2020 to January 1, 2023. Based on the Bank’s

election as an Emerging Growth Company under the Jumpstart Our Business Startups Act to use the extended transition period for complying with any new or revised financial accounting standards, the Bank currently anticipates a January 1, 2023 adoption date. In preparation, the Bank has performed work in assessing and enhancing its technology environment and related data needs and availability. Additionally, a Management Committee comprised of members from multiple departments has been established to monitor the Bank's progress towards adoption. As adoption will require the implementation of significant changes to the existing credit loss estimation model and is dependent on the economic forecast, and given the length of time before our adoption date, evaluating the overall impact of the ASU on the Bank's Consolidated Financial Statements is not yet determinable.

3. OTHER COMPREHENSIVE INCOME (LOSS)

The Bank records unrealized gains and losses, net of taxes, on securities available for sale in other comprehensive income (loss) in the Consolidated Statements of Changes in Stockholders' Equity. Gains and losses on securities available for sale are reclassified to operations as the gains or losses are recognized. Other-than-temporary impairment ("OTTI") losses on debt securities are reflected in earnings as realized losses to the extent the impairment is related to credit losses. The amount of the impairment related to other factors is recognized in other comprehensive income (loss). The Bank also recognizes as a component of other comprehensive income (loss) the actuarial gains or losses as well as the prior service costs or credits that arise during the period from post-retirement benefit plans.

Other comprehensive income (loss) components and related income tax effects were as follows:

	Three Months Ended March 31,	
(In thousands)	**2020**	**2019**
Change in obligation for postretirement benefits and for prior service credit	$ 55	$ 55
Change in obligation for other benefits	18	(8)
Change in total obligation for postretirement benefits and for prior service credit and for other benefits	$ 73	$ 47
Income tax effect	(21)	(14)
Net change in total obligation for postretirement benefits and prior service credit and for other benefits	52	33
Unrealized holding gains (losses) on available for sale securities	$(24,368)	$ 9,710
Reclassification adjustment for losses (gains) realized in income	(499)	(293)
Change in unrealized gains (losses) on available for sale securities	(24,867)	9,417
Income tax effect	6,923	(2,604)
Net change in unrealized gains (losses) on available for sale securities	(17,944)	6,813
Total	$(17,892)	$ 6,846

The following is a summary of the accumulated other comprehensive income (loss) balances, net of income taxes:

(In thousands)	**Balance as of January 1, 2020**	**Current Period Change**	**Income Tax Effect**	**Balance as of March 31, 2020**
Unrealized gains (losses) on benefits plans	$ (2,319)	$ 73	$ (21)	$ (2,267)
Unrealized gains (losses) on available for sale securities	$ 5,544	$(24,867)	$ 6,923	$ (12,400)
Total	$ 3,225	$(24,794)	$ 6,902	$ (14,667)

The following represents the reclassifications out of accumulated other comprehensive income (loss):

(In thousands)	Three Months Ended March 31, 2020	2019	Affected Line Item in the Consolidated Statements of Income
Realized gains (losses) on sale of available for sale securities	$ 499	$ 292	Gain (loss) on sale of investment securities available for sale, net
Recognized gains (losses) on OTTI securities	—	1	Non-Interest Income - other
Income tax expense (benefit)	139	81	Income tax expense
Total reclassifications, net of income tax	$ 360	$ 212	
Prior service credit on pension plans and other postretirement benefits	$ 7	$ 7	Compensation and employee benefits
Income tax expense (benefit)	(2)	(2)	Income tax expense (benefit)
Total reclassifications, net of income tax	$ 5	$ 5	
Total reclassifications, net of income tax	$ 365	$ 217	

4. INVESTMENT SECURITIES

The amortized cost and fair value of investment securities available for sale and held to maturity as of March 31, 2020 are as follows:

(In thousands)	March 31, 2020			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 19,468	$ 424	$ —	$ 19,892
GSE CMOs	338,615	9,471	(1,036)	347,050
GSE commercial certificates & CMO	405,652	10,607	(411)	415,848
Non-GSE residential certificates	63,006	28	(711)	62,323
Non-GSE commercial certificates	45,840	14	(3,148)	42,706
	872,581	20,544	(5,306)	887,819
Other debt:				
U.S. Treasury	199	5	—	204
ABS	563,627	104	(30,543)	533,188
Trust preferred	14,624	—	(2,387)	12,237
Corporate	7,958	399	—	8,357
Other	—	—	—	—
	586,408	508	(32,930)	553,986
Total available for sale	$1,458,989	$ 21,052	$ (38,236)	$1,441,805
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 629	$ 29	$ —	$ 658
Non GSE commercial certificates	259	—	—	259
	888	29	—	917
Other debt:				
PACE Assessments	255,298	6,171	—	261,469
Municipal	24,965	1,445	(28)	26,382
Other	5,100	—	(11)	5,089
	285,363	7,616	(39)	292,940
Total held to maturity	$ 286,251	$ 7,645	$ (39)	$ 293,857

As of March 31, 2020, available for sale and held to maturity securities with a fair value of $833.1 million and $0.6 million, respectively, were pledged. The majority of the securities were pledged to the Federal Home Loan Bank of New York (“FHLB”) to secure outstanding advances, letters of credit and to provide additional borrowing potential. In addition, securities were pledged to provide capacity to borrow from the Federal Reserve and to collateralize municipal deposits.

The amortized cost and fair value of investment securities available for sale and held to maturity as of December 31, 2019 are as follows:

	December 31, 2019			
(In thousands)	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 36,639	$ 97	$ (351)	$ 36,385
GSE CMOs	277,512	5,350	(428)	282,434
GSE commercial certificates & CMO	250,357	4,003	(447)	253,913
Non-GSE residential certificates	58,643	459	(94)	59,008
Non-GSE commercial certificates	46,868	49	(43)	46,874
	670,019	9,958	(1,363)	678,614
Other debt:				
U.S. Treasury	199	—	—	199
ABS	524,289	1,634	(2,146)	523,777
Trust preferred	14,623	—	(726)	13,897
Corporate	7,957	326	—	8,283
Other	—	—	—	—
	547,068	1,960	(2,872)	546,156
Total available for sale	$1,217,087	$ 11,918	$ (4,235)	$1,224,770
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 635	$ 23	$ —	$ 658
Non GSE commercial certificates	270	19	—	289
	905	42	—	947
Other debt:				
PACE Assessments	263,805	810	—	264,615
Municipal	22,894	598	(1,307)	22,185
Other	5,100	—	(10)	5,090
	291,799	1,408	(1,317)	291,890
Total held to maturity	$ 292,704	$ 1,450	$ (1,317)	$ 292,837

The following summarizes the amortized cost and fair value of debt securities available for sale and held to maturity, exclusive of mortgage-backed securities, by their contractual maturity as of March 31, 2020. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty:

	Available for Sale		Held to Maturity	
(In thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due within one year	$ 6,071	$ 6,070	$ —	$ —
Due after one year through five years	18,663	18,076	5,100	5,089
Due after five years through ten years	163,621	156,136	—	—
Due after ten years	398,053	373,704	280,263	287,851
	$586,408	$553,986	$285,363	$292,940

Proceeds received and gains and losses realized on sales of securities are summarized below:

	Three Months Ended,	
(In thousands)	**March 31, 2020**	**March 31, 2019**
Proceeds	$ 27,763	$ 49,921
Realized gains	$ 523	$ 477
Realized losses	(24)	(185)
Net realized gains (losses)	$ 499	$ 292

The Bank controls and monitors inherent credit risk in its securities portfolio through diversification, concentration limits, periodic securities reviews, and by investing a significant portion of the securities portfolio in U.S. Government sponsored entity (“GSE”) obligations. GSEs include the Federal Home Loan Mortgage Corporation (“FHLMC”), the Federal National Mortgage Association (“FNMA”), the Government National Mortgage Association (“GNMA”) and the Small Business Administration (“SBA”). GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations (“CMOs”).

The following summarizes the fair value and unrealized losses for those available for sale securities as of March 31, 2020 and December 31, 2019, respectively, segregated between securities that have been in an unrealized loss position for less than twelve months and those that have been in a continuous unrealized loss position for twelve months or longer at the respective dates:

	March 31, 2020					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ —	$ —	$ —	$ —	$ —	$ —
GSE CMOs	73,615	(691)	13,609	(345)	87,224	(1,036)
GSE commercial certificates	116,160	(280)	28,777	(131)	144,937	(411)
Non-GSE residential certificates	39,544	(504)	12,079	(207)	51,623	(711)
Non-GSE commercial certificates	33,811	(2,583)	6,501	(565)	40,312	(3,148)
Other debt:						
ABS	330,445	(20,143)	183,066	(10,400)	513,511	(30,543)
Trust preferred	—	—	12,237	(2,387)	12,237	(2,387)
US Treasury	—	—	—	—	—	—
Other	—	—	—	—	—	—
	$ 593,575	$ (24,201)	$ 256,269	$ (14,035)	$ 849,844	$ (38,236)

	December 31, 2019					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ 4,849	$ (11)	$ 18,620	$ (340)	$ 23,469	$ (351)
GSE CMOs	43,794	(118)	23,995	(310)	67,789	(428)
GSE commercial certificates	59,615	(428)	14,001	(19)	73,616	(447)
Non-GSE residential certificates	2,836	(11)	13,537	(83)	16,373	(94)
Non-GSE commercial certificates	19,276	(25)	7,048	(18)	26,324	(43)
Other debt:						
ABS	95,095	(218)	191,650	(1,928)	286,745	(2,146)
Trust preferred	—	—	13,897	(726)	13,897	(726)
	$ 225,465	$ (811)	$ 282,748	$ (3,424)	$ 508,213	$ (4,235)

The temporary impairment of fixed income securities (mortgage-related securities, asset backed securities, U.S. Treasury and GSE securities, trust preferred securities and corporate debt) is primarily attributable to changes in overall market interest rates and/or changes in credit spreads since the investments were acquired. In general, as market interest rates rise and/or credit spreads widen, the fair value of fixed rate securities will decrease, as market interest rates fall and/or credit spreads tighten, the fair value of fixed rate securities will increase.

As of March 31, 2020, excluding GSE and U.S. Treasury securities, temporarily impaired securities totaled $617.7 million with an unrealized loss of $36.8 million. With the exception of $2.9 million which were not rated, the remaining securities were rated investment grade by at least one nationally recognized statistical rating organization with no ratings below investment grade. All issues were current as to their interest payments. Management considers that the temporary impairment of these investments as of March 31, 2020 is primarily due to an increase in market interest rates and spreads since the time these investments were acquired.

During the three months ended March 31, 2020, and March 31, 2019, the Bank recorded no OTTI loss.

With respect to the Bank's security investments that are temporarily impaired as of March 31, 2020, management does not intend to sell these investments and does not believe it will be necessary to do so before anticipated recovery. The Bank expects to collect all amounts due according to the contractual terms of these investments. Therefore the Bank does not consider these securities to be other-than-temporarily impaired at March 31, 2020. None of these positions or other securities held in the portfolio or sold during the year were purchased with the intent of selling them or would otherwise be classified as trading securities under ASC No. 320, Investments – Debt and Equity Securities.

Events which may cause material declines in the fair value of debt investments may include, but are not limited to, deterioration of credit metrics, higher incidences of default, worsening liquidity, worsening global or domestic economic conditions or adverse regulatory action. Management does not believe that there are any cases of unrecorded OTTI as of March 31, 2020; however, it is possible that the Bank may recognize OTTI in future periods.

5. LOANS RECEIVABLE, NET

Loans receivable are summarized as follows:

(In thousands)	March 31, 2020	December 31, 2019
Commercial and industrial	$ 532,351	$ 474,342
Multifamily	936,350	976,380
Commercial real estate	408,766	421,947
Construction and land development	65,706	62,271
Total commercial portfolio	1,943,173	1,934,940
Residential real estate lending	1,416,796	1,366,473
Consumer and other	189,152	163,077
Total retail portfolio	1,605,948	1,529,550
	3,549,121	3,464,490
Net deferred loan origination costs (fees)	8,214	8,124
	3,557,335	3,472,614
Allowance for loan losses	(42,348)	(33,847)
	$3,514,987	$3,438,767

The Bank had $1.8 million and $2.3 million in residential 1-4 family mortgages held for sale at March 31, 2020 and December 31, 2019, respectively. Both were recorded in Other Assets in the Consolidated Statements of Financial Condition.

The following table presents information regarding the quality of the Bank's loans as of March 31, 2020:

(In thousands)	30-89 Days Past Due	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest (1)	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 9,745	$ 1,043	$ 891	$ 11,679	$14,906	$ 505,766	$ 532,351
Multifamily	—	—	—	—	—	936,350	936,350
Commercial real estate	399	3,634	966	4,999	—	403,767	408,766
Construction and land development	—	3,652	1,999	5,651	—	60,055	65,706
Total commercial portfolio	10,144	8,329	3,856	22,329	14,906	1,905,938	1,943,173
Residential real estate lending	18,005	9,076	—	27,081	981	1,388,734	1,416,796
Consumer and other	1,532	680	—	2,212	—	186,940	189,152
Total retail portfolio	19,537	9,756	—	29,293	981	1,575,674	1,605,948
	$ 29,681	$18,085	$ 3,856	$ 51,622	$15,887	$3,481,612	$3,549,121

(1) The Bank had $3.9 million in commercial loans that were in the process of renewing their loan with us and were 90 days past maturity. All loans are current on payments and accruing interest.

The following table presents information regarding the aging of the Bank's loans as of December 31, 2019:

(In thousands)	30-89 Days Past Due	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 3,970	$ 781	$ 22	$ 4,773	$14,783	$ 454,786	$ 474,342
Multifamily	—	—	—	—	—	976,380	976,380
Commercial real estate	1,020	3,693	—	4,713	—	417,234	421,947
Construction and land development	2,635	3,652	—	6,287	—	55,984	62,271
Total commercial portfolio	7,625	8,126	22	15,773	14,783	1,904,384	1,934,940
Residential real estate lending	17,817	7,384	424	25,625	390	1,340,458	1,366,473
Consumer and other	1,782	328	—	2,110	—	160,967	163,077
Total retail portfolio	19,599	7,712	424	27,735	390	1,501,425	1,529,550
	$ 27,224	$15,838	$ 446	$ 43,508	$15,173	$3,405,809	$3,464,490

In general, a modification or restructuring of a loan constitutes a troubled debt restructuring ("TDR") if the Bank grants a concession to a borrower experiencing financial difficulty. Loans modified in TDRs are placed on non-accrual status until the Bank determines that future collection of principal and interest is reasonably assured, which generally requires that the borrower demonstrate performance according to the restructured terms for a period of at least six months. The Bank's TDRs primarily involve rate reductions, forbearance of arrears or extension of maturity. TDRs are included in total impaired loans as of the respective date.

On March 22, 2020, federal banking regulators issued an interagency statement that included guidance on their approach for the accounting of loan modifications in light of the economic impact of the COVID-19 pandemic. The guidance interprets current accounting standards and indicates that a lender can conclude that a borrower is not experiencing financial difficulty if short-term modifications are made in response to COVID-19, such as payment deferrals, fee waivers, extensions of repayment terms, or other delays in payment that are insignificant related to the loans in which the borrower is less than 30 days past due on its contractual payments at the time a modification program is implemented. The agencies confirmed in working with the staff of the FASB that short-term modifications made on a good faith basis in response to COVID-19 to borrowers who were current prior to any relief are not TDRs. In addition, the CARES Act provides financial institutions the option to temporarily suspend certain requirements under GAAP related to TDRs for a limited period of time to account for the effects of COVID-19. As of March 31, 2020, the Bank had not made any related deferrals.

The following table presents information regarding the Bank's TDRs as of March 31, 2020 and December 31, 2019:

	March 31, 2020			December 31, 2019		
(In thousands)	Accruing	Non-Accrual	Total	Accruing	Non-Accrual	Total
Commercial and industrial	$ 9,004	$14,906	$23,910	$ 8,984	$14,783	$23,767
Commercial real estate	—	3,634	3,634	5,114	3,693	8,807
Construction and land development	—	3,652	3,652	—	3,652	3,652
Residential real estate lending	17,964	4,243	22,207	20,269	2,891	23,160
	$26,968	$26,435	$53,403	$34,367	$25,019	$59,386

The following tables summarize the Bank's loan portfolio by credit quality indicator as of March 31, 2020:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 480,816	$ 15,797	$ 35,271	$ 467	$ 532,351
Multifamily	936,350	—	—	—	936,350
Commercial real estate	403,397	1,445	3,924	—	408,766
Construction and land development	54,115	7,939	3,652	—	65,706
Residential real estate lending	1,407,720	—	9,076	—	1,416,796
Consumer and other	188,472	—	680	—	189,152
Total loans	$3,470,870	$ 25,181	$ 52,603	$ 467	$3,549,121

The following tables summarize the Bank's loan portfolio by credit quality indicator as of December 31, 2019:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 427,279	$ 14,445	$ 32,151	$ 467	$ 474,342
Multifamily	976,380	—	—	—	976,380
Commercial real estate	418,254	—	3,693	—	421,947
Construction and land development	58,619	—	3,652	—	62,271
Residential real estate lending	1,359,089	—	7,384	—	1,366,473
Consumer and other	162,749	—	328	—	163,077
Total loans	$3,402,370	$ 14,445	$ 47,208	$ 467	$3,464,490

The above classifications follow regulatory guidelines and can be generally described as follows:

- pass loans are of satisfactory quality;
- special mention loans have a potential weakness or risk that may result in the deterioration of future repayment;
- substandard loans are inadequately protected by the current net worth and paying capacity of the borrower or of the collateral pledged (these loans have a well-defined weakness, and there is a distinct possibility that the Bank will sustain some loss); and
- doubtful loans, based on existing circumstances, have weaknesses that make collection or liquidation in full highly questionable and improbable.

In addition, residential loans are classified utilizing an inter-agency methodology that incorporates the extent of delinquency. Assigned risk rating grades are continuously updated as new information is obtained.

The following table provides information regarding the methods used to evaluate the Bank's loans for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of as of March 31, 2020:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 25,586	$ —	$ 3,634	$ 3,652	$ 27,362	$ —	$ 60,234
Collectively evaluated for impairment	506,765	936,350	405,132	62,054	$1,389,434	$189,152	$3,488,887
Total loans	$ 532,351	$ 936,350	$ 408,766	$ 65,706	$1,416,796	$189,152	$3,549,121
Allowance for loan losses:							
Individually evaluated for impairment	$ 10,237	$ —	$ —	$ —	$ 1,297	$ —	$ 11,534
Collectively evaluated for impairment	4,693	5,886	2,736	1,740	$ 14,133	$ 1,626	$ 30,814
Total allowance for loan losses	$ 14,930	$ 5,886	$ 2,736	$ 1,740	$ 15,430	$ 1,626	$ 42,348

The following table provides information regarding the methods used to evaluate the Bank's loans for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of as of December 31, 2019:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 24,870	$ —	$ 8,807	$ 3,652	$ 28,043	$ —	$ 65,372
Collectively evaluated for impairment	449,472	976,380	413,140	58,619	$1,338,430	$163,077	$3,399,118
Total loans	$ 474,342	$ 976,380	$ 421,947	$ 62,271	$1,366,473	$163,077	$3,464,490
Allowance for loan losses:							
Individually evaluated for impairment	$ 6,144	$ —	$ —	$ —	$ 1,325	$ —	$ 7,469
Collectively evaluated for impairment	4,982	5,210	2,492	808	$ 12,824	$ 62	$ 26,378
Total allowance for loan losses	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$ 33,847

The activities in the allowance by portfolio for the three months ended March 31, 2020 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$33,847
Provision for (recovery of) loan losses	3,803	676	244	932	1,093	1,840	8,588
Charge-offs	—	—	—	—	(24)	(304)	(328)
Recoveries	1	—	—	—	212	28	241
Ending Balance	$ 14,930	$ 5,886	$ 2,736	$ 1,740	$ 15,430	$ 1,626	$42,348

The activities in the allowance by portfolio for the three months ended March 31, 2019 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 16,046	$ 4,736	$ 2,573	$ 1,089	$ 11,987	$ 764	$37,195
Provision for (recovery of) loan losses	2,733	(126)	(169)	(565)	343	(30)	2,186
Charge-offs	(8,383)	—	—	—	(109)	(57)	(8,549)
Recoveries	6	—	—	—	506	48	560
Ending Balance	$ 10,402	$ 4,610	$ 2,404	$ 524	$ 12,727	$ 725	$31,392

The following is additional information regarding the Bank's individually impaired loans and the allowance related to such loans as of March 31, 2020 and December 31, 2019:

	March 31, 2020			
(In thousands)	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 4,727	$ 4,612	$ 5,296	$ —
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	3,634	6,221	9,137	—
	12,013	14,485	18,135	—
Loans with a related allowance:				
Residential real estate lending	22,635	23,092	26,318	1,297
Commercial and industrial	25,586	25,228	30,427	10,237
	48,221	48,320	56,745	11,534
Total individually impaired loans:				
Residential real estate lending	27,362	27,704	31,614	1,297
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	3,634	6,221	9,137	—
Commercial and industrial	25,586	25,228	30,427	10,237
	$ 60,234	$ 62,805	$74,880	$ 11,534

	December 31, 2019			
(In thousands)	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 4,496	$ 4,397	$ 4,558	$ —
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
	16,955	19,970	17,397	—
Loans with a related allowance:				
Residential real estate lending	23,547	25,206	27,288	1,325
Commercial and industrial	24,870	18,512	29,534	6,144
	48,417	43,718	56,822	7,469
Total individually impaired loans:				
Residential real estate lending	28,043	29,603	31,846	1,325
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
Commercial and industrial	24,870	18,512	29,534	6,144
	$ 65,372	$ 63,688	$74,219	$ 7,469

As of both March 31, 2020 and December 31, 2019, mortgage loans with an unpaid principal balance of $1.1 billion, were pledged to the FHLB to secure outstanding advances, letters of credit and borrowing capacity.

There was one related party loan outstanding as of both March 31, 2020 and December 31, 2019, with a total principal balance of $0.6 million. As of March 31, 2020 and December 31, 2019, all related party loans were current.

6. DEPOSITS

Deposits are summarized as follows:

	March 31, 2020		December 31, 2019	
(In thousands)	Amount	Average Rate Paid	Amount	Average Rate Paid
Non-interest bearing demand deposit accounts	$2,423,760	0.00%	$2,179,247	0.00%
NOW accounts	234,268	0.15%	230,919	0.38%
Money market deposit accounts	1,708,818	0.17%	1,508,674	0.37%
Savings accounts	329,583	0.12%	328,587	0.19%
Time deposits	380,128	1.13%	393,555	1.29%
	$5,076,557	0.16%	$4,640,982	0.26%

The scheduled maturities of time deposits are as follows:

(In thousands)	March 31, 2020
2020	$ 310,831
2021	57,311
2022	6,090
2023	2,821
2024	2,802
Thereafter	273
	$ 380,128

Time deposits of $250,000 or more aggregated to $61.7 million as of March 31, 2020 and $63.1 million as of December 31, 2019.

From time to time the Bank will issue time deposits through the Certificate of Deposit Account Registry Service (“CDARS”) for the purpose of providing FDIC insurance to bank customers with balances in excess of FDIC insurance limits. CDARS deposits totaled approximately $186.1 million and $192.0 million as of March 31, 2020 and December 31, 2019, respectively. The average balance of such deposits was approximately $183.1 million as of the quarter ended March 31, 2020 and $190.1 million for the year ended December 31, 2019.

Our total deposits included deposits from Workers United and its related entities in the amounts of $117.5 million as of March 31, 2020 and $86.9 million as of December 31, 2019.

Included in total deposits are state and municipal deposits totaling $100.5 million and $100.4 million as of March 31, 2020 and December 31, 2019, respectively. Such deposits are secured by letters of credit issued by the FHLB or by securities pledged with the FHLB.

7. BORROWED FUNDS

Borrowed funds are summarized as follows:

	March 31, 2020		December 31, 2019	
(In thousands)	Amount	Weighted Average Rate	Amount	Weighted Average Rate
FHLB advances	$ —	— %	$75,000	1.84%

FHLB advances are collateralized by the FHLB stock owned by the Bank plus a pledge of other eligible assets comprised of securities and mortgage loans. As of March 31, 2020, the value of the other eligible assets had an estimated market value net of haircut totaling $1.6 billion (comprised of securities of $501.4 million and mortgage loans of $1.1 billion). The pledged securities and mortgage loans have been delivered to the FHLB. The fair value of assets pledged to the FHLB is required to be not less than 110% of the outstanding advances.

The Bank has no significant categories of borrowed funds as of March 31, 2020.

8. EARNINGS PER SHARE

The two-class method is used in the calculation of basic and diluted earnings per share. Under the two-class method, earnings available to common stockholders for the period are allocated between common stockholders and participating securities according to participation rights in undistributed earnings. Our options and restricted stock units are not considered participating securities as they do not receive dividend distributions and the Bank has no other participating securities. The factors used in the earnings per share computation follow:

	Three Months Ended March 31,	
(In thousands, except per share amounts)	**2020**	**2019**
Net income attributable to Amalgamated Bank	$ 9,545	$10,813
Dividends paid on preferred stock	—	—
Income attributable to common stock	$ 9,545	$10,813
Weighted average common shares outstanding, basic	31,411	31,772
Basic earnings per common share	**$ 0.30**	**$ 0.34**
Income attributable to common stock	$ 9,545	$10,813
Weighted average common shares outstanding, basic	31,411	31,772
Incremental shares from assumed conversion of options and RSUs	395	550
Weighted average common shares outstanding, diluted	31,806	32,322
Diluted earnings per common share	**$ 0.30**	**$ 0.33**

9. EMPLOYEE BENEFIT PLANS

Long Term Incentive Plans

Stock Options:

The Bank does not currently maintain an active stock option plan that is available for issuing new options.

A summary of the status of the Bank's options as of March 31, 2020 follows:

	Number of Options	Weighted Avg. Exercise Price	Weighted Avg. Remaining Life	
Outstanding, December 31, 2019	2,051,020	$ 13.06	$ 6.6	years
Granted	—	—	—	
Forfeited/ Expired	—	—	—	
Exercised	(11,220)	13.75	—	
Outstanding, March 31, 2020	2,039,800	13.06	6.4	years
Vested and Exercisable, March 31, 2020	1,862,404	$ 12.91	6.3	years

The range of exercise prices is $11.00 to $14.65 per share.

Total compensation costs were $0.2 million and $0.4 million for the three months ended March 31, 2020 and 2019, respectively. All amounts are recorded within the Consolidated Statements of Income. Of the unvested portion of the options, the remaining expense of $0.5 million will be recognized in the remaining nine months of 2020.

Restricted Stock Units:

The Amalgamated Bank 2019 Equity Incentive Plan (the "Equity Plan") provides for the grant of stock-based incentive awards to officers, employees and directors of the Bank. The number of shares of common stock of Amalgamated Bank available for stock-based awards in the Equity Plan is 1,250,000 of which 789,430 shares are available for issuance as of March 31, 2020.

During the three months ended March 31, 2020, in accordance with the Equity Plan for employees, the Bank granted 152,929 restricted stock units (RSUs) and reserved 190,270 shares for issuance upon vesting based upon the possibility of the Bank's employees achieving the maximum share payout.

Of the 152,929 RSUs granted to employees, 78,247 RSUs time-vest ratably over three years and were granted at a fair value of $14.45 and 74,682 RSUs were performance-based and are more fully described below:

The Bank granted 38,321 performance-based RSUs at a fair value of $14.45 which vest subject to the achievement of the Bank's corporate goals for the three-year period from December 31, 2019 to December 31, 2022. The corporate goal is based on the Bank achieving a target increase in Tangible Book Value, adjusted for certain factors. The minimum and maximum awards that are achievable are 0 and 57,482 shares, respectively.

The Bank granted 36,361 market-based RSUs at a fair value of $15.23 which vest subject to the Bank's performance on relative total shareholder return compared to a group of peer banks over a three-year period from March 9, 2020 to March 8, 2023. The minimum and maximum awards that are achievable are 0 and 54,542 shares, respectively.

A summary of the status of the Bank's employee RSUs as of March 31, 2020 follows:

	Shares	Grant Date Fair Value
Unvested, Unvested, December 31, 2019	189,999	$ 17.81
Awarded	152,931	14.64
Forfeited	(2,500)	17.67
Unvested, Unvested, March 31, 2020	340,430	$ 16.30

Compensation expense attributable to the employee RSUs was $0.3 million and $0 for the three months ended March 31, 2020 and 2019, respectively. As of March 31, 2020, there was $4.5 million of total unrecognized compensation cost related to the non-vested RSUs granted to employees. This expense may increase or decrease depending on the expected number of performance-based shares to be issued. This expense is expected to be recognized over 2.9 years.

During the three months ended March 31, 2020, in accordance with the Equity Plan for directors, the Bank granted 26,642 RSUs that vest after one year. The Bank recorded expense of $0.1 million and $0 for the three months ended March 31, 2020 and 2019, respectively. As of March 31, 2020, there was $0.4 million of total unrecognized cost related to the non-vested RSUs granted to directors.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. A description of the disclosure hierarchy and the types of financial instruments recorded at fair value that management believes would generally qualify for each category are as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities. Accordingly, valuation of these assets and liabilities does not entail a significant degree of judgment. Examples include most U.S. Government securities and exchange-traded equity securities.

Level 2 - Valuations are based on either quoted prices in markets that are not considered to be active or significant inputs to the methodology that are observable, either directly or indirectly. Financial instruments in this level would generally include mortgage-related securities and other debt issued by GSEs, non-GSE mortgage-related securities, corporate debt, certain redeemable fund investments and certain trust preferred securities.

Level 3 - Valuations are based on inputs to the methodology that are unobservable and significant to the fair value measurement. These inputs reflect management's own judgments about the assumptions that market participants would use in pricing the assets and liabilities.

The following summarizes those financial instruments measured at fair value in the consolidated statements of financial condition categorized by the relevant class of investment and level of the fair value hierarchy:

	March 31, 2020			
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 19,892	$ —	$ 19,892
GSE CMOs	—	347,050	—	347,050
GSE commercial certificates & CMO	—	415,848	—	415,848
Non-GSE residential certificates	—	62,323	—	62,323
Non-GSE commercial certificates	—	42,706	—	42,706
Other debt:				
U.S. Treasury	204	—	—	204
ABS	—	533,188	—	533,188
Trust preferred	—	12,237	—	12,237
Corporate	—	8,357	—	8,357
Other	—	—	—	—
Total assets carried at fair value	$ 204	$1,441,601	$ —	$1,441,805

(In thousands)	December 31, 2019 Level 1	Level 2	Level 3	Total
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 36,385	$ —	$ 36,385
GSE CMOs	—	282,434	—	282,434
GSE commercial certificates	—	253,913	—	253,913
Non-GSE residential certificates	—	59,008	—	59,008
Non-GSE commercial certificates	—	46,874	—	46,874
Other debt:				
U.S. Treasury	199	—	—	199
ABS	—	523,777	—	523,777
Trust preferred	—	13,897	—	13,897
Corporate	—	8,283	—	8,283
Total assets carried at fair value	$ 199	$1,224,571	$ —	$1,224,770

During the periods ended March 31, 2020 and December 31, 2019, there were no transfers of financial instruments between Level 1 and Level 2 and there were no financial instruments measured at fair value and categorized as Level 3 in the consolidated statement of financial condition.

The following tables summarize assets measured at fair value on a non-recurring basis:

(In thousands)	March 31, 2020 Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Fair Value Measurements:					
Impaired loans	$48,700	$ —	$ —	$48,700	$ 48,700
Other real estate owned	786	—	—	960	960
	$49,486	$ —	$ —	$49,660	$ 49,660

(In thousands)	December 31, 2019 Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Fair Value Measurements:					
Impaired loans	$57,903	$ —	$ —	$57,903	$ 57,903
Other real estate owned	809	—	—	977	977
	$58,712	$ —	$ —	$58,880	$ 58,880

The following table summarizes the financial statement basis and estimated fair values for significant categories of financial instruments:

(In thousands)	March 31, 2020				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Financial assets:					
Cash and cash equivalents	$ 262,736	$262,736	$ —	$ —	$ 262,736
Available for sale securities	1,441,805	204	1,441,601	—	1,441,805
Held to maturity securities	286,251	—	32,388	261,469	293,857
Loans receivable, net	3,514,987	—	—	3,688,647	3,688,647
FHLBNY stock (1)	3,664	—	3,664		3,664
Accrued interest and dividends receivable	17,403	—	17,403	—	17,403
Other assets (2)	1,769	—	—	1,769	1,769
Financial liabilities:					
Deposits payable on demand	$4,696,429	$ —	$4,696,429	$ —	$4,696,429
Time deposits	380,128	—	381,657	—	381,657
Borrowed funds	—	—	—	—	—
Accrued interest payable	1,105	—	1,105	—	1,105

(1) Prices not quoted in active markets but redeemable at par.
(2) Loans held for sale recorded in other assets.

(In thousands)	December 31, 2019				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
Financial assets:					
Cash and cash equivalents	$ 122,538	$122,538	$ —	$ —	$ 122,538
Available for sale securities	1,224,770	199	1,224,571	—	1,224,770
Held to maturity securities	292,704	—	23,132	269,705	292,837
Loans receivable, net	3,438,767	—	—	3,474,296	3,474,296
FHLBNY stock (1)	7,039	—	7,039		7,039
Accrued interest and dividends receivable	19,088	—	19,088	—	19,088
Other assets (2)	2,328	—	—	2,328	2,328
Financial liabilities:					
Deposits payable on demand	4,247,427	—	4,247,427	—	4,247,427
Time deposits	393,555	—	394,385	—	394,385
Borrowed funds	75,000	—	75,000	—	75,000
Accrued interest payable	1,383	—	1,383	—	1,383

(1) Prices not quoted in active markets but redeemable at par.
(2) Loans held for sale recorded in other assets.

11. COMMITMENTS, CONTINGENCIES AND OFF BALANCE SHEET RISK

Credit Commitments

The Bank is party to various credit related financial instruments with off balance sheet risk. The Bank, in the normal course of business, issues such financial instruments in order to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Such commitments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the consolidated statements of financial condition.

The following financial instruments were outstanding whose contract amounts represent credit risk as of the related periods:

(In thousands)	March 31, 2020	December 31, 2019
Commitments to extend credit	$ 479,979	$ 567,117
Standby letters of credit	20,215	15,169
Total	$ 500,194	$ 582,286

Commitments to extend credit are contracts to lend to a customer as long as there is no violation of any condition established in the contract. These commitments have fixed expiration dates and other termination clauses and generally require the payment of nonrefundable fees. Since a portion of the commitments are expected to expire without being drawn upon, the contractual principal amounts do not necessarily represent future cash requirements. The Bank's maximum exposure to credit risk is represented by the contractual amount of these instruments. These instruments represent ultimate exposure to credit risk only to the extent they are subsequently drawn upon by customers.

Standby letters of credit are conditional lending commitments issued by the Bank to guarantee the financial performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers. The balance sheet carrying value of standby letters of credit approximates any nonrefundable fees received but not yet recorded as income. The Bank considers this carrying value, which is not material, to approximate the estimated fair value of these financial instruments.

The Bank reserves for the credit risk inherent in off balance sheet credit commitments. This reserve, which is included in other liabilities, amounted to approximately $1.3 million as of both March 31, 2020 and December 31, 2019.

Investment Commitments

As of March 31, 2020, the Bank is party to an agreement with Pace Funding Group (PFG) for the purchase of up to $150 million of PACE assessment securities by September of 2021, to be held in our held-to-maturity investment portfolio. As of December 31, 2019, the Bank was not party to such an agreement or related purchase obligation. The PACE assessments have equal-lien priority with property taxes and rank senior to first lien mortgages.

12. LEASES

The Bank as a lessee has operating leases primarily consisting of real estate arrangements where the Bank operates its headquarters, branches and business production offices. All leases identified as in scope are accounted for as operating leases as of March 31, 2020. These leases are typically long-term leases and generally are not complicated arrangements or structures. Several of the leases contain renewal options at a rate comparable to the fair market value based on comparable analysis to similar properties in the Bank's geographies.

Real estate operating leases are presented as a Right-of-use ("ROU") asset and a related Operating lease liability on the Consolidated Statements of Financial Condition. The ROU asset represents the Bank's right to use the underlying asset for the lease term and the lease liabilities represent the obligation to make lease payments arising from the lease. The ROU asset and related lease liability were recognized at commencement on the adoption date of January 1, 2019 and are primarily based on the present value of lease payments over the lease term. The Bank applied its incremental borrowing rate ("IBR") as the discount rate to the remaining lease payments to derive a present value calculation for initial measurement of the lease liability. The IBR reflects the interest rate the Bank would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments. Lease expense is recognized on a straight-line basis over the lease term.

The following table summarizes our lease cost and other operating lease information:

(In thousands)	Three Months Ended March 31, 2020	Three Months Ended March 31, 2019
Operating lease cost	$ 3,488	$ 2,523
Cash paid for amounts included in the measurement of Operating leases liability	$ 2,680	$ 2,732
Weighted average remaining lease term on operating leases (in years)	6.3	7.2
Weighted average discount rate used for operating leases liability	3.25%	3.24%
Note: Sublease income and variable income or expense considered immaterial		

The following table presents the remaining commitments for operating lease payments for the next five years and thereafter, as well as a reconciliation to the discounted Operating leases liability recorded in the Consolidated Statements of Financial Condition as of March 31, 2020:

(In thousands)	
2020 remaining	$ 8,090
2021	10,630
2022	10,657
2023	9,725
2024	9,734
Thereafter	18,661
Total undiscounted operating lease payments	67,497
Less: present value adjustment	6,685
Total Operating leases liability	$60,812

The following table presents the remaining commitments for operating lease payments for the next five years and thereafter, as well as a reconciliation to the discounted Operating leases liability recorded in the Consolidated Statements of Financial Condition as of December 31, 2019:

(In thousands)	
Year Ending December 31,	
2020	10,743
2021	10,583
2022	10,233
2023	9,725
2024	9,734
Thereafter	18,661
Total undiscounted operating lease payments	69,679
Less: present value adjustment	7,275
Total Operating leases liability	$62,404

13. GOODWILL AND INTANGIBLE ASSETS

Goodwill

At March 31, 2020 and December 31, 2019, the carrying amount of goodwill was $12.9 million.

Intangible Assets

The following table reflects the estimated amortization expense, comprised entirely by the Bank's core deposit intangible asset, for the next five years and thereafter:

(In thousands)	
2020 remaining	$1,027
2021	1,207
2022	1,047
2023	888
2024	730
Thereafter	1,487
Total	$6,386

Accumulated amortization of the core deposit intangible was $2.7 million as of March 31, 2020.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following is a discussion of our consolidated financial condition as of March 31, 2020, as compared to December 31, 2019, and our results of operations for the three month periods ended March 31, 2020 and March 31, 2019. The purpose of this discussion is to focus on information about our financial condition and results of operations which is not otherwise apparent from our consolidated financial statements and is intended to provide insight into our results of operations and financial condition. This discussion and analysis is best read in conjunction with our unaudited consolidated financial statements and related notes as well as the financial and statistical data appearing elsewhere in this report and our Annual Report on Form 10-K for the year ended December 31, 2019 (the "2019 Annual Report"). Historical results of operations and the percentage relationships among any amounts included, and any trends that may appear, may not indicate results of operations for any future periods.

In addition to historical information, this discussion includes certain forward-looking statements regarding business matters and events and trends that may affect our future results. Comments regarding our business that are not historical facts are considered forward-looking statements that involve inherent risks and uncertainties. Actual results may differ materially from those contained in these forward-looking statements. For additional information regarding our cautionary disclosures, see the "*Cautionary Note Regarding Forward-Looking Statements*" beginning on page ii of this report.

Overview

Our business

Amalgamated Bank is a commercial bank and chartered trust company headquartered in New York, New York with approximately $5.8 billion in total assets, $3.5 billion in total loans and $5.1 billion in total deposits as of March 31, 2020.

We were formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions. Although we are no longer majority union-owned, the Amalgamated Clothing Workers of America's successor, Workers United, an affiliate of the Service Employees International Union that represents workers in the textile, distribution and food service and gaming industries, remains a significant stockholder, holding approximately 40% of our equity as of March 31, 2020.

We offer a complete suite of commercial and retail banking, investment management and trust and custody services. Our commercial banking and trust businesses are national in scope and we also offer a full range of products and services to both commercial and retail customers through our nine branch offices across four boroughs of New York City, one branch office in Washington, D.C., one branch in San Francisco and our digital banking platform. Our corporate divisions include Commercial Banking, Trust and Investment Management and Consumer Banking. Our product line includes residential mortgage loans, commercial and industrial ("C&I") loans, commercial real estate ("CRE") loans, multifamily mortgages, and a variety of commercial and consumer deposit products, including non-interest bearing accounts, interest-bearing demand products, savings accounts, money market accounts and certificates of deposit. We also offer online banking and bill payment services, online cash management, safe deposit box rentals, debit card and ATM card services and the availability of a nationwide network of ATMs for our customers.

We currently offer a wide range of trust, custody and investment management services, including asset safekeeping, corporate actions, income collections, proxy services, account transition, asset transfers, and conversion management. We also offer a broad range of investment products, including both index and actively-managed funds spanning equity, fixed-income, real estate and alternative investment strategies to meet the needs of our clients. As of March 31, 2020, we oversaw $31.0 billion in assets under custody and $11.6 billion in assets under management.

Our products and services are tailored to our target customer base that prefers a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national labor unions, political organizations, foundations, socially responsible businesses, and other for-profit companies that seek to balance their profit-making activities with activities that benefit their other stakeholders, as well as the members and stakeholders of these commercial customers. Our goal is to be the go-to financial partner for people and organizations who strive to make a meaningful impact in our society and who care about their communities, the environment, and social justice. We have obtained B Corporation ™ certification, a distinction we earned after being evaluated under rigorous standards of social and environmental performance, accountability, and transparency. We are also the largest of 10 commercial financial institutions in the United States that are members of the Global Alliance for Banking on Values, a network of banking leaders from around the world committed to advancing positive change in the banking sector.

Impact of the COVID-19 pandemic on our business

The ongoing COVID-19 pandemic has caused and will continue to cause significant disruption in the international and United States economies and financial markets and has had and is expected to continue to have a significant and adverse effect on our business and results of operations. The spread of COVID-19 has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in business activity and financial transactions, supply chain interruptions and overall economic and financial market instability. In response to the COVID-19 pandemic, the governments of all of the states in which we have branch offices and of most other states have taken preventative or protective actions, such as imposing restrictions on travel and business operations, advising or requiring individuals to limit or forgo their time outside of their homes, and ordering temporary closures of businesses that have been deemed to be non-essential. These restrictions and other consequences of the pandemic have resulted in significant adverse effects for many different types of businesses, including, among others, those in the travel, hospitality and food and beverage industries, and have resulted in a significant number of layoffs and furloughs of employees nationwide and in the regions in which we operate.

While our business has been designated an essential business, which allows us to continue to serve our customers, we serve many customers that have been deemed, or who are employed by businesses that have been deemed, to be non-essential. And many of our customers that have been categorized to date as essential businesses, or who are employed by businesses that have been categorized as essential businesses, have been adversely affected by the COVID-19 pandemic.

The impact of the COVID-19 pandemic is fluid and continues to evolve. The COVID-19 pandemic and its associated impacts on trade (including supply chains and export levels), travel, employee productivity, unemployment, consumer spending, and other economic activities has resulted in less economic activity, lower equity market valuations and significant volatility and disruption in financial markets. In addition, due to the COVID-19 pandemic, market interest rates have declined significantly, with the 10-year Treasury bond falling below 1.00% on March 3, 2020 for the first time. On March 3, 2020, the Federal Open Market Committee reduced the targeted federal funds interest rate range by 50 basis points to 1.00% to 1.25%. This range was further reduced to 0% to 0.25% percent on March 16, 2020. These reductions in interest rates and the other effects of the COVID-19 pandemic have had and are expected to continue to have a significant and adverse effect on our business and results of operations. The ultimate extent of the impact of the COVID-19 pandemic on our business, financial condition and results of operations is currently uncertain and will depend on various developments and other factors, including, among others, the duration and scope of the pandemic, as well as governmental, regulatory and private sector responses to the pandemic, and the associated impacts on the economy, financial markets and our customers, employees and vendors.

As a result of these events, we have seen the following impacts to our business during the month of April 2020:

Impacts on our operations

We took a wide range of actions to help protect our employees and customers and to ensure the operational continuity of the Bank, while continuing to provide core banking services to our consumer and commercial clients. The majority of our employees are now working remotely with the exception of essential branch and facility staff. Our primary geographic markets include the New York City metropolitan area, the Washington, D.C. metropolitan area, and the San Francisco metropolitan area. New York City is one of the areas in the United States hardest-hit by the COVID-19 pandemic. Accordingly, we have had to close or reduce hours at our branches in several locations due to risk of transmission of COVID-19.

Impacts on our loan portfolio

The disruption in economic activity across the United States, and particularly in New York, has caused stress in the financial condition of both our consumer and commercial clients. As a result, we have started to use the tools afforded to us under the CARES Act and other regulatory provisions to provide payment deferrals for customers that need assistance. Under the terms of these deferrals agreements, the loans will not be reported as past due or as non-accrual for the agreed upon term of the deferral, unless additional information becomes available that indicates the loan will not perform as expected when the deferral is complete. Additionally, we will not downgrade these loans and will not build an allowance directly attributable to these loans solely as the result of the deferral granted, though qualitative allowance factors may be negatively affected and cause an increase in our provision expense and allowance for loan losses. Interest will accrue during the deferral period. In general, the interest and principal originally due during the deferral period will be due at the contractual end of the loan. If the loan does not exit deferral and continues to pay according to contractual terms, the loan will then be considered as any other loan that is past due or not in agreement with contractual terms, and additional allowance will likely be required for these loans.

As of April 24, 2020, we have provided or plan to provide payment deferrals on the following amount of loan balances. We expect that the deferral numbers will continue to increase over the course of the second quarter of 2020.

($ in millions)	Data as of week ending 4/24/2020				
Loan Type	**3/31/2020 Balance**	**Forbearance approved or in process**	**% of Portfolio**	**Documents requested; not yet returned**	**% of Portfolio**
Commercial and industrial	$ 532	$30	5.6%	$ 33	6.1%
Multifamily, commercial real estate, and construction and land development	1,411	155	11.0%	75	5.3%
Residential real estate lending	1,417	114	8.0%	—	0.0%
Portfolio (excluding consumer and student)	**$ 3,360**	**$298**	**8.9%**	**$ 107**	**3.2%**
Consumer and student	$ 189	*43% of balances reported with less than 1% deferral rate*			

Impacts on our investment portfolio

We are also monitoring the impact of the COVID-19 pandemic on the value of our investments. We mark to market our publicly traded investments and will review our investment portfolio for impairment at period end. Because of changing economic and market conditions affecting issuers, we may be required to recognize further impairments on the securities we hold as well as reductions in other comprehensive income. We cannot currently determine the ultimate impact of the pandemic on the long-term value of our portfolio.

Impact on our capital

As of March 31, 2020, all of our capital ratios are in excess of all regulatory requirements. While we believe that we have sufficient capital to withstand an extended economic recession brought about by the COVID-19 pandemic, our reported and regulatory capital ratios could be adversely impacted by further credit losses.

Other impacts on our financial performance

In addition to the factors above, we expect the following impacts to our earnings, though we are unable to quantify the impacts at this time:

- Increased allowance related to qualitative factors
- Increased allowance related to loans that continue to be impacted by the economy after the payment deferral period
- Lower Trust Department fees due to lower equity values in our clients' assets under management and/or custody
- Lower net interest margin due to the Federal Reserves' decision to lower rates to "near zero" at the end of March
- Lower loan originations as the credit worthiness of borrowers may be impacted by the current economic environment
- Lower fees for services that are temporarily being waived including overdraft fees, ATM fees, CD breakage fees and other miscellaneous fees

The negative financial impacts may be partially offset by actions taken by management to lower interest expense and operating expense.

These factors, together or in combination with other events or occurrences that may not yet be known or anticipated, may materially and adversely affect our business, financial condition and results of operations.

Critical and Significant Accounting Policies and Estimates

Our consolidated financial statements are prepared based on the application of accounting policies generally accepted in the United States, or GAAP, and conform to general practices within the banking industry. Our significant accounting policies are more fully described in Note 1 of our audited consolidated financial statements included in our Annual Report and our critical accounting policies are more fully described under "Critical Accounting Policies and Estimates" included in the "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2019 Annual Report. There have been no significant changes to our critical and significant accounting policies, or the estimates made pursuant to those policies as described in our 2019 Annual Report.

SELECTED FINANCIAL DATA

The following table sets forth our unaudited selected historical consolidated financial data for the periods and as of the dates indicated. This data should be read in conjunction with the unaudited consolidated financial statements and the notes thereto contained elsewhere in this report and the information contained in this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

	Three Months Ended March 31,	
(In thousands, except per share data)	2020	2019
Selected Operating Data:		
Interest income	$ 48,631	$ 45,774
Interest expense	3,942	5,001
Net interest income	44,689	40,773
Provision for (recovery of) loan losses	8,588	2,186
Net interest income after provision for loan losses	36,101	38,587
Non-interest income	9,118	7,417
Non-interest expense	32,270	31,448
Income before income taxes	12,949	14,556
Provision (benefit) for income taxes	3,404	3,743
Net income	$ 9,545	$ 10,813
Selected Financial Data:		
Total assets	$ 5,751,953	$ 4,914,479
Total cash and cash equivalents	262,736	132,154
Investment securities	1,728,056	1,252,038
Total net loans	3,514,987	3,267,015
Bank-owned life insurance	81,098	79,485
Total deposits	5,076,557	4,107,075
Borrowed funds	—	253,775
Total common stockholders' equity	473,135	455,345
Total stockholders' equity	473,269	455,479
Selected Financial Ratios and Other Data:		
Earnings		
Basic	$ 0.30	$ 0.34
Diluted	0.30	0.33
Book value per common share (excluding minority interest)	15.26	14.33
Common shares outstanding	31,000,299	31,771,585
Weighted average common shares outstanding, basic	31,410,848	31,771,585
Weighted average common shares outstanding, diluted	31,805,901	32,321,585

	Three Months Ended March 31,	
	2020	2019
Selected Performance Metrics:		
Return on average assets	0.71%	0.92%
Return on average equity	7.65%	9.82%
Loan yield	4.13%	4.44%
Securities yield	3.29%	3.37%
Deposit cost	0.33%	0.31%
Net interest margin	3.46%	3.65%
Efficiency ratio	59.97%	65.26%
Asset Quality Ratios:		
Nonaccrual loans to total loans	0.96%	0.45%
Nonperforming assets to total assets	1.14%	1.15%
Allowance for loan losses to nonaccrual loans	125%	212%
Allowance for loan losses to total loans	1.19%	0.95%
Annualized net charge-offs (recoveries) to average loans	0.01%	1.00%
Capital Ratios:		
Tier 1 leverage capital ratio	8.47%	8.90%
Tier 1 risk-based capital ratio	12.74%	13.31%
Total risk-based capital ratio	13.96%	14.33%
Common equity tier 1 capital ratio	12.74%	13.31%

Results of Operations

General

Our results of operations depend substantially on net interest income, which is the difference between interest income on interest-earning assets, consisting primarily of interest income on loans, investment securities and other short-term investments and interest expense on interest-bearing liabilities, consisting primarily of interest expense on deposits and borrowings. Our results of operations are also dependent on non-interest income, consisting primarily of income from Trust Department fees, service charges on deposit accounts, net gains on sales of investment securities and income from bank-owned life insurance (“BOLI”). Other factors contributing to our results of operations include our provisions for loan losses, income taxes, and non-interest expenses, such as salaries and employee benefits, occupancy and depreciation expenses, professional fees, data processing fees and other miscellaneous operating costs.

Net income for the first quarter of 2020 was $9.5 million, or $0.30 per diluted share, compared to $10.8 million, or $0.33 per diluted share, for the first quarter of 2019. The $1.3 million decrease in net income for the first quarter of 2020, compared to the first quarter of 2019, is primarily due to a $6.4 million increase in provision for loan losses and a $0.8 million increase in expenses, partially offset by a $3.9 million increase in net interest income and a $1.7 million increase in non-interest income.

Net Interest Income

Net interest income, representing interest income less interest expense, is a significant contributor to our revenues and earnings. We generate interest income from interest, dividends and prepayment fees on interest-earning assets, including loans, investment securities and other short-term investments. We incur interest expense from interest paid on interest-bearing liabilities, including interest-bearing deposits, FHLB advances and other borrowings. To evaluate net interest income, we measure and monitor (i) yields on our loans and other interest-earning assets, (ii) the costs of our deposits and other funding sources, (iii) our net interest spread and (iv) our net interest margin. Net interest spread is equal to the difference between rates earned on interest-earning assets and rates paid on interest-bearing liabilities. Net interest margin is equal to the annualized net interest income divided by average interest-earning assets. Because non-interest-bearing sources of funds, such as non-interest-bearing deposits and stockholders' equity, also fund interest-earning assets, net interest margin includes the benefit of these non-interest-bearing sources.

Changes in the market interest rates and interest rates we earn on interest-earning assets or pay on interest-bearing liabilities, as well as the volume and types of interest-earning assets, interest-bearing and non-interest-bearing liabilities, are usually the largest drivers of periodic changes in net interest spread, net interest margin and net interest income.

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

(In thousands)	Three Months Ended March 31, 2020 Average Balance	Income / Expense	Yield/ Rate	Three Months Ended March 31, 2019 Average Balance	Income / Expense	Yield/ Rate
Interest earning assets:						
Interest-bearing deposits in banks	$ 185,281	$ 396	0.86%	$ 73,296	$ 293	1.62%
Securities and FHLB stock	1,544,848	12,623	3.29%	1,225,700	10,185	3.37%
Total loans, net (1)	3,464,438	35,612	4.13%	3,227,422	35,296	4.44%
Total interest earning assets	5,194,567	48,631	3.77%	4,526,418	45,774	4.10%
Non-interest earning assets:						
Cash and due from banks	9,539			9,988		
Other assets	222,757			251,468		
Total assets	$5,426,863			$4,787,874		
Interest bearing liabilities:						
Savings, NOW and money market deposits	2,143,247	$ 2,737	0.51%	1,877,349	$ 1,867	0.40%
Time deposits	381,053	1,178	1.24%	440,428	1,079	0.99%
Total deposits	2,524,300	3,915	0.62%	2,317,777	2,946	0.52%
Federal Home Loan Bank advances	6,374	27	1.70%	328,476	2,046	2.53%
Other Borrowings	—	—	0.00%	1,333	9	2.64%
Total interest bearing liabilities	2,530,674	3,942	0.63%	2,647,586	5,001	0.77%
Non interest bearing liabilities:						
Demand and transaction deposits	2,300,999			1,598,637		
Other liabilities	93,309			95,187		
Total liabilities	4,924,982			4,341,410		
Stockholders' equity	501,881			446,464		
Total liabilities and stockholders' equity	$5,426,863			$4,787,874		
Net interest income / interest rate spread		$44,689	3.14%		$40,773	3.34%
Net interest earning assets / net interest margin	$2,663,893		3.46%	$1,878,832		3.65%

(1) Amounts are net of deferred origination costs / (fees) and the allowance for loan losses and includes loans held for sale

Our net interest income was $44.7 million for the first quarter of 2020, compared to $40.8 million for the first quarter of 2019. The year-over-year increase of $3.9 million, or 9.6%, was primarily attributable to an increase in average net loans of $239.8 million, an increase in average securities of $319.1 million and a decrease in average Federal Home Loan Bank advances of $322.1 million. These impacts are partially offset by an increase in average interest bearing deposits of $206.5 million.

Our net interest spread was 3.14% for the three months ended March 31, 2020, compared to 3.34% for the same period in 2019, a decrease of 20 basis points. Our net interest margin was 3.46% for the first quarter of 2020, a decrease of 19 basis points from 3.65% in the first quarter of 2019. The accretion of the loan mark from the loans we acquired in our New Resource Bank acquisition contributed four basis points to our net interest margin in the first quarter of 2020, compared to five basis points in the first quarter of 2019. Prepayment penalties earned through loan income contributed $0.8 million, or six basis points, to our net interest margin in the first quarter of 2020, compared to two basis points in the first quarter of 2019.

The yield on average earning assets was 3.77% for the three months ended March 31, 2020, compared to 4.10% for the same period in 2019, a decrease of 33 basis points. This decrease was driven primarily by a decrease in yields on loans and securities due to a decrease in the Federal Funds rate.

The average rate on interest-bearing liabilities was 0.63% for the three months ended March 31, 2020, a decrease of 14 basis points from the same period in 2019, which was primarily due to a decrease in average borrowings as a result of an increase in average deposits. The average rate paid on interest-bearing deposits was 0.62% for the three months ended March 31, 2020, an increase of 10 basis points from the same period in 2019, which was primarily due to an increase in the pricing on deposits to new and existing customers. Noninterest-bearing deposits represented 48% of average deposits for the three months ended March 31, 2020, contributing to a total cost of deposits of 33 basis points in the first quarter of 2020.

Rate-Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in weighted average interest rates. The table below presents the effect of volume and rate changes on interest income and expense. Changes in volume are changes in the average balance multiplied by the previous period's average rate. Changes in rate are changes in the average rate multiplied by the average balance from the previous period. The net changes attributable to the combined impact of both rate and volume have been allocated proportionately to the changes due to volume and the changes due to rate:

	Three Months Ended March 31, 2020 over March 31, 2019		
(In thousands)	Volume	Changes Due To Rate	Net Change
Interest earning assets:			
Interest-bearing deposits in banks	$ 931	$ (828)	$ 103
Securities and FHLB stock	4,032	(1,594)	2,438
Total loans, net	10,475	(10,159)	316
Total interest income	15,438	(12,581)	2,857
Interest bearing liabilities:			
Savings, NOW and money market deposits	296	574	870
Time deposits	(732)	831	99
Total deposits	(436)	1,405	969
Federal Home Loan Bank advances	(1,513)	(506)	(2,019)
Other Borrowings	(9)	—	(9)
Total borrowings	(1,522)	(506)	(2,028)
Total interest expense	(1,958)	899	(1,059)
Change in net interest income	$17,396	$(13,480)	$ 3,916

Provision for Loan Losses

We establish an allowance through a provision for loan losses charged as an expense in our Consolidated Statements of Income. The provision for loan losses is the amount of expense that, based on our judgment, is required to maintain the allowance at an adequate level to absorb probable losses inherent in the loan portfolio at the balance sheet date and that, in management's judgment, is appropriate under GAAP. Our determination of the amount of the allowance and corresponding provision for loan losses considers ongoing evaluations of the credit quality and level of credit risk inherent in our loan portfolio, levels of nonperforming loans and charge-offs, statistical trends and economic and other relevant factors. The allowance is increased by provisions charged to expense

and decreased by provisions released from expense or by actual charge-offs, net of recoveries on prior loan charge-offs. In accordance with accounting guidance for business combinations, we recorded all loans acquired in the NRB acquisition at their estimated fair value at the date of acquisition with no carryover of the related allowance.

Our provisions for loan losses totaled an expense of $8.6 million in the first quarter of 2020, compared to an expense of $2.2 million for the first quarter of 2019. The provision expense in the first quarter of 2020 was primarily driven by a $3.4 million increase in our allowance for loan losses on two loans in our indirect C&I portfolio previously classified as restructured loans that were negatively impacted by the COVID-19 pandemic and a $3.0 million increase in qualitative factors tied to economic activity as a result of the COVID-19 pandemic. The provision for the first quarter of 2019 was primarily driven by additional allowance on criticized and classified loans in the C&I portfolio.

For a further discussion of the allowance, see "*Allowance for Loan Losses*" below.

Non-Interest Income

Our non-interest income included Trust Department fees, which consist of fees received in connection with investment advisory and custodial management services of investment accounts, service fees charged on deposit accounts, income on BOLI, gain or loss on other real estate owned, and other income.

The following table presents our non-interest income for the periods indicated:

	Three Months Ended March 31,	
(In thousands)	2020	2019
Trust Department fees	$ 4,085	$ 4,721
Service charges on deposit accounts	2,411	1,871
Bank-owned life insurance	384	420
Gain (loss) on sale of investment securities available for sale, net	499	292
Gain (loss) on other real estate owned, net	(23)	(249)
Other income	1,762	362
Total non-interest income	$ 9,118	$ 7,417

Our non-interest income was $9.1 million in the first quarter of 2020, compared to $7.4 million in the first quarter of 2019, an increase of $1.7 million, or 22.9%. This increase was primarily due to a $1.4 million gain on the sale of an owned branch (reported in other income), and a $0.5 million increase in service charges on deposit accounts due to an increase in the number of accounts and higher balances. These increases were partially offset by a $0.6 million decrease in Trust Department fees primarily related to the decrease in revenue from a real estate fund which is liquidating its assets. Our investment management business earns fees from a real estate fund that will wind down over the next few years. This fund generated $0.5 million in fees, included within Trust Department fees, during the three months ended March 31, 2020, and $1.0 million in fees during the same period in 2019. We expect that management fees from this real estate fund will continue to decline as properties are liquidated.

Non-Interest Expense

Non-interest expense includes compensation and employee benefits, occupancy and depreciation expense, professional fees (including legal, accounting and other professional services), data processing, office maintenance and depreciation, amortization of intangible assets, advertising and promotion, and other expenses. The following table presents non-interest expense for the periods indicated:

(In thousands)	Three Months Ended March 31, 2020	2019
Compensation and employee benefits, net	$17,458	$17,430
Occupancy and depreciation	5,506	4,271
Professional fees	2,983	3,165
Data processing	2,264	2,749
Office maintenance and depreciation	856	887
Amortization of intangible assets	342	389
Advertising and promotion	667	622
Other	2,194	1,935
Total non-interest expense	$32,270	$31,448

Our non-interest expense for the first quarter of 2020 was $32.3 million, increase of $0.8 million, or 2.6%, from $31.4 million in the first quarter of 2019. The increase in the first quarter of 2020 when compared to the same period in 2019, was primarily due to a $1.4 million charge for closing two branches in the first quarter of 2020 which was recognized in occupancy and depreciation expense, partially offset by a $0.5 million decrease in data processing expense due to contract renegotiations with vendors.

Income Taxes

We had a provision for income tax expense of $3.4 million for the first quarter of 2020, compared to $3.7 million for the first quarter of 2019. Our effective tax rate was 26.3% for the three months ended March 31, 2020, compared to 25.7% for the same period in 2019.

Financial Condition

Balance Sheet

Our total assets were $5.8 billion at March 31, 2020, compared to $5.3 billion at December 31, 2019. The increase of $426.6 million was driven primarily by a $210.6 million increase in investment securities, a $140.2 million increase in cash and cash equivalents, and a $76.2 million increase in loans receivable, net.

Investment Securities

The primary goal of our securities portfolio is to maintain an available source of liquidity and an efficient investment return on excess capital, while maintaining a low-risk profile. We also use our securities portfolio to manage interest rate risk, meet Community Reinvestment Act (“CRA”) goals and to provide collateral for certain types of deposits or borrowings. An Investment Committee chaired by our Chief Financial Officer manages our investment securities portfolio according to written investment policies approved by our Board of Directors. Investments in our securities portfolio may change over time based on management’s objectives and market conditions.

We seek to minimize credit risk in our securities portfolio through diversification, concentration limits, restrictions on high risk investments (such as subordinated positions), comprehensive pre-purchase analysis and stress testing, ongoing monitoring and by investing a significant portion of our securities portfolio in U.S. Government sponsored entity (“GSE”) obligations. GSEs include the Federal Home Loan Mortgage Corporation (“FHLMC”), the Federal National Mortgage Association (“FNMA”), the Government

National Mortgage Association (“GNMA”) and the Small Business Administration (“SBA”). GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations (“CMOs”). We invest in non-GSE securities in order to generate higher returns, improve portfolio diversification and or reduced interest rate and prepayment risk. With the exception of small legacy CRA investments comprising less than 0.1% of the portfolio or Trust Preferred securities, all of our non-GSE securities are senior positions that are the top of the capital structure.

Our investment securities portfolio consists of securities classified as available for sale and held to maturity. There were no trading securities in our investment portfolio during the three months ended March 31, 2020 or for the year ended December 31, 2019. All available for sale securities are carried at fair value and may be used for liquidity purposes should management consider it to be in our best interest.

At March 31, 2020 and December 31, 2019, we had available for sale securities of $1.4 billion and $1.2 billion, respectively. The $217.0 million increase in the first quarter of 2020 was primarily from the purchase of agency mortgage-backed securities (“MBS”) with a modest increase in non-agency MBS and asset-backed securities (“ABS”).

At March 31, 2020, our held to maturity securities portfolio primarily consisted of property assessed clean energy, or PACE bonds, tax-exempt municipal securities, GSE residential certificates and other debt. We carry these securities at amortized cost. We had held to maturity securities of $286.3 million at March 31, 2020, and $292.7 million at December 31, 2019.

Certain securities have fair values less than amortized cost and, therefore, contain unrealized losses. At March 31, 2020, we evaluated those securities which had an unrealized loss for other than temporary impairment (“OTTI”), and determined substantially all of the decline in value to be temporary. There were $849.8 million of investment securities with unrealized losses at March 31, 2020 of which $5.9 million had a continuous unrealized loss position for 12 consecutive months or longer that was greater than 5% of amortized cost. We anticipate full recovery of amortized cost with respect to these securities by the time that these securities mature, or sooner in the case that a more favorable market interest rate environment causes their fair value to increase. We do not intend to sell these securities and we believe it is more likely than not that we will be required to sell them before full recovery of their amortized cost basis, which may be at the time of their maturity.

The following table is a summary of our investment portfolio, using market value for available for sale securities and amortized cost for held to maturity securities, as of the dates indicated.

(In thousands)	March 31, 2020 Amount	March 31, 2020 % of Portfolio	December 31, 2019 Amount	December 31, 2019 % of Portfolio
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 19,892	1.2%	$ 36,385	2.4%
GSE CMOs	347,050	20.1%	282,434	18.6%
GSE commercial certificates & CMO	415,848	24.1%	253,913	16.7%
Non-GSE residential certificates	62,323	3.6%	59,008	3.9%
Non-GSE commercial certificates	42,706	2.5%	46,874	3.1%
Other debt:				
U.S. Treasury	204	0.0%	199	0.0%
ABS	533,188	30.8%	523,777	34.5%
Trust preferred	12,237	0.7%	13,897	0.9%
Corporate	8,357	0.5%	8,283	0.6%
Other	—	0.0%	—	0.0%
Total available for sale	1,441,805	83.5%	1,224,770	80.7%
Held to maturity:				
Mortgage-related:				
GSE residential certificates	629	0.0%	635	0.0%
Non GSE commercial certificates	259	0.0%	270	0.0%
Other debt:				
PACE	255,298	14.7%	263,805	17.4%
Municipal	24,965	1.5%	22,894	1.5%
Other	5,100	0.3%	5,100	0.3%
Total held to maturity	286,251	16.5%	292,704	19.3%
Total securities	$1,728,056	100.0%	$1,517,474	100.0%

The following table show contractual maturities and yields for the securities-available-for sale and held-to-maturity portfolios:

	Contractual Maturity as of March 31, 2020							
	One Year or Less		One to Five Years		Five to Ten Years		Due after Ten Years	
(In thousands)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)
Available for sale:								
Mortgage-related:								
GSE residential certificates	$ —	0.0%	$ —	0.0%	$ —	— %	$ 19,468	2.1%
GSE residential CMOs	—	0.0%	—	0.0%	28,163	2.3%	310,452	2.5%
GSE commercial certificates & CMO	23,846	1.4%	24,380	2.3%	144,520	1.8%	212,906	2.2%
Non-GSE residential certificates	—	0.0%	—	0.0%	—	0.0%	63,006	3.1%
Non-GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	45,840	2.0%
Other debt:								
U.S. Treasury	—	0.0%	199	1.7%	—	0.0%	—	0.0%
ABS	6,071	2.2%	15,464	3.8%	144,039	2.8%	398,053	2.7%
Trust preferred	—	0.0%	—	0.0%	14,624	2.0%	—	0.0%
Corporate	—	0.0%	3,000	6.5%	4,958	6.4%	—	0.0%
Other	—	0.0%	—	0.0%	—	0.0%	—	0.0%
Held to maturity:								
Mortgage-related:								
GSE residential certificates	—	0.0%	—	0.0%	10	6.0%	619	3.5%
Non GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	259	5.5%
Other debt:								
PACE	—	— %	—	— %	—	— %	255,298	4.6%
Municipal	—	0.0%	—	0.0%	—	0.0%	24,965	2.9%
Other	—	0.0%	5,100	2.6%	—	0.0%	—	0.0%
Total securities	$ 29,917	1.6%	$ 48,143	3.1%	$336,314	2.3%	$1,330,866	2.9%

(1) Estimated yield based on book price (amortized cost divided by par) using estimated prepayments and no change in interest rates.

The following table shows a breakdown of our asset backed securities by sector and ratings:

March 31, 2020
ABS Securities:

(In thousands)	Amount	%	Expected Avg. Life in Years	% Floating	Credit Ratings *Highest Rating if split rated* % AAA	% AA	% A	% Not Rated	Total
CLO Commercial & Industrial	$273,188	51%	3.4	100%	100%	0%	0%	0%	100%
Consumer	101,409	19%	4.9	0%	28%	2%	69%	1%	100%
Mortgage	107,574	20%	3.1	100%	100%	0%	0%	0%	100%
Student	51,017	10%	4.8	86%	85%	15%	0%	0%	100%
Total Securities:	$533,188	100%	3.8	80%	85%	2%	13%	0%	100%

Loans

Lending-related income is the most important component of our net interest income and is the main driver of our results of operations. Total loans, net of deferred origination fees, were $3.5 billion as of March 31, 2020 compared to $3.4 billion as of December 31, 2019. Within our commercial loan portfolio, our primary focus has been on C&I, multifamily and CRE lending. Within our retail loan portfolio, our primary focus has been on residential 1-4 family (1st lien) mortgages. We intend to focus any organic growth in our loan portfolio on these lending areas as part of our strategic plan.

In the first quarter of 2020, we purchased $37.4 million of consumer solar loans, $34.6 million of residential mortgage loans and $25.3 million of primarily fixed rate commercial loans that are unconditionally guaranteed by the United States government. We plan to selectively evaluate the purchase of additional loan pools that meet our underwriting criteria as part of our strategic plan.

The following table sets forth the composition of our loan portfolio, as of March 31, 2020 and December 31, 2019:

(In thousands)	March 31, 2020 Amount	March 31, 2020 % of total loans	December 31, 2019 Amount	December 31, 2019 % of total loans
Commercial portfolio:				
Commercial and industrial	$ 532,351	15.0%	474,342	13.7%
Multifamily mortgages	936,350	26.4%	976,380	28.2%
Commercial real estate mortgages	408,766	11.5%	421,947	12.2%
Construction and land development mortgages	65,706	1.9%	62,271	1.8%
Total commercial portfolio	1,943,173	54.8%	1,934,940	55.9%
Retail portfolio:				
Residential real estate lending	1,416,796	39.9%	1,366,473	39.4%
Consumer and other	189,152	5.3%	163,077	4.7%
Total retail portfolio	1,605,948	45.2%	1,529,550	44.1%
Total loans	3,549,121	100.0%	3,464,490	100.0%
Net deferred loan origination costs (fees)	8,214		8,124	
Allowance for loan losses	(42,348)		(33,847)	
Total loans, net	$3,514,987		$3,438,767	

Commercial loan portfolio

Our commercial loan portfolio comprised 54.8% of our total loan portfolio at March 31, 2020 and 55.9% of our total loan portfolio at December 31, 2019. The major categories of our commercial loan portfolio are discussed below:

C&I. Our C&I loans are generally made to small and medium-sized manufacturers and wholesale, retail and service-based businesses to provide either working capital or to finance major capital expenditures. The primary source of repayment for C&I loans is generally operating cash flows of the business. We also seek to minimize risks related to these loans by requiring such loans to be collateralized by various business assets (including inventory, equipment and accounts receivable). The average size of our C&I loans at March 31, 2020 by exposure was $2.9 million with a median size of $0.8 million. We have shifted our lending strategy to focus on developing full customer relationships including deposits, cash management, and lending. The businesses that we focus on are generally mission aligned with our core values, including organic and natural products, sustainable companies, clean energy, nonprofits, and B Corporations ™.

Our C&I loans totaled $532.4 million at March 31, 2020, which comprised 15.0% of our total loan portfolio. During the three months ended March 31, 2020, the C&I loan portfolio increased by 12.2% from $474.3 million at December 31, 2019, of which $26 million of the growth was due to increased usage of existing lines of credit.

Multifamily. Our multifamily loans are generally used to purchase or refinance apartment buildings of five units or more, which collateralize the loan, in major metropolitan areas within our markets. Multifamily loans have 80% of their exposure in NYC—our largest geographic concentration. Our multifamily loans have been underwritten under stringent guidelines on loan-to-value and debt service coverage ratios that are designed to mitigate credit and concentration risk in this loan category.

Our multifamily loans totaled $936.4 million at March 31, 2020, which comprised 26.4% of our total loan portfolio. During the three months ended March 31, 2020, the multifamily loan portfolio decreased by 4.0% from $976.4 million at December 31, 2019, primarily due to payoffs.

CRE. Our CRE loans are used to purchase or refinance office buildings, retail centers, industrial facilities, medical facilities and mixed-used buildings. Included in this total are 33 borrowers financing owner-occupied buildings which account for an aggregate total of $54.6 million in loans as of March 31, 2020.

Our CRE loans totaled $408.8 million at March 31, 2020, which comprised 11.5% of our total loan portfolio. During the three months ended March 31, 2020, the CRE loan portfolio decreased by 3.1% from $421.9 million at December 31, 2019, primarily due to payoffs.

Retail loan portfolio

Our retail loan portfolio comprised 45.2% of our loan portfolio at March 31, 2020 and 44.1% of our loan portfolio at December 31, 2019. The major categories of our retail loan portfolio are discussed below.

Residential real estate lending. Our residential 1-4 family mortgage loans are residential mortgages that are primarily secured by single-family homes, which can be owner occupied or investor owned. These loans are either originated by our loan officers or purchased from other originators with the servicing retained by such originators. Our residential real estate lending portfolio is 98% first mortgage loans and 2% second mortgage loans. As of March 31, 2020, 79% of our residential 1-4 family mortgage loans were either originated by our loan officers since 2012 or were acquired in our acquisition of NRB, 16% were purchased from two third parties on or after July, 2014, and 5% were purchased by us from other originators before 2010. Our residential real estate lending loans totaled $1.4 billion at March 31, 2020, which comprised 88.2% of our retail loan portfolio and 39.9% of our total loan portfolio. In March 31, 2020, our residential real estate lending loans increased by 3.7% from $1.4 billion at December 31, 2019, primarily from loans originated by us and the purchase of one pool of first-lien mortgages.

Consumer and other. Our consumer and other portfolio is comprised of purchased student loans, residential solar loans, unsecured consumer loans and overdraft lines. Our consumer and other loans totaled $189.2 million at March 31, 2020, which comprised 5.3% of our total loan portfolio, compared to $163.1 million, or 4.7% of our total loan portfolio, at December 31, 2019.

Maturities and Sensitivity of Loans to Changes in Interest Rates

The information in the following table is based on the contractual maturities of individual loans, including loans that may be subject to renewal at their contractual maturity. Renewal of these loans is subject to review and credit approval, as well as modification of terms upon maturity. Actual repayments of loans may differ from the maturities reflected below because borrowers have the right to prepay obligations with or without prepayment penalties. The following tables summarize the loan maturity distribution by type and related interest rate characteristics at March 31, 2020 and December 31, 2019:

(In thousands)	One year or less	After one but within five years	After 5 years	Total
March 31, 2020:				
Commercial Portfolio:				
Commercial and industrial	$ 116,148	$ 193,794	$ 222,409	$ 532,351
Multifamily	95,491	559,619	281,240	936,350
Commercial real estate	49,982	248,239	110,545	408,766
Construction and land development	37,617	14,941	13,148	65,706
Retail Portfolio:				
Residential real estate lending	436	676	1,415,684	1,416,796
Consumer and other	626	4,704	183,822	189,152
Total Loans	$ 300,300	$1,021,973	$2,226,848	$3,549,121

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 849,931	$1,435,872	$2,285,803
Floating or adjustable interest rates	172,042	790,976	963,018
Total Loans	$1,021,973	$2,226,848	$3,248,821

(In thousands)	One year or less	After one but within five years	After 5 years	Total
December 31, 2019:				
Commercial Portfolio:				
Commercial and industrial	$ 88,036	$ 183,387	$ 202,919	$ 474,342
Multifamily	96,845	608,647	270,888	976,380
Commercial real estate	53,669	251,729	116,549	421,947
Construction and land development	35,121	14,124	13,026	62,271
Retail Portfolio:				
Residential real estate lending	436	634	1,365,403	1,366,473
Consumer and other	714	4,042	158,321	163,077
Total retail	$ 274,821	$ 1,062,563	$2,127,106	$3,464,490

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 902,981	$1,366,370	$2,269,351
Floating or adjustable interest rates	159,582	760,736	920,318
Total Loans	$ 1,062,563	$2,127,106	$3,189,669

Allowance for Loan Losses

We maintain the allowance at a level we believe is sufficient to absorb probable incurred losses in our loan portfolio given the conditions at the time. Management determines the adequacy of the allowance based on periodic evaluations of the loan portfolio and other factors, including end-of-period loan levels and portfolio composition, observable trends in nonperforming loans, our historical loan losses, known and inherent risks in the portfolio, underwriting practices, adverse situations that may impact a borrower's ability to repay, the estimated value and sufficiency of any underlying collateral, credit risk grade assessments, loan impairment and economic conditions. These evaluations are inherently subjective as they require management to make material estimates, all of which may be susceptible to significant change. The allowance is increased by provisions for loan losses charged to expense and decreased by actual charge-offs, net of recoveries of previous amounts charged-off.

The allowance consists of specific allowances for loans that are individually classified as impaired and general components. Impaired loans include loans placed on nonaccrual status and TDRs. Loans are considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due in accordance with the original contractual terms of the loan agreements. When determining if we will be unable to collect all principal and interest payments due in accordance with the original contractual terms of the loan agreement, we consider the borrower's overall financial condition, resources and payment record, support from guarantors, and the realized value of any collateral. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

Impaired loans are individually identified and evaluated for impairment based on a combination of internally assigned risk ratings and a defined dollar threshold. If a loan is impaired, a specific reserve is applied to the loan so that the loan is reported, net, at the discounted expected future cash flows or at the fair value of collateral if repayment is collateral dependent. Impaired loans which do not meet the criteria for individual evaluation are evaluated in homogeneous pools of loans with similar risk characteristics.

In accordance with the accounting guidance for business combinations, there was no allowance brought forward on any of the loans we acquired in our acquisition of NRB. For purchased non-credit impaired loans, credit discounts representing the principal losses expected over the life of the loan are a component of the initial fair value and the discount is accreted to interest income over the life of the loan. Subsequent to the acquisition date, the method used to evaluate the sufficiency of the credit discount is similar to organic loans, and if necessary, additional reserves are recognized in the allowance.

The following tables presents, by loan type, the changes in the allowance for the periods indicated:

	Three Months Ended March 31,	
(In thousands)	**2020**	**2019**
Balance at beginning of period	$33,847	$37,195
Loan charge-offs:		
Commercial portfolio:		
Commercial and industrial	—	8,383
Multifamily	—	—
Commercial real estate	—	—
Construction and land development	—	—
Retail portfolio:		
Residential real estate lending	24	109
Consumer and other	304	57
Total loan charge-offs	328	8,549
Recoveries of loans previously charged-off:		
Commercial portfolio:		
Commercial and industrial	1	6
Multifamily	—	—
Commercial real estate	—	—
Construction and land development	—	—
Retail portfolio:		
Residential real estate lending	212	506
Consumer and other	28	48
Total loan recoveries	241	560
Net (recoveries) charge-offs	87	7,989
Provision for (recovery of) loan losses	8,588	2,186
Balance at end of period	$42,348	$31,392

The allowance increased $8.5 million to $42.3 million at March 31, 2020 from $33.8 million at December 31, 2019. The increase was primarily due to an additional $3.4 million in specific reserves for two indirect C&I loans and an additional $3.0 million due to changes in qualitative factors related to the COVID-19 pandemic and uncertain economic conditions. At March 31, 2020, we had $60.2 million of impaired loans for which a specific allowance of $11.5 million was made, compared to $65.5 million of impaired loans at December 31, 2019 for which a specific allowance of $7.5 million was made. The ratio of allowance to total loans was 1.19% for March 31, 2020 and 0.98% for December 31, 2019. The increase is primarily attributable to the increase in specific reserves on C&I loans and the increase in qualitative factors mentioned above. We believe the COVID-19 pandemic may have an adverse affect on the credit quality of our loan portfolio during the remainder of 2020. Disruption to our customers could result in increased loan delinquencies and defaults. Management believe impaired loans may increase in the future as a result of the COVID-19 pandemic.

Allocation of Allowance for Loan Losses

The following table presents the allocation of the allowance and the percentage of the total amount of loans in each loan category listed as of the dates indicated:

	At March 31, 2020		At December 31, 2019	
(In thousands)	**Amount**	**% of total loans**	**Amount**	**% of total loans**
Commercial Portfolio:				
Commercial and industrial	$14,930	15.0%	$11,126	14.2%
Multifamily	5,886	26.4%	5,210	28.4%
Commercial real estate	2,736	11.5%	2,492	12.6%
Construction and land development	1,740	1.9%	808	1.8%
Total commercial portfolio	25,292	54.8%	19,636	57.0%
Retail Portfolio:				
Residential real estate lending	15,430	39.9%	14,149	38.2%
Consumer and other	1,626	5.3%	62	4.8%
Total retail portfolio	17,056	45.2%	14,211	43.0%
Total allowance for loan losses	$42,348		$33,847	

Nonperforming Assets

Nonperforming assets include all loans categorized as nonaccrual or restructured, other real estate owned and other repossessed assets. The accrual of interest on loans is discontinued, or the loan is placed on nonaccrual, when the full collection of principal and interest is in doubt. We generally do not accrue interest on loans that are 90 days or more past due (unless we are in the process of collection or an extension and determine that the customer is not in financial difficulty). When a loan is placed on nonaccrual, previously accrued but unpaid interest is reversed and charged against interest income and future accruals of interest are discontinued. Payments by borrowers for loans on nonaccrual are applied to loan principal. Loans are returned to accrual status when, in our judgment, the borrower's ability to satisfy principal and interest obligations under the loan agreement has improved sufficiently to reasonably assure recovery of principal and the borrower has demonstrated a sustained period of repayment performance.

A loan is identified as a TDR when we, for economic or legal reasons related to the borrower's financial difficulties, grant a concession to the borrower. The concessions may be granted in various forms, including interest rate reductions, principal forgiveness, extension of maturity date, waiver or deferral of payments and other actions intended to minimize potential losses. A loan that has been restructured as a TDR may not be disclosed as a TDR in years subsequent to the restructuring if certain conditions are met. Generally, a nonaccrual loan that is restructured remains on nonaccrual status for a period no less than six months to demonstrate that the borrower can meet the restructured terms. However, the borrower's performance prior to the restructuring or other significant events at the time of restructuring may be considered in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual status after a shorter performance period. If the borrower's performance under the new terms is not reasonably assured, the loan remains classified as a nonaccrual loan.

The following table sets forth our nonperforming assets as of March 31, 2020 and December 31, 2019:

(In thousands)	March 31, 2020	December 31, 2019
Loans 90 days past due and accruing	$ 3,856	$ 446
Nonaccrual loans excluding held for sale loans and restructured loans	7,537	5,992
Nonaccrual loans held for sale	—	—
Restructured loans - nonaccrual	26,435	25,019
Restructured loans - accruing	26,968	34,367
Other real estate owned	786	809
Impaired securities	64	65
Total nonperforming assets	$ 65,646	$ 66,698
Nonaccrual loans:		
Commercial and industrial	$ 15,949	$ 15,564
Multifamily	—	—
Commercial real estate	3,634	3,693
Construction and land development	3,652	3,652
Total commercial portfolio	23,235	22,909
Residential real estate lending	10,057	7,774
Consumer and other	680	328
Total retail portfolio	10,737	8,102
Total nonaccrual loans	$ 33,972	$ 31,011
Nonperforming assets to total assets	1.14%	1.25%
Nonaccrual assets to total assets	0.60%	0.60%
Nonaccrual loans to total loans	0.96%	0.90%
Allowance for loan losses to nonaccrual loans	125%	109%
Troubled debt restructurings:		
TDRs included in nonaccrual loans	$ 26,435	$ 25,019
TDRs in compliance with modified terms	$ 26,968	$ 34,367

Total nonperforming assets totaled $65.6 million at March 31, 2020 compared to $66.7 million at December 31, 2019. The decrease in nonperforming assets at March 31, 2020 compared to the year-ended December 31, 2019 is primarily driven by a $7.4 million decrease in accruing restructured loans, partially offset by a $3.4 million increase in loans 90 days past due and accruing related to delays in renewing loans.

Potential problem loans are loans which management has doubts as to the ability of the borrowers to comply with the present loan repayment terms. Potential problem loans are performing loans and include our substandard-accruing commercial loans and/or loans 30-89 days past due. These loans are not included in the nonperforming assets table above and totaled $33.6 million, or 0.6% of total assets, at March 31, 2020. $26.3 million of these loans are commercial loans currently in workout, with the expectation that all will be rehabilitated. $5.4 million are residential 1-4 family loans, with $4.2 million at 30 days delinquent, and $1.2 million at 60 days delinquent.

Deferred Tax Asset

We had a deferred tax asset, net of deferred tax liabilities, of $36.5 million at March 31, 2020 and $28.4 million at December 31, 2019. A valuation allowance is required for deferred tax assets if, based on available evidence, it is more likely than not that all or some portion of the asset will not be realized due to the inability to generate sufficient taxable income in the period and/or of the character

necessary to utilize the benefit of the deferred tax asset. The more-likely-than-not criterion means the likelihood of realization is greater than 50%. When evaluating whether it is more likely than not that all or some portion of the deferred tax asset will not be realized, all available evidence, both positive and negative, that may affect the ability to realize deferred tax assets should be identified and considered in determining the appropriate amount of the valuation allowance. Management assesses all the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. As of March 31, 2020, our deferred tax assets were fully realizable with no valuation allowance held against the balance. Our management concluded that it was more likely than not that the entire amount will be realized.

We will evaluate the recoverability of our net deferred tax asset on a periodic basis and record decreases (increases) as a deferred tax provision (benefit) in the Consolidated Statements of Income as appropriate.

Deposits

Deposits represent our primary source of funds. We are focused on growing our core deposits through relationship-based banking with our business and consumer clients. Total deposits were $5.1 billion at March 31, 2020, compared to $4.6 billion at December 31, 2019. We believe that our strong deposit franchise is attributable to our mission based strategy of developing and maintaining relationships with our clients who share similar values and through maintaining a high level of service. As of April 24, 2020, our deposits have increased to $5.3 billion, an increase of $247 million, of which $46.7 million was from political deposits.

We gather deposits through each of our nine branch locations across four boroughs of New York City, our one branch in Washington, D.C., our one branch in San Francisco that was acquired in our acquisition of NRB and through the efforts of our commercial banking team which focuses nationally on business growth. Through our branch network, online, mobile and direct banking channels, we offer a variety of deposit products including demand deposit accounts, money market deposits, NOW accounts, savings and certificates of deposit. We bank politically active customers, such as campaigns, PACs, and state and national party committees, which we refer to as political deposits. These deposits exhibit seasonality based on election cycles. As of March 31, 2020 and December 31, 2019, we had approximately $774.8 million and $578.6 million, respectively, in political deposits which are primarily in demand deposits. We expect these deposits will begin to decline as we head into the 2020 presidential election cycle.

Maturities of time certificates of deposit and other time deposits of $100,000 or more outstanding at March 31, 2020 are summarized as follows:

Maturities as of March 31, 2020

(In thousands)	
Within three months	$121,380
After three but within six months	92,514
After six months but within twelve months	52,335
After twelve months	5,140
	$271,369

Liquidity

Liquidity refers to our ability to maintain cash flow that is adequate to fund our operations, support asset growth, maintain reserve requirements and meet present and future obligations of deposit withdrawals, lending obligations and other contractual obligations through either the sale or maturity of existing assets or by obtaining additional funding through liability management. Our liquidity risk management policy provides the framework that we use to maintain adequate liquidity and sources of available liquidity at levels that enable us to meet all reasonably foreseeable short-term, long-term and strategic liquidity demands. The Asset and Liability Management Committee, is responsible for oversight of liquidity risk management activities in accordance with the provisions of our liquidity risk policy and applicable bank regulatory capital and liquidity laws and regulations. Our liquidity risk management process includes (i) ongoing analysis and monitoring of our funding requirements under various balance sheet and economic scenarios, (ii) review and monitoring of lenders, depositors, brokers and other liability holders to ensure appropriate diversification of funding sources and (iii) liquidity contingency planning to address liquidity needs in the event of unforeseen market disruption impacting a wide range of variables. We continuously monitor our liquidity position in order for our assets and liabilities to be managed in a manner that will meet our immediate and long-term funding requirements. We manage our liquidity position to meet the daily cash flow needs of customers, while maintaining an appropriate balance between assets and liabilities to meet the return on investment objectives of our stockholders. We also monitor our liquidity requirements in light of interest rate trends, changes in the economy, and the scheduled maturity and interest rate sensitivity of our securities and loan portfolios and deposits. Liquidity management is made more complicated because different balance sheet components are subject to varying degrees of management control. For example, the timing of maturities of our investment portfolio is fairly predictable and subject to a high degree of control when we make investment decisions. Net deposit inflows and outflows, however, are far less predictable and are not subject to the same degree of certainty.

Our liquidity position is supported by management of our liquid assets and liabilities and access to alternative sources of funds. Our short-term and long-term liquidity requirements are primarily to fund on-going operations, including payment of interest on deposits and debt, extensions of credit to borrowers and capital expenditures. These liquidity requirements are met primarily through our deposits, FHLB advances and the principal and interest payments we receive on loans and investment securities. Cash, interest-bearing deposits in third-party banks, securities available for sale and maturing or prepaying balances in our investment and loan portfolios are our most liquid assets. Other sources of liquidity that are available to us include the sale of loans we hold for investment, the ability to acquire additional national market non-core deposits, borrowings through the Federal Reserve's discount window and the issuance of debt or equity securities. We believe that the sources of available liquidity are adequate to meet our current and reasonably foreseeable future liquidity needs.

At March 31, 2020, our cash and equivalents, which consist of cash and amounts due from banks and interest-bearing deposits in other financial institutions, amounted to $262.7 million, or 4.6% of total assets, compared to $122.5 million, or 2.3% of total assets at December 31, 2019. Our available for sale securities at March 31, 2020 were $1.4 billion, or 25.1% of total assets, compared to $1.2 billion, or 23.0% of total assets at December 31, 2019. Investment securities with an aggregate fair value of $116.2 million at March 31, 2020 were pledged to secure public deposits and repurchase agreements.

The liability portion of the balance sheet serves as our primary source of liquidity. We plan to meet our future cash needs through the generation of deposits. Customer deposits have historically provided a sizeable source of relatively stable and low-cost funds. We are also a member of the FHLB, from which we can borrow for leverage or liquidity purposes. The FHLB requires that securities and qualifying loans be pledged to secure any advances. At March 31, 2020, we had no advances from the FHLB and a remaining credit availability of $1.5 billion. In addition, we maintain borrowing capacity of approximately $133.8 million with the Federal Reserve's discount window that is secured by certain securities from our portfolio which are not pledged for other purposes.

Capital Resources

Total stockholders' equity at March 31, 2020 was $473.3 million, compared to $490.5 million at December 31, 2019, a decrease of $17.3 million, or 3.5%. The decrease was primarily driven by a $17.9 million decrease in accumulated other comprehensive income due to a decline in the mark to market on our securities portfolio, a $7.0 million decrease due to share repurchases, and a $2.5 million quarterly dividend on our common stock. These decreases were partially offset by $9.5 million of net income.

We are subject to various regulatory capital requirements administered by federal banking regulators. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by federal banking regulators that, if undertaken, could have a direct material effect on our financial statements.

Regulatory capital rules adopted in July 2013 and fully-phased in as of January 1, 2019, which we refer to as Basel III rules, impose minimum capital requirements for bank holding companies and banks. The Basel III rules apply to all national and state banks and savings associations regardless of size and bank holding companies and savings and loan holding companies with consolidated assets of more than $3 billion. In order to avoid restrictions on capital distributions or discretionary bonus payments to executives, a covered banking organization must maintain the fully-phased in "capital conservation buffer" of 2.5% on top of its minimum risk-based capital requirements. This buffer must consist solely of common equity Tier 1 risk-based capital, but the buffer applies to all three measurements (common equity Tier 1 risk-based capital, Tier 1 capital and total capital). The capital conservation is equal to 2.5% of risk-weighted assets.

As of March 31, 2020, we were categorized as "well capitalized" under the prompt corrective action measures and met the now fully phased-in capital conservation buffer requirements. The following table shows the regulatory capital ratios for us at the dates indicated:

	Actual		For Capital Adequacy Purposes (1)		To Be Considered Well Capitalized	
(In thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
March 31, 2020						
Total capital to risk weighted assets	$501,267	13.96%	$287,320	8.00%	$359,150	10.00%
Tier I capital to risk weighted assets	457,659	12.74%	215,490	6.00%	287,320	8.00%
Tier I capital to average assets	457,659	8.47%	216,175	4.00%	270,218	5.00%
Common equity tier 1 to risk weighted assets	457,659	12.74%	161,618	4.50%	233,448	6.50%
December 31, 2019						
Total capital to risk weighted assets	$490,831	14.01%	$280,265	8.00%	$350,331	10.00%
Tier I capital to risk weighted assets	455,668	13.01%	210,199	6.00%	280,265	8.00%
Tier I capital to average assets	455,668	8.90%	204,852	4.00%	256,065	5.00%
Common equity tier 1 to risk weighted assets	455,668	13.01%	157,649	4.50%	227,715	6.50%

(1)Amounts are shown exclusive of the applicable capital conservation buffer of 2.50%.

Contractual Obligations

We have entered into contractual obligations in the normal course of business that involve elements of credit risk, interest rate risk and liquidity risk. The following table summarizes these relations as of March 31, 2020 and December 31, 2019:

March 31, 2020

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Operating Leases	67,497	8,090	21,287	19,459	18,661
Purchase Obligations	13,413	2,012	4,024	4,024	3,353
	$80,910	$10,102	$25,311	$23,483	$ 22,014

December 31, 2019

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long Term Debt	$ 75,000	$75,000	$ —	$ —	$ —
Operating Leases	69,679	10,743	20,816	19,459	18,661
Purchase Obligations	13,413	2,012	4,024	4,024	3,353
	$158,092	$87,755	$24,840	$23,483	$ 22,014

Investment Obligations

As of March 31, 2020, the Bank is party to an agreement with Pace Funding Group (PFG) for the purchase of up to $150 million of PACE assessment securities by September of 2021, to be held in our held-to-maturity investment portfolio. As of December 31, 2019, the Bank was not party to such an agreement or related purchase obligation. The PACE assessments have equal-lien priority with property taxes and rank senior to first lien mortgages.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There have been no material changes in the Bank's market risk as of March 31, 2020 from that presented in the 2018 10-K. The interest rate sensitivity position at March 31, 2020 is discussed below.

Evaluation of Interest Rate Risk

Our simulation models incorporate various assumptions, which we believe are reasonable but which may have a significant impact on results such as: (1) the timing of changes in interest rates, (2) shifts or rotations in the yield curve, (3) loan and securities prepayment speeds for different interest rate scenarios, (4) interest rates and balances of indeterminate-maturity deposits for different scenarios, and (5) new volume and yield assumptions for loans, securities and deposits. Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest rates on our results but rather to better plan and execute appropriate asset-liability management strategies and manage our interest rate risk.

Potential changes to our net interest income and economic value of equity in hypothetical rising and declining rate scenarios calculated as of March 31, 2020 are presented in the following table. The projections assume immediate, parallel shifts downward of the yield curve of 100 basis points and immediate, parallel shifts upward of the yield curve of 100, 200, 300 and 400 basis points. In the current interest rate environment, a downward shift of the yield curve of 200, 300 and 400 basis points does not provide us with meaningful results.

The results of this simulation analysis are hypothetical and should not be relied on as indicative of expected operating results. A variety of factors might cause actual results to differ substantially from what is depicted. For example, if the timing and magnitude of interest rate changes differ from those projected, our net interest income might vary significantly. Non-parallel yield curve shifts such as a flattening or steepening of the yield curve or changes in interest rate spreads, would also cause our net interest income to be different from that depicted. An increasing interest rate environment could reduce projected net interest income if deposits and other short-term liabilities re-price faster than expected or faster than our assets re-price. Actual results could differ from those projected if we grow assets and liabilities faster or slower than estimated, if we experience a net outflow of deposit liabilities or if our mix of assets and liabilities otherwise changes. Actual results could also differ from those projected if we experience substantially different repayment speeds in our loan portfolio than those assumed in the simulation model. Finally, these simulation results do not contemplate all the actions that we may undertake in response to potential or actual changes in interest rates, such as changes to our loan, investment, deposit, funding or hedging strategies.

Change in Market Interest Rates as of March 31, 2020	**Estimated Increase (Decrease) in:**			
Immediate Shift	Economic Value of Equity	Economic Value of Equity	Year 1 Net Interest Income	Year 1 Net Interest Income
+400 basis points	-7.7%	(62,274)	13.9%	24,619
+300 basis points	0.5%	3,643	15.2%	26,951
+200 basis points	6.1%	49,279	13.6%	24,090
+100 basis points	6.7%	54,246	8.6%	15,251
-100 basis points	-16.5%	(133,015)	-8.6%	(15,200)

Item 4. Controls and Procedures.

Under the supervision and with the participation of our management, including the participation of our Chief Executive Officer and our Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, the Bank's Chief Executive Officer and Chief Financial Officer concluded that the Bank's disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

Changes in Internal Controls

There was no change in our internal control over financial reporting that occurred during the quarter ended March 31, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

The design of any system of controls and procedures is based in part upon certain assumptions about the likelihood of future events. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

PART II

Item 1. Legal Proceedings.

We are subject to certain pending and threatened legal actions that arise out of the normal course of business. Additionally, we, like all banking organizations, are subject to heightened legal and regulatory compliance and litigation risk. Based upon management's current knowledge, following consultation with legal counsel, in the opinion of management, there is no pending or threatened legal matter that would result in a material adverse effect on our consolidated financial condition or results of operation.

Item 1A. Risk Factors.

There was a change to our risk factors previously disclosed in Item 1A, Risk Factors, of the Bank's Annual Report on Form 10-K filed with the FDIC on March 13, 2020. ***The COVID-19 pandemic has disrupted and could materially and adversely affect our business, financial condition and results of operations, and the ultimate impacts of the pandemic on our business, financial condition and results of operations will depend on future developments and other factors that are highly uncertain and will be affected by the scope and duration of the pandemic and actions taken by governmental authorities in response to the pandemic.***

The ongoing COVID-19 pandemic has caused and will continue to cause significant disruption in the international and United States economies and financial markets and has had a significant and adverse effect on our business and results of operations. The spread of COVID-19 has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in business activity and financial transactions, supply chain interruptions and overall economic and financial market instability. In response to the COVID-19 pandemic, the governments of all of the states in which we have financial centers and of most other states have taken preventative or protective actions, such as imposing restrictions on travel and business operations, advising or requiring individuals to limit or forgo their time outside of their homes, and ordering temporary closures of businesses that have been deemed to be non-essential. The ultimate duration of the pandemic and of responsive governmental regulations, including shelter-in-place orders and mandated business closures, is uncertain. These restrictions and other consequences of the pandemic, however, have resulted in significant adverse effects for many different types of businesses, including, among others, those in the travel, hospitality and food and beverage industries, and have resulted in a significant number of layoffs and furloughs of employees nationwide and in the regions in which we operate.

The ultimate effects of the COVID-19 pandemic on the broader economy and the markets that we serve are not known nor is the ultimate length of the restrictions described above and any accompanying effects. Moreover, the Federal Reserve has taken action to lower the Federal Funds rate, which will negatively affect our interest income and, therefore, earnings, financial condition and results of operation. Additional impacts of the COVID-19 pandemic on our business could be widespread and material, and may include, or exacerbate, among other consequences, the following:

- Adverse effects on our growth and strategic plans;
- The risk that government programs meant to address COVID-19, including the additional lending facilities announced by the Federal Reserve, prove to be ineffective;
- Decline in the credit quality of our loan portfolio, owing to the effects of the COVID-19 pandemic in the markets we serve, as a result of layoffs, furloughs and closure orders, all of which could lead to a need to increase our allowance for loan losses;
- Adverse economic conditions in the markets we serve, including the risk that COVID-19 might disproportionately affect the primary areas that we serve;
- Reductions in our operating effectiveness as our employees work from home;
- Increased cybersecurity risks as a result of many of our employees working remotely;
- Unavailability of key personnel necessary to conduct our business activities;
- Effects on key employees, including operational management personnel and those charged with preparing, monitoring and evaluating our financial reporting and internal controls;
- Sustained closures of our branch lobbies or the offices of our customers;
- Declines in demand for loans and other banking services and products;
- Sustained changes in consumer behavior, including reductions in consumer discretionary spending even after the crisis has subsided, due to both job losses and other effects attributable to the COVID-19 pandemic;
- Unprecedented volatility in United States financial markets, which may cause the price of our common stock to fluctuate irrespective of the performance of our company;
- Volatile performance of our investment securities portfolio;
- Declines in value of collateral for loans, including real estate collateral;

- Declines in the net worth and liquidity of borrowers and loan guarantors, impairing their ability to honor commitments to us; and
- Declines in demand resulting from businesses being deemed to be “non-essential” by governments in the markets we serve, and from “non-essential” and “essential” businesses suffering adverse effects from reduced levels of economic activity in our markets.

These factors, together or in combination with other events or occurrences that may not yet be known or anticipated, may materially and adversely affect our business, financial condition and results of operations.

The ongoing COVID-19 pandemic has resulted in meaningfully lower stock prices for many companies, as well as the trading prices for many other securities. The further spread of the COVID-19 outbreak, as well as ongoing or new governmental, regulatory and private sector responses to the pandemic, may materially disrupt banking and other economic activity generally and in the areas in which we operate. This could result in further decline in demand for our banking products and services, and could negatively impact, among other things, our liquidity, regulatory capital and our growth strategy. Any one or more of these developments could have a material adverse effect on our business, financial condition and results of operations.

Although we are taking precautions to protect the safety and well-being of our employees and customers, no assurance can be given that the steps being taken will be adequate or deemed to be appropriate, nor can we predict the level of disruption which will occur to our employees’ ability to provide customer support and service. If we are unable to recover from a business disruption on a timely basis, our business, financial condition and results of operations could be materially and adversely affected. We may also incur additional costs to remedy damages caused by such disruptions, which could further adversely affect our business, financial condition and results of operations.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following schedule summarizes our total monthly share repurchase activity for the three months ended March 31, 2020:

	Issuer Purchases of Equity Securities			
Period (Settlement Date)	Total number of shares purchased (1)	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value that may yet be purchased under plans or programs (2)
January 1 through January 31, 2020	1,211	18.96	—	19,214,163
February 1 through February 29, 2020	109,673	$ 18.29	109,673	17,208,764
March 1 through March 31, 2020	415,342	$ 12.03	415,342	12,212,492
Total	**526,226**	**$ 13.35**	**525,015**	

(1) Includes shares withheld by the Bank to pay the taxes associated with the vesting of stock options. There were 1,211 shares withheld for taxes during the quarter.

(2) On May 29, 2019, the Bank's Board of Directors authorized a share repurchase program authorizing the repurchase of up to $25 million of its outstanding common stock. No time limit was set for the completion of the share repurchase program. The authorization does not require the Bank to acquire any specified number of common shares and may be commenced, suspended or discontinued without prior notice. Under this authorization, $7,001,671 were purchased during the quarter.

Item 6. Exhibits.

Exhibit No.	Description of Exhibit
3.1	Bylaws of Amalgamated Bank, as amended and restated through April 6, 2020 (incorporated by reference to Exhibit 3.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on April 7, 2020)
10.1	Amendment, dated April 23, 2020, to the Amended and Restated Employment Agreement, dated May 16, 2019, between Amalgamated Bank and Keith Mestrich (incorporated by reference to Exhibit 10.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on April 27, 2020)*
10.2	Collective Bargaining Agreement with Office & Professional Employees International Union, Local 153, AFL-CIO, dated March 11, 2020**
31.1	Rule 13a-14(a) Certification of the Chief Executive Officer
31.2	Rule 13a-14(a) Certification of the Chief Financial Officer
32.1	Section 1350 Certifications

* Management contract or compensatory plan or arrangement.

** Filed herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMALGAMATED BANK

April 30, 2020 By: /s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer
(*Principal Executive Officer*)

April 30, 2020 By: /s/ Andrew Labenne
Andrew Labenne
Chief Financial Officer
(*Principal Financial Officer*)

April 30, 2020 By: /s/ Jason Darby
Jason Darby
Chief Accounting Officer
(*Principal Accounting Officer*)

Exhibit 31.1

Rule 13a-14(a) Certification of the Chief Executive Officer

I, Keith Mestrich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Bank

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2020

/s/ Keith Mestrich

Keith Mestrich, President and Chief Executive Officer

Exhibit 31.2

Rule 13a-14(a) Certification of the Chief Financial Officer

I, Andrew Labenne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2020

/s/ Andrew Labenne

Andrew Labenne, Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Amalgamated Bank (the "Bank") on Form 10-Q for the period ended March 31, 2020 as filed with the Federal Deposit Insurance Corporation on the date hereof (the "Report"), the undersigned, the Chief Executive Officer and the Chief Financial Officer of the Bank, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

/s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer
April 30, 2020

/s/ Andrew Labenne
Andrew Labenne
Chief Financial Officer
April 30, 2020

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, DC 20006

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2020

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For transition period from_____to_____

FDIC Certificate Number: 622

(Exact name of Registrant as specified in its charter)

New York	**13-4920330**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

275 Seventh Avenue, New York, NY 10001
(Address of principal executive offices) (Zip Code)

(212) 255-6200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, par value $0.01 per share	**AMAL**	**Nasdaq Stock Market, LLC**

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b–2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☐
		Emerging growth company	☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Exchange Act Rule 12b-2). Yes ☐ No ☒

As of August 7, 2020, the Registrant had 31,049,525 shares of Class A common stock outstanding at $0.01 par value per share.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements are not statements of historical fact and generally can be identified by the use of forward-looking terminology, such as "may," "will," "anticipate," "intend," "could," "should," "would," "believe," "project," "plan," "goal," "target," "potential," "pro-forma," "seek," "contemplate," "expect," "estimate," "continue," "anticipate" and "intend," or the negative thereof as well as other similar words and expressions of the future. These forward-looking statements include statements related to our plans, objectives, strategies, projected growth, anticipated future financial performance (including underlying assumptions), and management's long-term performance goals, as well as statements relating to the anticipated effects or consequences of various transactions or events on our results of operations and financial condition and statements about the future performance, operations, products and services of Amalgamated Bank ("Amalgamated").

Forward-looking statements are subject to risks, uncertainties and assumptions that are difficult to predict as to timing, extent, likelihood and degree of occurrence, which could cause our actual results to differ materially from those anticipated in or by such statements. Potential risks and uncertainties include, but are not limited to, the following:

- our ability to maintain our reputation;
- our ability to carry out our business strategy prudently, effectively and profitably;
- our ability to attract customers based on shared values or mission alignment;
- the impact of the recent outbreak of the novel coronavirus, or COVID-19, on our business, including the impact of the actions taken by governmental authorities to try and contain the virus or address the impact of the virus on the United States economy (including, without limitation, the Coronavirus Aid, Relief and Economic Security Act, or the CARES Act), and the resulting effect of these items on our operations, liquidity and capital position, and on the financial condition of our borrowers and other customers;
- impairment of investment securities, goodwill, other intangible assets or deferred tax assets;
- projections on loans, assets, deposits, liabilities, revenues, expenses, net income, capital expenditures, liquidity, dividends, capital structure or other financial items;
- inaccuracy of the assumptions and estimates we make in establishing our allowance for loan losses and other estimates, including future changes in the allowance for loan losses resulting from the future adoption and implementation of new Current Expected Credit Loss ("CECL") methodology;
- our policies with respect to asset quality and loan charge-offs, including future changes in the allowance for loan losses resulting from the anticipated adoption and implementation of CECL;
- the composition of our loan portfolio and the potential deterioration in the financial condition of borrowers resulting in significant increases in loan losses, provisions for those losses that exceed our current allowance for loan losses and higher loan charge-offs;
- the availability of and access to capital, and our ability to allocate capital prudently, effectively and profitably;
- our ability to pay dividends;
- our ability to achieve organic loan and deposit growth and the composition of such growth;
- our ability to identify and effectively acquire potential acquisition or merger targets, including our ability to be seen as an acquirer of choice and our ability to obtain regulatory approval for any acquisition or merger and thereafter to successfully integrate any acquisition or merger target;
- time and effort necessary to resolve nonperforming assets;
- fluctuations in the values of our assets and liabilities and off-balance sheet exposures;
- general economic conditions (both generally and in our markets) may be less favorable than expected, which could result in, among other things, a deterioration in credit quality, a reduction in demand for credit and a decline in real estate values;

- the general decline in the real estate and lending markets, particularly in our market areas, including the effects of the enactment of or changes to rent-control and other similar regulations on multi-family housing;
- changes in the demand for our products and services;
- other financial institutions having greater financial resources and being able to develop or acquire products that enable them to compete more successfully than we can;
- restrictions or conditions imposed by our regulators on our operations or the operations of banks we acquire may make it more difficult for us to achieve our goals;
- legislative or regulatory changes, including changes in tax issues, accounting standards and compliance requirements, whether of general applicability or specific to us and our subsidiaries;
- the costs, effects and outcomes of litigation, regulatory proceedings, examinations, investigations, or similar matters, or adverse facts and developments related thereto;
- possible changes in trade, monetary and fiscal policies of, and other activities undertaken by, governments, agencies, central banks and similar organizations;
- competitive pressures among depository and other financial institutions may increase significantly;
- adverse effects of failures by our vendors to provide agreed upon services in the manner and at the cost agreed, particularly our information technology vendors and those vendors performing a service on our behalf;
- changes in the interest rate environment may reduce margins or the volumes or values of the loans we make or have acquired;
- adverse changes in the bond and equity markets;
- cybersecurity risks, and the vulnerability of our network and online banking portals, and the systems of parties with whom we contract, to unauthorized access, computer viruses, phishing schemes, spam attacks, human error, natural disasters, power loss and other security breaches that could adversely affect or disrupt our business and financial performance or reputation;
- our ability to attract and retain key personnel can be affected by the increased competition for experienced employees in the banking industry;
- the possibility of earthquakes and other natural disasters affecting the markets in which we operate;
- war or terrorist activities causing further deterioration in the economy or causing instability in credit markets;
- economic, governmental or other factors may affect the projected population, residential and commercial growth in the markets in which we operate; and
- descriptions of assumptions underlying or relating to any of the foregoing.

Amalgamated cautions readers that the foregoing list of factors is not exclusive, is not necessarily in order of importance and not to place undue reliance on forward-looking statements. All forward-looking statements are necessarily only estimates of future results, and there can be no assurance that actual results will not differ materially from expectations. Additional factors that may cause actual results to differ materially from those contemplated by any forward-looking statements also may be found in our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and current Reports on Form 8-K filed with the FDIC and available at the FDIC's website at https://efr.fdic.gov/fcxweb/efr/index.html. Further, any forward-looking statement speaks only as of the date on which it is made and we undertake no obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events, unless required to do so under the federal securities laws.

Part I
Item 1. – Financial Statements
Consolidated Statements of Financial Condition
(Dollars in thousands)

	June 30, 2020	December 31, 2019
Assets	(unaudited)	
Cash and due from banks	$ 9,209	$ 7,596
Interest-bearing deposits in banks	578,752	114,942
Total cash and cash equivalents	587,961	122,538
Securities:		
Available for sale, at fair value (amortized cost of $1,562,033 and $1,217,087, respectively)	1,575,175	1,224,770
Held-to-maturity (fair value of $382,830 and $292,837, respectively)	370,498	292,704
Loans receivable, net of deferred loan origination costs (fees)	3,687,992	3,472,614
Allowance for loan losses	(50,010)	(33,847)
Loans receivable, net	3,637,982	3,438,767
Resell agreements	45,653	—
Accrued interest and dividends receivable	21,836	19,088
Premises and equipment, net	16,180	17,778
Bank-owned life insurance	80,694	80,714
Right-of-use lease asset	42,758	47,299
Deferred tax asset	34,251	31,441
Goodwill and other intangible assets	18,980	19,665
Other assets	38,376	30,574
Total assets	$6,470,344	$5,325,338
Liabilities		
Deposits	$5,870,319	$4,640,982
Borrowed funds	—	75,000
Operating leases	56,842	62,404
Other liabilities	39,481	56,408
Total liabilities	5,966,642	4,834,794
Commitments and contingencies	—	—
Stockholders' equity		
Common stock, par value $.01 per share (70,000,000 shares authorized; 31,049,525 and 31,523,442 shares issued and outstanding, respectively)	310	315
Additional paid-in capital	299,997	305,738
Retained earnings	195,991	181,132
Accumulated other comprehensive income (loss), net of income taxes	7,270	3,225
Total Amalgamated Bank stockholders' equity	503,568	490,410
Noncontrolling interests	134	134
Total stockholders' equity	503,702	490,544
Total liabilities and stockholders' equity	$6,470,344	$5,325,338

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Income (unaudited)
(Dollars in thousands, except for per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
INTEREST AND DIVIDEND INCOME				
Loans	$35,225	$35,559	$70,837	$70,855
Securities	11,746	10,524	24,299	20,398
Federal Home Loan Bank of New York stock	66	191	135	501
Interest-bearing deposits in banks	83	254	479	548
Total interest and dividend income	47,120	46,528	95,750	92,302
INTEREST EXPENSE				
Deposits	2,681	3,499	6,596	6,444
Borrowed funds	—	1,173	27	3,229
Total interest expense	2,681	4,672	6,623	9,673
NET INTEREST INCOME	44,439	41,856	89,127	82,629
Provision for (recovery of) loan losses	8,221	2,127	16,808	4,312
Net interest income after provision for loan losses	36,218	39,729	72,319	78,317
NON-INTEREST INCOME				
Trust Department fees	3,980	4,508	8,066	9,229
Service charges on deposit accounts	1,850	2,068	4,261	3,939
Bank-owned life insurance	1,111	408	1,495	828
Gain (loss) on sale of investment securities available for sale, net	486	(377)	985	(85)
Gain (loss) on other real estate owned, net	(283)	(315)	(306)	(564)
Equity method investments	1,289	—	1,289	—
Other	238	57	1,999	419
Total non-interest income	8,671	6,349	17,789	13,766
NON-INTEREST EXPENSE				
Compensation and employee benefits	17,334	16,992	34,792	34,422
Occupancy and depreciation	4,241	4,145	9,747	8,417
Professional fees	1,988	2,401	4,971	5,566
Data processing	2,977	2,729	5,241	5,478
Office maintenance and depreciation	818	830	1,675	1,716
Amortization of intangible assets	342	298	685	687
Advertising and promotion	672	692	1,339	1,313
Other	2,696	2,915	4,889	4,851
Total non-interest expense	31,068	31,002	63,339	62,450
Income before income taxes	13,821	15,076	26,769	29,633
Income tax expense	3,447	3,891	6,850	7,634
Net income	10,374	11,185	19,919	21,999
Net income attributable to noncontrolling interests	—	—	—	—
Net income attributable to Amalgamated Bank and subsidiaries	$10,374	$11,185	$19,919	$21,999
Earnings per common share - basic	$ 0.33	$ 0.35	$ 0.64	$ 0.69
Earnings per common share - diluted	$ 0.33	$ 0.35	$ 0.64	$ 0.68

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Comprehensive Income (unaudited)
(Dollars in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Net income	$10,374	$11,185	$19,919	$21,999
Other comprehensive income, net of taxes:				
Change in total obligation for postretirement benefits, prior service credit, and other benefits	74	48	147	95
Net unrealized gains (losses) on securities available for sale	30,326	12,473	5,459	21,890
Other comprehensive income (loss), before tax	30,400	12,521	5,606	21,985
Income tax benefit (expense)	(8,463)	(3,483)	(1,561)	(6,101)
Total other comprehensive income (loss), net of taxes	21,937	9,038	4,045	15,884
Total comprehensive income (loss), net of taxes	$32,311	$20,223	$23,964	$37,883

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Changes in Stockholders' Equity (unaudited)
(Dollars in thousands)

	Three Months Ended June 30, 2020						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance as of March 31, 2020	$ 310	$299,332	$188,160	$ (14,667)	$ 473,135	$ 134	$473,269
Net income	—	—	10,374	—	10,374	—	10,374
Cash dividend, $0.08 per share	—	—	(2,543)	—	(2,543)	—	(2,543)
Shares issued under stock-based incentive plan	—	16	—	—	16	—	16
Exercise of stock options	—	(132)	—	—	(132)	—	(132)
Stock-based compensation expense	—	781	—	—	781	—	781
Other comprehensive income (loss), net of taxes	—	—	—	21,937	21,937	—	21,937
Balance at June 30, 2020	$ 310	$299,997	$195,991	$ 7,270	$ 503,568	$ 134	$503,702

	Six Months Ended June 30, 2020						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2019	$ 315	$305,738	$181,132	$ 3,225	$ 490,410	$ 134	$490,544
Net income	—	—	19,919	—	19,919	—	19,919
Cash dividend, $0.16 per share	—	—	(5,060)	—	(5,060)	—	(5,060)
Shares issued under stock-based incentive plan	—	16	—	—	16	—	16
Repurchase of shares	(5)	(6,996)	—	—	(7,001)	—	(7,001)
Exercise of stock options	—	(155)	—	—	(155)	—	(155)
Stock-based compensation expense	—	1,394	—	—	1,394	—	1,394
Other comprehensive income (loss), net of taxes	—	—	—	4,045	4,045	—	4,045
Balance at June 30, 2020	$ 310	$299,997	$195,991	$ 7,270	$ 503,568	$ 134	$503,702

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Changes in Stockholders' Equity (unaudited)
(Dollars in thousands)

	Three months ended June 30, 2019						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at March 31, 2019	$ 318	$309,033	$151,138	$ (5,144)	$ 455,345	$ 134	$455,479
Net income	—	—	11,185	—	11,185	—	11,185
Cash dividend, $0.06 per share	—	—	(1,911)	—	(1,911)	—	(1,911)
Stock-based compensation expense	—	1,153	—	—	1,153	—	1,153
Other comprehensive income, net of taxes	—	—	—	9,038	9,038	—	9,038
Balance at June 30, 2019	$ 318	$310,186	$160,412	$ 3,894	$ 474,810	$ 134	$474,944

	Six months ended June 30, 2019						
	Common Stock Class A	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive Loss	Total Stockholders' Equity	Noncontrolling Interest	Total Equity
Balance at December 31, 2018	$ 318	$308,678	$142,231	$ (11,990)	$ 439,237	$ 134	$439,371
Net income	—	—	21,999	—	21,999	—	21,999
Cash dividend, $0.12 per share	—	—	(3,818)	—	(3,818)	—	(3,818)
Stock-based compensation expense	—	1,508	—	—	1,508	—	1,508
Other comprehensive income, net of taxes	—	—	—	15,884	15,884	—	15,884
Balance at June 30, 2019	$ 318	$310,186	$160,412	$ 3,894	$ 474,810	$ 134	$474,944

See accompanying notes to consolidated financial statements (unaudited)

Consolidated Statements of Cash Flows (unaudited)
(Dollars in thousands)

	Six Months Ended June 30,	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	$ 19,919	$21,999
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	2,505	2,190
Amortization of intangible assets	685	687
Deferred income tax expense (benefit)	(2,415)	2,862
Provision for (recovery of) loan losses	16,808	4,312
Stock-based compensation expense	1,394	1,508
Net amortization (accretion) on loan fees, costs, premiums, and discounts	299	382
Net amortization on securities	617	94
OTTI recognized in earnings	1	(1)
Net loss (income) from equity method investments	(1,289)	—
Net loss (gain) on sale of securities available for sale	(985)	85
Net loss (gain) on sale of loans	(297)	121
Net loss (gain) on sale of other real estate owned	306	564
Net loss (gain) on owned property held for sale	(1,394)	—
Net (gain) on redemption of bank-owned life insurance	(741)	—
Proceeds from sales of loans held for sale	19,924	11,395
Decrease (increase) in cash surrender value of bank-owned life insurance	(754)	(745)
Decrease (increase) in accrued interest and dividends receivable	(2,748)	(1,862)
Decrease (increase) in other assets (1)	(24,497)	25,726
Increase (decrease) in accrued expenses and other liabilities (2)	(9,591)	(7,343)
Net cash provided by operating activities	17,747	61,974

CASH FLOWS FROM INVESTING ACTIVITIES		
Originations and purchases of loans, net of principal repayments	(216,322)	(201,549)
Proceeds from sales of loans	—	115,856
Purchase of securities available for sale	(529,880)	(326,216)
Purchase of securities held to maturity	(97,395)	(15,301)
Proceeds from sales of securities available for sale	52,420	138,423
Maturities, principal payments and redemptions of securities available for sale	120,829	96,603
Maturities, principal payments and redemptions of securities held to maturity	19,102	36
Decrease (Increase) in resell agreements	(45,653)	—
Purchase of equity method investments	(2,732)	—
Decrease (increase) of FHLBNY stock, net	3,105	(6,723)
Purchases of premises and equipment	(1,126)	(406)
Proceeds from redemption of bank-owned life insurance	1,515	—
Proceeds from sale of owned assets	1,613	—
Proceeds from sale of other real estate owned	—	208
Net cash used in investing activities	(694,524)	(199,069)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net increase (decrease) in deposits	1,229,337	31,156
Net increase (decrease) in FHLB advances	(75,000)	134,800

Consolidated Statements of Cash Flows (unaudited)
(Dollars in thousands)

Issuance of class A common stock	16	—
Repurchase of shares	(7,001)	—
Cash dividend paid	(4,997)	(3,818)
Exercise of stock options	(155)	—
Net cash provided by financing activities	1,142,200	162,138
Increase (decrease) in cash, cash equivalents, and restricted cash	465,423	25,043
Cash, cash equivalents, and restricted cash at beginning of year	122,538	80,845
Cash, cash equivalents, and restricted cash at end of year	$ 587,961	$ 105,888
Supplemental disclosures of cash flow information:		
Interest paid during the year	$ 6,936	$ 9,287
Income taxes paid during the year	9,355	415
Supplemental non-cash investing activities:		
Initial recognition of Right-of-use lease asset	$ —	$ 55,813
Initial recognition of Operating leases liability	—	71,122
Loans transferred to other real estate owned	—	455
Purchase of securities available for sale, net not settled	(12,551)	—
Fair value of assets acquired	—	—
Fair value of liabilities assumed	—	—

(1) Includes $4.5 million and $3.9 million of right of use asset amortization for the respective periods
(2) Includes $1.0 million and $1.1 million accretion of operating lease liabilities for the respective periods

See accompanying notes to consolidated financial statements (unaudited)

1. BASIS OF PRESENTATION

The accounting and reporting policies of Amalgamated Bank (the "Bank") conform to accounting principles generally accepted in the United States of America, or GAAP and predominant practices within the banking industry. The Bank uses the accrual basis of accounting for financial statement purposes.

The accompanying unaudited consolidated financial statements include the accounts of the Bank and its majority-owned and wholly-owned subsidiaries and have been prepared in accordance with instructions to Form 10-Q and therefore do not include all information and footnotes necessary for a fair presentation of financial position, results of operations, and cash flows in conformity with GAAP. All significant inter-company transactions and balances are eliminated in consolidation. In the opinion of the Bank's management, all adjustments necessary for a fair presentation of the consolidated financial position and the results of operations for the interim periods presented have been included. A more detailed description of the Bank's accounting policies is included in its Annual Report on Form 10-K for the year ended December 31, 2019 (the "2019 Annual Report"). During the second quarter, we adopted accounting policies for variable interest entities, for recognition of investment tax credits, and for resell agreements. Otherwise, there have been no significant changes to our accounting policies, or the estimates made pursuant to those policies as described in our 2019 Annual Report. These unaudited consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes appearing in the 2019 Annual Report.

Risks and Uncertainties

On March 11, 2020, the World Health Organization declared the outbreak of COVID-19 a global pandemic, which continues to spread throughout the United States and around the world. The COVID-19 pandemic has severely restricted the level of economic activity in the Bank's markets. In response to the COVID-19 pandemic, many states took preventative or protective actions, such as imposing restrictions on travel and business operations, advising or requiring individuals to limit or forego their time outside of their homes, and ordering temporary closures of businesses that were deemed to be non-essential. Although many businesses have begun to reopen, some markets have since experienced a resurgence of COVID-19 cases, which may further slow overall economic activity and recovery. Uncertainty also remains regarding if, how and when schools will reopen and the impact of such reopening decisions on the economy.

The impact of the COVID-19 pandemic is fluid and continues to evolve. The unprecedented and rapid spread of COVID-19 and its associated impacts on trade (including supply chains and export levels), travel, employee productivity, unemployment, consumer spending, and other economic activities has resulted in less economic activity, lower equity market valuations and significant volatility and disruption in financial markets. In addition, due to the COVID-19 pandemic, market interest rates have declined significantly. These reductions in interest rates and the other effects of the COVID-19 pandemic have had, and are expected to continue to have, possibly materially, an adverse effect on the Bank's business, financial condition and results of operations. The ultimate extent of the impact of the COVID-19 pandemic on the Bank's business, financial condition and results of operations is currently uncertain and will depend on various developments and other factors, including, among others, the duration and scope of the pandemic, as well as governmental, regulatory and private sector responses to the pandemic, and the associated impacts on the economy, financial markets and our customers, employees and vendors. In addition, it is reasonably possible that certain significant estimates made in the Bank's financial statements could be materially and adversely impacted in the near term as a result of these conditions.

The following are the signficant accounting policies adopted during the quarter:

Variable Interest Entities

The consolidated financial statements include the accounts of certain variable interest entities (VIEs). The Bank considers a voting rights entity to be a subsidiary and consolidates if the Bank has a controlling financial interest in the entity. VIEs are consolidated if the Bank has the power to direct the activities of the VIE that significantly impact financial performance and has the obligation to absorb losses or the right to receive benefits that could potentially be significant to the VIE (i.e, the Bank is the primary beneficiary).

Investments in VIEs, where the Bank is not the primary beneficiary of a VIE, are accounted for using the equity method of accounting. The determination of whether the Bank is the primary beneficiary of a VIE is reassessed on an ongoing basis. The consolidation status may change as a result of these reassessments.

These investments are included in Other Assets in the Consolidated Statements of Financial Condition. The maximum potential exposure to losses relative to investments in VIEs is generally limited to the sum of the outstanding balance, future funding commitments and any related loans to the entity, both funded and unfunded. Loans to these entities are underwritten in substantially the same manner as other loans and are generally secured. Additional disclosures regarding VIEs are further described in Note 14, Variable Interest Entities.

Investment Tax Credits

The deferral method of accounting is used for investments that generate investment tax credits. Under this method, the investment tax credits are recognized as a reduction of the related asset.

Resell Agreements

The Bank enters into short-term agreements for the purchase of government guaranteed loans with simultaneous agreements to resell (resell agreements). The Bank obtains possession of collateral with a market value equal to or in excess of the principal amount loaned under resell agreements.

2. RECENT ACCOUNTING PRONOUNCEMENTS

Accounting Standards Adopted in 2019

In February 2016, the FASB issued ASU 2016-02 “Leases (Topic 842)”. The new lease accounting standard requires the recognition of a right of use asset and related lease liability by lessees for leases classified as operating leases under current GAAP. Topic 842, which replaces the current guidance under Topic 840, retains a distinction between finance leases and operating leases. The recognition, measurement, and presentation of expenses and cash flows arising from a lease by lessee does not significantly change from current GAAP. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of underlying asset not to recognize right of use assets and lease liabilities. The standard became effective for annual reporting periods beginning after December 15, 2018. A modified retrospective transition approach must be applied for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the consolidated financial statements. Transition accounting for leases that expired before the earliest comparative period presented is not required. The Bank elected the effective date transition method of applying the new leases standard at the beginning of the period of adoption on January 1, 2019. The standard provides several optional practical expedients in transition. The Bank elected the “package of practical expedients”, which permits the Bank not to reassess prior conclusions about lease identification, lease classification and initial direct costs and allows it to continue to account for leases that commenced prior to the adoption date as operating leases. The Bank analyzed all its significant leases to determine if a lease was in scope of the ASU and determined 15 facilities leases were in scope. Based on leases outstanding at December 31, 2018, the Bank recorded a $71.1 million Operating leases liability and a $55.8 million related Right-of-use asset upon commencement on January 1, 2019. The measurement of the Right-of-use asset included a $15.3 million reduction to account for accrued rent previously established under Topic 840. The Bank has presented its Right-of-use asset and related Operating leases liability on the Consolidated Statements of Financial Condition. Refer to Note 12 - Leases for further details.

Accounting Standards Adopted in 2020

In June 2016, the FASB amended existing guidance for ASU 2017-04, “Intangibles – Goodwill and Other (Topic 350)”, to simplify the subsequent measurement of goodwill. The amendment requires an entity to perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount of the reporting unit exceeds its fair value, not to exceed the total amount of goodwill allocated to that reporting unit. The amendments also eliminate the requirement for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. The amendments became effective for public business entities for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The amendments should be applied prospectively. An entity is required to disclose the nature of and reason for the change in accounting principle upon transition in the first annual period and in the interim period within the first annual period when the entity initially adopts the amendments. As a result of the Bank’s acquisition of New Resource Bank (“NRB”) in the latter half of the second quarter of 2018, the Bank elected June 30, 2019 as the beginning date for annual impairment testing. The Bank adopted ASU 2017-04 during the second quarter and performed its annual impairment test. The estimated fair value of the Bank was in excess of the carrying value and the Bank, as a sole reporting unit, was not at risk of failing the quantitative analysis. Adoption did not have an effect on the Bank’s operating results or financial condition. Refer to Note 13 - Goodwill and Intangible Assets for further details.

Accounting Standards Effective in 2020 and onward

In August 2018, the FASB issued ASU 2018-13, “Fair Value Measurement (Topic 820)—Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement”, which improves the effectiveness of fair value measurement disclosures. The amendments modify the disclosure requirements on fair value measurements in Topic 820, Fair Value Measurement as follows: removes disclosure requirements for the amount and reasons for transfer between Level 1 and Level 2 assets and liabilities in the fair value hierarchy; modifies disclosure requirements for transfers into and out of Level 3 assets and liabilities in the fair value hierarchy; adds disclosure requirements for the changes in unrealized gains and losses for the period included in other comprehensive income for recurring Level 3 fair value measurements and the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. The amendments in this update became effective for all entities for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years, with early adoption, including adoption in an interim period, is permitted. Adoption of ASU 2018-13 did not have a material effect on the Bank’s operating results or financial condition.

In June 2016, the FASB issued ASU 2016-13, “Financial Instruments – Credit Losses (Topic 326) – Measurement of Credit Losses on Financial Instruments.” ASU 2016-13 significantly changes the impairment model for most financial assets that are measured at amortized cost and certain other instruments from an incurred loss model to an expected loss model and provides for recording credit losses on available for sale debt securities through an allowance account. ASU 2016-13 also requires certain incremental disclosures. In October 2019, the FASB voted to extend the adoption date for entities eligible to be smaller reporting companies, public business entities (PBEs) that are not SEC filers, and entities that are not PBEs from January 1, 2020 to January 1, 2023. Based on the Bank’s election as an Emerging Growth Company under the Jumpstart Our Business Startups Act to use the extended transition period for complying with any new or revised financial accounting standards, the Bank currently anticipates a January 1, 2023 adoption date. In preparation, the Bank has performed work in assessing and enhancing its technology environment and related data needs and availability. Additionally, a Management Committee comprised of members from multiple departments has been established to monitor the Bank’s progress towards adoption. As adoption will require the implementation of significant changes to the existing credit loss estimation model and is dependent on the economic forecast, and given the length of time before our adoption date, evaluating the overall impact of the ASU on the Bank’s Consolidated Financial Statements is not yet determinable.

3. OTHER COMPREHENSIVE INCOME (LOSS)

The Bank records unrealized gains and losses, net of taxes, on securities available for sale in other comprehensive income (loss) in the Consolidated Statements of Changes in Stockholders' Equity. Gains and losses on securities available for sale are reclassified to operations as the gains or losses are recognized. Other-than-temporary impairment ("OTTI") losses on debt securities are reflected in earnings as realized losses to the extent the impairment is related to credit losses. The amount of the impairment related to other factors is recognized in other comprehensive income (loss). The Bank also recognizes as a component of other comprehensive income (loss) the actuarial gains or losses as well as the prior service costs or credits that arise during the period from post-retirement benefit plans.

Other comprehensive income (loss) components and related income tax effects were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2020	2019	2020	2019
Change in obligation for postretirement benefits and for prior service credit	$ 55	$ 56	$ 110	$ 111
Change in obligation for other benefits	19	(8)	37	(16)
Change in total obligation for postretirement benefits and for prior service credit and for other benefits	$ 74	$ 48	$ 147	$ 95
Income tax effect	(20)	—	(41)	(14)
Net change in total obligation for postretirement benefits and prior service credit and for other benefits	54	48	106	81
Unrealized holding gains (losses) on available for sale securities	$30,811	$12,096	$ 6,443	$21,806
Reclassification adjustment for losses (gains) realized in income	(485)	377	(984)	84
Change in unrealized gains (losses) on available for sale securities	30,326	12,473	5,459	21,890
Income tax effect	(8,443)	(3,483)	(1,520)	(6,087)
Net change in unrealized gains (losses) on available for sale securities	21,883	8,990	3,939	15,803
Total	$21,937	$ 9,038	$ 4,045	$15,884

The following is a summary of the accumulated other comprehensive income (loss) balances, net of income taxes:

(In thousands)	Balance as of January 1, 2020	Current Period Change	Income Tax Effect	Balance as of June 30, 2020
Unrealized gains (losses) on benefits plans	$ (2,319)	$ 147	$ (41)	$ (2,213)
Unrealized gains (losses) on available for sale securities	$ 5,544	$5,459	$ (1,520)	$ 9,483
Total	$ 3,225	$5,606	$ (1,561)	$ 7,270

The following represents the reclassifications out of accumulated other comprehensive income (loss):

(In thousands)	Three Months Ended June 30, 2020	Three Months Ended June 30, 2019	Six Months Ended June 30, 2020	Six Months Ended June 30, 2019	Affected Line Item in the Consolidated Statements of Income
Realized gains (losses) on sale of available for sale securities	$ 486	$ (377)	$ 985	$ (85)	Gain (loss) on sale of investment securities available for sale, net
Recognized gains (losses) on OTTI securities	(1)	—	(1)	1	Non-Interest Income - other
Income tax expense (benefit)	135	(104)	274	(24)	Income tax expense
Total reclassifications, net of income tax	$ 350	$ (273)	$ 710	$ (60)	
Prior service credit on pension plans and other postretirement benefits	$ 7	$ 7	$ 14	$ 14	Compensation and employee benefits
Income tax expense (benefit)	(2)	(2)	(4)	(4)	Income tax expense (benefit)
Total reclassifications, net of income tax	$ 5	$ 5	$ 10	$ 10	
Total reclassifications, net of income tax	$ 355	$ (268)	$ 720	$ (50)	

4. INVESTMENT SECURITIES

The amortized cost and fair value of investment securities available for sale and held to maturity as of June 30, 2020 are as follows:

(In thousands)	June 30, 2020			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 17,693	$ 378	$ —	$ 18,071
GSE CMOs	399,935	14,887	(121)	414,701
GSE commercial certificates & CMO	445,595	12,198	(573)	457,220
Non-GSE residential certificates	66,988	713	(4)	67,697
Non-GSE commercial certificates	45,253	1	(1,855)	43,399
	975,464	28,177	(2,553)	1,001,088
Other debt:				
U.S. Treasury	200	5	—	205
ABS	563,784	1,948	(12,782)	552,950
Trust preferred	14,625	—	(1,920)	12,705
Corporate	7,960	267	—	8,227
Other	—	—	—	—
	586,569	2,220	(14,702)	574,087
Total available for sale	$1,562,033	$ 30,397	$ (17,255)	$1,575,175
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 623	$ 31	$ —	$ 654
Non GSE commercial certificates	233	—	—	233
	856	31	—	887
Other debt:				
PACE Assessments	323,392	9,361	—	332,753
Municipal	41,150	2,921	—	44,071
Other	5,100	20	(1)	5,119
	369,642	12,302	(1)	381,943
Total held to maturity	$ 370,498	$ 12,333	$ (1)	$ 382,830

As of June 30, 2020, available for sale and held to maturity securities with a fair value of $980.7 million and $0.6 million, respectively, were pledged. The majority of the securities were pledged to the Federal Home Loan Bank of New York (“FHLB”) to secure outstanding advances, letters of credit and to provide additional borrowing potential. In addition, securities were pledged to provide capacity to borrow from the Federal Reserve Bank and to collateralize municipal deposits.

The amortized cost and fair value of investment securities available for sale and held to maturity as of December 31, 2019 are as follows:

(In thousands)	December 31, 2019			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 36,639	$ 97	$ (351)	$ 36,385
GSE CMOs	277,512	5,350	(428)	282,434
GSE commercial certificates & CMO	250,357	4,003	(447)	253,913
Non-GSE residential certificates	58,643	459	(94)	59,008
Non-GSE commercial certificates	46,868	49	(43)	46,874
	670,019	9,958	(1,363)	678,614
Other debt:				
U.S. Treasury	199	—	—	199
ABS	524,289	1,634	(2,146)	523,777
Trust preferred	14,623	—	(726)	13,897
Corporate	7,957	326	—	8,283
Other	—	—	—	—
	547,068	1,960	(2,872)	546,156
Total available for sale	$1,217,087	$ 11,918	$ (4,235)	$1,224,770
Held to maturity:				
Mortgage-related:				
GSE residential certificates	$ 635	$ 23	$ —	$ 658
Non GSE commercial certificates	270	19	—	289
	905	42	—	947
Other debt:				
PACE Assessments	263,805	810	—	264,615
Municipal	22,894	598	(1,307)	22,185
Other	5,100	—	(10)	5,090
	291,799	1,408	(1,317)	291,890
Total held to maturity	$ 292,704	$ 1,450	$ (1,317)	$ 292,837

The following summarizes the amortized cost and fair value of debt securities available for sale and held to maturity, exclusive of mortgage-backed securities, by their contractual maturity as of June 30, 2020. Actual maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without penalty:

	Available for Sale		Held to Maturity	
(In thousands)	Amortized Cost	Fair Value	Amortized Cost	Fair Value
Due within one year	$ —	$ —	$ 2,000	$ 2,020
Due after one year through five years	17,901	18,127	3,100	3,099
Due after five years through ten years	203,096	197,688	—	—
Due after ten years	365,572	358,272	364,542	376,824
	$ 586,569	$574,087	$ 369,642	$381,943

Proceeds received and gains and losses realized on sales of securities are summarized below:

	Three Months Ended,		Six Months Ended,	
(In thousands)	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019
Proceeds	$ 24,657	$ 88,502	$ 52,420	$ 138,423
Realized gains	$ 731	$ 571	$ 1,254	$ 1,048
Realized losses	(245)	(948)	(269)	(1,133)
Net realized gains (losses)	$ 486	$ (377)	$ 985	$ (85)

The Bank controls and monitors inherent credit risk in its securities portfolio through diversification, concentration limits, periodic securities reviews, and by investing a significant portion of the securities portfolio in U.S. Government sponsored entity (“GSE”) obligations. GSEs include the Federal Home Loan Mortgage Corporation (“FHLMC”), the Federal National Mortgage Association (“FNMA”), the Government National Mortgage Association (“GNMA”) and the Small Business Administration (“SBA”). GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations (“CMOs”).

The following summarizes the fair value and unrealized losses for those available for sale securities as of June 30, 2020 and December 31, 2019, respectively, segregated between securities that have been in an unrealized loss position for less than twelve months and those that have been in a continuous unrealized loss position for twelve months or longer at the respective dates:

	June 30, 2020					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ —	$ —	$ —	$ —	$ —	$ —
GSE CMOs	23,073	(36)	13,576	(85)	36,649	(121)
GSE commercial certificates	177,772	(390)	26,764	(183)	204,536	(573)
Non-GSE residential certificates	—	—	5,948	(4)	5,948	(4)
Non-GSE commercial certificates	34,984	(1,417)	6,628	(438)	41,612	(1,855)
Other debt:						
ABS	267,017	(6,217)	190,848	(6,565)	457,865	(12,782)
Trust preferred	—	—	12,705	(1,920)	12,705	(1,920)
US Treasury	—	—	—	—	—	—
Other	—	—	—	—	—	—
	$ 502,846	$ (8,060)	$ 256,469	$ (9,195)	$759,315	$ (17,255)

	December 31, 2019					
	Less Than Twelve Months		Twelve Months or Longer		Total	
(In thousands)	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses	Fair Value	Unrealized Losses
Mortgage-related:						
GSE residential certificates	$ 4,849	$ (11)	$ 18,620	$ (340)	$ 23,469	$ (351)
GSE CMOs	43,794	(118)	23,995	(310)	67,789	(428)
GSE commercial certificates	59,615	(428)	14,001	(19)	73,616	(447)
Non-GSE residential certificates	2,836	(11)	13,537	(83)	16,373	(94)
Non-GSE commercial certificates	19,276	(25)	7,048	(18)	26,324	(43)
Other debt:						
ABS	95,095	(218)	191,650	(1,928)	286,745	(2,146)
Trust preferred	—	—	13,897	(726)	13,897	(726)
	$ 225,465	$ (811)	$ 282,748	$ (3,424)	$508,213	$ (4,235)

The temporary impairment of fixed income securities (mortgage-related securities, asset backed securities, U.S. Treasury and GSE securities, trust preferred securities and corporate debt) is primarily attributable to changes in overall market interest rates and/or changes in credit spreads since the investments were acquired. In general, as market interest rates rise and/or credit spreads widen, the fair value of fixed rate securities will decrease, as market interest rates fall and/or credit spreads tighten, the fair value of fixed rate securities will increase.

As of June 30, 2020, excluding GSE and U.S. Treasury securities, temporarily impaired securities totaled $521.2 million with an unrealized loss of $16.6 million. With the exception of $0.2 million which were not rated, the remaining securities were rated investment grade by at least one nationally recognized statistical rating organization with no ratings below investment grade. All issues were current as to their interest payments. Management considers that the temporary impairment of these investments as of June 30, 2020 is primarily due to an increase in market spreads since the time these investments were acquired.

With respect to the Bank's security investments that are temporarily impaired as of June 30, 2020, management does not intend to sell these investments and does not believe it will be necessary to do so before anticipated recovery. The Bank expects to collect all amounts due according to the contractual terms of these investments. Therefore the Bank does not consider these securities to be other-than-temporarily impaired at June 30, 2020. None of these positions or other securities held in the portfolio or sold during the year were purchased with the intent of selling them or would otherwise be classified as trading securities under ASC No. 320, Investments – Debt and Equity Securities.

During the three months ended June 30, 2020, the Bank recorded an OTTI loss of $1,100, compared to no OTTI loss for the same period in 2019. For the six months ended June 30, 2020, the Bank recorded an OTTI loss of $1,100, compared to an OTTI recovery of $1,200 for the same period in 2019.

Events which may cause material declines in the fair value of debt investments may include, but are not limited to, deterioration of credit metrics, higher incidences of default, worsening liquidity, worsening global or domestic economic conditions or adverse regulatory action. Management does not believe that there are any cases of unrecorded OTTI as of June 30, 2020; however, it is possible that the Bank may recognize OTTI in future periods.

5. LOANS RECEIVABLE, NET

Loans receivable are summarized as follows:

(In thousands)	June 30, 2020	December 31, 2019
Commercial and industrial	$ 617,579	$ 474,342
Multifamily	972,129	976,380
Commercial real estate	404,064	421,947
Construction and land development	65,259	62,271
Total commercial portfolio	2,059,031	1,934,940
Residential real estate lending	1,432,645	1,366,473
Consumer and other	187,980	163,077
Total retail portfolio	1,620,625	1,529,550
	3,679,656	3,464,490
Net deferred loan origination costs (fees)	8,336	8,124
	3,687,992	3,472,614
Allowance for loan losses	(50,010)	(33,847)
	$3,637,982	$3,438,767

The Bank had $8.4 million and $2.3 million in residential 1-4 family mortgages held for sale at June 30, 2020 and December 31, 2019, respectively. Both were recorded in Other Assets in the Consolidated Statements of Financial Condition.

The following table presents information regarding the quality of the Bank's loans as of June 30, 2020:

(In thousands)	30-89 Days Past Due (1)	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 5,568	$ 538	$ —	$ 6,106	$15,204	$ 596,269	$ 617,579
Multifamily	13,008	—	—	13,008	—	959,121	972,129
Commercial real estate	7,501	13,768	—	21,269	—	382,795	404,064
Construction and land development	12,892	3,652	—	16,544	—	48,715	65,259
Total commercial portfolio	38,969	17,958	—	56,927	15,204	1,986,900	2,059,031
Residential real estate lending	9,320	10,860	—	20,180	975	1,411,490	1,432,645
Consumer and other	1,508	680	—	2,188	—	185,792	187,980
Total retail portfolio	10,828	11,540	—	22,368	975	1,597,282	1,620,625
	$ 49,797	$29,498	$ —	$ 79,295	$16,179	$3,584,182	$3,679,656

(1) There were $13.6 million of commercial portfolio loans in the process of obtaining a COVID-19 related deferral as of June 30, 2020.

The following table presents information regarding the quality of the Bank's loans as of December 31, 2019:

(In thousands)	30-89 Days Past Due	Non-Accrual	90 Days or More Delinquent and Still Accruing Interest	Total Past Due	Current and Not Accruing Interest	Current	Total Loans Receivable
Commercial and industrial	$ 3,970	$ 781	$ 22	$ 4,773	$14,783	$ 454,786	$ 474,342
Multifamily	—	—	—	—	—	976,380	976,380
Commercial real estate	1,020	3,693	—	4,713	—	417,234	421,947
Construction and land development	2,635	3,652	—	6,287	—	55,984	62,271
Total commercial portfolio	7,625	8,126	22	15,773	14,783	1,904,384	1,934,940
Residential real estate lending	17,817	7,384	424	25,625	390	1,340,458	1,366,473
Consumer and other	1,782	328	—	2,110	—	160,967	163,077
Total retail portfolio	19,599	7,712	424	27,735	390	1,501,425	1,529,550
	$ 27,224	$15,838	$ 446	$ 43,508	$15,173	$3,405,809	$3,464,490

In general, a modification or restructuring of a loan constitutes a troubled debt restructuring ("TDR") if the Bank grants a concession to a borrower experiencing financial difficulty. Loans modified as TDRs are placed on non-accrual status until the Bank determines that future collection of principal and interest is reasonably assured, which generally requires that the borrower demonstrate performance according to the restructured terms for a period of at least six months. The Bank's TDRs primarily involve rate reductions, forbearance of arrears or extension of maturity. TDRs are included in total impaired loans as of the respective date.

On March 22, 2020, federal banking regulators issued an interagency statement that included guidance on their approach for the accounting of loan modifications in light of the economic impact of the COVID-19 pandemic. The guidance interprets current accounting standards and indicates that a lender can conclude that a borrower is not experiencing financial difficulty if short-term modifications are made in response to COVID-19, such as payment deferrals, fee waivers, extensions of repayment terms, or other delays in payment that are insignificant related to the loans in which the borrower is less than 30 days past due on its contractual payments at the time a modification program is implemented. The agencies confirmed in working with the staff of the FASB that short-term modifications made on a good faith basis in response to COVID-19 to borrowers who were current prior to any relief are not TDRs. In addition, the CARES Act provides financial institutions the option to temporarily suspend certain requirements under GAAP related to TDRs for a limited period of time to account for the effects of COVID-19.

As of June 30, 2020, the Bank had $464.6 million of loan balances that were either on a COVID-19 related payment deferral or in the process of receiving a payment deferral. Generally, these loans were not reported as delinquent and the credit was not downgraded solely due to the payment deferral. Loan balances of $18.3 million had a payment deferral or were in the process of receiving a payment deferral and are reported as special mention or substandard at June 30, 2020.

All loans on payment deferral are receiving a 90-day deferral of principal and interest with the exception of $56.3 million in commercial loans that are receiving a deferral of principal only. As of June 30, 2020, loan balances of $9.9 million have received 180 days of principal and interest payment deferral and loan balances of $20.0 million have received 180 days of principal payment deferral.

The following table presents information regarding the Bank's COVID-19 related loan deferrals as of June 30, 2020:

(In thousands, rounded)	Portfolio Balance Outstanding	Balance in Deferral	Balance in Process of Deferral	Total Deferred Loans	Total Deferrals as % of Portfolio
Commercial and industrial	$ 618,000	$ 29,000	$ 7,000	$ 36,000	6%
Multifamily	972,000	163,000	29,000	192,000	20%
Commercial real estate, construction and land development	469,000	88,000	36,000	124,000	26%
Total commercial portfolio	2,059,000	280,000	72,000	352,000	17%
Residential real estate lending	1,433,000	99,000	4,000	103,000	7%
Consumer and other	188,000	10,000	—	10,000	5%
Total retail portfolio	1,621,000	109,000	4,000	113,000	7%
Totals	$3,680,000	$389,000	$ 76,000	$465,000	13%

The following table presents information regarding the Bank's TDRs as of June 30, 2020 and December 31, 2019:

	June 30, 2020			December 31, 2019		
(In thousands)	Accruing	Non-Accrual	Total	Accruing	Non-Accrual	Total
Commercial and industrial	$10,686	$ 15,204	$25,890	$ 8,984	$ 14,783	$23,767
Commercial real estate	—	3,567	3,567	5,114	3,693	8,807
Construction and land development	—	3,652	3,652	—	3,652	3,652
Residential real estate lending	17,345	4,353	21,698	20,269	2,891	23,160
	$28,031	$ 26,776	$54,807	$34,367	$ 25,019	$59,386

The following tables summarize the Bank's loan portfolio by credit quality indicator as of June 30, 2020:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 567,174	$ 15,493	$ 34,445	$ 467	$ 617,579
Multifamily	966,067	6,062	—	—	972,129
Commercial real estate	388,170	1,439	14,455	—	404,064
Construction and land development	35,578	26,029	3,652	—	65,259
Residential real estate lending	1,421,785	—	10,860	—	1,432,645
Consumer and other	187,300	—	680	—	187,980
Total loans	$3,566,074	$ 49,023	$ 64,092	$ 467	$3,679,656

As of June 30, 2020, no COVID-19 related loan deferrals were graded as criticized solely on the basis of the deferral request.

The following tables summarize the Bank's loan portfolio by credit quality indicator as of December 31, 2019:

(In thousands)	Pass	Special Mention	Substandard	Doubtful	Total
Commercial and industrial	$ 427,279	$ 14,445	$ 32,151	$ 467	$ 474,342
Multifamily	976,380	—	—	—	976,380
Commercial real estate	418,254	—	3,693	—	421,947
Construction and land development	58,619	—	3,652	—	62,271
Residential real estate lending	1,359,089	—	7,384	—	1,366,473
Consumer and other	162,749	—	328	—	163,077
Total loans	$3,402,370	$ 14,445	$ 47,208	$ 467	$3,464,490

The above classifications follow regulatory guidelines and can be generally described as follows:

- pass loans are of satisfactory quality;
- special mention loans have a potential weakness or risk that may result in the deterioration of future repayment;
- substandard loans are inadequately protected by the current net worth and paying capacity of the borrower or of the collateral pledged (these loans have a well-defined weakness, and there is a distinct possibility that the Bank will sustain some loss); and
- doubtful loans, based on existing circumstances, have weaknesses that make collection or liquidation in full highly questionable and improbable.

In addition, residential loans are classified utilizing an inter-agency methodology that incorporates the extent of delinquency. Assigned risk rating grades are continuously updated as new information is obtained.

The following table provides information regarding the methods used to evaluate the Bank's loans for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of June 30, 2020:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 27,053	$ —	$ 13,768	$ 3,652	$ 28,795	$ —	$ 73,268
Collectively evaluated for impairment	590,526	972,129	390,296	61,607	1,403,850	187,980	3,606,388
Total loans	$ 617,579	$ 972,129	$ 404,064	$ 65,259	$1,432,645	$187,980	$3,679,656
Allowance for loan losses:							
Individually evaluated for impairment	$ 10,473	$ —	$ 2,801	$ —	$ 1,180	$ —	$ 14,454
Collectively evaluated for impairment	4,971	7,063	3,176	3,276	15,260	1,810	35,556
Total allowance for loan losses	$ 15,444	$ 7,063	$ 5,977	$ 3,276	$ 16,440	$ 1,810	$ 50,010

The following table provides information regarding the methods used to evaluate the Bank's loans for impairment by portfolio, and the Bank's allowance by portfolio based upon the method of evaluating loan impairment as of December 31, 2019:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Loans:							
Individually evaluated for impairment	$ 24,870	$ —	$ 8,807	$ 3,652	$ 28,043	$ —	$ 65,372
Collectively evaluated for impairment	449,472	976,380	413,140	58,619	1,338,430	163,077	3,399,118
Total loans	$ 474,342	$ 976,380	$ 421,947	$ 62,271	$1,366,473	$163,077	$3,464,490
Allowance for loan losses:							
Individually evaluated for impairment	$ 6,144	$ —	$ —	$ —	$ 1,325	$ —	$ 7,469
Collectively evaluated for impairment	4,982	5,210	2,492	808	12,824	62	26,378
Total allowance for loan losses	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$ 33,847

The activities in the allowance by portfolio for the three months ended June 30, 2020 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 14,930	$ 5,886	$ 2,736	$ 1,740	$ 15,430	$ 1,626	$42,348
Provision for (recovery of) loan losses	514	1,177	3,241	1,536	1,099	654	8,221
Charge-offs	(2)	—	—	—	(240)	(487)	(729)
Recoveries	2	—	—	—	151	17	170
Ending Balance	$ 15,444	$ 7,063	$ 5,977	$ 3,276	$ 16,440	$ 1,810	$50,010

The activities in the allowance by portfolio for the three months ended June 30, 2019 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 10,402	$ 4,610	$ 2,404	$ 524	$ 12,727	$ 725	$31,392
Provision for (recovery of) loan losses	(155)	499	538	564	449	232	2,127
Charge-offs	(9)	—	—	—	(30)	(128)	(167)
Recoveries	—	—	—	—	245	33	278
Ending Balance	$ 10,238	$ 5,109	$ 2,942	$ 1,088	$ 13,391	$ 862	$33,630

The activities in the allowance by portfolio for the six months ended June 30, 2020 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 11,126	$ 5,210	$ 2,492	$ 808	$ 14,149	$ 62	$33,847
Provision for (recovery of) loan losses	4,316	1,853	3,485	2,468	2,192	2,494	16,808
Charge-offs	(1)	—	—	—	(264)	(791)	(1,056)
Recoveries	3	—	—	—	363	45	411
Ending Balance	$ 15,444	$ 7,063	$ 5,977	$ 3,276	$ 16,440	$ 1,810	$50,010

The activities in the allowance by portfolio for the six months ended June 30, 2019 are as follows:

(In thousands)	Commercial and Industrial	Multifamily	Commercial Real Estate	Construction and Land Development	Residential Real Estate Lending	Consumer and Other	Total
Allowance for loan losses:							
Beginning balance	$ 16,046	$ 4,736	$ 2,573	$ 1,089	$ 11,987	$ 764	$37,195
Provision for (recovery of) loan losses	2,578	373	369	(1)	791	202	4,312
Charge-offs	(8,392)	—	—	—	(139)	(185)	(8,716)
Recoveries	6	—	—	—	752	81	839
Ending Balance	$ 10,238	$ 5,109	$ 2,942	$ 1,088	$ 13,391	$ 862	$33,630

The following is additional information regarding the Bank's individually impaired loans and the allowance related to such loans as of June 30, 2020 and December 31, 2019:

	June 30, 2020			
(In thousands)	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 6,702	$ 5,599	$ 7,205	$ —
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	—	4,404	—	—
	10,354	13,655	10,907	—
Loans with a related allowance:				
Residential real estate lending	22,093	22,820	25,960	1,180
Commercial real estate mortgages	13,768	6,884	14,098	2,801
Commercial and industrial	27,053	25,962	32,115	10,473
	62,914	55,666	72,173	14.454
Total individually impaired loans:				
Residential real estate lending	28,795	28,419	33,165	1,180
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	13,768	11,288	14,098	2,801
Commercial and industrial	27,053	25,962	32,115	10,473
	$ 73,268	$ 69,321	$83,080	$ 14,454

(In thousands)	December 31, 2019			
	Recorded Investment	Average Recorded Investment	Unpaid Principal Balance	Related Allowance
Loans without a related allowance:				
Residential real estate lending	$ 4,496	$ 4,397	$ 4,558	$ —
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
	16,955	19,970	17,397	—
Loans with a related allowance:				
Residential real estate lending	23,547	25,206	27,288	1,325
Commercial and industrial	24,870	18,512	29,534	6,144
	48,417	43,718	56,822	7,469
Total individually impaired loans:				
Residential real estate lending	28,043	29,603	31,846	1,325
Construction and land development	3,652	3,652	3,702	—
Commercial real estate	8,807	11,921	9,137	—
Commercial and industrial	24,870	18,512	29,534	6,144
	$ 65,372	$ 63,688	$74,219	$ 7,469

As of June 30, 2020 and December 31, 2019, mortgage loans with an unpaid principal balance of $1.4 billion and $1.1 billion, respectively, were pledged to the FHLB to secure outstanding advances, letters of credit and borrowing capacity.

There were no related party loans outstanding as of June 30, 2020 and one related party loan outstanding as of December 31, 2019, with a total principal balance of $0.6 million.

6. DEPOSITS

Deposits are summarized as follows:

	June 30, 2020		December 31, 2019	
(In thousands)	Amount	Average Rate	Amount	Average Rate
Non-interest bearing demand deposit accounts	$3,089,004	0.00%	$2,179,247	0.00%
NOW accounts	198,653	0.06%	230,919	0.38%
Money market deposit accounts	1,876,540	0.13%	1,508,674	0.37%
Savings accounts	342,477	0.12%	328,587	0.19%
Time deposits	363,645	0.86%	393,555	1.29%
	$5,870,319	0.10%	$4,640,982	0.26%

Note: Average rate reflects the weighted average interest rate by deposit category at the related period end date. Average rate for total deposits includes non-interest bearing demand deposit accounts.

The scheduled maturities of time deposits are as follows:

(In thousands)	June 30, 2020
2020	$ 266,872
2021	82,522
2022	6,983
2023	3,906
2024	2,746
Thereafter	616
	$ 363,645

Time deposits of $250,000 or more totaled $59.0 million as of June 30, 2020 and $63.1 million as of December 31, 2019.

From time to time the Bank will issue time deposits through the Certificate of Deposit Account Registry Service (“CDARS”) for the purpose of providing FDIC insurance to bank customers with balances in excess of FDIC insurance limits. CDARS deposits totaled approximately $178.4 million and $192.0 million as of June 30, 2020 and December 31, 2019, respectively, and are included in Time deposits above. The average balance of such deposits was approximately $182.6 million for the quarter ended June 30, 2020 and $190.1 million for the year ended December 31, 2019.

Our total deposits included deposits from Workers United and its related entities in the amounts of $143.3 million as of June 30, 2020 and $86.9 million as of December 31, 2019.

Included in total deposits are state and municipal deposits totaling $50.7 million and $100.4 million as of June 30, 2020 and December 31, 2019, respectively. Such deposits are secured by letters of credit issued by the FHLB or by securities pledged with the FHLB.

7. BORROWED FUNDS

Borrowed funds are summarized as follows:

(In thousands)	June 30, 2020 Amount	June 30, 2020 Weighted Average Rate	December 31, 2019 Amount	December 31, 2019 Weighted Average Rate
FHLB advances	$ —	—%	$75,000	1.84%

FHLB advances are collateralized by the FHLB stock owned by the Bank plus a pledge of other eligible assets comprised of securities and mortgage loans. As of June 30, 2020, the value of the other eligible assets had an estimated market value net of haircut totaling $1.8 billion (comprised of securities of $708.3 million and mortgage loans of $1.1 billion). The pledged securities and mortgage loans have been delivered to the FHLB. The fair value of assets pledged to the FHLB is required to be not less than 110% of the outstanding advances.

The Bank has no significant categories of borrowed funds as of June 30, 2020.

8. EARNINGS PER SHARE

The two-class method is used in the calculation of basic and diluted earnings per share. Under the two-class method, earnings available to common stockholders for the period are allocated between common stockholders and participating securities according to participation rights in undistributed earnings. Our options and restricted stock units are not considered participating securities as they do not receive dividend distributions and the Bank has no other participating securities. The factors used in the earnings per share computation follow:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
(In thousands, except per share amounts)				
Net income attributable to Amalgamated Bank	$10,374	$11,185	$19,919	$21,999
Dividends paid on preferred stock	—	—	—	—
Income attributable to common stock	$10,374	$11,185	$19,919	$21,999
Weighted average common shares outstanding, basic	31,023	31,825	31,217	31,798
Basic earnings per common share	**$ 0.33**	**$ 0.35**	**$ 0.64**	**$ 0.69**
Net income attributable to Amalgamated Bank	$10,374	$11,185	$19,919	$21,999
Weighted average common shares outstanding, basic	31,023	31,825	31,217	31,798
Incremental shares from assumed conversion of options and RSUs	12	412	128	481
Weighted average common shares outstanding, diluted	31,035	32,237	31,345	32,279
Diluted earnings per common share	**$ 0.33**	**$ 0.35**	**$ 0.64**	**$ 0.68**

9. EMPLOYEE BENEFIT PLANS

Long Term Incentive Plans

Stock Options:

The Bank does not currently maintain an active stock option plan that is available for issuing new options.

A summary of the status of the Bank's options as of June 30, 2020 follows:

	Number of Options	Weighted Avg. Exercise Price	Weighted Avg. Remaining Life		Intrinsic Value
Outstanding, December 31, 2019	2,051,020	$ 13.06	6.6	years	
Granted	—	—	—		
Forfeited/ Expired	—	—	—		
Exercised	(11,220)	13.75	—		
Outstanding, June 30, 2020	2,039,800	13.06	6.2	years	$915,635
Vested and Exercisable, June 30, 2020	1,862,404	$ 12.91	6.0	years	$915,635

The range of exercise prices is $11.00 to $14.65 per share.

Compensation costs attributable to the options were $0.2 million and $0.3 million for the three months ended June 30, 2020 and 2019, respectively. Compensation costs attributable to the options were $0.3 million and $0.7 million for the six months ended June 30, 2020 and 2019, respectively. All amounts are recorded within the Consolidated Statements of Income. Of the unvested portion of the options, the remaining expense of $0.3 million will be recognized in the remaining six months of 2020.

Restricted Stock Units:

The Amalgamated Bank 2019 Equity Incentive Plan (the "Equity Plan") provides for the grant of stock-based incentive awards to officers, employees and directors of the Bank. The number of shares of common stock of Amalgamated Bank available for stock-based awards in the Equity Plan is 1,250,000 of which 782,365 shares are available for issuance as of June 30, 2020.

During the six months ended June 30, 2020, in accordance with the Equity Plan for employees, the Bank granted 160,331 restricted stock units (RSUs) and reserved 197,672 shares for issuance upon vesting based upon the possibility of the Bank's employees achieving the maximum share payout.

Of the 160,331 RSUs granted to employees, 85,649 RSUs time-vest ratably over three years and were granted at a fair value of $14.17 and 74,682 RSUs were performance-based and are more fully described below:

The Bank granted 38,321 performance-based RSUs at a fair value of $14.45 which vest subject to the achievement of the Bank's corporate goals for the three-year period from December 31, 2019 to December 31, 2022. The corporate goal is based on the Bank achieving a target increase in Tangible Book Value, adjusted for certain factors. The minimum and maximum awards that are achievable are 0 and 57,482 shares, respectively.

The Bank granted 36,361 market-based RSUs at a fair value of $15.23 which vest subject to the Bank's performance on relative total shareholder return compared to a group of peer banks over a three-year period from March 9, 2020 to March 8, 2023. The minimum and maximum awards that are achievable are 0 and 54,542 shares, respectively.

A summary of the status of the Bank's employee RSUs as of June 30, 2020 follows:

	Shares	Grant Date Fair Value
Unvested, December 31, 2019	189,999	$ 17.81
Awarded	160,331	14.48
Forfeited	(2,834)	17.67
Vested	(39,542)	17.67
Unvested, June 30, 2020	307,954	$ 16.10

Compensation expense attributable to the employee RSUs was $0.5 million and $0.2 million for the three months ended June 30, 2020 and 2019, respectively. Compensation expense attributable to the employee RSUs was $0.8 million and $0.2 million for the six months ended June 30, 2020 and 2019, respectively. As of June 30, 2020, there was $4.2 million of total unrecognized compensation cost related to the non-vested RSUs granted to employees. This expense may increase or decrease depending on the expected number of performance-based shares to be issued. This expense is expected to be recognized over 2.3 years.

During the six months ended June 30, 2020, in accordance with the Equity Plan for directors, the Bank granted 26,642 RSUs that vest after one year. The Bank recorded expense of $0.1 million and $46,000 for the three months ended June 30, 2020 and 2019, respectively. The Bank recorded expense of $0.3 million and $46,000 for the six months ended June 30, 2020 and 2019, respectively. As of June 30, 2020, there was $0.3 million of total unrecognized cost related to the non-vested RSUs granted to directors.

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data. A description of the disclosure hierarchy and the types of financial instruments recorded at fair value that management believes would generally qualify for each category are as follows:

Level 1 - Valuations are based on quoted prices in active markets for identical assets or liabilities. Accordingly, valuation of these assets and liabilities does not entail a significant degree of judgment. Examples include most U.S. Government securities and exchange-traded equity securities.

Level 2 - Valuations are based on either quoted prices in markets that are not considered to be active or significant inputs to the methodology that are observable, either directly or indirectly. Financial instruments in this level would generally include mortgage-related securities and other debt issued by GSEs, non-GSE mortgage-related securities, corporate debt, certain redeemable fund investments and certain trust preferred securities.

Level 3 - Valuations are based on inputs to the methodology that are unobservable and significant to the fair value measurement. These inputs reflect management's own judgments about the assumptions that market participants would use in pricing the assets and liabilities.

The following summarizes those financial instruments measured at fair value in the Consolidated Statements of Financial Condition categorized by the relevant class of investment and level of the fair value hierarchy:

	June 30, 2020			
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 18,071	$ —	$ 18,071
GSE CMOs	—	414,701	—	414,701
GSE commercial certificates & CMO	—	457,220	—	457,220
Non-GSE residential certificates	—	67,697	—	67,697
Non-GSE commercial certificates	—	43,399	—	43,399
Other debt:				
U.S. Treasury	205	—	—	205
ABS	—	552,950	—	552,950
Trust preferred	—	12,705	—	12,705
Corporate	—	8,227	—	8,227
Other	—	—	—	—
Total assets carried at fair value	$ 205	$1,574,970	$ —	$1,575,175

	December 31, 2019			
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Available for sale securities:				
Mortgage-related:				
GSE residential certificates	$ —	$ 36,385	$ —	$ 36,385
GSE CMOs	—	282,434	—	282,434
GSE commercial certificates	—	253,913	—	253,913
Non-GSE residential certificates	—	59,008	—	59,008
Non-GSE commercial certificates	—	46,874	—	46,874
Other debt:				
U.S. Treasury	199	—	—	199
ABS	—	523,777	—	523,777
Trust preferred	—	13,897	—	13,897
Corporate	—	8,283	—	8,283
Total assets carried at fair value	$ 199	$1,224,571	$ —	$1,224,770

During the periods ended June 30, 2020 and December 31, 2019, there were no transfers of financial instruments between Level 1 and Level 2 and there were no financial instruments measured at fair value and categorized as Level 3 in the consolidated statement of financial condition.

The following tables summarize assets measured at fair value on a non-recurring basis:

	June 30, 2020				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
(In thousands)					
Fair Value Measurements:					
Impaired loans	$ 58,814	$ —	$ —	$ 58,814	$ 58,814
Other real estate owned	503	—	—	656	656
	$ 59,317	$ —	$ —	$59,470	$ 59,470

	December 31, 2019				
	Carrying Value	Level 1	Level 2	Level 3	Estimated Fair Value
(In thousands)					
Fair Value Measurements:					
Impaired loans	$ 57,903	$ —	$ —	$ 57,903	$ 57,903
Other real estate owned	809	—	—	977	977
	$ 58,712	$ —	$ —	$ 58,880	$ 58,880

The following table summarizes the financial statement basis and estimated fair values for significant categories of financial instruments:

	June 30, 2020				
(In thousands)	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**	**Estimated Fair Value**
Financial assets:					
Cash and cash equivalents	$ 587,961	$587,961	$ —	$ —	$ 587,961
Available for sale securities	1,575,175	205	1,574,970	—	1,575,175
Held to maturity securities	370,498	—	382,830	—	382,830
Loans receivable, net	3,637,982	—	—	3,811,403	3,811,403
FHLBNY stock (1)	3,934	—	3,934	—	3,934
Resell agreements	45,653	—	—	45,653	45,653
Accrued interest and dividends receivable	21,836	—	21,836	—	21,836
Other assets (2)	8,355	—	—	8,355	8,355
Financial liabilities:					
Deposits payable on demand	$5,506,674	$ —	$5,506,674	$ —	$5,506,674
Time deposits	363,645	—	364,565	—	364,565
Borrowed funds	—	—	—	—	—
Accrued interest payable	1,070	—	1,070	—	1,070

(1)Prices not quoted in active markets but redeemable at par.
(2)Loans held for sale recorded in other assets.

	December 31, 2019				
(In thousands)	**Carrying Value**	**Level 1**	**Level 2**	**Level 3**	**Estimated Fair Value**
Financial assets:					
Cash and cash equivalents	$ 122,538	$122,538	$ —	$ —	$ 122,538
Available for sale securities	1,224,770	199	1,224,571	—	1,224,770
Held to maturity securities	292,704	—	23,132	269,705	292,837
Loans receivable, net	3,438,767	—	—	3,474,296	3,474,296
FHLBNY stock (1)	7,039	—	7,039		7,039
Accrued interest and dividends receivable	19,088	—	19,088	—	19,088
Other assets (2)	2,328	—	—	2,328	2,328
Financial liabilities:					
Deposits payable on demand	4,247,427	—	4,247,427	—	4,247,427
Time deposits	393,555	—	394,385	—	394,385
Borrowed funds	75,000	—	75,000	—	75,000
Accrued interest payable	1,383	—	1,383	—	1,383

(1)Prices not quoted in active markets but redeemable at par.
(2)Loans held for sale recorded in other assets.

11. COMMITMENTS, CONTINGENCIES AND OFF BALANCE SHEET RISK

Credit Commitments

The Bank is party to various credit related financial instruments with off balance sheet risk. The Bank, in the normal course of business, issues such financial instruments in order to meet the financing needs of its customers. These financial instruments include commitments to extend credit and standby letters of credit. Such commitments involve, to varying degrees, elements of credit and interest rate risk in excess of the amounts recognized in the consolidated statements of financial condition.

The following financial instruments were outstanding whose contract amounts represent credit risk as of the related periods:

(In thousands)	June 30, 2020	December 31, 2019
Commitments to extend credit	$530,337	$ 567,117
Standby letters of credit	21,031	15,169
Total	$551,368	$ 582,286

Commitments to extend credit are contracts to lend to a customer as long as there is no violation of any condition established in the contract. These commitments have fixed expiration dates and other termination clauses and generally require the payment of nonrefundable fees. Since a portion of the commitments are expected to expire without being drawn upon, the contractual principal amounts do not necessarily represent future cash requirements. The Bank's maximum exposure to credit risk is represented by the contractual amount of these instruments. These instruments represent ultimate exposure to credit risk only to the extent they are subsequently drawn upon by customers.

Standby letters of credit are conditional lending commitments issued by the Bank to guarantee the financial performance of a customer to a third party. The credit risk involved in issuing standby letters of credit is essentially the same as that involved in extending loan facilities to customers. The balance sheet carrying value of standby letters of credit approximates any nonrefundable fees received but not yet recorded as income. The Bank considers this carrying value, which is not material, to approximate the estimated fair value of these financial instruments.

The Bank reserves for the credit risk inherent in off balance sheet credit commitments. This reserve, which is included in other liabilities, amounted to approximately $1.3 million as of both June 30, 2020 and December 31, 2019.

Investment Commitments

The Bank is party to an agreement with Pace Funding Group (PFG) for the purchase of up to $150 million of PACE assessment securities by September 2021, to be held in our held-to-maturity investment portfolio. As of June 30, 2020, the Bank had fulfilled $40.8 million of its obligation. As of December 31, 2019, the Bank was not party to such an agreement or related purchase obligation. The PACE assessments have equal-lien priority with property taxes and rank senior to first lien mortgages.

12. LEASES

The Bank as a lessee has operating leases primarily consisting of real estate arrangements where the Bank operates its headquarters, branches and business production offices. All leases identified as in scope are accounted for as operating leases as of June 30, 2020. These leases are typically long-term leases and generally are not complicated arrangements or structures. Several of the leases contain renewal options at a rate comparable to the fair market value based on comparable analysis to similar properties in the Bank's geographies.

Real estate operating leases are presented as a Right-of-use ("ROU") asset and a related Operating lease liability on the Consolidated Statements of Financial Condition. The ROU asset represents the Bank's right to use the underlying asset for the lease term and the lease liabilities represent the obligation to make lease payments arising from the lease. The ROU asset and related lease liability were recognized at commencement on the adoption date of ASU 2016-02 on January 1, 2019 and are primarily based on the present value of lease payments over the lease term. The Bank applied its incremental borrowing rate ("IBR") as the discount rate to the remaining lease payments to derive a present value calculation for initial measurement of the lease liability. The IBR reflects the interest rate the Bank would have to pay to borrow on a collateralized basis over a similar term for an amount equal to the lease payments. Lease expense is recognized on a straight-line basis over the lease term.

The following table summarizes our lease cost and other operating lease information:

(In thousands)	Three Months Ended June 30, 2020	Six Months Ended June 30, 2020
Operating lease cost	$ 2,766	$ 6,254
Cash paid for amounts included in the measurement of Operating leases liability	$ 4,423	$ 7,103
Weighted average remaining lease term on operating leases (in years)	6.2	6.2
Weighted average discount rate used for operating leases liability	3.26%	3.26%
Note: Sublease income and variable income or expense considered immaterial		

(In thousands)	At Three Months Ended June 30, 2019	At Six Months Ended June 30, 2019
Operating lease cost	$ 2,516	$ 5,039
Cash paid for amounts included in the measurement of Operating leases liability	$ 2,732	$ 5,464
Weighted average remaining lease term on operating leases (in years)	6.9	6.9
Weighted average discount rate used for operating leases liability	3.24%	3.24%
Note: Sublease income and variable income or expense considered immaterial		

The following table presents the remaining commitments for operating lease payments for the next five years and thereafter, as well as a reconciliation to the discounted Operating leases liability recorded in the Consolidated Statements of Financial Condition as of June 30, 2020:

(In thousands)

As of June 30, 2020	
2020 remaining	$ 5,053
2021	9,910
2022	9,990
2023	9,725
2024	9,734
Thereafter	18,661
Total undiscounted operating lease payments	63,073
Less: present value adjustment	6,231
Total Operating leases liability	$56,842

13. GOODWILL AND INTANGIBLE ASSETS

Goodwill

In accordance with GAAP, the Bank performs an annual test as of June 30 to identify potential impairment of goodwill, or more frequently if events or circumstances indicate a potential impairment may exist. If the carrying amount of the Bank, as a sole reporting unit, including goodwill, exceeds its fair value, an impairment loss is recognized in an amount equal to that excess up to the amount of the recorded goodwill.

The fair value of the Bank was determined by using a combination of a market approach and an income approach under the framework established for measuring fair value under ASC 820. Under both approaches the estimated fair value of the Bank was in excess of the carrying value and the Bank, as a sole reporting unit, was not at risk of failing the quantitative analysis. The fair value is based upon market data as of June 30, 2020 and estimates and assumptions that the Bank believes are most appropriate for the analysis. However, changes in certain assumptions used in the Bank's calculations could result in significant differences in the results of the impairment test. Should market conditions or management's assumptions change significantly in the future, an impairment to goodwill is possible.

At June 30, 2020 and December 31, 2019, the carrying amount of goodwill was $12.9 million.

Intangible Assets

The following table reflects the estimated amortization expense, comprised entirely by the Bank's core deposit intangible asset, for the next five years and thereafter:

(In thousands)	
2020 remaining	$ 685
2021	1,207
2022	1,047
2023	888
2024	730
Thereafter	1,487
Total	$6,044

Accumulated amortization of the core deposit intangible was $3.0 million as of June 30, 2020.

14. VARIABLE INTEREST ENTITIES

Tax Credit Investments

The Bank makes investments in unconsolidated entities that construct, own and operate solar generation facilities. An unrelated third party is the managing member and has control over the significant activities of the VIE. The Bank generates a return through the receipt of tax credits allocated to the projects, as well as operational distributions. The primary risk of loss is generally mitigated by policies requiring that the project qualify for the expected tax credits prior to making its investment. Any loans to the VIE are secured.

(In thousands)	June 30, 2020	December 31, 2019
Unconsolidated Variable Interest Entities		
Tax credit investments included in other assets	$ 1,802	$ —
Unfunded tax credit commitments included in other liabilities	—	—
Loans and letters of credit commitments	28,000	—
Funded portion of loans and letters of credit commitments	—	—

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2020	2019	2020	2019
Tax credits and other tax benefits recognized	$ 2	$ —	$ 2	$ —

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following is a discussion of our consolidated financial condition as of June 30, 2020, as compared to December 31, 2019, and our results of operations for the three and six month periods ended June 30, 2020 and June 30, 2019. The purpose of this discussion is to focus on information about our financial condition and results of operations which is not otherwise apparent from our consolidated financial statements and is intended to provide insight into our results of operations and financial condition. This discussion and analysis is best read in conjunction with our unaudited consolidated financial statements and related notes as well as the financial and statistical data appearing elsewhere in this report and our Annual Report on Form 10-K for the year ended December 31, 2019 (the "2019 Annual Report"). Historical results of operations and the percentage relationships among any amounts included, and any trends that may appear, may not indicate results of operations for any future periods.

In addition to historical information, this discussion includes certain forward-looking statements regarding business matters and events and trends that may affect our future results. Comments regarding our business that are not historical facts are considered forward-looking statements that involve inherent risks and uncertainties. Actual results may differ materially from those contained in these forward-looking statements. For additional information regarding our cautionary disclosures, see the "*Cautionary Note Regarding Forward-Looking Statements*" beginning on page ii of this report.

Overview

Our business

Amalgamated Bank is a commercial bank and chartered trust company headquartered in New York, New York with approximately $6.5 billion in total assets, $3.6 billion in total loans, net and $5.9 billion in total deposits as of June 30, 2020.

We were formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions. Although we are no longer majority union-owned, the Amalgamated Clothing Workers of America's successor, Workers United, an affiliate of the Service Employees International Union that represents workers in the textile, distribution and food service and gaming industries, remains a significant stockholder, holding approximately 41% of our equity as of June 30, 2020.

We offer a complete suite of commercial and retail banking, investment management and trust and custody services. Our commercial banking and trust businesses are national in scope and we also offer a full range of products and services to both commercial and retail customers through our nine branch offices across four boroughs of New York City, one branch office in Washington, D.C., one branch in San Francisco and our digital banking platform. Our corporate divisions include Commercial Banking, Trust and Investment Management and Consumer Banking. Our product line includes residential mortgage loans, commercial and industrial ("C&I") loans, commercial real estate ("CRE") loans, multifamily mortgages, and a variety of commercial and consumer deposit products, including non-interest bearing accounts, interest-bearing demand products, savings accounts, money market accounts and certificates of deposit. We also offer online banking and bill payment services, online cash management, safe deposit box rentals, debit card and ATM card services and the availability of a nationwide network of ATMs for our customers.

We currently offer a wide range of trust, custody and investment management services, including asset safekeeping, corporate actions, income collections, proxy services, account transition, asset transfers, and conversion management. We also offer a broad range of investment products, including both index and actively-managed funds spanning equity, fixed-income, real estate and alternative investment strategies to meet the needs of our clients. As of June 30, 2020, we oversaw $32.0 billion in assets under custody and $13.3 billion in assets under management.

Our products and services are tailored to our target customer base that prefers a financial partner that is socially responsible, values-oriented and committed to creating positive change in the world. These customers include advocacy-based non-profits, social welfare organizations, national labor unions, political organizations, foundations, socially responsible businesses, and other for-profit companies that seek to balance their profit-making activities with activities that benefit their other stakeholders, as well as the members and stakeholders of these commercial customers. Our goal is to be the go-to financial partner for people and organizations who strive to make a meaningful impact in our society and who care about their communities, the environment, and social justice. We have obtained B Corporation ™ certification, a distinction we earned after being evaluated under rigorous standards of social and environmental performance, accountability, and transparency. We are also the largest of ten commercial financial institutions in the United States that are members of the Global Alliance for Banking on Values, a network of banking leaders from around the world committed to advancing positive change in the banking sector.

Impact of the COVID-19 Pandemic on our Business

The ongoing COVID-19 pandemic has caused and will continue to cause significant disruption in the international and United States economies and financial markets and has severely restricted the level of economic activity in our markets. The spread of COVID-19 has caused illness, quarantines, cancellation of events and travel, business and school shutdowns, reduction in business activity and financial transactions, supply chain interruptions and overall economic and financial market instability. In response to the COVID-19 pandemic, the governments of all of the states in which we have branch offices and of most other states took preventative or protective actions, such as imposing restrictions on travel and business operations, advising or requiring individuals to limit or forgo their time outside of their homes, restricting evictions of tenants, and ordering temporary closures of businesses that were deemed to be non-essential. These restrictions and other consequences of the pandemic have resulted in significant adverse effects for many different types of businesses, including, among others, those in the travel, hospitality and food and beverage industries, and in multi-family real estate, and have resulted in a significant number of layoffs and furloughs of employees nationwide and in the regions in which we operate. In addition, state governments where we operate have taken actions that specifically affect how banks conduct their businesses, such as requiring loan forbearances and limitations on charging ATM and overdraft fees. Although many businesses have begun to reopen, some markets have since experienced a resurgence of COVID-19 cases, which may further slow overall economic activity and recovery. Uncertainty also remains regarding if, how and when schools will reopen and the impact of such reopening decisions on the economy.

The impact of the COVID-19 pandemic is fluid and continues to evolve. The unprecedented and rapid spread of COVID-19 and its associated impacts on trade (including supply chains and export levels), travel, employee productivity, unemployment, consumer spending, and other economic activities has resulted in less economic activity, lower equity market valuations and significant volatility and disruption in financial markets. In addition, due to the COVID-19 pandemic, market interest rates have declined significantly, with the 10-year Treasury bond falling below 1.00% on March 3, 2020, for the first time, and declining further to 0.65% as of June 30, 2020. On March 3, 2020, the Federal Open Market Committee reduced the targeted federal funds interest rate range by 50 basis points to 1.00% to 1.25%. This range was further reduced to 0% to 0.25% percent on March 16, 2020. These reductions in interest rates and the other effects of the COVID-19 pandemic have had, and are expected to continue to have, possibly materially, an adverse effect on our business, financial condition and results of operations. The ultimate extent of the impact of the COVID-19 pandemic on our business, financial condition and results of operations is currently uncertain and will depend on various developments and other factors, including, among others, the duration and scope of the pandemic, as well as governmental, regulatory and private sector responses to the pandemic, and the associated impacts on the economy, financial markets and our customers, employees and vendors.

As a result of these events, we have seen the following impacts to our business since the start of the pandemic:

Impacts on our operations

We took a wide range of actions to help protect our employees and customers and to ensure the operational continuity of the Bank, while continuing to provide core banking services to our consumer and commercial clients. The majority of our employees are now working remotely with the exception of essential branch and facility staff. Our primary geographic markets include the New York City metropolitan area, the Washington, D.C. metropolitan area, and the San Francisco metropolitan area. New York City was one of the areas in the United States initially hardest-hit by the COVID-19 pandemic. Accordingly, we had to close or reduce hours at our branches in several locations due to risk of transmission of COVID-19.

Following these COVID-19 related closures, executive management reassessed our branch network and reccomended permanently closing six branches due to low traffic, which the board approved. We expect to fully serve these affected customers through our remaining branch network and through our digital platform. We took a charge of $0.7 million related to these branch closures in the second quarter of 2020, and we expect to take additional charges of approximately $6 million in the third quarter of 2020 related to these closures. We expect all six branches to be closed near the end of the third quarter of 2020. However, beginning in 2021, we expect these closures to benefit non-interest expenses by approximately $4 million annually.

Impacts on our loan portfolio

The disruption in economic activity across the United States, and particularly in New York, has caused stress in the financial condition of both our consumer and commercial clients. As a result, we have established programs offering payment deferrals for customers that need assistance. In accordance with interagency guidance, short term deferrals granted due to the COVID-19 pandemic are not considered TDRs unless the borrower was experiencing financial difficulty prior to the pandemic. In addition, under the terms of these deferral agreements, the loans will not be reported as past due or as non-accrual for the agreed upon term of the deferral, unless additional information becomes available that indicates the loan will not perform as expected when the deferral is complete. Additionally, we do not expect to downgrade these loans or build an allowance directly attributable to these loans solely as the result of the deferral granted, though our qualitative allowance factors may be negatively affected and cause an increase in our provision expense and allowance for loan losses. Interest will continue to accrue during the deferral period. In general, the interest and principal originally due during the deferral period will be due at the contractual end of the loan. If the loan does not exit deferral and does not continue to pay according to contractual terms, the loan will then be considered as any other loan that is past due or not in agreement with contractual terms, and additional allowance and reversal of related accrued interest will likely be required for these loans.

The following table presents information regarding the Bank's COVID-19 related loan deferrals as of June 30, 2020:

(In thousands, rounded)	Portfolio Balance Outstanding	Balance in Deferral	Balance in Process of Deferral	Total Deferred Loans	Total Deferrals as % of Portfolio
Commercial and industrial	$ 618,000	$ 29,000	$ 7,000	$ 36,000	6%
Multifamily	972,000	163,000	29,000	192,000	20%
Commercial real estate, construction and land development	469,000	88,000	36,000	124,000	26%
Total commercial portfolio	2,059,000	280,000	72,000	352,000	17%
Residential real estate lending	1,433,000	99,000	4,000	103,000	7%
Consumer and other	188,000	10,000	—	10,000	5%
Total retail portfolio	1,621,000	109,000	4,000	113,000	7%
Totals	$ 3,680,000	$ 389,000	$ 76,000	$465,000	13%

No COVID-19 related loan deferrals were graded as criticized solely on the basis of the deferral request, nor was any related additional allowance recorded and we continue to accrue interest on all COVID-19 related loan deferrals. As of June 30, 2020 the interest accrued during the quarter for COVID-19 related loans where balances were in deferral and not in process was $1.2 million.

Impacts on our investment portfolio

We are also monitoring the impact of the COVID-19 pandemic on the value of our investments. We mark to market our publicly traded investments and we review our investment portfolio for impairment at each period end. While the value of our portfolio has substantially recovered since the pandemic began, market conditions could continue to be volatile and we may be required to recognize further impairments on the securities we hold as well as reductions in other comprehensive income. We cannot currently determine the ultimate impact of the pandemic on the long-term value of our portfolio.

Impacts on our capital

As of June 30, 2020, all of our capital ratios are in excess of all regulatory requirements. While we believe that we have sufficient capital to withstand an extended economic recession brought about by the COVID-19 pandemic, our reported and regulatory capital ratios could be adversely impacted by further credit losses.

Other impacts on our results of operation and financial condition

In addition to the factors above, we believe the following factors may impact our earnings, though we are unable to quantify the impacts at this time:

- Increased allowance related to loans that continue to be impacted by the economy after the payment deferral periods end
- Lower Trust Department fees due to lower equity values in our clients' assets under management and/or custody
- Lower net interest margin due to the Federal Reserves' decision to lower rates to "near zero" at the end of March
- Lower loan originations as the credit worthiness of borrowers may be impacted by the current economic environment
- Lower fees for services that we are temporarily waiving, including overdraft fees, insufficient fund fees, ATM fees, CD breakage fees and other miscellaneous fees

As of June 30, 2020, we had $12.9 million of goodwill. During the second quarter of 2020, we performed our annual impairment analysis and determined no goodwill impairment was required. However, we will continue to monitor the COVID-19 pandemic and the related economic fallout, including changes in our stock price, the Federal Reserve's significant reduction in interest rates and other business and market considerations, which may require us to reevaluate our goodwill impairment analysis. Any goodwill impairment charges we incur could have a material adverse effect on our earnings.

The negative financial impacts may be partially offset by actions taken by management to lower interest expense and operating expense.

These factors, together or in combination with other events or occurrences that may not yet be known or anticipated, may materially and adversely affect our business, financial condition and results of operations.

Critical and Significant Accounting Policies and Estimates

Our consolidated financial statements are prepared based on the application of accounting policies generally accepted in the United States, or GAAP, and conform to general practices within the banking industry. Our significant accounting policies are more fully described in Note 1 of our audited consolidated financial statements included in our Annual Report and our critical accounting policies are more fully described under “Critical Accounting Policies and Estimates” included in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our 2019 Annual Report. During the second quarter, we adopted significant accounting policies for variable interest entities, for recognition of investment tax credits, and for resell agreements. Otherwise, there have been no significant changes to our critical and significant accounting policies, or the estimates made pursuant to those policies as described in our 2019 Annual Report.

SELECTED FINANCIAL DATA

The following table sets forth our unaudited selected historical consolidated financial data for the periods and as of the dates indicated. This data should be read in conjunction with the unaudited consolidated financial statements and the notes thereto contained elsewhere in this report and the information contained in this "*Management's Discussion and Analysis of Financial Condition and Results of Operations*."

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands, except per share data)	2020	2019	2020	2019
Selected Operating Data:				
Interest income	$ 47,120	$ 46,528	$ 95,750	$ 92,302
Interest expense	2,681	4,672	6,623	9,673
Net interest income	44,439	41,856	89,127	82,629
Provision for (recovery of) loan losses	8,221	2,127	16,808	4,312
Net interest income after provision for loan losses	36,218	39,729	72,319	78,317
Non-interest income	8,671	6,349	17,789	13,766
Non-interest expense	31,068	31,002	63,339	62,450
Income before income taxes	13,821	15,076	26,769	29,633
Provision (benefit) for income taxes	3,447	3,891	6,850	7,634
Net income	$ 10,374	$ 11,185	$ 19,919	$ 21,999
Selected Financial Data:				
Total assets	$ 6,470,344	$ 4,937,826	$ 6,470,344	$ 4,937,826
Total cash and cash equivalents	587,961	105,888	587,961	105,888
Investment securities	1,945,673	1,307,408	1,945,673	1,307,408
Total net loans	3,637,982	3,290,950	3,637,982	3,290,950
Bank-owned life insurance	80,694	79,894	80,694	79,894
Total deposits	5,870,319	4,136,462	5,870,319	4,136,462
Borrowed funds	—	227,675	—	227,675
Total common stockholders' equity	503,568	474,810	503,568	474,810
Total stockholders' equity	503,702	474,944	503,702	474,944
Selected Financial Ratios and Other Data:				
Earnings				
Basic	$ 0.33	$ 0.35	$ 0.64	$ 0.69
Diluted	0.33	0.35	0.64	0.68
Book value per common share (excluding minority interest)	16.22	14.89	16.22	14.89
Common shares outstanding	31,049,525	31,886,669	31,049,525	31,886,669
Weighted average common shares outstanding, basic	31,022,517	31,824,930	31,216,683	31,798,405
Weighted average common shares outstanding, diluted	31,034,666	32,237,116	31,345,192	32,279,342

	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Selected Performance Metrics:				
Return on average assets	0.69%	0.92%	0.70%	0.92%
Return on average equity	8.56%	9.65%	8.10%	9.73%
Loan yield	3.97%	4.42%	4.05%	4.43%
Securities yield	2.59%	3.34%	2.91%	3.35%
Deposit cost	0.20%	0.34%	0.26%	0.32%
Net interest margin	3.10%	3.66%	3.27%	3.66%
Efficiency ratio	58.50%	64.31%	59.24%	64.79%
Asset Quality Ratios:				
Nonaccrual loans to total loans	1.24%	0.49%	1.24%	0.49%
Nonperforming assets to total assets	1.15%	1.50%	1.15%	1.50%
Allowance for loan losses to nonaccrual loans	109%	209%	109%	209%
Allowance for loan losses to total loans	1.36%	1.01%	1.36%	1.01%
Annualized net charge-offs (recoveries) to average loans	0.06%	(0.01) %	0.04%	0.49%
Capital Ratios:				
Tier 1 leverage capital ratio	7.69%	9.04%	7.69%	9.04%
Tier 1 risk-based capital ratio	12.32%	13.57%	12.32%	13.57%
Total risk-based capital ratio	13.57%	14.67%	13.57%	14.67%
Common equity tier 1 capital ratio	12.32%	13.57%	12.32%	13.57%

Results of Operations

General

Our results of operations depend substantially on net interest income, which is the difference between interest income on interest-earning assets, consisting primarily of interest income on loans, investment securities and other short-term investments and interest expense on interest-bearing liabilities, consisting primarily of interest expense on deposits and borrowings. Our results of operations are also dependent on non-interest income, consisting primarily of income from Trust Department fees, service charges on deposit accounts, net gains on sales of investment securities and income from bank-owned life insurance ("BOLI"). Other factors contributing to our results of operations include our provisions for loan losses, income taxes, and non-interest expenses, such as salaries and employee benefits, occupancy and depreciation expenses, professional fees, data processing fees and other miscellaneous operating costs.

Net income for the second quarter of 2020 was $10.4 million, or $0.33 per diluted share, compared to $11.2 million, or $0.35 per diluted share, for the second quarter of 2019. The $0.8 million decrease in net income for the second quarter of 2020, compared to the second quarter of 2019, is primarily due to a $6.1 million increase in provision for loan losses, partially offset by a $2.6 million increase in net interest income and a $2.3 million increase in non-interest income.

Net income for the six months ended June 30, 2020 was $19.9 million, or $0.64 per average diluted share, compared to $22.0 million, or $0.68 per average diluted share, for same period in 2019. The $2.1 million decrease was primarily due to a $12.5 million increase in the provision for loan losses and a $0.9 million increase in non-interest expense, partially offset by a $6.5 million increase in net interest income and a $4.0 million increase in non-interest income.

Net Interest Income

Net interest income, representing interest income less interest expense, is a significant contributor to our revenues and earnings. We generate interest income from interest, dividends and prepayment fees on interest-earning assets, including loans, investment securities and other short-term investments. We incur interest expense from interest paid on interest-bearing liabilities, including interest-bearing deposits, FHLB advances and other borrowings. To evaluate net interest income, we measure and monitor (i) yields on our loans and other interest-earning assets, (ii) the costs of our deposits and other funding sources, (iii) our net interest spread and (iv) our net interest margin. Net interest spread is equal to the difference between rates earned on interest-earning assets and rates paid on interest-bearing liabilities. Net interest margin is equal to the annualized net interest income divided by average interest-earning assets. Because non-interest-bearing sources of funds, such as non-interest-bearing deposits and stockholders' equity, also fund interest-earning assets, net interest margin includes the benefit of these non-interest-bearing sources.

Changes in the market interest rates and interest rates we earn on interest-earning assets or pay on interest-bearing liabilities, as well as the volume and types of interest-earning assets, interest-bearing and non-interest-bearing liabilities, are usually the largest drivers of periodic changes in net interest spread, net interest margin and net interest income.

Three Months Ended June 30, 2020 and 2019

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

(In thousands)	Three Months Ended June 30, 2020			Three Months Ended June 30, 2019		
	Average Balance	Income / Expense	Yield / Rate	Average Balance	Income / Expense	Yield / Rate
Interest earning assets:						
Interest-bearing deposits in banks	$ 364,932	$ 83	0.09%	$ 70,442	$ 254	1.45%
Securities and FHLB stock	1,834,892	11,812	2.59%	1,287,520	10,715	3.34%
Total loans, net (1)	3,571,160	35,225	3.97%	3,225,129	35,559	4.42%
Total interest earning assets	5,770,984	47,120	3.28%	4,583,091	46,528	4.07%
Non-interest earning assets:						
Cash and due from banks	74,877			6,838		
Other assets	224,531			264,046		
Total assets	$6,070,392			$4,853,975		
Interest bearing liabilities:						
Savings, NOW and money market deposits	2,313,772	$ 1,755	0.31%	1,857,715	$ 1,962	0.42%
Time deposits	370,969	926	1.00%	486,652	1,537	1.27%
Total deposits	2,684,741	2,681	0.40%	2,344,367	3,499	0.60%
Federal Home Loan Bank advances	—	—	0.00%	190,501	1,166	2.46%
Other Borrowings	—	—	0.00%	1,099	7	2.56%
Total interest bearing liabilities	2,684,741	2,681	0.40%	2,535,967	4,672	0.74%
Non-interest bearing liabilities:						
Demand and transaction deposits	2,746,529			1,762,426		
Other liabilities	151,591			90,680		
Total liabilities	5,582,861			4,389,073		
Stockholders' equity	487,531			464,902		
Total liabilities and stockholders' equity	$6,070,392			$4,853,975		
Net interest income / interest rate spread		$44,439	2.88%		$41,856	3.33%
Net interest earning assets / net interest margin	$3,086,243		3.10%	$2,047,124		3.66%

(1) Amounts are net of deferred origination costs / (fees) and the allowance for loan losses and includes loans held for sale

Our net interest income was $44.4 million for the second quarter of 2020, compared to $41.9 million for the second quarter of 2019. The year-over-year increase of $2.6 million, or 6.2%, was primarily attributable to a decrease in interest expense due to a decrease in FHLB advances and other borrowings and deposit rates paid, and an increase in average securities of $509.5 million and average loans of $383.9 million, with such growth more than offsetting the lower yields earned on such assets. These impacts were partially offset by an increase in average interest-bearing deposits of $340.4 million, and a $294.5 million increase in interest-bearing deposits in banks.

Our net interest spread was 2.88% for the three months ended June 30, 2020, compared to 3.33% for the same period in 2019, a decrease of 45 basis points. Our net interest margin was 3.10% for the second quarter of 2020, a decrease of 56 basis points from 3.66% in the second quarter of 2019. The accretion of the loan mark from the loans we acquired in our New Resource Bank

acquisition contributed three basis points to our net interest margin in the second quarter of 2020, compared to six basis points in the second quarter of 2019. Prepayment penalties earned through loan income contributed $0.2 million, or two basis points, to our net interest margin in the second quarter of 2020, compared to $0.3 million, or three basis points in the second quarter of 2019.

The yield on average earning assets was 3.28% for the three months ended June 30, 2020, compared to 4.07% for the same period in 2019, a decrease of 79 basis points. This decrease was driven primarily by a decrease in yields on loans and securities due to a decrease in the Federal Funds rate.

The average rate on interest-bearing liabilities was 0.40% for the three months ended June 30, 2020, a decrease of 34 basis points from the same period in 2019, which was primarily due to a decrease in average borrowings as a result of an increase in average deposits. The average rate paid on interest-bearing deposits was 0.40% for the three months ended June 30, 2020, a decrease of 20 basis points from the same period in 2019, which was primarily due to a decrease in the pricing on deposits to new and existing customers. Noninterest-bearing deposits represented 51% of average deposits for the three months ended June 30, 2020, contributing to a total cost of deposits of 20 basis points in the second quarter of 2020.

Six Months Ended June 30, 2020 and 2019

The following table sets forth information related to our average balance sheet, average yields on assets, and average costs of liabilities for the periods indicated:

(In thousands)	Six Months Ended June 30, 2020 Average Balance	Income / Expense	Yield / Rate	Six Months Ended June 30, 2019 Average Balance	Income / Expense	Yield / Rate
Interest earning assets:						
Interest-bearing deposits in banks	$ 275,107	$ 479	0.35%	$ 71,861	$ 548	1.54%
Securities and FHLB stock	1,689,870	24,434	2.91%	1,256,781	20,899	3.35%
Total loans, net (1)	3,517,799	70,837	4.05%	3,224,868	70,855	4.43%
Total interest earning assets	5,482,776	95,750	3.51%	4,553,510	92,302	4.09%
Non-interest earning assets:						
Cash and due from banks	42,208			8,404		
Other assets	223,643			259,194		
Total assets	$5,748,627			$4,821,108		
Interest bearing liabilities:						
Savings, NOW and money market deposits	2,228,509	$ 4,492	0.41%	1,867,478	$ 3,829	0.41%
Time deposits	376,011	2,104	1.13%	463,668	2,615	1.14%
Total deposits	2,604,520	6,596	0.51%	2,331,146	6,444	0.56%
Federal Home Loan Bank advances	3,187	27	1.70%	259,108	3,213	2.50%
Other Borrowings	—	—	0.00%	1,215	16	2.66%
Total interest bearing liabilities	2,607,707	6,623	0.51%	2,591,469	9,673	0.75%
Non-interest bearing liabilities:						
Demand and transaction deposits	2,523,764			1,680,984		
Other liabilities	122,450			92,921		
Total liabilities	5,253,921			4,365,374		
Stockholders' equity	494,706			455,734		
Total liabilities and stockholders' equity	$5,748,627			$4,821,108		
Net interest income / interest rate spread		$89,127	3.00%		$82,629	3.33%
Net interest earning assets / net interest margin	$2,875,069		3.27%	$1,962,041		3.66%

(1) Amounts are net of deferred origination costs / (fees) and the allowance for loan losses and includes loans held for sale

Our net interest income was $89.1 million for the six months ended June 30, 2020, compared to $82.6 million for the same period in 2019. The year-over-year increase of $6.5 million, or 7.9%, was primarily attributable to a decrease in interest expense due to a decrease in borrowings and deposit rate paid, and an increase in average securities of $433.1 million and average loans of $292.9 million, with such growth more than offsetting the lower yields earned on such assets. These impacts are partially offset by an increase in average interest-bearing deposits of $273.4 million, and a $203.2 million increase in interest-bearing deposits in banks.

Our net interest spread was 3.00% for the six months ended June 30, 2020, compared to 3.33% for the same period in 2019, a decrease of 33 basis points. Our net interest margin was 3.27% for the six months ended June 30, 2020, a decrease of 39 basis points from 3.66% in the same period in 2019.

The yield on average earning assets was 3.51% for the six months ended June 30, 2020, compared to 4.09% for the same period in 2019, a decrease of 58 basis points. This decrease was driven primarily by a decrease in yields on loans and securities due to a decrease in the Federal Funds rate.

The average rate on interest-bearing liabilities was 0.51% for the six months ended June 30, 2020, a decrease of 24 basis points from the same period in 2019. The average rate paid on interest-bearing deposits was 0.51% for the six months ended June 30, 2020, a decrease of five basis points from the same period in 2019, which was primarily due to the mix of deposits shifting from higher cost CDs to lower cost money market deposits. Noninterest-bearing deposits represented 49% of average deposits for the six months ended June 30, 2020, contributing to a total cost of deposits of 26 basis points in the first six months of 2020.

Rate-Volume Analysis

Increases and decreases in interest income and interest expense result from changes in average balances (volume) of interest-earning assets and interest-bearing liabilities, as well as changes in weighted average interest rates. The table below presents the effect of volume and rate changes on interest income and expense. Changes in volume are changes in the average balance multiplied by the previous period's average rate. Changes in rate are changes in the average rate multiplied by the average balance from the previous period. The net changes attributable to the combined impact of both rate and volume have been allocated proportionately to the changes due to volume and the changes due to rate:

	Three Months Ended June 30, 2020 over June 30, 2019			Six Months Ended June 30, 2020 over June 30, 2019		
(In thousands)	Volume	Changes Due To Rate	Net Change	Volume	Changes Due To Rate	Net Change
Interest earning assets:						
Interest-bearing deposits in banks	$ 66	$ (237)	$ (171)	$ 355	$ (424)	$ (69)
Securities and FHLB stock	3,509	(2,412)	1,097	6,288	(2,753)	3,535
Total loans, net	3,347	(3,681)	(334)	5,990	(6,008)	(18)
Total interest income	6,922	(6,330)	592	12,633	(9,185)	3,448
Interest bearing liabilities:						
Savings, NOW and money market deposits	331	(538)	(207)	737	(74)	663
Time deposits	(286)	(325)	(611)	(483)	(28)	(511)
Total deposits	45	(863)	(818)	254	(102)	152
Federal Home Loan Bank advances	(1,166)	—	(1,166)	(2,162)	(1,024)	(3,186)
Other Borrowings	(7)	—	(7)	(16)	—	(16)
Total borrowings	(1,173)	—	(1,173)	(2,178)	(1,024)	(3,202)
Total interest expense	(1,128)	(863)	(1,991)	(1,924)	(1,126)	(3,050)
Change in net interest income	$ 8,050	$(5,467)	$ 2,583	$14,557	$(8,059)	$ 6,498

Provision for Loan Losses

We establish an allowance for loan losses through a provision for loan losses charged as an expense in our Consolidated Statements of Income. The provision for loan losses is the amount of expense that, based on our judgment, is required to maintain the allowance at an adequate level to absorb probable losses inherent in the loan portfolio at the balance sheet date and that, in management's judgment, is appropriate under GAAP. Our determination of the amount of the allowance and corresponding provision for loan losses considers ongoing evaluations of the credit quality and level of credit risk inherent in our loan portfolio, levels of nonperforming loans and charge-offs, statistical trends and economic and other relevant factors. The allowance is increased by provisions charged to expense and decreased by provisions released from expense or by actual charge-offs, net of recoveries on prior loan charge-offs. In accordance with accounting guidance for business combinations, we recorded all loans acquired in the NRB acquisition at their estimated fair value at the date of acquisition with no carryover of the related allowance.

Three Months Ended June 30, 2020 and 2019

Our provisions for loan losses totaled an expense of $8.2 million for the second quarter of 2020 compared to an expense of $2.1 million for the same period in 2019. The provision expense in the second quarter of 2020 is primarily driven by a $3.2 million increase in allowance related to the payment deferrals in our loan portfolio, a $2.7 million increase in specific reserves related to one hotel which was downgraded to non-accrual, and $1.5 million related to downgrades to the risk rating of loans, primarily construction loans.

Six Months Ended June 30, 2020 and 2019

Our provisions for loan losses totaled an expense of $16.8 million for the six months ended June 30, 2020, compared to an expense of $4.3 million for the same period in 2019. The provision expense for the six months ended June 30, 2020 was primarily driven a $6.2 million increase in allowance related to negative economic factors and payment deferrals in our loan portfolio, a $6.1 million increase in specific reserves related to indirect C&I and hotel loans, and other factors.

For a further discussion of the allowance, see "*Allowance for Loan Losses*" below.

Non-Interest Income

Our non-interest income included Trust Department fees, which consist of fees received in connection with investment advisory and custodial management services of investment accounts, service fees charged on deposit accounts, income on BOLI, gain or loss on other real estate owned, income from equity method investments, and other income.

The following table presents our non-interest income for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	**2020**	**2019**	**2020**	**2019**
Trust Department fees	$3,980	$4,508	$ 8,066	$ 9,229
Service charges on deposit accounts	1,850	2,068	4,261	3,939
Bank-owned life insurance	1,111	408	1,495	828
Gain (loss) on sale of investment securities available for sale, net	486	(377)	985	(85)
Gain (loss) on other real estate owned, net	(283)	(315)	(306)	(564)
Equity method investments	1,289	—	1,289	—
Other income	238	57	1,999	419
Total non-interest income	$8,671	$6,349	$17,789	$13,766

Three Months Ended June 30, 2020 and 2019

Our non-interest income was $8.7 million for the second quarter of 2020, compared to $6.3 million for the same period in 2019, an increase of $2.3 million, or 36.6%. This increase is primarily due to a $1.3 million tax credit on an equity investment in a solar project, a $0.5 million gain on the sale of securities compared to a loss of $0.4 million in the comparable quarter of 2019, and a $0.7 million increase in Bank-owned life insurance income due to the receipt of a death benefit payout. These increases were partially offset by a $0.5 million decrease in Trust Department fees primarily related to the decrease in revenue from a real estate fund that is liquidating assets. Our investment management business earns fees from a real estate fund that will wind down over the next few years. This fund generated $0.5 million in fees, included within Trust Department fees, during the three months ended June 30, 2020, and $0.8 million in fees during the same period in 2019. We expect that management fees from this real estate fund will continue to decline as properties are liquidated

Six Months Ended June 30, 2020 and 2019

Our non-interest income was $17.8 million for the six months ended June 30, 2020, compared to $13.8 million for the same period in 2019, an increase of $4.0 million, or 29.2%. This increase is primarily due to a $1.4 million gain on the sale of a branch, a $1.3 million tax credit on an equity investment in a solar project, a $1.1 million change in gain on the sale of securities, and a $0.7 million increase in Bank-owned life insurance income due to the receipt of a death benefit payout. These increases were partially offset by a $1.2 million decrease in Trust Department fees primarily related to the decrease in revenue from the real estate fund that is liquidating its assets noted above. This fund generated $1.0 million in fees, included within Trust Department fees, during the six months ended June 30, 2020, and $1.8 million in fees during the same period in 2019.

For the second half of 2020, we expect to record $1.4 million in income related to equity method investment in solar projects.

Non-Interest Expense

Non-interest expense includes compensation and employee benefits, occupancy and depreciation expense, professional fees (including legal, accounting and other professional services), data processing, office maintenance and depreciation, amortization of intangible assets, advertising and promotion, and other expenses. The following table presents non-interest expense for the periods indicated:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2020	2019	2020	2019
Compensation and employee benefits, net	$17,334	$16,992	$34,792	$34,422
Occupancy and depreciation	4,241	4,145	9,747	8,417
Professional fees	1,988	2,401	4,971	5,566
Data processing	2,977	2,729	5,241	5,478
Office maintenance and depreciation	818	830	1,675	1,716
Amortization of intangible assets	342	298	685	687
Advertising and promotion	672	692	1,339	1,313
Other	2,696	2,915	4,889	4,851
Total non-interest expense	$31,068	$31,002	$63,339	$62,450

Three Months Ended June 30, 2020 and 2019

Our non-interest expense for the second quarter of 2020 was $31.1 million, an increase of $0.1 million, or 0.2%, from $31.0 million in the second quarter of 2019. Expenses in the second quarter of 2020 were relatively unchanged compared to the same period in 2019.

Six Months Ended June 30, 2020 and 2019

Our non-interest expense for the six months ended June 30, 2020 was $63.3 million, an increase of $0.9 million, or 1.4%, from $62.5 million for the six months ended June 30, 2019. The increase was primarily due to the $1.3 million increase in branch closure expense, partially offset by a $0.6 million decrease in professional fees.

For the third quarter of 2020, we expect to incur a charge of approximately $6 million related to the closure of six branches in the New York City area. These closures are expected to result in approximately $4 million in annual expense savings starting in 2021.

Income Taxes

Three Months Ended June 30, 2020 and 2019

We had a provision for income tax expense of $3.4 million for the second quarter of 2020, compared to $3.9 million for the second quarter of 2019. Our effective tax rate was 24.9% for the second quarter of 2020, compared to 25.8% for the same period in 2019.

Six Months Ended June 30, 2020 and 2019

We had a provision for income tax expense of $6.9 million for the six months ended June 30, 2020, compared to $7.6 million for the same period in 2019. The $0.8 million decrease in income tax expense was primarily due to a decrease in pre-tax earnings of $2.1 million in the six months ended June 30, 2020, compared to the same period in 2019. Our effective tax rate was 25.6% for the six months ended June 30, 2020, compared to 25.8% for the same period in 2019.

Financial Condition

Balance Sheet

Our total assets were $6.5 billion at June 30, 2020, compared to $5.3 billion at December 31, 2019. The increase of $1.1 billion was driven primarily by a $465.4 million increase in cash and cash equivalents, a $428.2 million increase in investment securities, and a $199.9 million increase in loans receivable, net.

Investment Securities

The primary goal of our securities portfolio is to maintain an available source of liquidity and an efficient investment return on excess capital, while maintaining a low-risk profile. We also use our securities portfolio to manage interest rate risk, meet Community Reinvestment Act (“CRA”) goals and to provide collateral for certain types of deposits or borrowings. An Investment Committee chaired by our Chief Financial Officer manages our investment securities portfolio according to written investment policies approved by our Board of Directors. Investments in our securities portfolio may change over time based on management’s objectives and market conditions.

We seek to minimize credit risk in our securities portfolio through diversification, concentration limits, restrictions on high risk investments (such as subordinated positions), comprehensive pre-purchase analysis and stress testing, ongoing monitoring and by investing a significant portion of our securities portfolio in U.S. Government sponsored entity (“GSE”) obligations. GSEs include the Federal Home Loan Mortgage Corporation (“FHLMC”), the Federal National Mortgage Association (“FNMA”), the Government National Mortgage Association (“GNMA”) and the Small Business Administration (“SBA”). GNMA is a wholly-owned U.S. Government corporation whereas FHLMC and FNMA are private. Mortgage-related securities may include mortgage pass-through certificates, participation certificates and collateralized mortgage obligations (“CMOs”). We invest in non-GSE securities in order to generate higher returns, improve portfolio diversification and or reduced interest rate and prepayment risk. With the exception of small legacy CRA investments comprising less than 0.1% of the portfolio or Trust Preferred securities, all of our non-GSE securities are senior positions that are the top of the capital structure.

Our investment securities portfolio consists of securities classified as available for sale and held to maturity. There were no trading securities in our investment portfolio at June 30, 2020 or at December 31, 2019. All available for sale securities are carried at fair value and may be used for liquidity purposes should management consider it to be in our best interest.

At June 30, 2020 and December 31, 2019, we had available for sale securities of $1.6 billion and $1.2 billion, respectively. The $350.4 million increase was primarily from the purchase of agency mortgage-backed securities (“MBS”) and commercial-backed securities (“CMBS”).

At June 30, 2020, our held to maturity securities portfolio primarily consisted of property assessed clean energy, or PACE bonds, tax-exempt municipal securities, GSE residential certificates and other debt. We carry these securities at amortized cost. We had held to maturity securities of $370.5 million at June 30, 2020, and $292.7 million at December 31, 2019.

Certain securities have fair values less than amortized cost and, therefore, contain unrealized losses. At June 30, 2020, we evaluated those securities which had an unrealized loss for other than temporary impairment (“OTTI”), and determined substantially all of the decline in value to be temporary. There were $764.2 million of investment securities with unrealized losses at June 30, 2020 of which $6.1 million had a continuous unrealized loss position for 12 consecutive months or longer that was greater than 5% of amortized cost. We anticipate full recovery of amortized cost with respect to these securities by the time that

these securities mature, or sooner in the case that a more favorable market interest rate environment causes their fair value to increase. We do not intend to sell these securities and we believe it is more likely than not that we will be required to sell them before full recovery of their amortized cost basis, which may be at the time of their maturity.

The following table is a summary of our investment portfolio, using market value for available for sale securities and amortized cost for held to maturity securities, as of the dates indicated.

	June 30, 2020		December 31, 2019	
(In thousands)	Amount	% of Portfolio	Amount	% of Portfolio
Available for sale:				
Mortgage-related:				
GSE residential certificates	$ 18,071	0.9%	$ 36,385	2.4%
GSE CMOs	414,701	21.3%	282,434	18.6%
GSE commercial certificates & CMO	457,220	23.5%	253,913	16.7%
Non-GSE residential certificates	67,697	3.5%	59,008	3.9%
Non-GSE commercial certificates	43,399	2.2%	46,874	3.1%
Other debt:				
U.S. Treasury	205	0.0%	199	0.0%
ABS	552,950	28.5%	523,777	34.5%
Trust preferred	12,705	0.7%	13,897	0.9%
Corporate	8,227	0.4%	8,283	0.6%
Other	—	0.0%	—	0.0%
Total available for sale	1,575,175	81.0%	1,224,770	80.7%
Held to maturity:				
Mortgage-related:				
GSE residential certificates	623	0.0%	635	0.0%
Non GSE commercial certificates	233	0.0%	270	0.0%
Other debt:				
PACE	323,392	16.6%	263,805	17.4%
Municipal	41,150	2.1%	22,894	1.5%
Other	5,100	0.3%	5,100	0.3%
Total held to maturity	370,498	19.0%	292,704	19.3%
Total securities	$1,945,673	100.0%	$1,517,474	100.0%

The following table show contractual maturities and yields for the securities-available-for sale and held-to-maturity portfolios:

Contractual Maturity as of June 30, 2020

(In thousands)	One Year or Less		One to Five Years		Five to Ten Years		Due after Ten Years	
	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)	Amortized Cost	Weighted Average Yield (1)
Available for sale:								
Mortgage-related:								
GSE residential certificates	$ —	0.0%	$ —	0.0%	$ —	—%	$ 17,693	2.0%
GSE residential CMOs	—	0.0%	—	0.0%	27,567	2.2%	372,368	2.0%
GSE commercial certificates & CMO	16,465	0.5%	26,352	2.2%	266,374	1.2%	136,404	2.3%
Non-GSE residential certificates	—	0.0%	16,500	2.1%	—	0.0%	50,488	2.7%
Non-GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	45,253	1.3%
Other debt:								
U.S. Treasury	—	0.0%	200	1.7%	—	0.0%	—	0.0%
ABS	—	0.0%	14,702	3.8%	183,511	1.8%	365,571	2.0%
Trust preferred	—	0.0%	—	0.0%	14,625	0.9%	—	0.0%
Corporate	—	0.0%	3,000	6.5%	4,960	6.7%	—	0.0%
Other	—	0.0%	—	0.0%	—	0.0%	—	0.0%
Held to maturity:								
Mortgage-related:								
GSE residential certificates	—	0.0%	—	0.0%	8	6.2%	615	3.6%
Non GSE commercial certificates	—	0.0%	—	0.0%	—	0.0%	233	5.6%
Other debt:								
PACE	—	—%	—	—%	—	—%	323,392	4.3%
Municipal	—	0.0%	—	0.0%	—	0.0%	41,150	2.7%
Other	2,000	1.5%	3,100	3.3%	—	0.0%	—	0.0%
Total securities	$ 18,465	0.6%	$ 63,854	2.8%	$497,045	1.5%	$1,353,167	2.6%

(1) Estimated yield based on book price (amortized cost divided by par) using estimated prepayments and no change in interest rates.

The following table shows a breakdown of our asset backed securities by sector and ratings:

June 30, 2020
ABS Securities:

(In thousands)	Amount	%	Expected Avg. Life in Years	% Floating	Credit Ratings *Highest Rating if split rated* % AAA	% AA	% A	%Not Rated	Total
CLO Commercial & Industrial	$283,188	51%	3.2	100%	100%	0%	0%	0%	100%
Consumer	109,732	20%	3.9	0%	33%	2%	65%	0%	100%
Mortgage	110,450	20%	2.9	100%	100%	0%	0%	0%	100%
Student	49,580	9%	5.1	97%	85%	15%	0%	0%	100%
Total Securities:	$552,950	100%	3.5	80%	85%	2%	13%	0%	100%

Loans

Lending-related income is the most important component of our net interest income and is the main driver of our results of operations. Total loans, net of deferred origination fees, were $3.6 billion as of June 30, 2020 compared to $3.4 billion as of December 31, 2019. Within our commercial loan portfolio, our primary focus has been on C&I, multifamily and CRE lending. Within our retail loan portfolio, our primary focus has been on residential 1-4 family (1st lien) mortgages. We intend to focus any organic growth in our loan portfolio on these lending areas as part of our strategic plan.

In the second quarter of 2020, we purchased $51.3 million of United States guaranteed Paycheck Protection Program (“PPP”) loans, $16.9 million of solar loans and $5.8 million of commercial loans that are unconditionally guaranteed by the United States government.

The following table sets forth the composition of our loan portfolio, as of June 30, 2020 and December 31, 2019:

(In thousands)	June 30, 2020 Amount	June 30, 2020 % of total loans	December 31, 2019 Amount	December 31, 2019 % of total loans
Commercial portfolio:				
Commercial and industrial	$ 617,579	16.8%	474,342	13.7%
Multifamily mortgages	972,129	26.4%	976,380	28.2%
Commercial real estate mortgages	404,064	11.0%	421,947	12.2%
Construction and land development mortgages	65,259	1.8%	62,271	1.8%
Total commercial portfolio	2,059,031	56.0%	1,934,940	55.9%
Retail portfolio:				
Residential real estate lending	1,432,645	38.9%	1,366,473	39.4%
Consumer and other	187,980	5.1%	163,077	4.7%
Total retail portfolio	1,620,625	44.0%	1,529,550	44.1%
Total loans	3,679,656	100.0%	3,464,490	100.0%
Net deferred loan origination costs (fees)	8,336		8,124	
Allowance for loan losses	(50,010)		(33,847)	
Total loans, net	$3,637,982		$3,438,767	

Commercial loan portfolio

Our commercial loan portfolio comprised 56.0% of our total loan portfolio at June 30, 2020 and 55.9% of our total loan portfolio at December 31, 2019. The major categories of our commercial loan portfolio are discussed below:

C&I. Our C&I loans are generally made to small and medium-sized manufacturers and wholesale, retail and service-based businesses to provide either working capital or to finance major capital expenditures. The primary source of repayment for C&I loans is generally operating cash flows of the business. We also seek to minimize risks related to these loans by requiring such loans to be collateralized by various business assets (including inventory, equipment and accounts receivable). The average size of our C&I loans at June 30, 2020 by exposure was $3.1 million with a median size of $1.0 million. We have shifted our lending strategy to focus on developing full customer relationships including deposits, cash management, and lending. The businesses that we focus on are generally mission aligned with our core values, including organic and natural products, sustainable companies, clean energy, nonprofits, and B Corporations ™.

Our C&I loans totaled $617.6 million at June 30, 2020, which comprised 16.8% of our total loan portfolio. During the six months ended June 30, 2020, the C&I loan portfolio increased by 30.2% from $474.3 million at December 31, 2019, of which $33 million of the growth was due to increased usage of existing lines of credit.

Multifamily. Our multifamily loans are generally used to purchase or refinance apartment buildings of five units or more, which collateralize the loan, in major metropolitan areas within our markets. Multifamily loans have 81% of their exposure in NYC—our largest geographic concentration. Our multifamily loans have been underwritten under stringent guidelines on loan-to-value and debt service coverage ratios that are designed to mitigate credit and concentration risk in this loan category.

Our multifamily loans totaled $972.1 million at June 30, 2020, which comprised 26.4% of our total loan portfolio. During the six months ended June 30, 2020, the multifamily loan portfolio decreased by 0.4% from $976.4 million at December 31, 2019.

CRE. Our CRE loans are used to purchase or refinance office buildings, retail centers, industrial facilities, medical facilities and mixed-used buildings. Included in this total are 31 borrowers financing owner-occupied buildings which account for an aggregate total of $50.8 million in loans as of June 30, 2020.

Our CRE loans totaled $404.1 million at June 30, 2020, which comprised 11.0% of our total loan portfolio. During the six months ended June 30, 2020, the CRE loan portfolio decreased by 4.2% from $421.9 million at December 31, 2019, primarily due to payoffs.

Retail loan portfolio

Our retail loan portfolio comprised 44.0% of our loan portfolio at June 30, 2020 and 44.1% of our loan portfolio at December 31, 2019. The major categories of our retail loan portfolio are discussed below.

Residential real estate lending. Our residential 1-4 family mortgage loans are residential mortgages that are primarily secured by single-family homes, which can be owner occupied or investor owned. These loans are either originated by our loan officers or purchased from other originators with the servicing retained by such originators. Our residential real estate lending portfolio is 99% first mortgage loans and 1% second mortgage loans. As of June 30, 2020, 81% of our residential 1-4 family mortgage loans were either originated by our loan officers since 2012 or were acquired in our acquisition of NRB, 14% were purchased from two third parties on or after July 2014, and 5% were purchased by us from other originators before 2010. Our residential real estate lending loans totaled $1.4 billion at June 30, 2020, which comprised 88.4% of our retail loan portfolio and 38.9% of our total loan portfolio. In June 30, 2020, our residential real estate lending loans increased by 4.8% from $1.4 billion at December 31, 2019, primarily from loans originated by us.

Consumer and other. Our consumer and other portfolio is comprised of purchased student loans, residential solar loans, unsecured consumer loans and overdraft lines. Our consumer and other loans totaled $188.0 million at June 30, 2020, which comprised 5.1% of our total loan portfolio, compared to $163.1 million, or 4.7% of our total loan portfolio, at December 31, 2019.

Maturities and Sensitivity of Loans to Changes in Interest Rates

The information in the following table is based on the contractual maturities of individual loans, including loans that may be subject to renewal at their contractual maturity. Renewal of these loans is subject to review and credit approval, as well as modification of terms upon maturity. Actual repayments of loans may differ from the maturities reflected below because borrowers have the right to prepay obligations with or without prepayment penalties. The following tables summarize the loan maturity distribution by type and related interest rate characteristics at June 30, 2020 and December 31, 2019:

(In thousands)	One year or less	After one but within five years	After 5 years	Total
June 30, 2020:				
Commercial Portfolio:				
Commercial and industrial	$106,256	$ 280,677	$ 230,646	$ 617,579
Multifamily	104,940	541,845	325,344	972,129
Commercial real estate	51,126	278,674	74,264	404,064
Construction and land development	50,782	1,388	13,089	65,259
Retail Portfolio:				
Residential real estate lending	466	572	1,431,607	1,432,645
Consumer and other	537	3,782	183,661	187,980
Total Loans	$314,107	$1,106,938	$2,258,611	$3,679,656

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 907,133	$1,450,682	$2,357,815
Floating or adjustable interest rates	199,805	807,929	1,007,734
Total Loans	$1,106,938	$2,258,611	$3,365,549

(In thousands)	One year or less	After one but within five years	After 5 years	Total
December 31, 2019:				
Commercial Portfolio:				
Commercial and industrial	$ 88,036	$ 183,387	$ 202,919	$ 474,342
Multifamily	96,845	608,647	270,888	976,380
Commercial real estate	53,669	251,729	116,549	421,947
Construction and land development	35,121	14,124	13,026	62,271
Retail Portfolio:				
Residential real estate lending	436	634	1,365,403	1,366,473
Consumer and other	714	4,042	158,321	163,077
Total retail	$274,821	$1,062,563	$2,127,106	$3,464,490

(In thousands)	After one but within five years	After 5 years	Total
Gross loan maturing after one year with:			
Fixed interest rates	$ 902,981	$1,366,370	$2,269,351
Floating or adjustable interest rates	159,582	760,736	920,318
Total Loans	$1,062,563	$2,127,106	$3,189,669

Allowance for Loan Losses

We maintain the allowance at a level we believe is sufficient to absorb probable incurred losses in our loan portfolio given the conditions at the time. Management determines the adequacy of the allowance based on periodic evaluations of the loan portfolio and other factors, including end-of-period loan levels and portfolio composition, observable trends in nonperforming loans, our historical loan losses, known and inherent risks in the portfolio, underwriting practices, adverse situations that may impact a borrower's ability to repay, the estimated value and sufficiency of any underlying collateral, credit risk grade assessments, loan impairment and economic conditions. These evaluations are inherently subjective as they require management to make material estimates, all of which may be susceptible to significant change. The allowance is increased by provisions for loan losses charged to expense and decreased by actual charge-offs, net of recoveries of previous amounts charged-off.

The allowance consists of specific allowances for loans that are individually classified as impaired and general components. Impaired loans include loans placed on nonaccrual status and TDRs. Loans are considered impaired when, based on current information and events, it is probable that we will be unable to collect all amounts due in accordance with the original contractual terms of the loan agreements. When determining if we will be unable to collect all principal and interest payments due in accordance with the original contractual terms of the loan agreement, we consider the borrower's overall financial condition, resources and payment record, support from guarantors, and the realized value of any collateral. Loans that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the loan and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed.

Impaired loans are individually identified and evaluated for impairment based on a combination of internally assigned risk ratings and a defined dollar threshold. If a loan is impaired, a specific reserve is applied to the loan so that the loan is reported, net, at the discounted expected future cash flows or at the fair value of collateral if repayment is collateral dependent. Impaired loans which do not meet the criteria for individual evaluation are evaluated in homogeneous pools of loans with similar risk characteristics.

In accordance with the accounting guidance for business combinations, there was no allowance brought forward on any of the loans we acquired in our acquisition of NRB. For purchased non-credit impaired loans, credit discounts representing the principal losses expected over the life of the loan are a component of the initial fair value and the discount is accreted to interest income over the life of the loan. Subsequent to the acquisition date, the method used to evaluate the sufficiency of the credit discount is similar to organic loans, and if necessary, additional reserves are recognized in the allowance.

The following tables presents, by loan type, the changes in the allowance for the periods indicated:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2020	2019	2020	2019
Balance at beginning of period	$42,348	$31,392	$33,847	$37,195
Loan charge-offs:				
Commercial portfolio:				
Commercial and industrial	2	9	2	8,392
Multifamily	—	—	—	—
Commercial real estate	—	—	—	—
Construction and land development	—	—	—	—
Retail portfolio:				
Residential real estate lending	240	30	263	139
Consumer and other	487	128	791	185
Total loan charge-offs	729	167	1,056	8,716
Recoveries of loans previously charged-off:				
Commercial portfolio:				
Commercial and industrial	2	—	3	6
Multifamily	—	—	—	—
Commercial real estate	—	—	—	—
Construction and land development	—	—	—	—
Retail portfolio:				
Residential real estate lending	151	245	363	752
Consumer and other	17	33	45	81
Total loan recoveries	170	278	411	839
Net (recoveries) charge-offs	559	(111)	645	7,877
Provision for (recovery of) loan losses	8,221	2,127	16,808	4,312
Balance at end of period	$50,010	$33,630	$50,010	$33,630

The allowance increased $16.2 million to $50.0 million at June 30, 2020 from $33.8 million at December 31, 2019. The increase was primarily due to increases in the specific reserves for indirect C&I and hotel loans and an increase in allowance related to the COVID-19 pandemic, which has resulted in deteriorated economic conditions and uncertainty. At June 30, 2020, we had $73.3 million of impaired loans for which a specific allowance of $14.5 million was made, compared to $65.5 million of impaired loans at December 31, 2019 for which a specific allowance of $7.5 million was made. The ratio of allowance to total loans was 1.36% for June 30, 2020 and 0.98% for December 31, 2019. The increase is primarily attributable to the increase in specific reserves on C&I loans and the increase in qualitative factors mentioned above. We believe the COVID-19 pandemic may have an adverse effect on the credit quality of our loan portfolio during the remainder of 2020. The impact of the virus on the economy and on the financial condition of our borrowers could result in increased loan delinquencies and defaults. Impaired loans have increased as a result of the COVID-19 pandemic and may continue to increase in future periods.

Allocation of Allowance for Loan Losses

The following table presents the allocation of the allowance and the percentage of the total amount of loans in each loan category listed as of the dates indicated:

	At June 30, 2020		At December 31, 2019	
(In thousands)	Amount	% of total loans	Amount	% of total loans
Commercial Portfolio:				
Commercial and industrial	$15,444	16.8%	$11,126	14.2%
Multifamily	7,063	26.4%	5,210	28.4%
Commercial real estate	5,977	11.0%	2,492	12.6%
Construction and land development	3,276	1.8%	808	1.8%
Total commercial portfolio	31,760	56.0%	19,636	57.0%
Retail Portfolio:				
Residential real estate lending	16,440	38.9%	14,149	38.2%
Consumer and other	1,810	5.1%	62	4.8%
Total retail portfolio	18,250	44.0%	14,211	43.0%
Total allowance for loan losses	$50,010		$33,847	

Nonperforming Assets

Nonperforming assets include all loans categorized as nonaccrual or restructured, other real estate owned and other repossessed assets. The accrual of interest on loans is discontinued, or the loan is placed on nonaccrual, when the full collection of principal and interest is in doubt. We generally do not accrue interest on loans that are 90 days or more past due (unless we are in the process of collection or an extension and determine that the customer is not in financial difficulty). When a loan is placed on nonaccrual, previously accrued but unpaid interest is reversed and charged against interest income and future accruals of interest are discontinued. Payments by borrowers for loans on nonaccrual are applied to loan principal. Loans are returned to accrual status when, in our judgment, the borrower's ability to satisfy principal and interest obligations under the loan agreement has improved sufficiently to reasonably assure recovery of principal and the borrower has demonstrated a sustained period of repayment performance.

A loan is identified as a TDR when we, for economic or legal reasons related to the borrower's financial difficulties, grant a concession to the borrower. The concessions may be granted in various forms, including interest rate reductions, principal forgiveness, extension of maturity date, waiver or deferral of payments and other actions intended to minimize potential losses. A loan that has been restructured as a TDR may not be disclosed as a TDR in years subsequent to the restructuring if certain conditions are met. Generally, a nonaccrual loan that is restructured remains on nonaccrual status for a period no less than six months to demonstrate that the borrower can meet the restructured terms. However, the borrower's performance prior to the restructuring or other significant events at the time of restructuring may be considered in assessing whether the borrower can meet the new terms and may result in the loan being returned to accrual status after a shorter performance period. If the borrower's performance under the new terms is not reasonably assured, the loan remains classified as a nonaccrual loan.

As a result of the COVID-19 pandemic, we have experienced a significant increase in the number of requests for temporary loan modifications. As of June 30, 2020, the Bank had COVID-19 related loan payment deferrals or deferral requests in process totaling $465 million, of which 76% were in our commercial portfolio. We have granted these borrowers short-term concessions of three to six months, in the form of payment deferrals. According to accounting and regulatory guidance loans modified during the COVID-19 pandemic are not considered TDRs as long as the borrower was not experiencing financial difficulty before the pandemic and the reason for the deferral is temporary in nature and the loans are expected to continue performing after the pandemic.

The following table sets forth our nonperforming assets as of June 30, 2020 and December 31, 2019:

(In thousands)	June 30, 2020	December 31, 2019
Loans 90 days past due and accruing	$ —	$ 446
Nonaccrual loans excluding held for sale loans and restructured loans	18,901	5,992
Nonaccrual loans held for sale	—	—
Troubled debt restructured loans—nonaccrual	26,776	25,019
Troubled debt restructured loans—accruing	28,031	34,367
Other real estate owned	503	809
Impaired securities	46	65
Total nonperforming assets	$ 74,257	$ 66,698
Nonaccrual loans:		
Commercial and industrial	$ 15,742	$ 15,564
Multifamily	—	—
Commercial real estate	13,768	3,693
Construction and land development	3,652	3,652
Total commercial portfolio	33,162	22,909
Residential real estate lending	11,835	7,774
Consumer and other	680	328
Total retail portfolio	12,515	8,102
Total nonaccrual loans	$ 45,677	$ 31,011
Nonperforming assets to total assets	1.15%	1.25%
Nonaccrual assets to total assets	0.71%	0.60%
Nonaccrual loans to total loans	1.24%	0.90%
Allowance for loan losses to nonaccrual loans	109%	109%

Total nonperforming assets totaled $74.3 million at June 30, 2020 compared to $66.7 million at December 31, 2019. The increase in nonperforming assets at June 30, 2020 compared to the year-ended December 31, 2019 is primarily driven by a $14.7 million increase in non-accruing loans, including a $10.2 million hotel loan.

Potential problem loans are loans which management has doubts as to the ability of the borrowers to comply with the present loan repayment terms. Covid-19 related deferrals are not considered problem loans as of June 30, 2020. Potential problem loans are performing loans and include our substandard-accruing commercial loans and/or loans 30-89 days past due. These loans are not included in the nonperforming assets table above and totaled $63.3 million, or 1.0% of total assets, at June 30, 2020. $47.5 million of these loans are commercial loans currently in workout, with the expectation that all will be rehabilitated. $13.3 million are residential 1-4 family loans, with $9.7 million at 30 days delinquent, and $3.7 million at 60 days delinquent.

Deferred Tax Asset

We had a deferred tax asset, net of deferred tax liabilities, of $29.6 million at June 30, 2020 and $28.4 million at December 31, 2019. A valuation allowance is required for deferred tax assets if, based on available evidence, it is more likely than not that all or some portion of the asset will not be realized due to the inability to generate sufficient taxable income in the period and/or of the character necessary to utilize the benefit of the deferred tax asset. The more-likely-than-not criterion means the likelihood of realization is greater than 50%. When evaluating whether it is more likely than not that all or some portion of the deferred tax asset will not be realized, all available evidence, both positive and negative, that may affect the ability to realize deferred tax assets should be identified and considered in determining the appropriate amount of the valuation allowance. Management assesses all the available positive and negative evidence to estimate if sufficient future taxable income will be generated to utilize the existing deferred tax assets. As of June 30, 2020, our deferred tax assets were fully realizable with no valuation allowance held against the balance. Our management concluded that it was more likely than not that the entire amount will be realized.

We will evaluate the recoverability of our net deferred tax asset on a periodic basis and record decreases (increases) as a deferred tax provision (benefit) in the Consolidated Statements of Income as appropriate.

Deposits

Deposits represent our primary source of funds. We are focused on growing our core deposits through relationship-based banking with our business and consumer clients. Total deposits were $5.9 billion at June 30, 2020, compared to $4.6 billion at December 31, 2019. We believe that our strong deposit franchise is attributable to our mission-based strategy of developing and maintaining relationships with our clients who share similar values and through maintaining a high level of service.

We gather deposits through each of our nine branch locations across four boroughs of New York City, our one branch in Washington, D.C., our one branch in San Francisco that was acquired in our acquisition of NRB and through the efforts of our commercial banking team which focuses nationally on business growth. Through our branch network, online, mobile and direct banking channels, we offer a variety of deposit products including demand deposit accounts, money market deposits, NOW accounts, savings and certificates of deposit. We bank politically active customers, such as campaigns, PACs, and state and national party committees, which we refer to as political deposits. These deposits exhibit seasonality based on election cycles. As of June 30, 2020 and December 31, 2019, we had approximately $1.1 billion and $578.6 million, respectively, in political deposits which are primarily in demand deposits. We expect these deposits will begin to decline as we head into the 2020 presidential election cycle.

Maturities of time certificates of deposit and other time deposits of $100,000 or more outstanding at June 30, 2020 are summarized as follows:

Maturities as of June 30, 2020	
(In thousands)	
Within three months	$157,651
After three but within six months	47,496
After six months but within twelve months	49,919
After twelve months	4,275
	$259,341

Liquidity

Liquidity refers to our ability to maintain cash flow that is adequate to fund our operations, support asset growth, maintain reserve requirements and meet present and future obligations of deposit withdrawals, lending obligations and other contractual obligations through either the sale or maturity of existing assets or by obtaining additional funding through liability management. Our liquidity risk management policy provides the framework that we use to maintain adequate liquidity and sources of available liquidity at levels that enable us to meet all reasonably foreseeable short-term, long-term and strategic liquidity demands. The Asset and Liability Management Committee, is responsible for oversight of liquidity risk management activities in accordance with the provisions of our liquidity risk policy and applicable bank regulatory capital and liquidity laws and regulations. Our liquidity risk management process includes (i) ongoing analysis and monitoring of our funding requirements under various balance sheet and economic scenarios, (ii) review and monitoring of lenders, depositors, brokers and other liability holders to ensure appropriate diversification of funding sources and (iii) liquidity contingency planning to address liquidity needs in the event of unforeseen market disruption impacting a wide range of variables. We continuously monitor our liquidity position in order for our assets and liabilities to be managed in a manner that will meet our immediate and long-term funding requirements. We manage our liquidity position to meet the daily cash flow needs of customers, while maintaining an appropriate balance between assets and liabilities to meet the return on investment objectives of our stockholders. We also monitor our liquidity requirements in light of interest rate trends, changes in the economy, and the scheduled maturity and interest rate sensitivity of our securities and loan portfolios and deposits. Liquidity management is made more complicated because different balance sheet components are subject to varying degrees of management control. For example, the timing of maturities of our investment portfolio is fairly predictable and subject to a high degree of control when we make investment decisions. Net deposit inflows and outflows, however, are far less predictable and are not subject to the same degree of certainty.

Our liquidity position is supported by management of our liquid assets and liabilities and access to alternative sources of funds. Our short-term and long-term liquidity requirements are primarily to fund on-going operations, including payment of interest on deposits and debt, extensions of credit to borrowers and capital expenditures. These liquidity requirements are met primarily through our deposits, FHLB advances and the principal and interest payments we receive on loans and investment securities. Cash, interest-bearing deposits in third-party banks, securities available for sale and maturing or prepaying balances in our investment and loan portfolios are our most liquid assets. Other sources of liquidity that are available to us include the sale of loans we hold for investment, the ability to acquire additional national market non-core deposits, borrowings through the Federal Reserve's discount window and the issuance of debt or equity securities. We believe that the sources of available liquidity are adequate to meet our current and reasonably foreseeable future liquidity needs.

At June 30, 2020, our cash and equivalents, which consist of cash and amounts due from banks and interest-bearing deposits in other financial institutions, amounted to $588.0 million, or 9.1% of total assets, compared to $122.5 million, or 2.3% of total assets at December 31, 2019. Our available for sale securities at June 30, 2020 were $1.6 billion, or 24.3% of total assets, compared to $1.2 billion, or 23.0% of total assets at December 31, 2019. Investment securities with an aggregate fair value of $110.9 million at June 30, 2020 were pledged to secure public deposits and repurchase agreements.

The liability portion of the balance sheet serves as our primary source of liquidity. We plan to meet our future cash needs through the generation of deposits. Customer deposits have historically provided a sizeable source of relatively stable and low-cost funds. We are also a member of the FHLB, from which we can borrow for leverage or liquidity purposes. The FHLB requires that securities and qualifying loans be pledged to secure any advances. At June 30, 2020, we had no advances from the FHLB and a remaining credit availability of $1.8 billion. In addition, we maintain borrowing capacity of approximately $135.4 million with the Federal Reserve's discount window that is secured by certain securities from our portfolio which are not pledged for other purposes.

Capital Resources

Total stockholders' equity at June 30, 2020 was $503.7 million, compared to $490.5 million at December 31, 2019, an increase of $13.2 million, or 2.7%. The increase was primarily driven by $19.9 million of net income and a $4.0 million increase in accumulated other comprehensive income due to the mark to market on our securities portfolio, offset by a $7.0 million decrease due to share repurchases in the first quarter of 2020 under our share repurchase program and a $5.0 million decrease due to dividends to shareholders.

We are subject to various regulatory capital requirements administered by federal banking regulators. Failure to meet minimum capital requirements can initiate certain mandatory and possibly additional discretionary actions by federal banking regulators that, if undertaken, could have a direct material effect on our financial statements.

Regulatory capital rules adopted in July 2013 and fully-phased in as of January 1, 2019, which we refer to as the Basel III rules, impose minimum capital requirements for bank holding companies and banks. The Basel III rules apply to all national and state banks and savings associations regardless of size and bank holding companies and savings and loan holding companies with consolidated assets of more than $3 billion. In order to avoid restrictions on capital distributions or discretionary bonus payments to executives, a covered banking organization must maintain the fully-phased in "capital conservation buffer" of 2.5% on top of its minimum risk-based capital requirements. This buffer must consist solely of common equity Tier 1 risk-based capital, but the buffer applies to all three measurements (common equity Tier 1 risk-based capital, Tier 1 capital and total capital). The capital conservation is equal to 2.5% of risk-weighted assets.

As of June 30, 2020, we were categorized as "well capitalized" under the prompt corrective action measures and met the now fully phased-in capital conservation buffer requirements. The following table shows the regulatory capital ratios for us at the dates indicated:

	Actual		For Capital Adequacy Purposes(1)		To Be Considered Well Capitalized	
(In thousands)	Amount	Ratio	Amount	Ratio	Amount	Ratio
June 30, 2020						
Total capital to risk weighted assets	$515,066	13.57%	$303,511	8.00%	$379,389	10.00%
Tier I capital to risk weighted assets	467,479	12.32%	227,634	6.00%	303,511	8.00%
Tier I capital to average assets	467,479	7.69%	244,449	4.00%	305,561	5.00%
Common equity tier 1 to risk weighted assets	467,479	12.32%	170,725	4.50%	246,603	6.50%
December 31, 2019						
Total capital to risk weighted assets	$490,831	14.01%	$280,265	8.00%	$350,331	10.00%
Tier I capital to risk weighted assets	455,668	13.01%	210,199	6.00%	280,265	8.00%
Tier I capital to average assets	455,668	8.90%	204,852	4.00%	256,065	5.00%
Common equity tier 1 to risk weighted assets	455,668	13.01%	157,649	4.50%	227,715	6.50%

(1) Amounts are shown exclusive of the capital conservation buffer of 2.50%.

Contractual Obligations

We have entered into contractual obligations in the normal course of business that involve elements of credit risk, interest rate risk and liquidity risk. The following table summarizes these relations as of June 30, 2020 and December 31, 2019:

June 30, 2020

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Operating Leases	63,073	5,053	19,900	19,459	18,661
Purchase Obligations	13,413	2,012	4,024	4,024	3,353
	$ 76,486	$ 7,065	$23,924	$23,483	$ 22,014

December 31, 2019

(In thousands)	Total	Less than 1 year	1-3 years	3-5 years	More than 5 years
Long Term Debt	$ 75,000	$ 75,000	$ —	$ —	$ —
Operating Leases	69,679	10,743	20,816	19,459	18,661
Purchase Obligations	13,413	2,012	4,024	4,024	3,353
	$158,092	$ 87,755	$24,840	$23,483	$ 22,014

Investment Obligations

The Bank is party to an agreement with Pace Funding Group (PFG) for the purchase of up to $150 million of PACE assessment securities by September 2021, to be held in our held-to-maturity investment portfolio. As of June 30, 2020, the Bank had fulfilled $40.8 million of its obligation. As of December 31, 2019, the Bank was not party to such an agreement or related purchase obligation. The PACE assessments have equal-lien priority with property taxes and rank senior to first lien mortgages.

Item 3. Quantitative and Qualitative Disclosures about Market Risk.

There have been no material changes in the Bank's market risk as of June 30, 2020 from that presented in the 2019 Annual Report. The interest rate sensitivity position at June 30, 2020 is discussed below.

Evaluation of Interest Rate Risk

Our simulation models incorporate various assumptions, which we believe are reasonable but which may have a significant impact on results such as: (1) the timing of changes in interest rates, (2) shifts or rotations in the yield curve, (3) loan and securities prepayment speeds for different interest rate scenarios, (4) interest rates and balances of indeterminate-maturity deposits for different scenarios, and (5) new volume and yield assumptions for loans, securities and deposits. Because of limitations inherent in any approach used to measure interest rate risk, simulation results are not intended as a forecast of the actual effect of a change in market interest rates on our results but rather to better plan and execute appropriate asset-liability management strategies and manage our interest rate risk.

Potential changes to our net interest income and economic value of equity in hypothetical rising and declining rate scenarios calculated as of June 30, 2020 are presented in the following table. The projections assume immediate, parallel shifts downward of the yield curve of 100 basis points and immediate, parallel shifts upward of the yield curve of 100, 200, 300 and 400 basis points. In the current interest rate environment, a downward shift of the yield curve of 200, 300 and 400 basis points does not provide us with meaningful results.

The results of this simulation analysis are hypothetical and should not be relied on as indicative of expected operating results. A variety of factors might cause actual results to differ substantially from what is depicted. For example, if the timing and magnitude of interest rate changes differ from those projected, our net interest income might vary significantly. Non-parallel yield curve shifts such as a flattening or steepening of the yield curve or changes in interest rate spreads, would also cause our net interest income to be different from that depicted. An increasing interest rate environment could reduce projected net interest income if deposits and other short-term liabilities re-price faster than expected or faster than our assets re-price. Actual results could differ from those projected if we grow assets and liabilities faster or slower than estimated, if we experience a net outflow of deposit liabilities or if our mix of assets and liabilities otherwise changes. Actual results could also differ from those projected if we experience substantially different repayment speeds in our loan portfolio than those assumed in the simulation model. Finally, these simulation results do not contemplate all the actions that we may undertake in response to potential or actual changes in interest rates, such as changes to our loan, investment, deposit, funding or hedging strategies.

Change in Market Interest Rates as of June 30, 2020	**Estimated Increase (Decrease) in:**			
Immediate Shift	Economic Value of Equity	Economic Value of Equity ($)	Year 1 Net Interest Income	Year 1 Net Interest Income ($)
+400 basis points	1.0%	8,636	21.0%	36,441
+300 basis points	7.4%	63,418	21.1%	36,587
+200 basis points	11.2%	95,039	17.8%	30,956
+100 basis points	9.3%	79,120	11.1%	19,296
-100 basis points	-18.6%	(158,739)	-10.1%	(17,522)

Item 4. Controls and Procedures.

Under the supervision and with the participation of our management, including the participation of our Chief Executive Officer and our Chief Financial Officer, we conducted an evaluation of our disclosure controls and procedures, as such term is defined in Rules 13a-15(e) and 15d-15(e) promulgated under the Exchange Act as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, the Bank's Chief Executive Officer and Chief Financial Officer concluded that the Bank's disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

Changes in Internal Controls

There was no change in our internal control over financial reporting that occurred during the quarter ended June 30, 2020 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

The design of any system of controls and procedures is based in part upon certain assumptions about the likelihood of future events. There can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions, regardless of how remote.

PART II

Item 1. Legal Proceedings.

We are subject to certain pending and threatened legal actions that arise out of the normal course of business. Additionally, we, like all banking organizations, are subject to heightened legal and regulatory compliance and litigation risk. Based upon management's current knowledge, following consultation with legal counsel, in the opinion of management, there is no pending or threatened legal matter that would result in a material adverse effect on our consolidated financial condition or results of operation.

Item 1A. Risk Factors.

Investing in shares of our common stock involves certain risks, including those identified and described in Item 1A. of our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, as well as cautionary statements contained in this Quarterly Report on Form 10-Q, including those under the caption “Cautionary Note Regarding Forward-Looking Statements” and set forth in Part II, Item 1A. of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020.

Except as set forth in Part II, Item 1A. of our Quarterly Report on Form 10-Q for the quarter ended March 31, 2020 filed with the FDIC on April 30, 2020, which is incorporated herein by this reference, there have been no material changes to the risk factors previously disclosed in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019 filed with the FDIC on March 13, 2020.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

The following schedule summarizes our total monthly share repurchase activity for the three months ended June 30, 2020:

	Issuer Purchases of Equity Securities			
Period (Settlement Date)	**Total number of shares purchased (1)**	**Average price paid per share**	**Total number of shares purchased as part of publicly announced plans or programs**	**Approximate dollar value that may yet be purchased under plans or programs (2)**
April 1 through April 30, 2020	—	$ —	—	$ 12,212,492
May 1 through May 31, 2020	—	—	—	12,212,492
June 1 through June 30, 2020	—	—	—	12,212,492
Total	—	$ —	—	

(1) Includes shares withheld by the Bank to pay the taxes associated with the vesting of stock options. There were 0 shares withheld for taxes during the quarter.

(2) On May 29, 2019, the Bank's Board of Directors authorized a share repurchase program authorizing the repurchase of up to $25 million of its outstanding common stock. No time limit was set for the completion of the share repurchase program. The authorization does not require the Bank to acquire any specified number of common shares and may be commenced, suspended or discontinued without prior notice. Under this authorization, $0 were purchased during the quarter.

Item 6. Exhibits.

Exhibit No.	Description of Exhibit
3.1	Organization Certificate of Amalgamated Bank, as amended and restated through July 22, 2020 (incorporated by reference to Exhibit 3.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on July 22, 2020)
3.2	Bylaws of Amalgamated Bank, as amended and restated through April 6, 2020 (incorporated by reference to Exhibit 3.1 to Amalgamated Bank's Current Report on Form 8-K filed with the FDIC on April 7, 2020)
31.1	Rule 13a-14(a) Certification of the Chief Executive Officer
31.2	Rule 13a-14(a) Certification of the Chief Financial Officer
32.1	Section 1350 Certifications

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMALGAMATED BANK

August 7, 2020 By: /s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer
(*Principal Executive Officer*)

August 7, 2020 By: /s/ Andrew LaBenne
Andrew LaBenne
Chief Financial Officer
(*Principal Financial Officer*)

August 7, 2020 By: /s/ Jason Darby
Jason Darby
Chief Accounting Officer
(*Principal Accounting Officer*)

Exhibit 31.1

Rule 13a-14(a) Certification of the Chief Executive Officer

I, Keith Mestrich, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Bank

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2020

/s/ Keith Mestrich
Keith Mestrich, President and Chief Executive Officer

Exhibit 31.2

Rule 13a-14(a) Certification of the Chief Financial Officer

I, Andrew LaBenne, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Amalgamated Bank.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's Board of Directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2020

/s/ Andrew LaBenne
Andrew LaBenne, Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of Amalgamated Bank (the "Bank") on Form 10-Q for the period ended June 30, 2020 as filed with the Federal Deposit Insurance Corporation on the date hereof (the "Report"), the undersigned, the Chief Executive Officer and the Chief Financial Officer of the Bank, each certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 that, to his knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Bank.

/s/ Keith Mestrich
Keith Mestrich
President and Chief Executive Officer
August 7, 2020

/s/ Andrew LaBenne
Andrew LaBenne
Chief Financial Officer
August 7, 2020

FEDERAL DEPOSIT INSURANCE CORPORATION

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant ☒ Filed by a party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

☒ Definitive Proxy Statement

☐ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

Amalgamated Bank

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 240.0-11 and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
TO BE HELD ON APRIL 29, 2020

To the Stockholders of Amalgamated Bank:

You are cordially invited to attend the annual meeting of stockholders of Amalgamated Bank to be held at 9:00 a.m., Eastern Time, on April 29, 2020 at our principal executive office located at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001, for the following purposes:

1. To elect 12 directors to our board of directors each to serve until the annual meeting of stockholders to be held in 2021 or until that person's successor is duly elected and qualified;
2. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;
3. To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;
4. To approve the Amalgamated Bank Employee Stock Purchase Plan;
5. To conduct a non-binding, advisory vote on the compensation of our Named Executive Officers; and
6. To transact such other business as may properly come before the annual meeting or any adjournment of the meeting.

All holders of our Class A common stock, par value $0.01 per share, of record as of March 11, 2020 are entitled to notice of and to vote at the annual meeting. Each share of our Class A common stock entitles the holder to one vote on all matters voted on at the meeting. The enclosed proxy statement provides you with detailed information regarding the business to be considered at the meeting. Your vote is important. We urge you to please vote your shares now whether or not you plan to attend the meeting. You may revoke your proxy at any time before the proxy is voted by following the procedures described in the enclosed proxy statement.

Important Notice Regarding the Availability of Proxy Materials for the 2020 Annual Meeting. This year, we are taking advantage of the rules of the Securities and Exchange Commission ("SEC") that allow us to furnish our proxy materials over the Internet. We are mailing to our stockholders a Notice of Internet Availability of Proxy Materials over the Internet, rather than mailing a full paper set of the materials. We anticipate that the Notice of Internet Availability of Proxy Materials will first be sent to stockholders on or about March 20, 2020. The Notice of Internet Availability of Proxy Materials contains instructions on how to access our proxy materials on the Internet, as well as instructions on obtaining a paper or e-mail copy of the proxy materials. This process will reduce our costs to print and distribute our proxy materials, while also reducing our environmental impact.

Attendance Considerations. Although our informal policy is generally to have our board members be present in person at our annual meeting of stockholders, that is not a legal requirement. Given today's public health concerns, we are advising our directors not to attend the annual meeting in person this year. We advise our stockholders to take into account the current health environment, the risks to your personal health and the health of others, and the advice of health authorities to use social distancing. We will be providing an alternative to physical attendance at the annual meeting and will provide updates on our Investor Relations website at http://ir.amalgamatedbank.com/ under on "News & Events." We encourage you to check this website prior to the date of the annual meeting.

You have a number of ways to vote (mail-in proxy, on-line or telephone) in addition to voting by ballot if you are present in person at the meeting, and we encourage you to use them. Voting by the Internet is fast and convenient, and your vote is immediately confirmed and tabulated. If you request to receive a paper copy of the proxy materials, you may also vote by completing, signing, dating and returning the accompanying proxy card in the enclosed return envelope furnished for that purpose. By using the Internet, you help us reduce postage and proxy tabulation costs. Your vote is important, and we appreciate the time and consideration that we are sure you will give it.

By Order of the Board of Directors,

/s/ Lynne P. Fox

March 19, 2020

Lynne P. Fox, Chair of the Board of Directors

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PROXY STATEMENT FOR
THE ANNUAL MEETING OF STOCKHOLDERS
OF AMALGAMATED BANK

To be held on April 29, 2020

GENERAL INFORMATION AND VOTING PROCEDURES

The board of directors of Amalgamated Bank, "we," "us," "our," or the "Bank," is furnishing this proxy statement to solicit proxies for use at our annual meeting of stockholders to be held at 9:00 a.m., Eastern Time, at 275 Seventh Avenue, 12th floor conference room, New York, New York 10001 on April 29, 2020. The purposes of the annual meeting and the matters to be acted upon are set forth in the accompanying Notice of Annual Meeting of Stockholders and this proxy statement. If the meeting is postponed or adjourned, we may also use the proxy at any later meetings for the purposes stated in the Notice of Annual Meeting and this proxy statement.

What items will be voted on at the annual meeting?

Five matters are scheduled for a vote:

1. To elect 12 directors to our board of directors each to serve until the annual meeting of stockholders to be held in 2021 or until that person's successor is duly elected and qualified;
2. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;
3. To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;
4. To approve the Amalgamated Bank Employee Stock Purchase Plan;
5. To conduct a non-binding, advisory vote on the compensation of our Named Executive Officers.

As of the date of this proxy statement, we are not aware of any other matters that will be presented for consideration at the annual meeting. If, however, other matters are properly presented, the persons named as proxies will vote the shares represented by properly executed proxies in accordance with their judgment with respect to those matters, including any proposal to adjourn or postpone the annual meeting.

How do your directors recommend that stockholders vote?

The directors recommend that you vote:

1. **FOR** the election of 12 directors to our board of directors each to serve until the annual meeting of stockholders to be held in 2021 or until that person's successor is duly elected and qualified;
2. **FOR** the ratification of the appointment of Crowe LLP as our independent registered public accounting firm for 2020;
3. **FOR** approval of the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;
4. **FOR** approval of the Amalgamated Bank Employee Stock Purchase Plan; and

5. **FOR** the approval of the resolution related to compensation of the Bank's Named Executive Officers.

Who is eligible to vote?

Stockholders of record of our Class A common stock at the close of business on March 11, 2020 are entitled to be present and to vote at the annual meeting or any adjourned meeting. We anticipate that the Notice of Internet Availability of Proxy Materials will first be sent to stockholders on or about March 20, 2020. The proxy statement and the form of proxy relating to the annual meeting are first being made available to stockholders on or about March 20, 2020.

Why did I receive a Notice of Internet Availability of Proxy Materials instead of paper copies of the proxy materials?

This year, pursuant to the SEC "Notice and Access" rules, we are furnishing our proxy materials to our stockholders over the Internet instead of mailing each of our stockholders paper copies of those materials. As a result, we will send our stockholders by mail a Notice of Internet Availability of Proxy Materials, which we refer to as the Notice, containing instructions on how to access our proxy materials over the Internet and how to vote.

The Notice is not a ballot or proxy card and cannot be used to vote your shares of Class A common stock. The Notice also tells you how to access your proxy card to vote on the Internet. If you received a Notice by mail and would like to receive a printed or email copy of the proxy materials, please follow the instructions included in the Notice. You will not receive paper copies of the proxy materials unless you request the materials by following the instructions on the Notice.

If you own shares of Class A common stock in more than one account—for example, in a joint account with your spouse and in your individual brokerage account—you may have received more than one Notice. To vote all of your shares of Class A common stock, please follow each of the separate proxy voting instructions that you received for your shares of Class A common stock held in each of your different accounts.

What are the rules for voting and how do I vote?

As of the record date, we had 31,360,416 shares of Class A common stock outstanding and entitled to vote at the annual meeting. Each share of our Class A common stock entitles the holder to one vote on all matters voted on at the meeting. All of the shares of Class A common stock vote as a single class.

If you hold shares in your own name, you may vote by selecting any of the following options:

- *By Internet:* Go to *www.proxyvote.com* and follow the on-screen instructions.
- *By Mail:* If you request printed copies of the proxy materials to be sent to you by mail, complete the proxy card, date and sign it, and return it in the postage-paid envelope provided.
- *Vote in Person:* If you choose to attend the meeting, you may vote in person at the meeting. We will distribute written ballots to any stockholder of record who wishes to vote at the meeting.

If your shares are held in the name of a bank, broker or other holder of record, you are considered the beneficial owner of shares held in "street name," and you will receive instructions from such holder of record that you must follow for your shares to be voted. Please follow their instructions carefully. Also, please note that if the holder of record of your shares is a bank, broker or other nominee and you wish to vote in person at the annual meeting, you must request a legal proxy or broker's proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the annual meeting.

Shares represented by signed proxies will be voted as instructed. If you sign the proxy but do not mark your vote, your shares will be voted as the directors have recommended. Voting results will be tabulated and certified by Broadridge Financial Solutions, Inc.

As of the date of this proxy statement, we are not aware of any other matters to be presented or considered at the meeting, but your shares will be voted at the discretion of the proxies appointed by the board of directors on any of the following matters:

- any matter about which we did not receive written notice a reasonable time before we mailed these proxy materials to our stockholders; and
- matters incident to the conduct of the meeting.

If you hold your shares in street name, your brokerage firm may vote your shares under certain circumstances. Brokerage firms have authority under stock exchange rules to vote their customers' unvoted shares on certain "routine" matters. We expect that brokers will be allowed to exercise discretionary authority for beneficial owners who have not provided voting instructions ONLY with respect to Proposal Two—the ratification of the appointment of Crowe LLP as our independent registered public accounting firm for 2020 but not with respect to any of the other proposals to be voted on at the annual meeting. **If you hold your shares in street name, please provide voting instructions to your bank, broker or other nominee so that your shares may be voted on all other proposals.**

What constitutes a quorum?

Holders of a majority of our outstanding shares of Class A common stock as of the record date must be present at the meeting, either in person or by proxy, to hold the meeting and conduct business. This is called a quorum. In determining whether we have a quorum at the annual meeting for purposes of all matters to be voted on, all votes "for" or "against" and all votes to "abstain" will be counted. When a brokerage firm votes its customers' unvoted shares on routine matters, these shares are counted for purposes of establishing a quorum to conduct business at the meeting. If a brokerage firm indicates on a proxy that it does not have discretionary authority to vote certain shares on a particular matter, then those shares will be treated as "broker non-votes." Shares represented by broker non-votes will be counted in determining whether there is a quorum.

How are votes counted?

- *Stockholder voting generally*. Each share of our Class A common stock entitles the holder to one vote on all matters voted on at the annual meeting.
- *Proposal One: Election of Directors.* Our directors will be elected by a majority of the votes cast by the holders of shares of our Class A common stock present in person or represented by proxy and entitled to vote at the annual meeting. There is no cumulative voting with respect to the election of directors.
- *Proposal Two: Ratification of the Appointment of Crowe LLP.* Ratification of the appointment of Crowe LLP as our independent registered public accounting firm for 2020 requires the affirmative vote of a majority of the votes cast by the holders of shares of our Class A common stock present in person or represented by proxy and entitled to vote at the annual meeting.
- *Proposal Three: Approval of the Amended and Restated Organization Certificate.* Approval of our Amended and Restated Organization Certificate requires the affirmative vote of the holders of two-thirds of the outstanding shares of our Class A common stock entitled to vote at the annual meeting.
- *Proposal Four: Approval of the Amalgamated Bank Employee Stock Purchase Plan.* Approval of the Amalgamated Bank Employee Stock Purchase Plan requires the affirmative vote of the holders of a majority of the outstanding shares of our Class A common stock entitled to vote at the annual meeting.

- *Proposal Five: Approval, on an Advisory Basis, of the Compensation of Our Named Executive Officers.* Approval, on an advisory, non-binding basis, of the compensation of our Named Executive Officers requires the affirmative vote of a majority of the votes cast by the holders of shares of our Class A common stock present in person or represented by proxy and entitled to vote at the annual meeting.

How are votes, abstentions and broker non-votes treated?

With respect to each proposal, you may vote "FOR" or "AGAINST" the proposals, or you may "ABSTAIN" from voting on the proposals. Only "FOR" and "AGAINST" votes are counted for purposes of determining the votes cast in connection with each proposal.

Broker non-votes and abstentions will have no effect on determining whether the affirmative vote constitutes a majority of the votes cast with respect to Proposals One, Two, and Five. However, a broker or other nominee may generally vote only on routine matters and therefore no broker non-votes are expected in connection with Proposal Two.

Because approval of Proposal Three requires the affirmative vote of two-thirds of our shares of Class A common stock outstanding and Proposal Four requires the affirmative vote of a majority of our shares of Class A common stock outstanding, broker non-votes and abstentions will have the same effect as a vote AGAINST each of Proposals Three and Four.

How can I revoke my proxy?

If you are a stockholder of record (i.e., you hold your shares directly instead of through a brokerage account) and you change your mind after you return your proxy, you may revoke it and change your vote at any time before the polls close at the meeting. You may do this by:

- signing, dating and returning another proxy with a later date;
- submitting a proxy via the Internet with a later date; or
- voting in person at the meeting.

If you hold your shares through a brokerage account, you must contact your brokerage firm to revoke your proxy.

How will we solicit proxies, and who will pay for the cost of the solicitation?

We will pay for the cost of this proxy solicitation. We do not intend to solicit proxies otherwise than by use of the mail or website posting, but certain of our directors, officers and other employees, without additional compensation, may solicit proxies personally or by telephone, facsimile or email on our behalf.

Who will count the vote?

Under applicable law, a person, who is not an officer, director or employee of the Bank, must tabulate the votes and act as judge and inspector of election. At the meeting, the voting results will be tabulated and certified by Broadridge Financial Solutions, Inc. A representative of Broadridge Financial Solutions, Inc. will sign an oath to faithfully execute with impartiality and in good faith the duties of inspector, which will include determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the presence of a quorum and the validity and effect of the proxies.

What happens if the meeting is postponed or adjourned?

Under New York Banking Law Section 6009, your proxy will remain valid for eleven months from the date thereof and may be voted at the postponed or adjourned annual meeting within that time period. You will still be able to change or revoke your proxy until it is voted.

How can a stockholder propose business to be brought before next year's annual meeting?

Any stockholder desiring to include a proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934 (the "Exchange Act") in our 2021 proxy statement for action at our 2021 annual meeting must deliver the proposal to our executive offices no later than November 20, 2020, unless the date of our 2021 annual meeting is more than 30 days before or after April 29, 2021, in which case the proposal must be received a reasonable time before we begin to print and send our proxy materials. Only proper proposals that are timely received and in compliance with Rule 14a-8 will be included in our 2021 proxy statement.

Under our Amended and Restated Bylaws, which we refer to herein as our bylaws, stockholder proposals not intended for inclusion in our 2021 annual meeting proxy statement pursuant to Rule 14a-8 but intended to be raised at our 2021 annual meeting, including nominations for election of directors other than the board of directors' nominees, must be received no earlier than 120 days and no later than 90 days prior to the first anniversary of the 2020 annual meeting and must comply with the procedural, informational and other requirements outlined in our bylaws. To be timely for the 2021 annual meeting, a stockholder proposal must be delivered to the President of the Bank, at 275 Seventh Avenue, New York, New York 10001, no earlier than December 30, 2020 and no later than January 29, 2021.

For a complete description of the procedures and disclosure requirements to be complied with by stockholders in connection with submitting stockholder proposals, stockholders should refer to our bylaws.

PROPOSAL ONE

ELECTION OF DIRECTORS

Nominees for Election as Directors

Our bylaws provide for a board of directors consisting of not fewer than seven nor more than 21 individuals with the exact number to be fixed by the board of directors. Our board of directors has fixed the number of directors constituting the entire board at 12.

We entered into separate agreements with the following parties upon the consummation of our initial public offering on August 13, 2018:

- Yucaipa Corporate Initiatives Fund II, L.P. and Yucaipa Corporate Initiatives (Parallel) Fund II, L.P. (the "Yucaipa Funds"); and
- Workers United and numerous joint boards, locals or similar organizations authorized under the constitution of Workers United (the "Workers United Related Parties").

Under these agreements, the Yucaipa Funds and the Workers United Related Parties have the right to designate representatives to our board of directors. For further detail on these director nomination rights, see "*Certain Relationships and Related Party Transactions.*"

The Workers United Related Parties have designated Maryann Bruce, Patricia Diaz Dennis, Lynne P. Fox, Julie Kelly, and Edgar Romney Sr. to serve our board of directors.

The Yucaipa Funds has designated Stephen R. Sleigh to serve on our board of directors.

Biographical Information for Each Nominee for Director

If elected, all nominees will serve for a term commencing on the date of the annual meeting and continuing until the 2021 annual meeting of stockholders or until each person's successor is duly elected and qualified. Each nominee has agreed to serve if elected. If any named nominee is unable to serve, proxies will be voted for the remaining named nominees. Information about each of the director nominees is provided below. Each director is currently serving as a director of the Bank.

Lynne P. Fox ***Director***
Age 62

Lynne P. Fox has served as Chair of our board of directors since May 2016, and has been a member of our board of directors since February 2000. Ms. Fox is an attorney and is the elected President and Chair of the General Executive Board of Workers United, a position she has held since May 2016. Prior to that, she served as an Executive VP of Workers United from March 2009 to May 2016. She is also the elected Manager of the Philadelphia Joint Board of Workers United (and its predecessor labor organizations), a position she has held since December 1999. She is an Executive Board member of the Service Employees International Union. She is responsible for overseeing a $5 million budget, strategic planning, and for representing approximately 75,000 members in the U.S. and Canada. She has served as chief labor negotiator for over 100 collective bargaining agreements that, among other things, provide for health and pension benefits, and has responsibility for oversight of the investigation and processing of labor grievances. Ms. Fox serves as Chair of the Amalgamated Life Insurance Company, Chair of the Consolidated Retirement Fund, Chair of the Sidney Hillman Medical Center in Philadelphia, President of the Sidney Hillman Medical Center Apartments for the Elderly, Inc. in Philadelphia and is a board member of the Philadelphia Airport Advisory Board. She previously was the Chair of the Investment Committee of the National Retirement Fund from 2016 to 2018. She is President of the Philadelphia Jewish Labor Committee, and Chair of the John Fox Scholarship Fund in Philadelphia. She also served as a board member for the State Employee Retirement System in Pennsylvania from 2006 to 2011, which is a $28.3 billion fund. She also serves as Chair and trustee on various other insurance and employee benefit funds. Ms. Fox brings to the board an intimate understanding of the Bank's business, organization, and mission, as well as substantial leadership ability, board and management experience, all of which qualify her to serve on the board of directors.

Donald E. Bouffard Jr. ***Director***
Age 75

Donald E. Bouffard has served on our board of directors since February 2012. Mr. Bouffard is a Certified Public Accountant who spent 34 years with Crowe LLP, a public accounting and consulting firm, until he retired in 2009. While at Crowe, he served as an external audit partner for 28 years in the Financial Institutions Group where he worked with more than 100 financial institution clients, both public and private, primarily serving as external auditor, but also providing services related to mergers and acquisitions, management succession planning, strategic planning and SEC reporting. Mr. Bouffard served on Crowe's Executive Committee for ten years. He served on the board of directors and was Chair of the Audit Committee of Wilmington Savings Bank, Wilmington, Ohio, a private bank, from 2011 to 2019, and previously served on the board of directors of the Notre Dame National Monogram Club and was Chair of the Boland-Brennan-Riehle Committee, which oversees a $6 million scholarship fund for children of former Notre Dame athletes. Mr. Bouffard is a member of the American Institute of Certified Public Accountants, the Ohio Society of Certified Public Accountants, and he previously served as a member of the American Institute of Certified Public Accountants Savings and Loan Committee. Mr. Bouffard's leadership experience, accounting knowledge and business experience qualify him to serve on our board of directors and enhance his ability to contribute as a director.

Maryann Bruce ***Director***
Age 59

Maryann Bruce joined our board of directors in August 2018, after a greater than 30-year career in the financial services industry. In acknowledgment of her leadership and expertise, Ms. Bruce was honored by Directors & Boards as one of 20 accomplished female board members in Directors to Watch and by US Banker appearing on "The 25 Most Powerful Women in Banking" list. Formerly, she was an independent director of MBIA (NYSE: MBI) serving on the Audit & Compliance and Compensation & Governance Committees, an independent director and Chair of the Compensation Committee of Atlanta Life Financial Group, a private company, and a Trustee of both PNC Funds and Allianz Global Investors Funds. Since October 2007, Ms. Bruce has been President of Turnberry Advisory Group, a private consulting firm. From December 2008 to July 2010, she was President of Aquila Distributors, Inc., a subsidiary of Aquila Investment Management LLC, a boutique asset manager. Prior to that, from September 1999 to June 2007, she was President of Evergreen Investments Services, Inc., an investment management and diversified financial services business and subsidiary of Wachovia (now Wells Fargo and Company). Ms. Bruce is also a founder of the National Association of Corporate Directors' Carolinas Chapter, where she serves as an Executive Committee member, Treasurer, and Chair of the Finance and Nominating Committees, as well as the Treasurer and Investment Committee Chair of the C200 Foundation Board. Ms. Bruce earned the CERT Certificate in Cybersecurity Oversight from the Software Engineering Institute of Carnegie Mellon University, demonstrating her commitment to advanced cybersecurity literacy. Ms. Bruce's extensive executive leadership and corporate governance experience in the financial services industry, as well as her functional expertise in strategy, sales, marketing, distribution, investment and risk management, as well as regulatory oversight, qualifies her to serve on our board of directors.

Patricia Diaz Dennis ***Director***
Age 73

Patricia Diaz Dennis joined our board of directors in August 2018. Ms. Diaz Dennis has decades of corporate experience, having served on the boards of CarrAmerica, Massachusetts Mutual Life Insurance Company, Citadel Communications Corporation, and Telemundo Group, among others. In 1995, she joined SBC Communications, Inc., the company that later became AT&T, as a Senior Vice President, serving in a variety of positions including General Counsel and Secretary of SBC West from May 2002 until August 2004, and Senior Vice President and Assistant General Counsel of AT&T from August 2004 until she retired in November 2008. Before joining SBC West, Ms. Diaz Dennis was appointed by two Presidents and confirmed by the U.S. Senate to three federal government positions. President Ronald Reagan named her to the National Labor Relations Board in 1983, and appointed her a commissioner of the Federal Communications Commission three years later. After becoming partner and communications group

practice chair of Jones, Day, Reavis & Pogue, Ms. Diaz Dennis returned to public service in 1992, when President George H. W. Bush appointed her Assistant Secretary of State for Human Rights and Humanitarian Affairs. From 1993 until 1995, Ms. Diaz Dennis served as special counsel for communications matters to the law firm of Sullivan & Cromwell. The former Chair of the National Board of Directors of the Girl Scouts of the USA, Ms. Diaz Dennis has also served on the World Bank Sanctions Board and the NPR Board of Directors. She is currently a director of Entravision Communications Corporation (NYSE: EVC) and U.S. Steel (NYSE: X), sits on the WGU Texas advisory board, Chairs The Global Fund Sanctions Panel, and is the Chair of the World Affairs Council of San Antonio. She is a member of the California, Texas, and District of Columbia bars, and is admitted to practice before the U.S. Supreme Court. Ms. Diaz Dennis' legal expertise, federal government public service, and substantial board service enhance her skills in corporate governance, compensation matters, risk management, compliance, internal controls, employment, legislative, regulatory, public policy and operational issues. Additionally, her National Labor Relations Board experience brings union relations insight and expertise to the board. These strengths, along with her record of demonstrated executive leadership and integrity provide valued insight and perspective to board deliberations and oversight of the Bank.

Robert C. Dinerstein ***Director***
Age 77

Robert C. Dinerstein has served on our board of directors since August 2011. Mr. Dinerstein is Chair of Veracity Worldwide, a strategic risk assessment firm that advises companies doing business in emerging markets, a position he has held since October 2009. Before that, he was Chair of Crossbow Ventures, Inc., a venture capital firm, from 2005 until 2010. He also was a shareholder and served as global co-chair of the financial institutions practice at Greenberg Traurig, LLP, a full-service international law firm, from October 2006 until August 2008. Before that, he was a senior executive with UBS AG's Investment Bank, having served as Vice Chair-Americas, Global General Counsel and as a member of its Board and Management Committee, with responsibility for all legal, compliance and regulatory matters. While at UBS, Mr. Dinerstein also served on the boards of two of the bank's international mutual funds and as a trustee of its U.S. pension plan. He also represented UBS on the Executive Committee of the Institute of International Bankers. Before joining UBS, Mr. Dinerstein was Executive Vice President and General Counsel of Shearson Lehman Brothers and was also Vice President and General Counsel of Citicorp's Investment Bank. He previously served on the Board of Medarex, Inc., a Nasdaq listed biopharmaceutical company, and was chairman of its Nominating and Governance Committee and a member of its Audit and Compensation Committees. He is a member of the Council on Foreign Relations, the advisory committee of the Export Import Bank of the United States, the National Association of Corporate Directors, and the boards of Sheltering Arms, a diversified social service organization, and the Connecticut Chapter of the Alzheimer's Association. He is also a former member of the Dean's Leadership Council of the Harvard Graduate School of Education and Chairman of Everybody Wins, a literacy and mentoring organization, a board member of the Red Cross of Greater New York and of Phipps Houses, a leading developer of affordable housing and a member of the Advisory Board of School of International and Public Affairs of Florida International University. Mr. Dinerstein brings to the board an overall institutional knowledge of the Bank's business, banking industry expertise, legal training and leadership experience, all of which qualify him to serve on our board of directors.

Mark A. Finser ***Director***
Age 60

Mark A. Finser was a founding member of New Resource Bank and served as its Chair until our acquisition of New Resource Bank in 2018. Mr. Finser started his career in social finance in 1984 as a founder of RSF Social Finance ("RSF"), an organization focused on developing innovative social finance tools to serve the unmet needs of clients and partners. He served as President and Chief Executive Officer of RSF until 2007, during which time he led the growth of the organization's assets to $120 million. In 2007, he transitioned to Chairman of the Board of Trustees of RSF and served in that role until 2018. As an active member of the social finance community, Mr. Finser has served on several boards, including B Lab, Yggdrasil Land Foundation, and Gaia Herbs. Mr. Finser also works with high net worth individuals and families to develop a strategy to align financial resources with personal values. As part of this work, Mr. Finser serves as an independent trustee for families and multigenerational beneficiaries. Mr. Finser's extensive business experience, including his experience as a bank director, and knowledge of our mission and markets that we serve qualify him to serve on our board of directors and enhance his ability to contribute as a director.

Julie Kelly ***Director***
Age 53

Julie Kelly has served on our board of directors since April 2010. Ms. Kelly is the General Manager of the New York New Jersey Regional Joint Board of Workers United and an International Vice President and member of the General Executive Board of Workers United, positions she has held since 2010. She has worked in the labor movement since 1989 and has been with Workers United and its predecessor organizations in a number of capacities since 2000. Ms. Kelly is President of Local 169 Realty Corporation, President of the New York New Jersey Regional Joint Board Holding Company, Inc., a director of Amalgamated Life Insurance Company, and a trustee of the Amalgamated National Health Fund, Amalgamated Retail Fund, Consolidated Retirement Fund, the National Retirement Fund and the Union Health Center. She also served as former President of the Clothing Workers Center, a historic organization that has provided a home for tens of thousands of ACTWU workers for over a century. During her tenure as a director for almost nine years, Ms. Kelly has developed knowledge of the Bank's business, history, organization, mission, and executive management, which qualify her to serve on our board of directors and enhance her ability to contribute as a director.

Keith Mestrich ***President and Chief Executive Officer***
Age 53 ***Director***

Keith Mestrich has served as our President and Chief Executive Officer and on our board of directors since 2014. Mr. Mestrich has over three decades of experience in banking and financial management, many of those positions assisting our core constituencies in labor, nonprofits, political organizations and issue-advocacy campaigns. Mr. Mestrich joined Amalgamated in 2012 and directed our Washington, D.C. operation where he built our presence in the nation's capital. Since his appointment as President and Chief Executive Officer in 2014, we returned to profitability, improved our credit quality, installed a new management team and significantly grew our core deposit base. Mr. Mestrich has spearheaded initiatives to underscore our mission, including support of a living wage (and raising our minimum wage to $20 per hour), acceptance of IDNYC as a primary form of ID, and certification of the Bank as a B Corporation. In 2018, Mr. Mestrich guided our acquisition of San Francisco-based New Resource Bank, creating the nation's leading socially responsible banks. Before joining us, he served as the Chief Financial Officer and Deputy Chief of Staff for the Service Employee International Union from 2008 through 2012 and has extensive experience in the financial sector. Mr. Mestrich's experience in commercial and retail banking operations and management, credit administration, and product management provides the board of directors with significant expertise important to the oversight of the Bank and expansion into its target markets, all of which qualify him to serve on our board of directors.

John McDonagh ***Director***
Age 69

John McDonagh has served on our board of directors since January 2013. Mr. McDonagh retired from JPMorgan Chase Bank N.A. (together with its predecessor organizations, "JPM") in February 2011 as a Managing Director of JPM's Global Special Credit Group, having served in various credit capacities at JPM over a career spanning approximately 38 years, including as a division executive for Chase Real Estate Department and as a director for Chase Bank of Florida. In his final position at JPM, which he occupied from 1998 until his retirement, Mr. McDonagh was responsible for, among other things, the restructuring of large corporate credits, usually over $1.0 billion and involving borrowers in various industries. From 2009 until his retirement, Mr. McDonagh also served on JPM's bank-wide management Real Estate Committee. From 2003 through his retirement, he also served on the Management Committee responsible for reviewing the warehouse position of JPM's Commercial Mortgage Securitization Group. Before that, he served on JPM's Fund Performance Review Committee investigating performance of investments sold to pension funds from 1996 until 1998. Mr. McDonagh's extensive business and banking experience and knowledge of credit markets qualify him to serve on our board of directors and enhance his ability to contribute as a director.

Robert G. Romasco ***Director***
Age 72

Robert G. Romasco has served on our board since September 2014. Mr. Romasco served as President, and

chief volunteer spokesperson, of AARP from 2012 until 2014, and served on AARP's board of directors from 2006 until 2014, where he served as AARP's Secretary-Treasurer; Chair of the board's Audit & Finance Committee; and Chair of the National Policy Council. Before that, Mr. Romasco served as Senior Vice President of customer, distribution, and new business development for QVC, Inc. from November 2005 until June 2006. Before joining QVC, he served as Executive Vice President and Chief Marketing Officer of CIGNA Corp. where he was responsible for driving marketing and distribution leverage across four independent business units. Before CIGNA Corp. and QVC, Mr. Romasco served as Chief Executive Officer of J.C. Penney Direct Marketing Services, a $1 billon insurance company serving the leading credit card firms; Senior Vice President of American Century Investments; Director of Strategic Customer Development for Corporate Decisions Inc.; and as Chief Financial Officer of Epsilon, a pioneer in the database marketing industry. Mr. Romasco has served on the advisory board of the Eugene Bay Foundation, which makes grants to community-building organizations in Philadelphia. He served as an advisory board member of Eastwood, Inc., a privately held leader in direct marketed auto restoration components, from April 2005 until April 2019. Mr. Romasco's business experience provides him with an appreciation of markets that we serve, and his leadership experiences provide him with insights regarding product management and retail marketing, each of which qualify him to serve on our board of directors.

Edgar Romney Sr. ***Director***
Age 77

Edgar Romney Sr. has served on our board of directors since July 1995. Mr. Romney Sr. briefly became President of Workers United upon its formation in March 2009 and has been its Secretary-Treasurer since July 2009. He is also a member of the General Executive Board of Workers United and Vice President of Service Employees International Union, positions he has held since September 2009. Mr. Romney Sr. joined the former International Ladies' Garment Workers' Union (ILGWU) in 1962 as a shipping clerk. He later became an Organizer and Business Agent with Local 99 ILGWU and, in 1976, was asked to serve as Director of Organization for the largest ILGWU affiliate – Local 23-25. Two years later, he was elected Assistant Manager of Local 23-25, and in 1983, became the local's Manager-Secretary and an ILGWU Vice President. Mr. Romney Sr. served as Manager-Secretary of Local 23-25 until 2004, when he became Manager of the New York Metropolitan Area Joint Board, formed by the consolidation of the five local unions that represent apparel workers in the New York area. In 1989, Mr. Romney Sr. was elected ILGWU Executive Vice President, becoming the first African-American to hold that position, and in 1995, he became Executive Vice President of UNITE – the union that grew out of the merger of the ILGWU and ACTWU. He was elected to the position of Secretary-Treasurer of UNITE in 2003. With the merger of UNITE and HERE in 2004, Mr. Romney Sr. became Executive Vice President of UNITE HERE, a position he held until the separation of UNITE and HERE in 2009. Mr. Romney Sr. also served as Secretary-Treasurer of the Change to Win Coalition from September 2003 until 2009. He continues to serve on numerous boards of directors and is Co-Chair of the Garment Industry Day Care Center of Chinatown; National Secretary of the A. Philip Randolph Institute; Vice President of IndustriALL and the New York State AFL-CIO; Secretary Treasurer of the Garment Industry Development Corporation; and an executive board member of the New York City Central Labor Council and the Workmen's Circle. Mr. Romney Sr. is also a director of Amalgamated Life Insurance Company, a board member of the Sidney Hillman Foundation, and a trustee of each of the Consolidated Retirement Fund and the National Retirement Fund. Mr. Romney Sr. is the father of Mr. Romney Jr., who is an Executive Vice President and our Northeast Regional Director. Mr. Romney Sr. brings to the board an intimate understanding of the Bank's business, mission and organization, as well as substantial leadership ability, all of which qualify him to serve on our board of directors.

Stephen R. Sleigh ***Director***
Age 64

Stephen R. Sleigh has served on our board of directors since March 2015. In March 2015, he started a consulting business, Sleigh Strategy LLC, to provide strategic advice aligning business and workforce interests. Mr. Sleigh previously was the Director of the International Association of Machinists National Pension Fund from April 2011 to March 2015, and was the Director of Strategic Resources for the International Association of Machinists, a position he held from September 1994 until September 2006. He also served as a Partner at The Yucaipa Companies, LLC from September 2006 until March 2011. Before that, he worked as Research Director of the International Brotherhood of Teamsters and Deputy Director of the Center for Labor-Management Policy Studies. Mr. Sleigh is a current member and past President of the Labor and Employment Relations Association. He has served as a director of the Baltimore Branch of the Federal Reserve Bank of Richmond, appointed by the Federal Reserve Board of

Governors. Mr. Sleigh is the author of two books, On Deadline (1998) and Economic Restructuring and Emerging Patterns of Industrial Relations (1993). Mr. Sleigh serves as the director representative for the investment funds affiliated with The Yucaipa Companies, LLC, pursuant to such funds' contractual director nomination right. Mr. Sleigh brings to the board an overall institutional knowledge of the Bank's business, banking industry expertise, and leadership experience, all of which qualify him to serve on our board of directors.

The board of directors recommends a vote FOR each of the above nominees.

Biographical Information for Our Executive Officers Who are Not Directors

Biographical information for each of our executive officers is provided below (other than Mr. Mestrich). Because Mr. Mestrich also serves on our board of directors, we have provided his biographical information above with our other directors.

Andrew LaBenne — ***Senior Executive Vice President and Chief Financial Officer***
Age 46

Andrew LaBenne has served as our Chief Financial Officer since April 2015, as a Senior Executive Vice President since April 2017, and as an Executive Vice President from April 2015 until April 2017. Before joining us, he served as Chief Financial Officer of Business Banking for JPMorgan Chase & Co. from August 2013 until April 2015. From 1996 until July 2013, Mr. LaBenne spent 17 years at Capital One Financial in various positions in operations, marketing and finance, including as Chief Financial Officer of Retail Banking and Chief Financial Officer of Commercial Banking. While at Capital One Financial, he played a key role in growing the institution's banking franchise through acquisitions and organic growth. He holds a bachelor's degree in engineering from the University of Michigan and an M.B.A. from the University of Virginia.

Martin Murrell — ***Senior Executive Vice President and Chief Operating Officer***
Age 57

Martin Murrell has served as our Chief Operating Officer and as our Senior Executive Vice President, Consumer Banking since April 2017. He joined Amalgamated in our Washington D.C. office in April 2016 as our Executive Vice President and Head of Consumer Banking. Mr. Murrell has over 15 years of experience in the design, implementation and management of consumer digital financial services. From November 2007 until April 2016, Mr. Murrell held various positions at American Express, including Head of Direct Deposits—where he was responsible for launching and leading the personal savings direct deposit business, VP Strategic Planning Group, and Vice President of Enterprise Strategic Initiatives. Before his time at American Express, he was a Vice President with Capital One Financial, where he launched its first online direct savings product, led an internal team focused on enhancing customer experience, and developed a number of secure consumer online payment systems. Mr. Murrell holds a Ph.D. in Nuclear Physics from The Queen's College, University of Oxford, and a bachelor's degree in Physics from the University of Durham.

Sam Brown — ***Executive Vice President, Director of Commercial Banking***
Age 38

Sam Brown joined us as Executive Vice President, Business Development in December 2014. In December 2015, Mr. Brown became our Executive Vice President, Director of Commercial Banking. Prior to joining us, Mr. Brown serves as Director of the White House Business Council in the White House's Office of Public Engagement, a position he held from 2013 to 2014. As President Barack H. Obama's liaison to the private sector, Mr. Brown worked on economic policies to help America's working families and businesses succeed. Before leading the Business Council, Mr. Brown held various positions between 2007 and 2012 serving President Obama. Mr. Brown also served as the founding Chief Operating Officer of Organizing for Action and Finance Chief of Staff for the Obama-Biden 2012 campaign. Mr. Brown holds a bachelor's degree from University of Southern California.

Jason Darby ***Executive Vice President and***
Age 48 ***Chief Accounting Officer***

Jason Darby has served as our Chief Accounting Officer and Controller and as Executive Vice President since February 2018, and previously served as our Controller and Senior Vice President from July 2015 until February 2018. Before that, he served as Managing Director of Commercial Business Banking for Capital One Financial from July 2012 until June 2015. From 1993 until June 2012, Mr. Darby was an Executive Vice President in charge of sales and marketing at Esquire Bank and, before that, he spent nine years at North Fork Bank/Capital One Financial in various positions in operations and finance. Additionally, Mr. Darby spent five years at KPMG and two years at American Express. Mr. Darby is a licensed CPA in New York and holds a bachelor's degree in accounting from St. Bonaventure University as well as an M.B.A. from the University of Pittsburgh.

Mark Pappas ***Executive Vice President and***
Age 60 ***Chief Risk Officer***

Mark Pappas joined us in August 2015 as our Chief Audit Executive. In April 2018, we appointed him as our Chief Risk Officer. Before joining us, Mr. Pappas held various roles at Morgan Stanley in Internal Audit and Finance Risk executive leadership over an 11-year period from August of 2004 to July of 2015. During his tenure at Morgan Stanley, Mr. Pappas developed and implemented the global, firm-wide Sarbanes-Oxley compliance program. Before that, Mr. Pappas held senior audit leadership positions at international and national banks, including Credit Suisse, Standard Chartered, Bankers Trust and Credit Agricole. He is a past President of the Securities Industry & Financial Markets Association (SIFMA) Internal Auditors Division. Mr. Pappas is also a Certified Public Accountant and earned a Master of Business Administration degree in Finance from Fordham University and a Bachelor of Arts degree in Accounting and Information Systems from Queens College.

James Paul ***Executive Vice President and***
Age 76 ***Chief Administrative Officer***

James Paul joined us in September 2011 as Senior Advisor to the Chief Executive Officer. We appointed him Chief of Staff in July 2014 and Executive Vice President, Chief Administrative Officer in April 2018. Before joining us in 2011, he served as Chief Operating Officer for Ullico Inc., a labor owned insurance and financial services company and before that, Mr. Paul served as President of the Graphics Division of Chyron Corporation, a publicly traded international manufacturer of video broadcast equipment. He came to both Ullico and Chyron as the senior human resource executive and was later promoted to general management. Before that, he served as Senior Vice President, Human Resources for TETE-TV, a joint venture of Bell Atlantic NYNEX, Pacific Telesis and Creative Artists Agency that was created to drive the partners' entry into the interactive entertainment and information markets. Mr. Paul holds a Bachelor's Degree in Psychology from Princeton University and a Master's Degree in Industrial and Labor Relations from Cornell University.

Arthur Prusan ***Executive Vice President and***
Age 53 ***Chief Credit Risk Officer***

Arthur Prusan has served as our Chief Credit Risk Officer since April 2018. Before that, he served as our Senior Vice President, Head of Credit Operations, and as a Commercial & Industrial Senior Credit Officer from 2012 until April 2018. Before joining us, Mr. Prusan served as Chief Administrative Officer for Global Business Services Americas at Deutsche Bank. Mr. Prusan began his career at GE Capital in 1989, working in various business units where he led pricing and deal structuring for leases and loans. After his time at GE Capital, Mr. Prusan managed pricing and sales contracts at IPC, a telecom technology company that serves the financial services industry. Mr. Prusan has previously worked at Goldman Sachs and UBS in various finance, administrative, business management, and operations positions. Mr. Prusan earned his MBA from Northwestern Kellogg School of Management and his Bachelor of Arts in Applied Math and Economics from Yale University.

Deborah Silodor ***Executive Vice President and***
Age 60 ***General Counsel***

Deborah Silodor has served as our Executive Vice President and General Counsel since 2015. Before that she served as our Deputy General Counsel from February 2009 until January 2015, and as our Assistant General Counsel from June 2007 until February 2009. Before joining us, she served as counsel in the law firm of Lowenstein Sandler in New Jersey from June 1999 until June 2007, where she specialized in commercial litigation. Earlier in her career, Ms. Silodor served as an enforcement attorney with the Office of Thrift Supervision. She holds a bachelor's degree in History from Georgetown University and a J.D. degree from New York University School of Law.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information about the beneficial ownership of our Class A common stock as of March 11, 2020, the record date:

- each person known to us to be the beneficial owner of more than 5% of our Class A common stock;
- each Named Executive Officer;
- each of our directors; and
- all of our executive officers and directors as a group.

Unless otherwise noted in the footnotes below, the address of each beneficial owner listed in the table is c/o Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001. Except as indicated by the footnotes below, we believe, based on the information furnished to us, that the persons and entities named in the tables below have sole voting and investment power with respect to all shares of our Class A common stock that they beneficially own, subject to applicable community property laws. We have based our calculation of the percentage of beneficial ownership on 31,296,704 shares of Class A common stock outstanding as of March 11, 2020.

In computing the number of shares of Class A common stock beneficially owned by a person and the percentage ownership of that person, we deemed outstanding shares of our Class A common stock subject to options held by that person that are currently exercisable or exercisable within 60 days of March 11, 2020. We, however, did not deem these shares outstanding for the purpose of computing the percentage ownership of any other person.

	Shares of Class A Common Stock Beneficially Owned	
Name of Beneficial Owner	**Number(1)**	**Percentage**
Named Executive Officers and Directors		
Keith Mestrich(2)	398,013	1.26%
Andrew LaBenne(3)	396,359	1.25%
Martin Murrell(4)	94,773	*
Lynne P. Fox(5)	22,795	*
Donald E. Bouffard Jr.(6)	29,395	*
Maryann Bruce	3,025	*
Patricia Diaz Dennis	1,200	*
Robert C. Dinerstein(7)	29,195	*
Mark A. Finser	30,840	*
Julie Kelly(8)	17,253	*
John McDonagh(9)	31,195	*
Robert G. Romasco(10)	29,695	*
Edgar Romney Sr.(11)	19,953	*
Stephen R. Sleigh(12)	17,953	*
All directors and executive officers as a group (20 persons)	1,641,346	4.99%
Greater than 5% Stockholders		
Workers United Related Parties(13)	12,693,603	40.56%
Investment funds affiliated with The Yucaipa Companies, LLC(14)	3,794,980	12.13%

* Represents less than 1% of total outstanding shares, including exercisable options.

(1) For purposes of the tabular disclosure above, all fractional shares have been rounded down to the nearest whole share, based on total shares owned by each record holder.

(2) Includes currently exercisable options to purchase 396,913 shares of Class A common stock.
(3) Includes currently exercisable options to purchase 385,513 shares of Class A common stock. Mr. LaBenne has pledged 2,000 shares of Class A common stock as collateral in a brokerage margin account that he shares with his spouse. With respect to the pledged shares, it should be noted that (i) Mr. LaBenne's pledged shares are not designed to shift or hedge any economic risk associated with his ownership of our Class A common stock, (ii) the total number of shares of Mr. LaBenne's common stock pledged under this margin account arrangement constitutes less than 1.0% of the total outstanding shares of our Class A common stock, and (iii) Mr. LaBenne has advised us that he has the financial capacity to meet a margin call or repay any advance under his margin agreement without resort to the pledged shares.
(4) Includes currently exercisable options to purchase 94,473 shares of Class A common stock.
(5) Includes currently exercisable options to purchase 21,495 shares of Class A common stock.
(6) Includes currently exercisable options to purchase 28,195 shares of Class A common stock.
(7) Includes currently exercisable options to purchase 28,195 shares of Class A common stock.
(8) Includes currently exercisable options to purchase 16,953 shares of Class A common stock. Director Kelly disclaims beneficial ownership for 300 shares of Class A common stock owned by her spouse.
(9) Includes currently exercisable options to purchase 28,195 shares of Class A common stock.
(10) Includes currently exercisable options to purchase 28,195 shares of Class A common stock.
(11) Includes currently exercisable options to purchase 16,953 shares of Class A common stock.
(12) Includes currently exercisable options to purchase 16,953 shares of Class A common stock.
(13) Workers United is a registered bank holding company. The Workers United Related Parties, which includes Workers United and certain joint boards, locals or similar organizations authorized under the constitution of Workers United, entered into an Ownership Agreement among themselves, pursuant to which they agreed not to transfer any of their Class A common stock unless the transfer complies with the 2018 Investor Rights Agreement. Pursuant to the Ownership Agreement, the Workers United Related Parties also agreed that, before offering any of their Class A common stock to an unaffiliated third party, they will first offer the other Workers United Related Parties the opportunity to purchase such shares. See "*Certain Relationships and Related Party Transactions.*" Based solely on the Schedule 13G filed on February 14, 2019 by the Workers United Related Parties, each party thereto reported sole voting power and sole dispositive power of the following shares of our Class A common stock: Workers United—7,990,349.86 shares; Chicago & Midwest Regional Joint Board, Workers United—479,567 shares; Laundry, Distribution & Food Service Joint Board, Workers United—281,583.12 shares; Local 50, Workers United—114,600 shares; Mid- Atlantic Regional Joint Board, Workers United—264,939.14 shares; New York Metropolitan Area Joint Board, Workers United—85,908.92 shares; New York-New Jersey Regional Joint Board, Workers United —1,630,806.40 shares; Pennsylvania Joint Board Workers United, SEIU—374,517.82 shares; Philadelphia Joint Board, Workers United—523,022 shares; Rochester Regional Joint Board Fund for the Future— 132,580 shares; Rochester Regional Joint Board, Workers United—519,132.96 shares; Southern Regional Joint Board, Workers United—149,794.78 shares; Western States Regional Joint Board, Workers United— 119,380 shares; and Workers United Canada Council—27,421.98 shares. The address for the United Workers Related Parties is 22 South 22nd Street, Philadelphia, Pennsylvania 19103.
(14) Includes Yucaipa Corporate Initiatives Fund II, L.P., and Yucaipa Corporate Initiatives (Parallel) Fund II, L.P., which are both private equity funds affiliated with The Yucaipa Companies, LLC. Ronald W. Burkle indirectly controls both Yucaipa Corporate Initiatives Fund II, L.P. and Yucaipa Corporate Initiatives (Parallel) Fund II, L.P. and their general partner. As a result, Mr. Burkle may be deemed to have voting and dispositive power with respect to the shares of Class A common stock owned by Yucaipa Corporate Initiatives Fund II, L.P. and Yucaipa Corporate Initiatives (Parallel) Fund II, L.P. and therefore may be deemed to be the beneficial owner of such shares; however, Mr. Burkle disclaims beneficial ownership of such shares except to the extent of his pecuniary interest therein. The address for Yucaipa Corporate Initiatives Fund II, L.P. and Yucaipa Corporate Initiatives (Parallel) Fund II, L.P. is 9130 W. Sunset Blvd., Los Angeles, California 90069.

CORPORATE GOVERNANCE AND SOCIAL RESPONSIBILITY

Introduction

Our directors meet regularly to review our operations and discuss our business plans and strategies. Our full board of directors met 12 times in 2019. During 2019, each director attended at least 75% of the aggregate of the total number of board meetings and the total number of meetings held by the committees of the board on which he or she served. At our 2019 annual meeting, ten of our 12 directors were in attendance. We expect each director to attend our annual meeting of stockholders, although we recognize that conflicts may occasionally arise that will prevent a director from attending an annual meeting.

Director Independence

Under the rules of Nasdaq, independent directors must constitute a majority of a listed company's board of directors. A director will only qualify as an "independent director" if, in the opinion of that company's board of directors, that person does not have a relationship that would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director.

The size of our board is 12 members consisting of Mr. Mestrich (our President and Chief Executive Officer), Mr. Finser (the former chair of New Resource Bank's board of directors), five directors (Ms. Fox, Ms. Kelly, and Mr. Romney Sr. and two independent directors, Ms. Bruce and Ms. Diaz Dennis) designated by Workers United, one director designated by the Yucaipa Funds (Mr. Sleigh), and our other four existing independent directors (Mr. Bouffard, Mr. Dinerstein, Mr. McDonagh, and Mr. Romasco).

Our board of directors has evaluated the independence of each director nominee based on the independence criteria under Nasdaq rules and has determined that each of Mr. Bouffard, Ms. Bruce, Ms. Diaz Dennis, Mr. Dinerstein, Mr. Finser, Mr. McDonagh, Mr. Romasco, and Mr. Sleigh is an independent director.

As part of this evaluation, our board of directors considered the current and prior relationships that each independent director has with our Bank and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our shares by each independent director, and the matters discussed under "*Certain Relationships and Related Party Transactions*."

Our board of directors determined that the following directors are not independent: Mr. Mestrich (our President and Chief Executive Officer), Ms. Fox, Ms. Kelly, and Mr. Romney Sr.

Family Relationships

Edgar Romney Sr. one of our directors, is the father of Edgar Romney Jr., a Senior Vice President and Northeast Regional Director of the Bank.

Meetings and Committees of the Board of Directors

Our board of directors has established standing committees in connection with the discharge of its responsibilities. These committees include, among others, the Audit Committee, Compensation and Human Resources Committee, Governance and Nominating Committee, Executive and Corporate Social Responsibility Committee, Credit Policy Committee, Enterprise Risk Oversight Committee, and Trust Committee. Our board of directors also may establish such other committees as it deems appropriate, in accordance with applicable law and regulations and our corporate governance documents. The composition and responsibilities of each committee are described below. Members will serve on these committees so long as they are a member of the board of directors until their resignation or until otherwise determined by our board of directors.

Director	Executive and Corporate Social Responsibility	Audit	Compensation and Human Resources	Governance and Nominating	Enterprise Risk Oversight	Trust	Credit Policy
Keith Mestrich	•						
Lynne P. Fox	• Chair						
Donald E. Bouffard Jr.	•	• Chair		•			
Maryann Bruce		•			•		
Patricia Diaz Dennis	•		• Chair	•			
Robert C. Dinerstein	•	•			• Chair		
Mark A. Finser				•		•	
Julie Kelly					•	•	
John McDonagh	•		•				• Chair
Robert G. Romasco	•		•	• Chair			
Edgar Romney Sr.	•					• Chair	•
Stephen R. Sleigh						•	•

Audit Committee

Our Audit Committee consists of Mr. Bouffard, Ms. Bruce, and Mr. Dinerstein, with Mr. Bouffard serving as Chair. The Audit Committee met 14 times during the 2019 fiscal year. Our Audit Committee performs the duties required of audit committees under 12 C.F.R. § 363.5 for insured depository institutions and under the Sarbanes-Oxley Act of 2002 ("SOX"). Our Audit Committee has responsibility for, among other things:

- selecting and hiring our independent registered public accounting firm, and approving the audit and non-audit services to be performed by our independent registered public accounting firm;
- evaluating the qualifications, performance and independence of our independent registered public accounting firm;
- monitoring the internal controls over financial reporting and our compliance with legal and regulatory requirements as they relate to financial statements or accounting matters;
- reviewing the adequacy and effectiveness of our internal control policies and procedures;
- discussing the scope and results of the audit with the independent registered public accounting firm and reviewing with management and the independent registered public accounting firm our interim and year-end operating results;
- preparing the Audit Committee report required by the Exchange Act rules to be included in our annual proxy statement; and
- oversight of our SOX compliance.

The rules of Nasdaq require our Audit Committee to be composed entirely of independent directors, subject to certain limited exceptions. Applicable FDIC regulations also require that our Audit Committee be composed of "outside directors who are independent of management." Our board of directors has affirmatively determined that each of the members of our Audit Committee meet the definition of "independent directors" and "outside directors" under Nasdaq listing standards and FDIC regulations, respectively. In addition, as a bank with more than $3 billion in assets, under applicable FDIC regulations, our Audit Committee includes members with banking or related financial management expertise, has access to its own outside counsel, and does not include any large customers of the Bank. Our board of directors also has determined that Mr. Bouffard qualifies as an "audit committee financial expert" as defined by Exchange Act rules.

Our board of directors has adopted a written charter for our Audit Committee, which is available on our website, *www.amalgamatedbank.com*, under the "Investor Relations" tab.

Compensation and Human Resources Committee

Our Compensation and Human Resources Committee (the "Compensation Committee") consists of Ms. Diaz Dennis, Mr. McDonagh, and Mr. Romasco, with Ms. Diaz Dennis serving as Chair. The Compensation Committee met nine times during the 2019 fiscal year. The Compensation Committee is responsible for, among other things:

- reviewing and approving compensation of our executive officers including salary, long-term incentives, cash incentives, bonuses, perquisites, equity incentives, severance arrangements, retirement benefits and other related benefits and benefit plans;
- reviewing and recommending compensation policies and practices for our employees and considering whether risks arise from such policies and practices;
- reviewing the compensation of our non-employee directors and recommending any changes to the full board;
- reviewing and discussing annually with management any executive compensation disclosure required by Exchange Act rules;
- administering, reviewing and making recommendations with respect to our equity or long term compensation plans;
- oversight of the development of succession plans for our executive officers and their direct reports;
- oversight of our policies regarding employee engagement; and
- oversight of our diversity and inclusion program.

The Compensation Committee may form and delegate authority to subcommittees as appropriate, including, but not limited to, a subcommittee composed of one or more members of our board of directors or officers to grant stock awards under our equity or long term incentive plans to persons who are not then subject to Section 16 of the Exchange Act. Delegation by the Compensation Committee to any subcommittee shall not limit or restrict the Compensation Committee on any matter so delegated, and, unless the Compensation Committee alters or terminates such delegation, any action by the Compensation Committee on any matter so delegated shall not limit or restrict future action by such subcommittee on such matters.

Our board of directors has evaluated the independence of the members of our Compensation Committee and has determined that each member of our Compensation Committee meets the definition of an "independent director" under Nasdaq listing standards. Each member of our Compensation Committee also satisfies the independence requirements and additional independence criteria under Rule 10C-1 under the Exchange Act, and qualifies as a "non-employee director" within the meaning of Rule 16b-3 under the Exchange Act.

Our board of directors has adopted a written charter for our Compensation Committee, which is available on our website, *www.amalgamatedbank.com*, under the "Investor Relations" tab.

Role of Compensation Consultants

Our Compensation Committee retains, at our expense, independent consultants to assist it in executive compensation matters. The Compensation Committee retained Semler Brossy Consulting Group LLC ("SBCG") to assist it in executive compensation matters beginning in October 2018. SBCG reports directly to the Compensation

Committee and does not have any other consulting engagements with management or the Bank. In considering the retention of SCBG, the Compensation Committee assessed SBCG's independence in light of SEC rules and Nasdaq listing standards and determined that SCBG was independent and their work did not create any conflicts of interest.

During 2019, the Compensation Committee met with such consultants numerous times in and out of the presence of management, to review findings based on market research and considers those findings in determining and adjusting our executive compensation program.

With respect to Chief Executive Officer compensation, SBCG provided, and continues to provide, an independent recommendation to the Compensation Committee, in the form of a range of possible outcomes, for the Compensation Committee's consideration. In developing its recommendation, SBCG relies on its understanding of our business and compensation programs and SBCG's independent research and analysis. SBCG does not meet with our Chief Executive Officer with respect to Chief Executive Officer compensation. SBCG also assisted us in the design of our annual incentive plan for our eligible employees, including our Named Executive Officers. With respect to director compensation and the compensation of our senior executive vice-presidents and executive vice-presidents, SBCG conducts market analyses and advises us on best practices and market trends. SBCG provides to the Compensation Committee an independent assessment of management's recommendations on senior executive vice-presidents and executive vice-presidents compensation.

Governance and Nominating Committee

Our Governance and Nominating Committee consists of Mr. Romasco, Mr. Bouffard, Ms. Diaz Dennis, and Mr. Finser, with Mr. Romasco serving as Chair. The Governance and Nominating Committee met eight times during the 2019 fiscal year. The Governance and Nominating Committee is responsible for, among other things:

- assisting our board of directors in identifying individuals qualified to become directors and recommending director nominees for each annual or special meeting of stockholders or for any vacancies or newly created directorships that may occur between such meetings to the board of directors;
- reviewing periodically the governance principles adopted by the board of directors and developing and recommending governance principles applicable to our board of directors;
- making recommendations to the board of directors as to determinations of director independence;
- overseeing the evaluation of our board of directors; and
- recommending members for each board committee of our board of directors.

Our board of directors has evaluated the independence of the members of our Governance and Nominating Committee and has determined that each member of the Governance and Nominating Committee is "independent" under Nasdaq listing standards.

Our board of directors has adopted a written charter for our Corporate Governance and Nominating Committee, which is available on our website, *www.amalgamatedbank.com*, under the "Investor Relations" tab.

Executive and Corporate Social Responsibility Committee

Our Executive and Corporate Social Responsibility Committee consists of Ms. Fox, Mr. Bouffard, Ms. Diaz Dennis, Mr. Dinerstein, Mr. McDonagh, Mr. Mestrich, Mr. Romasco, and Mr. Romney Sr., with Ms. Fox serving as Chair. The Executive and Corporate Social Responsibility Committee is responsible for, among other things:

- assisting our board of directors in fulfilling its oversight responsibilities with respect to the development of our corporate social and responsibility policies and implementation of such initiatives; and

- advising our Chair and President and Chief Executive Officer regarding the agenda for future board meetings; and
- reviewing our monthly financial results and attending to other matters requiring attention during the calendar months that our board of directors does not meet.

Our board of directors has adopted a written charter for our Executive and Corporate Social Responsibility Committee, which is available on our website, *www.amalgamatedbank.com*, under the "Investor Relations" tab.

Credit Policy Committee

Our Credit Policy Committee consists of Mr. McDonagh, Mr. Sleigh and Mr. Romney Sr., with Mr. McDonagh serving as Chair. The Credit Policy Committee is responsible for, among other things:

- assisting our board of directors in fulfilling its oversight responsibilities;
- reviewing and approving credits above board-specified dollar limits;
- monitoring the performance and quality of our credit portfolio;
- overseeing the administration and effectiveness of, and compliance with, our credit policies; and
- reviewing and assessing the adequacy of the allowance for loan and lease losses.

Enterprise Risk Oversight Committee

Our Enterprise Risk Oversight Committee consists of Mr. Dinerstein, Ms. Bruce, and Ms. Kelly, with Mr. Dinerstein serving as Chair. The Enterprise Risk Oversight Committee is responsible for, among other things:

- overseeing our enterprise risk management framework, including policies and practices relating to the identification, measurement, monitoring and controlling our principal business risks;
- ensuring that our risk management policies and procedures are commensurate with its structure, risk profile, complexity, activities and size;
- providing an open forum for communications between management, third parties and our board of directors to discuss risk and risk management;
- reviewing on a regular basis, at least annually, with the Bank's General Counsel, Chief Compliance Officer, and other Bank officers, our compliance with applicable laws and regulatory requirements and any legal or regulatory matters that could have a material impact on our financial statements, our compliance policies and any material reports or inquiries received from regulators or governmental agencies; and
- reviewing the material findings of examinations conducted by any regulatory agencies and report the results of such findings to our board of directors.

Trust Committee

Our Trust Committee consists of Mr. Romney Sr., Mr. Finser, Mr. Sleigh and Ms. Kelly, with Mr. Romney Sr. serving as Chair. The Trust Committee is responsible for, among other things:

- assisting our board of directors in fulfilling its oversight responsibilities;
- overseeing trust management's operation of the department in a manner that is consistent with the FDIC's Statement of Principles of Trust Department Management;

- overseeing the periodic, comprehensive reviews of each trust department account;
- enacting written policies that address important trust department activities, including account reviews, deviations from approved criteria, and internal and external audit procedures; and
- reviewing and assessing reports from supervisory agencies and trust management.

Compensation Committee Interlocks and Insider Participation

For the year ended December 31, 2019, our Compensation Committee consisted of Ms. Diaz Dennis, Mr. McDonagh, and Mr. Romasco. None of them has at any time been an officer or employee of the Bank or, has had any relationship with the Bank of the type that is required to be disclosed under Item 404 of Regulation S-K. During 2019, none of our executive officers served as a member of the board of directors, compensation committee or other board committee performing equivalent functions, of another entity that had one or more executive officers serving as a member of our board of directors or compensation committee.

Nominations of Directors

The Governance and Nominating Committee serves to identify, screen, recruit and nominate candidates to our board of directors. The committee charter requires the committee to review potential candidates for the board, including any nominees submitted by stockholders in accordance with our bylaws. The committee evaluated each nominee recommended for election as a director in these proxy materials. In evaluating candidates proposed by stockholders, the committee will follow the same process and apply the same criteria as it does for candidates identified by the committee or the board of directors.

When considering a potential candidate for nomination, the Governance and Nominating Committee will consider the skills and background that we require and that the person possesses, diversity of the board and the ability of the person to devote the necessary time to serve as a director. The Governance and Nominating Committee has established the following minimum qualifications for service on our board of directors:

- the highest ethics, integrity and values;
- a strong personal and professional reputation;
- professional experience that adds to the mix of the board as a whole;
- the ability to exercise sound, independent business judgment;
- freedom from conflicts of interest;
- demonstrated leadership skills;
- the willingness and ability to devote the time necessary to perform the duties and responsibilities of a director;
- relevant expertise and experience, and the ability to offer advice and guidance to our President and Chief Executive Officer based on that expertise and experience; and
- understanding of and alignment with our mission.

In considering whether to recommend any particular candidate for inclusion in the board's slate of recommended director nominees, the Governance and Nominating Committee also considers the following criteria, among others:

- whether the candidate possesses the qualities described above;
- whether the candidate qualifies as an independent director under Nasdaq listing standards;
- the candidate's management experience in complex organizations and experience with complex business problems;
- the candidate's other commitments, such as employment and other board positions;
- the likelihood of obtaining regulatory approval of the candidate, if required;
- whether the candidate would qualify under our guidelines for membership on the Audit Committee, the Compensation Committee or the Governance and Nominating Committee; and
- whether the candidate complies with any minimum qualifications or restrictions set forth in our bylaws.

The Governance and Nominating Committee does not assign specific weights to particular criteria, and no particular criterion is a prerequisite for each prospective nominee. We recognize that a board made up of highly qualified directors from diverse backgrounds benefits from the contribution of different perspectives and experiences to board discussions and decisions, promoting better corporate governance. Therefore, the committee assesses nominees based on merit, having regard to those competencies, expertise, skills, background and other qualities identified from time to time by the board as being important in fostering a diverse and inclusive, culture which solicits multiple perspectives and views. The committee ensures that diverse characteristics, including but not limited to gender, age, ethnicity, disability and sexual orientation, are included in any pool of candidates from which our board of director nominees are chosen.

In addition to the qualification criteria above, the Governance and Nominating Committee also takes into account whether a potential director nominee qualifies as an "audit committee financial expert" as that term is defined by the Exchange Act rules, and whether the potential director nominee would qualify as an "independent" director under the Nasdaq listing standards and Exchange Act Rule 10A-3, if applicable.

We maintain a board tenure policy (within in our Corporate Governance Guidelines) as a means of ensuring that our board of directors is renewed regularly with fresh perspectives. Under this policy, we generally seek to maintain an average tenure of ten years or less for our independent directors not designated by the Workers United Related Parties or the Yucaipa Funds. This approach strikes a balance between retaining directors with deep knowledge of the Bank while adding directors who may bring an innovative outlook. As a group, our current independent directors have an average tenure of approximately five years of service.

For a stockholder to nominate a director candidate, the stockholder must comply with the advance notice provisions and other requirements of our bylaws. Each notice must state, among other things:

- as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made
  - the name and address of the stockholder who intends to make the nomination and of such beneficial owner, if any;
  - the class or series and number of shares of the Bank which are, directly or indirectly, owned beneficially and of record by such stockholder and such beneficial owner,
  - any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Bank or with a value derived in whole or in part from the value of any class or series of shares of the Bank, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Bank or otherwise directly or indirectly owned

beneficially by such stockholder or such beneficial owner and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Bank,

- any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder or such beneficial owner has a right to vote any shares of any security of the Bank,
- any short interest in any security of the Bank,
- any rights to dividends on the shares of the Bank owned beneficially by such stockholder or such beneficial owner that are separated or separable from the underlying shares of the Bank,
- any proportionate interest in shares of the Bank or derivative instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or such beneficial owner is a general partner or, directly or indirectly, beneficially owns an interest in a general partner,
- any performance-related fees (other than an asset-based fee) that such stockholder or such beneficial owner is entitled to, based on any increase or decrease in the value of shares of the Bank or derivative instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such stockholder's or such beneficial owner's immediate family sharing the same household (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than 10 days after the record date for the meeting to disclose such ownership as of the record date),
- any pending or threatened legal proceeding in which such stockholder or such beneficial owner is a party or participant involving the Bank or any of its officers or directors, or any affiliate of the Bank,
- any other material relationship between such stockholder or such beneficial owner, on the one hand, and the Bank, any affiliate of the Bank or any principal competitor of the Bank, on the other hand, and
- to the extent known to such stockholder or such beneficial owner, the name(s) of any other stockholder(s) of the Bank (whether holders of record of beneficial owners) that support the business that the stockholder proposes to bring before the meeting or the nominees whom the stockholder proposes to nominate for election or reelection to the Board, as applicable;

- a representation of such stockholder and such beneficial owner, if any, that such person (or a qualified representative thereof) intends to appear in person at the meeting, and
- any other information relating to such stockholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder.

In addition to the information required above, each notice must also state, among other things, as to each person, if any, whom the stockholder proposes to nominate for election or reelection to the board of directors:

- all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected), and
- a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such stockholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant.

For a complete description of the procedures and disclosure requirements to be complied with by stockholders in connection with submitting director nominations, stockholders should refer to our bylaws.

Leadership Structure

Our board of directors meets at least six times a year and our Executive and Corporate Social Responsibility Committee meets during the months when the board of directors does not meet.

Currently, the board believes it is in the best interest of the Bank that the positions of Chief Executive Officer and Chair are separate. In addition, under our Investor Rights Agreement, dated August 13, 2018, with the Workers United Related Parties, we agreed that for so long as the Workers United Related Parties collectively continue to hold 20% of the total voting power of all then-outstanding voting securities of the Bank, we and each of the Workers United Related Parties will take all requisite corporate action within each parties' control as is reasonably necessary to ensure that the Chair of the board of directors is a director designated by Workers United. Currently, Workers United has designated Ms. Fox as the Chair. The board believes that this separation is presently appropriate as it allows Mr. Mestrich, as Chief Executive Officer, to focus primarily on leading our strategy and day-to-day operations, while Ms. Fox, as Chair, can focus on leading the board in its consideration of strategic issues and monitoring corporate governance, social responsibility, community relations and stockholder issues.

In order to provide for a greater role for the independent directors in our oversight, we have also appointed a Lead Independent Director, Mr. Romasco. In this role, he may call and preside over executive sessions of the independent directors without management present, as he deems necessary. The other duties of the lead director will continue to evolve. We recognize that different board leadership structures may be appropriate for companies in different situations. We will continue to reexamine our corporate governance policies and leadership structures on an ongoing basis to ensure that they continue to meet our needs.

Board's Role in Risk Oversight

Our Audit Committee is responsible for overseeing our risk management processes relating to: (1) financial reporting risk and internal controls; (2) oversight of the internal audit process and legal compliance; (3) regulatory compliance; (4) SOX reporting and (5) policies and procedures as they relate to our Code of Business Conduct and Ethics, conflicts of interest and complaints regarding accounting and audit matters. The Audit Committee receives reports from management at least quarterly regarding our assessment of risks in its areas of review and the adequacy and effectiveness of internal control systems and operational risk (including compliance and legal risk). Our Chief Audit Executive reports to the Audit Committee and meets with the committee on a quarterly basis in executive sessions to discuss any potential risk or control issues involving management. The Audit Committee reports regularly to the full board, which also considers our entire risk profile.

Our Compensation Committee provides oversight of incentive compensation plans and risk related to compensation. Our Enterprise Risk Oversight Committee is responsible for overseeing our risk management framework, including policies and practices relating to the identification, measurement, monitoring and controlling our principal business risks and ensuring that our risk management framework is commensurate with its structure, risk profile, complexity, activities and size. Our Enterprise Risk Oversight Committee works directly with our Chief Risk Officer and oversees and reviews our overall enterprise risk management program and the alignment of the Bank's risk profile with its strategic plan, goals and objectives.

The enterprise risk management program currently reviews risk in numerous areas within the Bank, including market, liquidity, reputation, operations and technology, cybersecurity, compliance and legal, and strategic. The Enterprise Risk Oversight Committee reviews management reports regarding specifically identified risks and makes recommendations to the board with respect to specifically identified material risks that it identifies. With regard to compliance and regulatory risk, our Enterprise Risk Oversight Committee is responsible for reviewing, on an annual basis, our compliance with applicable laws and regulatory requirements and any legal or regulatory matters that could have a material impact on our financial statements, our compliance policies and any material reports or inquiries received from regulators or governmental agencies.

With respect to cybersecurity, on a quarterly basis, both our Audit Committee and Enterprise Risk Oversight Committee receive reports on cybersecurity risks and preparedness. While the Enterprise Risk Oversight Committee, and the board of directors to which it reports, oversees our cybersecurity risk management, our management and Information Security department are responsible for the day-to-day cybersecurity risk management processes. Threat from cyber attacks is severe, attacks are sophisticated and increasing in volume, and attackers respond rapidly to changes in defensive measures. Our systems and those of our customers and third-party service providers are under constant threat and it is possible that we could experience a significant event in the future. While we believe that our cybersecurity programs are appropriate and have been effective to prevent material incidents thus far, risks and exposures related to cybersecurity attacks are expected to remain high for the foreseeable future due to the rapidly evolving nature and sophistication of these threats, as well as due to the expanding use of Internet banking, mobile banking and other technology-based products and services by us and our customers.

The full board receives reports from management, the Audit Committee, the Compensation Committee, and the Enterprise Risk Oversight Committee. It reviews certain committee actions and focuses on the most significant risks we face and our general risk management strategy and also ensures that risks we undertake are consistent with board policy. While the board of directors oversees our risk management, management is generally responsible for the day-to-day risk management processes. We believe this division of responsibility is the most effective approach for addressing the risks we face and that our board leadership structure supports this approach.

Code of Business Conduct and Ethics

Our board of directors has adopted a Code of Business Conduct and Ethics that applies to all of our employees, officers and directors. The full text of our Code of Business Conduct and Ethics, and any amendments thereto, are (or will be in the case of any amendments) available on our website, *www.amalgamatedbank.com*, under the “Investor Relations” tab. We intend to post on our website all disclosures that are required by law or Nasdaq listing standards concerning any amendments to, or waivers from, the Code of Business Conduct and Ethics.

Stock Ownership Guidelines

We have a stock ownership policy that requires officers with the title Executive Vice President and above, otherwise referred to as covered individuals, to own a significant amount of our Class A common stock. Specific guidelines are:

- Four times the then annual base salary for the President and Chief Executive Officer;
- Two times the then annual base salary for the Senior Executive Vice Presidents; and
- One times the then annual base salary for other Executive Vice Presidents.

The period to achieve compliance is five years from the later of (1) the day the covered individual become subject to the policy, or (2) the day of adoption of these guidelines, which was October 30, 2019. The Compensation Committee monitors ownership levels and compliance on an annual basis. Below is a summary of shares that qualify for the ownership requirements described above (unvested stock options, performance shares and performance units not yet earned, and shares transferred to another person are excluded):

- shares owned outright, including shares owned jointly with a spouse,
- shares held in a retirement (e.g., 401(k)) or other deferred compensation plan of the Bank,
- Net Shares underlying unvested, time-based shares of restricted stock or restricted stock units, and
- Net Shares underlying vested but unexercised stock options.

“Net Shares” are those shares that remain after shares are sold or netted to pay withholding taxes and the exercise price of stock options, if applicable.

Corporate Social Responsibility

Overview and Governance

Our mission is to be America's socially responsible bank empowering organizations and individuals to advance positive social change. Under the direction of our President and Chief Executive Officer and our board of directors, we are committed to supporting corporate social responsibility ("CSR") initiatives, including environmental, social and governance ("ESG") matters that are relevant to us and align with our bank-wide dedication to responsible corporate citizenship that positively impacts the communities and people we serve. We are a Certified B Corporation, which is a third-party endorsement of our formal commitment to social responsibility and positively impacting our employees, customers, community, and environment. In 2019, our B Corporation Impact Score rose from 87 to 115 (the minimum score for certification is 80), further underscoring our commitment to reducing inequality, lowering levels of poverty, creating a healthier environment, building stronger communities and creating more high quality jobs that promote dignity and purpose.

In 2019, we changed the name of our Executive Committee of the board of directors to the Executive and Corporate Social Responsibility Committee and amended its charter to formally establish the committee's responsibility for CSR oversight, including oversight of our CSR strategy and performance, policies and communications. In addition, we formed an internal CSR committee, comprised primarily of executive and senior management from across the Bank, which is responsible for (i) establishing our general strategy relating to our ESG goals, which includes outlining the development, implementation, and monitoring initiatives and policies to meet our ESG goals, and (ii) communicating with employees, investors and stakeholders about ESG matters.

To further demonstrate our commitment to CSR initiatives, we have formalized and adopted a number of internal policies that touch on CSR concepts, which include, among other policies:

- an Anti-Money Laundering Policy, including Anti-Corruption;
- a Business Continuity Plan;
- a Code of Business Conduct and Ethics, including Affirmative Action and Gift and Entertainment Policies;
- a Corporate Compliance Policy;
- a Data Classification and Information Protection Policy;
- a Corporate Security Program, including Health and Safety;
- a Human Rights Policy;
- a Privacy Policy; and
- a Supplier Code of Conduct.

We were a founding signatory of the United Nations' Principles for Responsible Investing and to further advance our commitment to a more sustainable world, in 2019, we became a founding signatory of the United Nations' Environment Programme Finance Initiative Principles for Responsible Banking ("UNPRB"). We also joined the Collective Commitment to Climate Action to mobilize products, services and relationships to help facilitate the economic transition necessary to achieve climate neutrality and we joined our fellow UNPRB bank signatories to launch the Partnership for Carbon Accounting Financials ("PCAF"), a global collaboration between banks to collectively develop a shared methodology to measure and disclose the greenhouse gas emissions associated with loans and investments. Our President and Chief Executive Officer currently serves as the Chair of the Steering Committee for Global PCAF.

Diversity

We believe that maintaining and promoting a diverse and inclusive workplace where everyone feels valued and respected is essential for our growth. Diversity is important to us at the highest levels and our board of directors is currently comprised of four women, two racially or ethnically diverse members, and one LGBTQ member.

We are focused on cultivating a diverse and inclusive culture where our employees can freely bring diverse perspectives and varied experiences to work. We seek to hire and retain highly talented employees and empower them to create value for our stockholders. In our employee recruitment and selection process and operation of our business, we adhere to equal employment opportunity policies and provide annual employee trainings on diversity and inclusion. We have established Employee Resource Groups to support employees from marginalized populations to help cultivate a healthy workplace culture. As of December 31, 2019, approximately 58% of our employees identify as women and women hold 10 of 38 senior management positions.

Culture and Employee Engagement

We believe that continuous engagement with our employees is important to driving our success. We perform engagement surveys annually that allow us to identify areas of strength and opportunities for improvement in an effort to ensure continued satisfaction and retention of our employees. Our President and Chief Executive Officer holds a Town Hall-style meeting annually with our employees, covering topics such as business strategy and outlook, our competitive landscape, emerging industry trends and offers a question and answer session with management. We believe that this format promotes strong and productive conversations across our organization.

To attract and retain talent, we offer a comprehensive compensation and benefits package that includes health insurance, pension, savings plans, and employee development programs. We also to provide our employees with career advancement opportunities. In 2019, we increased our minimum wage to $20 per hour.

Environmental Responsibility

We are committed to measuring, reporting and reducing financed carbon emissions and aligning our lending with the Paris Climate Agreement and its underlying science. We are committed members of the Science Based Targets initiative, which is a joint initiative by CDP, World Resources Institute, the World Wide Fund for Nature, and the United Nations Global Compact, that calls on companies to publicly commit to adopt science-based emissions reduction targets. We also offer regular training and awareness programs to educate our employees on environmental stewardship, including energy efficiency and waste management.

Impact Lending

As a mission-driven bank, we strive to create financial products that have a triple bottom line effect: environmental, social, and financial. We offer several products that emphasize social responsibility including, among others: lending for affordable housing, fossil fuel free investment portfolios, green lending, financing for community development financial institutions, lending to minority owned businesses, and debit card options that allow for money to be diverted to charities. We do not lend to, or invest our own money in, (i) fossil fuel companies, (ii) companies that manufacture weapons, (iii) companies that we do not believe support the rights of workers, women, immigrants or the LGBTQ+ community, or (iii) companies that take positions that are not aligned with our mission to create a more just and sustainable world.

Pay Ratio

Because we are an “emerging growth company, we are not required by Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of Regulation S-K to provide pay ratio disclosure. However, we are voluntarily providing this information about the relationship of the annual total compensation of our employees and the annual total compensation of our President and Chief Executive Officer, Keith Mestrich.

For 2019, our last completed fiscal year:

- The median of the total annual compensation for all employees of the Bank (other than our President and Chief Executive Officer) was $89,366; and
- the total annual compensation of our President and Chief Executive Officer was $2,308,999, as reported in the Summary Compensation Table included elsewhere in this proxy statement.

Based on this information, for 2019 the ratio of the annual total compensation of Mr. Mestrich, our President and Chief Executive Officer, to the median of the total annual compensation was approximately 26 to 1.

To identify the median of the annual total compensation of all our employees, as well as to determine the annual total compensation of our median employee and our President and Chief Executive Officer, we took the following steps:

1. We determined that as of December 31, 2019, our employee population consisted of 404 individuals with all of these individuals located in the United States. This population included only our full-time employees and did not include any part-time, seasonal or temporary employees, or independent contractors.

2. To identify the "median employee" from our employee population, we compared the gross wages of our employees as reflected in our payroll records. Our calculation for gross wages included base salary, bonus, commissions, stock options exercised, and other incentive arrangements. Because we offer a variety of compensation arrangements to our employees, we believe this was the most appropriate and comprehensive methodology for capturing the many different compensation arrangements we offer. We identified our median employee using this compensation measure, which was consistently applied to all of our employees included in the calculation.

3. We annualized the compensation of employees that we hired in 2019, who were not employed for the full year, by dividing their gross wages by the number of days remaining in the year from their date of hire through December 31, 2019 and then multiplied the result by the number of days in the year.

4. Since all of our employees are located in the United States, as is our President and Chief Executive Officer, we did not make any cost-of-living adjustments in identifying our "median employee."

5. Once we identified our median employee, we combined all of the elements of such employee's compensation for 2019 in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, resulting in annual total compensation of $89,366.

6. With respect to the annual total compensation of our President and Chief Executive Officer, we used the amount reported in the "Total" column of our Summary Compensation Table included in this proxy statement.

Active Stockholder Outreach and Engagement

We believe that engaging with stockholders is fundamental to our commitment to good governance. Throughout the year, we seek opportunities to engage in two-way conversations with our stockholders to gain and share valuable insights into current and emerging business strategies and trends. During 2019, we held numerous meetings with stockholders to discuss key corporate matters. Topics discussed included our business and growth strategy, risk management practices, including our investment risk practices, liquidity risk and regulatory compliance risk, and CSR, including ESG matters. These meetings were conducted in person, via teleconference or at one-on-one industry conferences.

Delinquent Section 16(a) Reports

Section 16(a) of the Exchange Act requires our directors, executive officers and persons who own beneficially more than 10% of our outstanding common stock to file with the FDIC initial reports of ownership and reports of changes in their ownership of our common stock. Directors, executive officers and greater than 10% stockholders are required by SEC regulations to furnish us with copies of the forms they file.

Based solely on review of the copies of such reports furnished to the Bank and written representations that no other reports were required during the fiscal year ended December 31, 2019, all Section 16(a) filing requirements applicable to its executive officers, directors and greater than 10% beneficial owners were met except Ms. Bruce, a director of the Bank, inadvertently neglected to report (i) a purchase of the Bank's Class A common stock made during fiscal year 2018 and (ii) dividend reinvestments of the Bank's Class A common stock made during fiscal year 2019, which errors have since been corrected in a Form 5 filed on January 23, 2020.

Communications with the Board of Directors

The board of directors has established a process for stockholders to send communications to the board of directors. Stockholders may communicate with the board as a group or individually by writing to: Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001, Attention: Corporate Secretary. The board has instructed the Corporate Secretary to forward all such communications promptly to the board.

Report of the Audit Committee

The Audit Committee's responsibilities are stated in a written charter adopted by the board of directors. The Audit Committee has reviewed and discussed with management and with KPMG, LLP, our independent registered public accounting firm for 2019, our audited financial statements and other material financial disclosures for the year ended December 31, 2019. In addition, the Audit Committee has discussed with KPMG the matters that independent registered public accounting firms must communicate to audit committees under applicable PCAOB standards, as well as Auditing Standard No. 16, "Communications with Audit Committees."

The Audit Committee has also discussed and confirmed with KPMG its independence from our Bank, and received all required written disclosures and correspondence required by the PCAOB Ethics and Independence requirements. The Audit Committee has evaluated and concluded any non-audit services provided by KPMG to us did not impair KPMG's independence.

Based on the reviews and discussions described above, the Audit Committee recommended to our board of directors that our audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2019, for filing with the FDIC. A copy of our Annual Report on Form 10-K is part of the Annual Report to Stockholders included with these proxy materials.

Submitted by the Audit Committee:

Mr. Donald Bouffard, Chair
Ms. Maryann Bruce
Mr. Robert Dinerstein

DIRECTOR AND EXECUTIVE OFFICER COMPENSATION

We are an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As such, we are eligible to take advantage of certain exemptions from various reporting requirements that are applicable to other public companies that are not emerging growth companies. These include, but are not limited to reduced disclosure obligations regarding executive compensation in our proxy statements, including the requirement to include a specific form of Compensation Discussion and Analysis, as well as exemptions from the requirement to obtain stockholder approval of any golden parachute payments not previously approved. We have elected to comply with the scaled disclosure requirements applicable to emerging growth companies; however, we have elected to voluntarily provide our stockholders with the opportunity to vote to approve, on a non-binding, advisory basis, the compensation of our named executive officers as disclosed in this proxy statement.

Compensation of Executive Officers

Our "Named Executive Officers" are the individuals who served as our principal executive officer and our two other most highly compensated executive officers who were serving as executive officers at the end of 2019. Our Named Executive Officers as of December 31, 2019 are noted in the following table, along with their positions:

Name	Title
Keith Mestrich	President and Chief Executive Officer
Andrew LaBenne	Senior Executive Vice President and Chief Financial Officer
Martin Murrell	Senior Executive Vice President and Chief Operating Officer

Summary Compensation Table

The following table sets forth information concerning all compensation awarded to, earned by or paid to our Named Executive Officers for all services rendered in all capacities to us and our subsidiaries for the year ended December 31, 2019 and 2018.

	Year	Salary ($)	Bonus ($)	Stock Awards ($)(1)	Stock Options ($)	Non- Equity Incentive Plan Compensation ($)(4)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Keith Mestrich	2019	707,019	—	903,519(2)	—	698,461	—	—	2,308,999
President and Chief Executive Officer	2018	682,020	910,450	—	531,981(3)	—	—	—	2,124,451
Andrew LaBenne	2019	400,000	—	200,016(2)	—	291,200	—	—	891,216
Senior Executive Vice President and Chief Financial Officer	2018	400,000	425,000	—	193,494(3)	—	—	—	1,018,494
Martin Murrell	2019	350,000	—	140,014(2)	—	254,800	—	—	744,814
Senior Executive Vice President and Chief Operating Officer	2018	350,000	287,500	—	145,139(3)	—	—	—	782,639

(1) The values of all stock awards reported in this column were computed in accordance with FASB ASC Topic 718 Compensation-Stock Compensation ("FASB ASC Topic 718"). For a discussion of the valuation assumptions, see Note 13 to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2019.

(2) Represents the following performance-based restricted stock units ("PRSUs") and time-vesting restricted stock units ("TRSUs"): Mr. Mestrich— $451,768 of PRSUs and $451,751 of TRSUs; Mr. LaBenne—

$100,022 of PRSUs and $99,995 of TRSUs; and Mr. Murrell—$70,006 of PRSUs and $70,009 of TRSUs. The terms of our PRSUs and TRSUs are discussed below under "2019 Long-Term Equity Compensation." The PRSUs were determined to have a grant date fair value less than the maximum performance level. The value of the PRSU award at the grant date assuming the highest level of performance conditions will be achieved is as follows: Mr. Mestrich—$662,625; Mr. LaBenne—$146,705; and Mr. Murrell—$102,680.

(3) Represents the grant date fair value of stock appreciation rights, or SARs, awarded in 2018, as determined in accordance with FASB ASC Topic 718, which were converted into stock options on July 26, 2018. Although the table above indicates the full grant date value of the awards granted in 2018, the stock options vest over a three-year period. See "*Former Long-Term Incentive Plan*" below for a description of the terms of these awards.

(4) These amounts reflect annual incentive payments determined by our Compensation Committee based on the achievement of certain performance criteria and performance of the individual. See "*Annual Cash Incentive Payments*" below for a description of how our Compensation Committee determined the incentive payments awarded to Mr. Mestrich, Mr. LaBenne, and Mr. Murrell for 2019.

Employment Agreement with Keith Mestrich

We entered into an amended and restated employment agreement with Mr. Mestrich on July 5, 2017, but effective as of July 1, 2017, to serve as our President and Chief Executive Officer. Mr. Mestrich's employment agreement has a term that expires on June 30, 2020 (which can be extended by Mr. Mestrich until September 30, 2020).

Under the employment agreement, Mr. Mestrich received an annual base salary of $695,000 through June 30, 2019, which increased to $720,000 on July 1, 2019. In addition to his base salary, Mr. Mestrich is eligible to receive an annual incentive payment for each fiscal year, specified as a percentage of his base salary, based on the achievement of multiple specific annual quantitative and qualitative performance metrics established by the board (or a committee thereof). Under his employment agreement, he is entitled to an annual target incentive of 64.2% of his base salary in 2017, 65.5% of his base salary in 2018, and 66.7% of his base salary in 2019 and thereafter, which we refer to herein as his "Annual Bonus Target." Mr. Mestrich's employment agreement entitles him to participate in all of our employee benefit plans and programs, which are generally available to our other senior executives.

Mr. Mestrich is also entitled to incentive compensation pursuant to the long-term equity incentive plan. Effective May 16, 2019, we entered into an addendum to the amended and restated employment agreement with Mr. Mestrich, which clarified that the aggregate potential value of any annual long-term incentive awards granted to Mr. Mestrich under our long-term equity incentive plan will equal the sum of (a) 100% of his base salary in effect at the time, minus (b) $120,000. At the discretion of the Compensation Committee and with the approval of our board of directors, this amount may be increased.

We may terminate Mr. Mestrich's employment with or without cause, and Mr. Mestrich may terminate his employment with or without good reason. Mr. Mestrich is also eligible for certain severance benefits upon a change in control. Further detail on our severance obligations to Mr. Mestrich, including the definitions of "cause," "good reason" and "change in control," are set forth below under the heading "*Potential Payments Upon Termination or Change in Control*."

Mr. Mestrich's employment agreement contains provisions that prohibit the disclosure of our confidential information during the term of the agreement and at any time thereafter. In addition, his agreement also includes non-solicitation and non-competition provisions that generally preclude Mr. Mestrich, for a period of one year following the termination of the agreement for any reason, or during the severance period described below, if longer, from directly or indirectly, (a) soliciting our customers, suppliers or current employees, and (b) organizing, establishing, owning, operating, managing, controlling, engaging in, participating in, investing in or permitting his name to be used by, consulting or advising or rendering services for, or otherwise engaging in a business providing financial products or services to Taft-Hartley Act employee benefit plans, labor unions, employee benefit plans associated with labor unions or other entities affiliated with labor unions, subject to certain conditions and exceptions.

Offer Letter with Andrew LaBenne

In 2015, Mr. LaBenne entered into an offer letter with us to serve as our Executive Vice President and Chief Financial Officer. In April 2017, Mr. LaBenne was promoted to serve as Senior Executive Vice President while remaining the Chief Financial Officer.

Although there is no employment agreement between us and Mr. LaBenne, under the offer letter, Mr. LaBenne:

- receives an annual base salary of $400,000;
- is eligible to participate in our annual incentive plan, with an annual target incentive of 50% of his base salary;
- is eligible to participate in our long-term incentive plan; and
- is entitled to participate in our comprehensive benefits programs.

Offer Letter with Martin Murrell

In 2016, Mr. Murrell entered into an offer letter with us to serve as our Executive Vice President of Consumer Banking. In April 2017, Mr. Murrell was promoted to serve as Senior Executive Vice President and Chief Operating Officer.

Although there is no employment agreement between us and Mr. Murrell, under the 2016 offer letter, Mr. Murrell:

- received an initial annual base salary of $300,000, which was increased from $300,000 to $350,000 upon his promotion;
- is eligible to participate in our annual incentive plan, with an annual target incentive of 50% of his base salary;
- is eligible to participate in our long-term incentive plan;
- is entitled to participate in our comprehensive benefits programs; and
- was eligible for a signing bonus of $100,000, payable in two installments of $50,000—one within 30-days of his start date and one upon the completion of his first year of employment in April 2017.

Long-Term Incentives

Former Long-Term Incentive Plan

Prior to 2019, we operated a Long-Term Incentive Plan to provide incentives and awards to certain select employees and directors. The long-term incentive plan was administered by our Compensation Committee, which had sole authority to determine, among other matters, participants in the plan and awards under the plan. Under the long-term incentive plan, the Compensation Committee granted stock appreciation rights (or SARs) to participants, to be evidenced by a separate award agreement, as set forth more fully below.

As of June 30, 2018, there were a total of 2,342,000 SARs outstanding, with strike prices ranging from $11.00 (the 2015 SARS awards) to $14.65 (the 2018 SARs awards). On July 26, 2018, we converted each of the outstanding SARs into nonqualified stock option awards (issued outside of the long-term incentive plan) on a one-for-one basis, at the same strike price, on substantially the same terms, and on the same vesting schedule as the original SARs award. Following the conversion of the 2,342,000 SARs outstanding on July 26, 2018, we reserved for issuance 2,342,000 shares of our Class A common stock issuable upon the exercise of the options. The conversion allowed us to transition

from a liability, cash settled accounting expense that required a quarterly update (a variable expense) to a more standard equity settled accounting expense (a fixed expense). We have changed the classification from a liability to stockholders' equity. The converted stock options are governed by individual option agreements issued outside of the long-term incentive plan.

2019 Long-Term Equity Compensation

On May 17, 2019, we awarded long-term equity grants to our Named Executive Officers, consisting of TRSUs representing 50% of the total grant date fair market value of the award and PRSUs representing the remaining 50% of the total grant date fair market value of the award. The awards were made under the Amalgamated Bank 2019 Equity Incentive Plan (the "Equity Plan") which was approved by our stockholders at our 2019 annual meeting.

The TRSUs will vest in three equal annual installments on each anniversary of the grant date, subject to the executive's continued service through the vesting date.

The PRSUs are subject to vesting based on the attainment of pre-established corporate performance measures over the applicable performance periods. The corporate performance metrics for the PRSUs are:

- growth in adjusted tangible book value per share (weighted at 50% of the total grant date fair market value of the award), over a measurement period that begins January 1, 2019 and ends December 31, 2021; and
- total stockholder return relative to a specified peer group, referred to herein as relative TSR (weighted at 50% of total grant date fair market value of the award), over a measurement period that begins May 1, 2019 and ends April 30, 2022.

The PRSUs will vest based on our achievement of these performance measures during the applicable performance period, subject to the executive's continued service through the end of each applicable performance period. The Compensation Committee established threshold, target and maximum performance levels for each selected performance measure. Payments for achievement of the threshold, target and maximum performance measures are 50%, 100% and 150%, respectively. Actual performance between threshold, target and maximum performance levels will be interpolated to determine the amount of payment based on relative achievement of the corporate performance metrics.

The grant date fair values of the TRSUs and the PRSUs are disclosed in the Summary Compensation Table included in this proxy statement. Each award agreement provides for double trigger vesting of unvested awards following a change in control and for acceleration upon termination in certain circumstances, as described below under "Potential Payments upon Termination or Change in Control."

Short-Term Incentives

Annual Incentive Plan

The Compensation Committee believes that annual cash incentive compensation is an integral component of our total compensation program that links executive decision-making and performance with our annual strategic objectives. We use this component to focus management on the achievement of corporate financial goals while considering the mitigation of any risks which may affect our overall financial performance. As such, our Compensation Committee has adopted the Amalgamated Bank Annual Incentive Plan, which we refer to as the AIP, effective January 1, 2019. The purpose of the AIP, among other things, is to align participants in the AIP with our strategic plan and critical performance goals while ensuring incentives are appropriately risk-balanced. Each of our Named Executive Officers participated in the AIP in 2019.

Under our AIP, as soon as practicable at the beginning of each fiscal year, the Compensation Committee selects key performance objectives from a set of key measurable performance goals which include, but are not limited

to, the following items (each, a “performance measure” and collectively, the “Performance Measures”), which will be used to determine the actual cash incentive payment to be awarded to participants in the plan upon the achievement of the performance measures:

- achievement of balance sheet or income statement objectives;
- any earnings (e.g., earnings before interest and taxes; earnings before interest, taxes, depreciation and amortization; and earnings per share; each as may be defined by the Compensation Committee);
- asset quality level;
- assets;
- book value;
- budget comparisons or strategic business objectives, consisting of one or more objectives based on meeting specific cost targets, business expansion goals and goals relating to acquisitions or divestitures;
- cash flow return on investment;
- charge offs;
- debt load reduction;
- deposits;
- economic value added;
- efficiency ratio;
- expense management;
- expense ratio;
- financial return ratios (e.g., return on investment; return on invested capital; return on equity; and return on assets; each as may be defined by the Compensation Committee);
- growth of loans, deposits, or assets;
- improvements in capital structure;
- improvement of financial rating;
- increase in revenue, operating or net cash flows;
- interest sensitivity gap levels;
- loan and lease losses;
- loan loss reserves;
- loans;
- market share;
- net operating income, operating income or net income;
- nonperforming assets;
- overhead;
- profit margins;
- profitability;
- regulatory compliance;
- stock price;
- “Texas Ratio”;
- total shareholder return; and
- any other objective approved by the Committee, in its sole discretion.

Each year, the Compensation Committee will set the amount of each participant’s target annual incentive opportunity, stated as a percent of the participant’s base salary. For 2019, the Compensation Committee determined that the target annual incentive opportunity for each Named Executive Officer under the AIP would be determined based on performance metrics tied to our corporate performance (weighted at 80%) and individual performance (weighted at 20%), and set the potential target annual incentive opportunity, as a percentage of base salary, as follows:

Name	Base Salary ($)	Target Annual Incentive as a Percent of Base Salary (%)	Target Annual Incentive Opportunity ($)	Portion of Target Annual Incentive Opportunity Tied to Corporate Performance Metrics (Weighted at 80%) ($)	Portion of Target Annual Incentive Opportunity Tied to Individual Performance Metrics (Weighted at 20%) ($)
Keith Mestrich	720,000	66.7	480,240	384,192	96,048
Andrew LaBenne	400,000	50.0	200,000	160,000	40,000
Martin Murrell	350,000	50.0	175,000	160,000	40,000

The Compensation Committee established threshold, target and maximum performance levels and weights for each selected corporate performance measure and set payout factors for each performance level at 50%, 100%, or 200% based on achievement of threshold, target or maximum performance, respectively. The payout factor for each metric is then multiplied by the applicable weight for each corporate performance measure and the sum of those numbers is multiplied by the portion of each executive's target annual incentive opportunity tied to the corporate financial metrics. Threshold represents the minimum level of performance at which, if achieved, a payment is earned on each corporate performance measure. Maximum performance levels represent the maximum level of performance at which, if achieved, a maximum payment is each on each corporate performance measure. Actual performance between threshold, target and maximum performance levels will be linearly interpolated to determine the amount of payment based on relative achievement of the performance measures. However, in 2019, the Compensation Committee further determined that our Named Executive Officers would not earn any portion of the target annual incentive payment tied to our corporate performance metrics if we did not achieve the threshold level of performance for Core Return on Average Common Equity.

The individual performance metrics did not have a payout factor.

For 2019, the three selected corporate performance metrics, the assigned weight for each measure, the threshold, target and maximum performance level for each measure, our actual results, and the unweighted payout factor achieved were as follows:

		Objective Performance Range				
Performance Measures	Assigned Weight For Performance Measures	Threshold	Target	Max	Actual Result	Payout Factor(4)
Core Return on Average Tangible Common Equity(1)	50%	7.20%	10.28%	13.36%	10.70%	113.60%(5
Core Efficiency Ratio(2)	25%	71.27%	68.27%	65.27%	64.57%	200.00%(6)
Grow of Non-Time Deposits(3)	25%	5.50%	8.50%	11.50%	16.30%	200.00%(6)
Total	100%					

(1) Core Return on Average Tangible Common Equity was defined as core earnings divided by average tangible common equity and excluded severance payments, branch closures, gains/losses on securities, costs related to stock issuance (e.g., our initial public offering), prepayment on borrowings, and acquisitions/divestitures.

(2) Core Efficiency Ratio was defined as core non-interest expense divided by core operating revenue and excluded severance payments, branch closures, gains/losses on securities, costs related to stock issuance (e.g., our initial public offering), prepayment on borrowings, and acquisitions/divestitures.

(3) Growth of Non-Time Deposits is defined as deposit growth excluding retail certificates of deposit.
(4) The weighted combined payout factor for Mr. Mestrich was 156.8% and the weighted combined payout factor for each of Mr. LaBenne and Mr. Murrell was rounded to 157%. These amounts represent the sum of the weighted payout factor for each metric.
(5) Represents a performance factor payout linearly interpolated between target and maximum levels, with a weighted performance factor of 56.8.
(6) Represents a performance factor payout at maximum level, with a weighted performance factor of 50.

The Compensation Committee chose these corporate performance measures for the following key reasons:

- it believes that our Core Return on Average Tangible Common Equity is a key component in building stockholder value;
- it believes that our Core Efficiency Ratio measures expense control and the efficiency of our operations, which are goals we should continually strive for in order to provide for the best financial return for our stockholders, and our Named Executive Officers are best situated to impact our efforts in this regard; and
- it believes that growth of our non-time deposits is a strong indicator of the growth of our business, as it shows growth in our core relationships.

Annual Incentive Plan Payouts

Based on our corporate performance and each Named Executive Officer's individual performance, the Compensation Committee awarded the following cash incentive awards to our Named Executive Officers in 2019.

Name	Portion of Earned Annual Incentive Tied to Corporate Performance Metrics (Weighted at 80%) ($)(1)	Portion of Earned Annual Incentive Tied to Individual Performance Metrics (Weighted at 20%) ($)(2)	Total Annual Incentive Award ($)	Earned Incentive Payment as a Percentage of Base Salary (%)
Keith Mestrich	602,413	96,048	698,461	97.01
Andrew LaBenne	251,200	40,000	291,200	72.80
Martin Murrell	219,800	35,000	254,800	72.80

(1) Represents a weighted combined payout factor of 156.8% for Mr. Mestrich and 157% for each of Mr. LaBenne and Mr. Murrell based on corporate performance.
(2) Each named executive officer achieved their respective individual performance targets at 100%.

In reviewing Mr. Mestrich's individual performance goals and determining the amount of his cash incentive award, the Compensation Committee noted Mr. Mestrich's 2019 achievements included, among other things, our strong financial performance, including achieving the highest net income in our history, our successful strategic planning process, and leading the continued development of our mission-aligned lending business.

In reviewing Mr. LaBenne's individual performance goals and determining the amount of his cash incentive award, the Compensation Committee noted Mr. LaBenne's 2019 achievements included, among other things, developing and implementing the strategy to return our Trust/Investment Management business to profitability, the planning and management of our branch closures, and identifying and developing key talent within his department.

In reviewing Mr. Murrell's individual performance goals and determining the amount of his cash incentive award, the Compensation Committee noted Mr. Murrell's 2019 achievements included, among other things, his

outstanding collaboration with our President and Chief Executive Officer, serving as an effective spokesperson with external constituents regarding our financial performance and mission-based strategy, and serving in a key role in our transition to becoming a public reporting company.

Outstanding Equity Awards at 2019 Fiscal Year-End

The following table provides a summary of equity awards outstanding as of December 31, 2019 for the Named Executive Officers.

	Stock Awards(1)(2)								
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Options Exercise Price ($)	Options Expiration Date	Number of shares or units of stock that have not vested (#)	Market value of shares or units of stock that have not vested ($)(5)	Equity incentive plan awards: number of unearned shares, units or other rights that have not vested (#)	Equity incentive plan awards: market or payout value of unearned shares, units or other rights that have not vested ($)(5)
Keith Mestrich	160,520	—	—	12.00	1/1/2026				
	140,020	—	—	13.75	1/1/2027				
	96,373	48,187(3)	—	14.65	1/1/2028				
						25,566(4)	497,259	24,717(6)	480,746
Andrew LaBenne	110,020	—	—	11.00	1/1/2025				
	128,420	—	—	12.00	1/1/2026				
	112,020	—	—	13.75	1/1/2027				
	35,053	17,527(3)	—	14.65	1/1/2028				
						5,659(4)	110,068	5,473(6)	106,440
Martin Murrell	26,160	—	—	12.00	1/1/2026				
	42,020	—	—	13.75	1/1/2027				
	26,293	13,147(3)	—	14.65	1/1/2028				
						3,962(4)	77,061	3,830(6)	74,494

(1) On July 26, 2018, we converted each of the outstanding SARs into nonqualified stock option awards on a one-for-one basis, at the same strike price, on substantially the same terms, and on the same vesting schedule as the original SARs award. Following the conversion of the 2,342,000 SARs outstanding on July 26, 2018, the Bank has reserved for issuance 2,342,000 shares of our Class A common stock issuable upon the exercise of the options.

(2) Stock option amounts reflect the 20-for-1 stock split in the form of a 100% stock dividend paid on July 27, 2018 to stockholders of record as of the close of business on July 9, 2018.

(3) Represents option awards that vest(ed) at a rate of one-third on the first, second and third anniversary of the grant date of January 1, 2018.

(4) Represents TRSUs units that vest at a rate of one-third on the first, second and third anniversary of the grant date of May 16, 2019.

(5) Computed by multiplying the number of shares reported in the preceding column by the closing price of our Class A common stock as reported on Nasdaq at December 31, 2018 of $17.67 per share.

(6) Represents PRSUs that are subject to the achievement of pre-established performance targets and the officer's continued service through the end of each applicable performance period. Any PRSUs that vest will be converted to shares of our common stock on a one-for-one basis. PRSUs that do not vest will be forfeited. The corporate performance metrics for the PRSUs are growth in adjusted tangible book value per share and relative TSR and are measured separately and subject to different performance periods. Under applicable SEC rules, the number of unearned PRSUs reported assumes the units are earned and vested (i) with regard to the PRSUs tied to growth in adjusted tangible book value per share, at 0.5x the number of units granted (representing satisfaction at the threshold performance level), and (ii) with regard to PRSUs tied to relative TSR, at 1.5x the number of units granted (representing satisfaction at the maximum performance level).

Potential Payments Upon Termination or Change in Control

Change in Control Plan

We believe that reasonable and appropriate change in control benefits are necessary in order to be competitive in our executive attraction and retention efforts. Therefore, in July 2018, the Compensation Committee of our board of directors adopted a Change in Control Plan that provides severance and change in control benefits to the participants. Upon (i) an involuntary termination without cause, or (ii) the participant's resignation for good reason, either of which occur within 90 days prior to or within 12 months following a change in control, participants in our Change in Control Plan will be entitled to receive the sum of (x) the participant's accrued annual base salary, (y) the participant's accrued target bonus (which shall be pro-rated based on the portion of the bonus period prior to the change in control date), and (z) a lump sum cash payment equal to 12 months' base salary plus the participant's prior average three-years' bonus. Participants are further eligible to receive (i) a payout of accrued vacation, (ii) continued COBRA health benefits at active employee rates for the shorter of 12 months or the applicable COBRA period, and (iii) full vesting of any unvested equity award granted prior to such termination.

The participants of the Change in Control Plan are the following officers:

- Chief Financial Officer
- Chief Operating Officer
- General Counsel
- Chief Risk Officer
- Director of Commercial Banking
- Chief Administrative Officer
- Executive Vice President, Bank Operations
- Chief Accounting Officer
- Executive Vice President, Treasurer
- Chief Information Officer
- Chief Credit Risk Officer

Equity Award Agreements

In 2019, we entered into TRSUs and PRSUs award agreements with each of our Named Executive Officers that provide that, in the event of the executive's termination due to disability or retirement, and no "cause" exists, then (a) the unvested portion of TRSUs will continue to vest on the original vesting schedule as if no separation from service occurred and (b) with respect to PRSUs, the executive will be issued a pro rata number of PRSUs based on actual achievement of the applicable performance measures at the end of the subject performance period without regard to the separation from service, subject to pro-ration based on the number of full months that the executive worked during each performance period prior to the effective date of the executive's separation from service as a percentage of the total performance period.

If the executive is involuntarily terminated by us without "cause," if the executive voluntarily resigns for "good reason," or upon executive's death and if no "cause" exists, then (a) the unvested portion of TRSUs will immediately vest on a pro-rata basis based on the number of full months the executive has worked since the date of grant and (b) with respect to PRSUs, the executive will be issued a pro rata number of PRSUs based on target achievement of the applicable performance measures, subject to pro-ration based on the number of full months that executive worked during each performance period prior to the effective date of the executive's separation from service as a percentage of the total performance period.

If the executive separates from service within one year following a change in control (other than for "cause," death or disability), or the executive voluntarily terminates his employment for "good reason" then (a) the unvested portion of the TRSUs will immediately vest as of immediately prior to the effective date of such termination and (b) the PRSUs will vest based on the Compensation Committee's determination of actual performance as of (i) the most recent-completed fiscal quarter (with regard to the PRSUs tied to growth in adjusted tangible book value per share), and (ii) as of the date of the change in control (with regard to the PRSUs tied to relative TSR). However, if actual performance cannot be determined, the PRSUs will vest based on achievement of performance measures at target, subject to pro-ration based on the number of full months that executive worked during each performance period prior to the effective date of executive's separation from service as a percentage of the total performance period.

Change in Control under Mr. Mestrich's Employment Agreement

Mr. Mestrich's employment agreement provides that his employment may be terminated:

- by us for cause (as defined below) on written notice;
- by us because of his poor performance on written notice;
- by him without good reason (as defined below) on 45-days advance written notice;
- upon his death or disability;
- by him for good reason (as defined below) with prior written notice; and
- by us without cause (as defined below).

Under his employment agreement, he is entitled to certain severance payments upon termination in certain circumstances as outlined below.

Termination Without Cause by Amalgamated Bank or for Good Reason by Mr. Mestrich

If Mr. Mestrich's employment is terminated without cause by us (other than in connection with a change in control, discussed below) or for good reason by him, he is entitled to receive, beginning on the 60th day after such termination, and subject to his execution of a valid release agreement, an amount equal to the sum of (i)(a) 18-months of his base salary as in effect on the date of such termination, minus (b) $180,000, and (ii) his Annual Bonus Target as in effect for the year of termination, payable in equal monthly installments over a period of 18 months.

For purposes of his employment agreement, "cause" is generally defined to mean the occurrence of any one or more of the following events:

- his conviction of a felony or any crime involving dishonesty or theft;
- conduct in connection with his employment that is fraudulent, unlawful or grossly negligent;
- his willful misconduct;
- his material breach of his obligations under his employment agreement;
- any act of dishonesty by him that results or is intended to result in personal gain or enrichment at our expense; or
- his willful failure to comply with a material policy of the Bank.

For purposes of his employment agreement, "good reason" is generally defined to mean the occurrence of any one or more of the following events:

- a reduction in his base salary;
- a substantial diminution in his duties or responsibilities;
- our breach of any material covenant or obligation under his employment agreement; or
- the relocation of his principal work location to a location outside of New York county.

Change in Control

For purposes of Mr. Mestrich's employment agreement, a "change in control" means the consummation of a transaction or series of related transactions that results in (i) a person or group (other than Workers United) becoming the beneficial owner, directly or indirectly, of more than 50% of the combined voting power of our securities, or (ii) the transfer or disposition of all or substantially all of our business and assets (whether by sale of assets, merger or otherwise).

If we terminate Mr. Mestrich without cause within 12 months following a change in control or within 90-days before a change in control, and Mr. Mestrich can reasonably demonstrate that such termination was at the request of the eventual acquirer in connection with a change in control, he is entitled to receive, beginning on the 60th day after such termination, and subject to his execution of a valid release agreement, an amount equal to the sum of (i)(a) 24-months of his base salary as in effect on the date of such termination, minus (b) $240,000, and (ii) two times his Annual Bonus Target as in effect for the year of termination, payable in equal monthly installments over a period of 24 months.

Compensation of Directors for Fiscal Year 2019

As of the date of this proxy statement, each non-employee director receives an annual cash retainer as compensation for his or her services as a member of the board of directors as follows:

- $100,000 for our board chair;
- $70,000 for our Lead Independent Director; and
- $50,000 for each other director.

In addition, members of our board committees also receive an additional cash retainer, as follows:

- Audit Committee members receive $12,000, while the Chair receives $24,000;
- Compensation Committee members and Enterprise Risk Oversight Committee members each receive $5,000, while each Chair receives $10,000;
- Governance and Nominating Committee members, Credit Policy Committee members, and Trust Committee members each receive $4,000, while each Chair receives $8,000; and
- Each member of our Executive and Corporate Social Responsibility Committee receives $4,000.

We pay each director their applicable annual fee in monthly installments. Our directors also participate in our long-term incentive plan and participate in the Amalgamated 2019 Equity Incentive Plan. We do not pay our “inside” employee-director, Mr. Mestrich, any additional compensation for his services as a director.

The following table provides the compensation paid to our non-employee directors for the year ended December 31, 2019.

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Lynne P. Fox	100,000	35,000	—	—	—	—	135,000
Donald E. Bouffard Jr.	82,000	35,000	—	—	—	—	117,000
Maryann Bruce	67,000	35,000	—	—	—	—	102,000
Patricia Diaz Dennis	68,000	35,000	—	—	—	—	103,000
Robert C. Dinerstein	76,000	35,000	—	—	—	—	111,000
Mark A. Finser	58,000	35,000	—	—	—	—	93,000
Julie Kelly	59,000	35,000	—	—	—	—	94,000
John McDonagh	67,000	35,000	—	—	—	—	102,000

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)(1)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Nonqualified Deferred Compensation Earnings ($)	All Other Compensation ($)	Total ($)
Robert G. Romasco	87,000	35,000	—	—	—	—	122,000
Edgar Romney Sr.	66,000	35,000	—	—	—	—	101,000
Stephen R. Sleigh (2)	$ 58,000	35,000	—	—	—	—	93,000

(1) On May 17, 2019, each non-employee director was granted 1,981 shares of restricted stock units as part of our overall board compensation plan. The shares were valued at $17.67 per share. The shares will fully vest on May 16, 2020. The value of the restricted stock units shown above equals the grant date fair value in accordance with FASB ASC Topic 718.

(2) Mr. Sleigh's cash fees were paid to Yucaipa Corporate Initiatives Fund II, LP.

In addition to the compensation described above, non-employee directors are reimbursed for reasonable business expenses relating to their attendance at meetings of our board of directors, including expenses relating to lodging, meals and transportation to and from the meetings.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In addition to the director and executive officer compensation arrangements discussed above, the following is a summary of material provisions of various transactions we have entered into with our executive officers, directors, certain 5% or greater stockholders and entities affiliated with them since January 1, 2019. We believe the terms and conditions set forth in such agreements are reasonable and customary for transactions of this type.

Policies and Procedures Regarding Related Person Transactions

Transactions by us with related persons are subject to a formal written policy, as well as regulatory requirements and restrictions. These requirements and restrictions include Sections 23A and 23B of the Federal Reserve Act and the Federal Reserve's Regulation W (which govern certain transactions by the Bank with its affiliates) and the Federal Reserve's Regulation O (which governs certain loans by the Bank to its executive officers, directors, and principal stockholders). We have adopted policies to comply with these regulatory requirements and restrictions.

Registration Rights Agreement

On April 11, 2012, the Yucaipa Funds purchased, for aggregate cash consideration of $49.9 million, 5,241,680 shares of our Class A common stock (after giving effect to our 20-for-1 stock split). As of December 31, 2019, the Yucaipa Funds owned 12.04% of our outstanding common stock. In connection with the purchase, we entered into a registration rights agreement with the Yucaipa Funds and the other investors that are parties to that agreement, which we collectively refer to herein as the PE Investors. Under the terms of the registration rights agreement, the PE Investors can demand registration of their shares (a "Demand Registration") under certain circumstances, although we do not have to effect any Demand Registration: (i) unless the anticipated aggregate offering price, net any underwriting discounts or commission, is at least $10 million; (ii) within 90 days after the effective date of a previous Demand Registration or a previous registration under which the demanding PE Investor had piggyback rights; or (iii) if we have previously received a Demand Registration from another PE Investor, or we have filed a registration statement pursuant to another section of the registration rights agreement, and in either case, the effectiveness of the applicable registration statement is still pending and being diligently pursued. Further, we may postpone any Demand Registration for up to 120 days if the board determines such postponement is necessary to avoid premature disclosure of a material matter required to be disclosed in the prospectus associated with the registration statement. The PE Investors also have piggyback registration rights under the registration rights agreement when either the Bank or any other PE Investor initiates a registered offering.

The Bank's obligations under the registration rights agreement will terminate when all of the Class A common stock subject to the registration rights agreement is sold. The various provisions of the registration rights agreement contemplate that the Bank's stock would be registered under the Securities Act of 1933 (the "Securities Act"). The parties to the registration rights agreement have acknowledged that the Bank's stock is exempt from registration under the Securities Act. The registration rights agreement provides that its provisions shall be interpreted in a manner that is consistent with the intent of the registration rights agreement and provides that the terms "SEC" and the "Securities Act" shall refer in such case to the applicable federal or state governmental authority and applicable laws, respectively.

Side Letter Agreements with PE Investors

In connection with certain 2012 amendments to the Securities Purchase Agreements with the PE Investors, we entered into an investor rights agreement with the PE Investors and certain key holders, including the Workers United Related Parties (the "2012 Investor Rights Agreement"). The 2012 Investor Rights Agreement terminated upon the closing of our initial public offering in August 2018. In connection with the termination of the 2012 Investor Rights Agreement, we entered into a Side Letter Agreement with the Yucaipa Funds (the "Side Letter Agreement").

The following is a summary of certain provisions of the Side Letter Agreement. For more detail, you should refer to the Side Letter Agreement.

Pursuant to the Side Letter Agreement, so long as the Yucaipa Funds and its affiliates own a number of shares representing 5.0% of our Class A common stock then outstanding, we shall take all requisite corporate action to effect

the nomination of one director designated by the Yucaipa Funds (an "Investor Nominee"); provided, however, that in the event that the Yucaipa Funds no longer owns 5% of our Class A common stock at any time, the Yucaipa Funds shall notify us and use its best efforts to have the Investor Nominee immediately resign. The Yucaipa Funds has the exclusive right to designate its Investor Nominee and to nominate the replacement for such Investor Nominee upon the death, disability, resignation, retirement, disqualification, or removal of the Investor Nominee or otherwise, except in the event that such vacancy is created because the Yucaipa Funds no longer owns 5.0% of our Class A common stock then outstanding.

Pursuant to the Side Letter Agreement, we are required to reimburse any Investor Nominee for expenses incurred by such Investor Nominee in connection with his or her attendance at regular or special meetings of our board, our board committees, the board of one of our subsidiaries, or a committee of the board of one of our subsidiaries. The Side Letter Agreement provides the Yucaipa Funds with certain information rights, including audited annual financial statements, unaudited quarterly financial statements, business plans, budgets, projections, and other financial and operating information reports we prepare in the ordinary course of business. Additionally, the Side Letter Agreement provides that we shall maintain directors' and officers' liability insurance and fiduciary liability insurance for the Investor Nominee and such Investor Nominee shall have the right to enter into an indemnification agreement with us.

The Yucaipa Funds is subject to certain confidentiality obligations under the Side Letter Agreement and is entitled to pursue business ventures similar or dissimilar to the business of the Bank and its subsidiaries, even if competitive with our business, and that shall not be deemed wrongful or improper. However, the Yucaipa Funds will be subject to the following policy: a business or corporate opportunity offered to any person who is a director but not an officer of the Bank and who is a director, officer, employee, partner, member or stockholder of the Yucaipa Funds or one of its affiliates shall belong to the Bank only if such opportunity is expressly offered to such person in his or her capacity as a director of the Bank, and otherwise shall belong to the Yucaipa Funds. Neither the Yucaipa Funds nor its Investor Nominee will be obligated to refer or present any particular business opportunity to the Bank even if such opportunity is relevant to the Bank or its business. No act or omission by the Yucaipa Funds or any of its affiliates in accordance with such policy will be considered contrary to (i) any fiduciary duty that the Yucaipa Funds or any of its affiliates may owe to the Bank or to any other stockholder by reason of the Yucaipa Funds being a stockholder of the Bank, or (ii) any fiduciary duty a director nominated by the Yucaipa Funds who is also a director, officer or employee of the Yucaipa Funds or any of its affiliates may owe to the Bank or any of its stockholders.

Investor Rights Agreement with Workers United

The previous investor rights agreement entered into with certain parties including the Workers United Related Parties terminated by its terms upon consummation of our initial public offering in August 2018. To provide for certain agreements with respect to the corporate governance and certain other matters related to the Bank, upon the closing of our initial public offering, we entered into an investor rights agreement (the "2018 Investor Rights Agreement") with the Workers United Related Parties. In addition, we have other banking relationships with Workers United and, as of December 31, 2019, Workers United had $86.9 million of deposits with the Bank.

The following is a summary of certain provisions of the 2018 Investor Rights Agreement. For more detail, you should refer to 2018 Investor Rights Agreement.

Pursuant to the 2018 Investor Rights Agreement, so long as the Workers United Related Parties, together with its affiliates and permitted transferees, owns a number of that shares that represent: (i) 10% of the total voting power, the board of directors must have exactly 13 members unless a waiver is granted (which such waiver has been granted with respect to our current 12-member board of directors); and (ii) 20% of the total voting power, the Workers United Related Parties shall have the right to designate the Chair of the board of directors. Additionally, so long as the Workers United Related Parties, together with its affiliates and permitted transferees, owns a number of shares that represents: (i) at least 20% of the total voting power, then the Workers United Related Parties shall have the right to nominate five board members, two of which must be "independent" in accordance with the rules of the Nasdaq and applicable law (an "Independent Nominee"); (ii) between 15% and 19.9% of the total voting power, then the Workers United Related Parties shall have the right to nominate four board members, two of which must be Independent Nominees; (iii) between 10% and 14.9% of the total voting power, then the Workers United Related Parties shall have the right to nominate three board members, one of which must be an Independent Nominee; and (iv) between 5% and

9.9% of the total voting power, then the Workers United Related Parties shall have the right to nominate two board members, one of which must be an Independent Nominee. Pursuant to the 2018 Investors Rights Agreement, we shall take all requisite corporate action to effect the nomination of each director named by the Workers United Related Parties. In the event that a Workers United Related Parties nominee resigns as a result of a decrease in its total voting power, the board of directors shall elect an Independent Nominee to fill the vacancy thereby created. If a Workers United Related Parties nominee resigns for any reason other than as a result of a decrease in the total voting power of the Workers United Related Parties, then the Workers United Related Parties shall have the exclusive right to replace such board member.

Furthermore, the board of directors will be required to have an executive committee, an audit committee, a compensation committee, a governance and nominating committee, a credit/enterprise risk committee, and a trust committee (each, a "Designated Committee") at all times. Subject to applicable law, regulations and regulatory guidance, if the Workers United Related Parties are entitled to designate two Independent Nominees, then at least one of the Independent Nominees shall serve on each of the Audit Committee, the Compensation Committee, and the Governance and Nominating Committee; provided, however, that, in the event the Workers United Related Parties are only entitled to designate one Independent Nominee, that Independent Nominee shall serve on at least two of the Designated Committees. In any event, a board member designated by the Workers United Related Parties shall chair the Trust Committee. In addition, pursuant to the 2018 Investor Rights Agreement, the Chair of the board (who may be a Workers United Related Parties nominee) shall be the Chair of the Executive Committee.

Pursuant to the 2018 Investor Rights Agreement, the Workers United Related Parties: (i) entered into an agreement with the underwriters of our initial public offering pursuant to which the Workers United Related Parties agreed not to sell or transfer any share of Class A common stock for 180 days following the closing of our initial public offering on August 13, 2018 without the prior written consent of the underwriters; and (ii) agreed not to sell or transfer any share of Class A common stock for a one-year period following the closing of the initial public offering on August 13, 2018 without our written consent. Following the restrictive periods above, the Workers United Related Parties, together with its affiliates and other permitted transferees, may sell their shares privately or to the public in accordance with the limitations comparable to those imposed upon resales by affiliates of a non-bank issuer under Rule 144 promulgated under the Securities Act. Accordingly, beginning in mid-August 2019, the Workers United Related Parties became entitled to sell a number of shares of Class A common stock within any three-month period that does not exceed the greater of:

- 1.0% of the number of shares of our Class A common stock then outstanding, which currently equals approximately 312,967 shares;
- the average weekly trading volume in our common stock during the four calendar weeks preceding the date of the sale; provided, however, that the Workers United Related Parties may exceed this volume limitation with the consent of the Bank, which shall not be unreasonably withheld; and
- sales by the Workers United Related Parties will also be subject to manner of sale provisions comparable to those imposed by Rule 144.

Under the terms of the 2018 Investor Rights Agreement, Workers United Related Parties can demand that we prepare an offering circular for an underwritten public offering within 30 days of the Workers United Related Parties' written notice stating its intent to conduct such public offering for all or part of its shares of Class A common stock (a "Demand Offering"). The Workers United Related Parties will be entitled to one Demand Offering in any 90-day period. However, the 2018 Investor Rights Agreement provides that we do not have to effect any Demand Offering unless the anticipated aggregate offering price, net any underwriting discounts or commission, is at least $50 million. Further, we may postpone any Demand Offering for up to 120 days if the board of directors determines such postponement is necessary to avoid premature disclosure of a material matter required to be disclosed in the offering circular, except that we cannot postpone any Demand Offering unless we concurrently (A) require the suspension of sales in the open market by our senior executives and directors in accordance with our insider trading policy and (B) refrain from any public offering and open market purchases during the postponement. If we do postpone the delivery of an offering circular, the Workers United Related Parties shall be entitled to withdraw its request, in which case the offering will not count as one of the permitted Demand Offerings. We must provide written notice to the Workers United Related Parties of any postponement of the delivery of an offering circular.

In the event that the Bank proposes to effect an underwritten offering of its Class A common stock for itself or any other stockholder, the Workers United Related Parties will also have the rights under the 2018 Investor Rights Agreement to participate in that underwritten offering. We are generally responsible for all offering fees and expenses of a Demand Offering or an offering in which the Workers United Related Parties participate, including reimbursement of reasonable attorneys' fees to the Workers United Related Parties, but not including any underwriting discounts or commissions or transfer taxes attributable to the sale of Class A common stock in such an offering. The demand and piggyback participation rights granted to the Workers United Related Parties under the 2018 Investor Rights Agreement are intended to be equivalent to those granted to the PE Investors under their existing registration rights agreement.

Additionally, in the event that we prepare an offering circular for the sale of the Workers United Related Parties' Class A Common stock in accordance with the provisions described in the preceding paragraphs, we must indemnify the Workers United Related Parties and its officers, directors, employees, and affiliates from claims, damages, liabilities, and expenses that arise out of or are based upon any untrue statement or alleged untrue statement in that offering circular, any omission or alleged omission of a material fact required to be stated therein or necessary to make statements therein not misleading in that offering circular, or any violation of the Exchange Act or "blue sky" laws, except insofar and to the extent as the same are made in reliance and in conformity with information relating to the Workers United Related Parties furnished in writing to us by the Workers United Related Parties expressly for use therein. In the event the Workers United Related Parties provide information and affidavits that we request for use in connection with that offering circular, the Workers United Related Parties must indemnify us and our officers, directors, employees, and affiliates from claims, damages, liabilities, and expenses that arise out of or are based upon any untrue statement or alleged untrue statement in our offering circular, any omission or alleged omission of a material fact required to be stated therein or necessary to make statements therein not misleading in our offering circular, or any violation of the Exchange Act or "blue sky" laws, but only to the extent that the same are made in reliance and in conformity with information relating to the Workers United Related Parties furnished in writing to us by the Workers United Related Parties expressly for use therein.

The Workers United Related Parties entered into an Ownership Agreement among themselves (the "Ownership Agreement"), pursuant to which they agreed not to transfer any of their Class A common stock unless the transfer complies with the 2018 Investor Rights Agreement. Pursuant to the Ownership Agreement, the Workers United Related Parties also agreed that, before offering any of their Class A common stock to an unaffiliated third party, they will first offer the other Workers United Related Parties the opportunity to purchase such shares.

Interests of Certain Directors in the Consolidated Retirement Plan

Workers United, several of its affiliates, and the Bank are participating employers in the Consolidated Retirement Fund (the "CRF"), an ERISA multiemployer plan. Under our bylaws, any decision by the Bank to withdraw, in a complete or partial withdrawal, from the CRF, or to amend its participation in the CRF in a manner materially detrimental to its participants, shall require approval by not less than two thirds of the disinterested board members with such vote to be held at a board meeting at which all board members are given notice and an opportunity to participate in the discussion. In making such decision, the directors shall take into account each of the factors set forth in Section 7015(2) of the New York Banking Law and that the Bank is committed, as part of its mission and marketing efforts, to progressive pay policies for its employees. Each of the following Bank directors is a participant under the CRF and, therefore, directly benefits from the Bank's participation in the CRF: Ms. Fox, Ms. Kelly, Mr. Mestrich, and Mr. Romney Sr. In addition, Ms. Fox (as Chair), Mr. Romney Sr., and Mr. Mestrich, also serve as trustees of the CRF. The Amalgamated Life Insurance Company is the other principal participant in the CRF. Ms. Fox, Ms. Kelly, and Mr. Romney Sr. are board members of The Amalgamated Life Insurance Company. In order to mitigate any potential conflict of interest between their positions as board members and participants in the CRF, these individuals would not be considered disinterested and therefore would not vote on any decision by the Bank to withdraw, in a complete or partial withdrawal, from the CRF, or to amend its participation in the CRF in a manner materially detrimental to its participants.

PROPOSAL TWO

RATIFICATION OF APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Our Independent Registered Public Accounting Firm

Our Audit Committee conducted a competitive process to determine our independent registered public accounting firm for our fiscal year ending December 31, 2020. Our Audit Committee invited several independent registered public accounting firms to participate in this process. Following review of proposals from such independent registered public accounting firms, our Audit Committee approved the engagement of, and appointment of, Crowe LLP as our independent registered public accounting firm to audit the consolidated financial statements of the Bank for the year ending December 31, 2020 and to prepare a report on this audit. A representative of Crowe LLP (our independent auditors for fiscal year ended December 31, 2020) is expected to be available via teleconference at the annual meeting and will be also be available to respond to appropriate questions. The Crowe LLP representative will also have an opportunity to make a statement if he or she desires to do so. We do not expect KPMG LLP (our independent auditors for fiscal year ended December 31, 2019) to be present at the annual meeting.

We are asking our stockholders to ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020. Although the ratification is not required by our bylaws or other governing documents, the board is submitting the selection of Crowe LLP to our stockholders for ratification as a matter of good corporate practice. Even if the stockholders do ratify the appointment, our Audit Committee in its discretion may direct the appointment of a different independent registered public accounting firm at any time during the year if it believes that such a change would be in the best interest of the Bank and our stockholders.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF CROWE LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR 2020.

Audit and Related Fees

Our independent auditors for the year ended December 31, 2019 were KPMG LLP. The following table shows the fees payable in the years ended December 31, 2019 and 2018 to KPMG:

	2019(1)	2018(1)
Audit Fees	$1,050,000	$1,090,000
Audit-Related Fees	272,000	850,500
Tax Fees	—	—
All Other Fees	—	—
Total	$1,322,000	$1,940,500

(1) Excludes audit services and tax services provided to certain Amalgamated funds within our trust business, which are not consolidated with our financial statements.

Audit Fees. This category includes the aggregate fees billed for professional services rendered by the independent auditors during our 2019 and 2018 fiscal years for the audit of our consolidated annual financial statements and the review of our quarterly financial statements.

Audit-Related Fees. This category includes the aggregate fees billed for non-audit services, exclusive of the fees disclosed relating to audit fees, during the fiscal years ended December 31, 2019 and 2018. These services in 2019 principally include the costs associated with work performed in relation to work related to our benefit plans and our Department of Housing and Urban Development (HUD) loans.

Tax Fees. This category includes the aggregate fees billed for any services related to corporate tax compliance, as well as counsel and advisory services.

All Other Fees. KPMG did not bill us for any other services for the fiscal years ended December 31, 2019 and 2018.

Pre-Approval Policy

Our Audit Committee's pre-approval guidelines with respect to pre-approval of audit and non-audit services are summarized below.

General. The Audit Committee is required to pre-approve all audit and non-audit services performed by the independent auditor to assure that the provision of such services does not impair the auditor's independence. The independent auditors provide the Audit Committee with an annual engagement letter outlining the scope of the audit and permissible non-audit services proposed for the fiscal year, along with a fee proposal. The scope and fee proposal is reviewed with the internal auditor, the Audit Committee chair, and, when appropriate, our management for their input (but not their approval). Once approved by the Audit Committee, the services outlined in the engagement letter will have specific approval. All other audit and permissible non-audit services that have not been approved in the Audit Committee's Pre-Approval Policy or in connection with the independent auditor's engagement letter for the applicable year must be specifically pre-approved by the Audit Committee under the same process as noted above, where practicable. The independent auditors shall not perform any prohibited non-audit services described in Section 10A(g) of the Exchange Act. The Audit Committee must specifically pre-approve any proposed services that exceed pre-approved cost levels.

Tax Services. The Audit Committee believes that the independent auditor can provide tax services to us, such as tax compliance, tax planning and tax advice, without impairing the auditor's independence. The Audit Committee will not permit the retention of the independent auditor in connection with a transaction initially recommended by the independent auditor, the purpose of which may be tax avoidance and the tax treatment of which may not be supported in the Internal Revenue Code and related regulations.

Change in Auditors

On December 12, 2019, the Audit Committee approved the appointment of Crowe as our independent registered public accounting firm for the fiscal year ending December 31, 2020. In conjunction with the selection of Crowe, the Audit Committee, on December 12, 2019, approved the dismissal of KPMG as our independent registered public accounting firm, subject to and effective upon the completion of its audit of our consolidated financial statements for the fiscal year ending December 31, 2019 and the filing of our Annual Report on Form 10-K for that fiscal year.

The audit reports of KPMG on our consolidated financial statements as of and for the years ended December 31, 2018 and December 31, 2017 did not contain any adverse opinion or disclaimer of opinion, nor were they qualified or modified as to uncertainty, audit scope, or accounting principles. During the two fiscal years ended December 31, 2018, and the subsequent interim period through December 12, 2019, there were no: (1) disagreements with KPMG on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedures, which disagreements if not resolved to their satisfaction would have caused them to make reference in connection with their opinion to the subject matter of the disagreement, or (2) reportable events, except that KPMG advised us of the following material weakness: During the course of the audit of our financial statements for 2018, a material weakness in our internal controls over the completeness and accuracy of deferred income taxes was identified. More specifically, the control operator's review of the deferred tax asset inventory did not sufficiently perform control procedures to substantiate the completeness and accuracy of deferred tax assets, including adequately resolving certain variances identified in the related deferred income tax provision.

During the fiscal years ended December 31, 2018 and December 31, 2017, respectively, and the subsequent interim period through December 12, 2019, neither we nor anyone acting on our behalf consulted with Crowe with respect to on any of the matters or events set forth in Item 304(a)(2)(i) or 304(a)(2)(ii) of Regulation S-K.

PROPOSAL THREE

ADOPTION OF AMENDED AND RESTATED ORGANIZATION CERTIFICATE

Introduction

We are submitting for adoption by the Bank's stockholders at the annual meeting an amended and restated Organization Certificate in the form set forth in Appendix A to this proxy statement (the "New Organization Certificate"), which is marked to show the proposed changes. The New Organization Certificate amends and restates our current Organization Certificate (which we refer to as the "Old Organization Certificate") in order to:

- add a business clause; and
- explicitly provide for the stakeholder considerations a director shall consider when discharging his or her duties.

If the New Organization Certificate is adopted by the Bank's stockholders at the annual meeting, the Bank's management will deliver the New Organization Certificate to the Superintendent of the New York State Department of Financial Services, which we refer to herein as NYDFS, for filing. The New Organization Certificate will be effective on the date of such filing by the Superintendent. **The Board has adopted resolutions approving, and recommending to its stockholders for approval, the adoption of the New Organization Certificate.**

We believe that, due to the amendments to be made to the Old Organization Certificate, it is appropriate to restate the Old Organization Certificate. A restatement will consolidate the amendments to the Old Organization Certificate, making it less cumbersome to read and more concise.

The Superintendent of NYDFS has granted an approval in principle for the Bank to adopt the New Organization Certificate, subject to final approval following our stockholders meeting.

Amendments to the Bank's Organization Certificate

The following table summarizes material changes to the Old Organization Certificate that will result if the stockholders adopt the New Organization Certificate. This summary does not purport to be complete or cover all aspects in which your rights as an existing stockholder may differ from your rights after the amendment and restatement. Please consult the following for a more complete understanding of these differences: the New York Banking Law, and the Bank's Organization Certificate and By-laws, each as amended, restated, supplemented or otherwise modified from time to time. For complete information, you should read the full text of the New Organization Certificate included as Appendix A to this proxy statement.

Provisions of the Old Organization Certificate	Provisions of the New Organization Certificate
Purpose	
The Old Organization Certificate did not have a business purpose clause.	The New Organization Certificate shall add to Article FIRST: The purpose for which the Bank is organized is to engage in the business of a commercial bank in the manner authorized by the laws of the State of New York and to do any and all things a bank organized pursuant to the New York Banking Law may do which are not inconsistent or in contravention with the provisions of such laws, and such purpose shall include creating a material positive impact on society and the environment, taken as a whole, from the business and operations of the Bank.

Director Duties

The Old Organization Certificate is silent on director duties, but the statutory default under New York Banking Law is that in taking action, a director shall be entitled to consider, without limitation

(a) both the long-term and the short-term interests of the corporation and its stockholders, and

(b) the effects that the corporation's actions may have in the short-term or in the long-term upon any of the following:

(i) the prospects for potential growth, development, productivity and profitability of the corporation;

(ii) the corporation's current employees;

(iii) the corporation's retired employees and other beneficiaries receiving or entitled to receive retirement, welfare or similar benefits from or pursuant to any plan sponsored, or agreement entered into, by the corporation;

(iv) the corporation's customers and creditors; and

(v) the ability of the corporation to provide, as a going concern, goods, services, employment opportunities and employment benefits and otherwise to contribute to the communities in which it does business.

Nothing in the statutory default created any duties owed by the directors to any person or entity to consider or afford any particular weight to any of the foregoing or abrogate any duty of the directors.

The New Organization Certificate shall add an Article NINTH that provides:

(a) In discharging his or her duties and in considering the best interests of the Bank, directors shall consider the effects of any action or inaction upon:

(i) the stockholders of the Bank;

(ii) the employees and work force of the Bank, its subsidiaries, and its suppliers;

(iii) the interests of its customers as beneficiaries of the purpose of the Bank to have a material positive impact on society and the environment;

(iv) community and societal factors, including those of each community in which offices or facilities of the Bank, its subsidiaries, or its suppliers are located;

(v) the local and global environment;

(vi) the short-term and long-term interests of the Bank, including benefits that may accrue to the Bank from its long-term plans and the possibility that these interests may be best served by the continued independence of the Bank; and

(vii) the ability of the Bank to create a material positive impact on society and the environment, taken as a whole.

(b) In discharging his or her duties, and in determining what is in the best interests of the Bank, a director is not be required to regard any interest, or the interests of any particular group affected by such action, including the stockholders, as a dominant or controlling interest or factor.

(c) A director does not have a duty to any person other than a stockholder in its capacity as a stockholder with respect to the purpose of the Bank or the obligations set forth in the New Organization Certificate, and nothing in the New Organization Certificate express or implied, is intended to create or shall create or grant any right in or for any person other than a stockholder or any cause of action by or for any person other than a stockholder or the Bank.

(d) Notwithstanding the foregoing, any director is entitled to rely on the provisions regarding "best interests" as set forth above in enforcing his or her rights hereunder and under state law, and such reliance shall not, absent another breach, be construed as a breach of a director's duty of care, even in the context of a change in control transaction where, as a result of weighing the interests set forth in subsection (a)(i)-(vii) above, a director determines to accept an offer, between two competing offers, with a lower price per share.

(e) Nothing in the New Organization Certificate shall eliminate, diminish, or preempt the Bank's duties to operate safely and soundly in accordance with applicable regulatory requirements.

Reasons for these amendments:

We are a certified B Corp, which is a certification provided by B Lab and which is central to our core values. B Lab is a 501c3 nonprofit organization headquartered in Berwyn, Pennsylvania. B Lab operates three additional domestic offices: New York, New York; Boulder, Colorado; and San Francisco, California. In addition to its U.S. operations, B Lab has global partners in Latin America, Europe, the United Kingdom, Australia/New Zealand and East Africa.

Certified B Corps are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. The B Corp community works toward reduced inequality, lower levels of poverty, a healthier environment, stronger communities, and the creation of more high-quality jobs with dignity and purpose.

Companies that achieve B Corp certification are required to adopt the B Corp legal requirement to maintain the certification, which can be completed in two ways: (1) by electing benefit corporation status within the applicable state's corporate code, committing the company to a set of prescribed expanded fiduciary duties and related provisions; or (2) by amending the company's articles and inserting specific language facilitated by the applicable state's constituency statute that permits stakeholder considerations. Although the New York Business Corporation Law includes provisions permitting a corporation to elect to be a benefit corporation, New York Banking Law does not include corresponding provisions.

Thus, for us to maintain our B Corp certification, we must amend our Organization Certificate to include specific language regarding stakeholder considerations. As such, we are asking stockholders to approve the addition of:

- a business purpose clause, and
- a provision that explicitly provides for the stakeholder considerations a director will consider when discharging his or her duties.

The purpose of the amendments are as follows:

- to allow us to maintain our B Corp certification;
- to legally commit us to consider the impact of our decisions on workers, customers, suppliers, community, the environment, and the Bank's impact on society; and
- to align further our mission and values to our organizational documents.

Procedures for Restating the Bank's Organization Certificate

If the Bank's stockholders adopt the New Organization Certificate, the Bank will deliver the New Organization Certificate, included as Appendix A to this proxy statement, to the Superintendent of NYDFS for filing. The New Organization Certificate will then become effective upon the approval and filing thereof by NYDFS.

Vote Required and the Board's Recommendations

The affirmative vote of the holders of at least 66 2/3% of all outstanding shares entitled to vote is required to adopt the New Organization Certificate. Therefore, the failure to vote or an abstention, either in person or by proxy, will have the same effect as a vote against such proposal.

THE BOARD RECOMMENDS THAT YOU VOTE FOR THE ADOPTION OF THE AMENDED AND RESTATED ORGANIZATION CERTIFICATE.

PROPOSAL FOUR

APPROVAL OF THE AMALGAMATED BANK EMPLOYEE STOCK PURCHASE PLAN

Our board of directors unanimously recommends that the stockholders of the Bank adopt and approve the Amalgamated Bank Employee Stock Purchase Plan (the "ESPP"). Our board of directors believes that the adoption and approval of the ESPP is advisable and in the best interests of the Bank's stockholders as the ESPP will (i) assist in the retention of current employees and hiring of new employees and (ii) provide employees with an incentive to contribute to our success by providing an opportunity to eligible employees to purchase shares of our Class A common stock in a convenient and an attractive manner.

A summary of the material features of the ESPP is set forth below. This summary is qualified in its entirety by reference to, and should be read in conjunction with, the full text of the ESPP, which is attached to this proxy statement as Appendix B.

Approvals

The ESPP will be adopted effective as of the date that the approvals of both the Bank's stockholders and our board of directors are obtained.

Purpose

The purpose of the ESPP is to provide eligible employees of the Bank and participating affiliates with an incentive to advance the interests of the Bank by affording them an opportunity to purchase shares of our Class A common stock at a favorable price. The ESPP is intended to qualify as an employee stock purchase plan within the meaning of Section 423 of the Internal Revenue Code of 1986, as amended (the "Code").

Administration

The Compensation Committee of our board of directors, which refer to herein this proposal as the Committee, will administer the ESPP. Except to the extent that the full board of directors is serving as the Committee, the Committee will be composed solely of three or more non-employee directors. The Committee will interpret and construe the ESPP and all offers made under the ESPP. All determinations and decisions by the Committee regarding the interpretation or application of the ESPP will be final and binding on all ESPP participants.

Eligibility

Employees of the Bank and the employees of participating affiliates (as defined in the ESPP) are eligible to participate in any offering period under the ESPP beginning on or after the first day of the next calendar quarter after all of the following requirements are met: (1) the employee is customarily employed by the Bank or a participating affiliate for at least 20 hours per week for at least 5 months per year; (2) the employee does not own stock possessing 5% or more of the total combined voting power of all classes of stock of the Bank or a parent or subsidiary corporation and (3) the employee is not an employee within an excluded category with respect to the offering.

As of March 1, 2020, the Bank and its participating affiliates had approximately 402 employees, of whom approximately 390 should be eligible to participate in an offering period under the ESPP.

Stock Subject to the ESPP

If approved, the ESPP would reserve an aggregate of 500,000 shares of our Class A common stock for issuance under the ESPP. If any offers to sell shares under the ESPP expire or terminate prior to their exercise in full, the shares subject to such offer may again be subject to a future offer to sell granted under the ESPP.

Offering Periods

An offering period is the period, designated by the Committee, during which the Bank offers to sell shares under the ESPP to eligible employees with respect to that offering period. An offering period may last for a period of between one and 12 months. The Committee, in its discretion, may make available alternative, concurrent, sequential, or overlapping offering periods and each offering period need not have the same eligible employees, duration, commencing or ending dates, or purchase prices. However, all eligible employees who are eligible for the offering period will have the same rights and privileges with respect to that offering period.

Participation

Eligible employees may participate in an offering period under the ESPP by completing an enrollment form and filing it with the Bank within the time frame established by the Committee with respect to the applicable offering period. On the enrollment form, eligible employees authorize the Bank or the participating affiliate (as applicable) to automatically deduct a percentage or a specific amount of after-tax dollars from their eligible compensation each payroll period until the employee instructs the Bank or participating affiliate to stop the deductions or until the employee's employment is terminated (subject to limitations, as described below). The designated percentage or specific amount of eligible compensation deducted for each payroll period may not be less than 1% or greater than 25% of the participants eligible compensation for that payroll period. Eligible compensation is generally defined for purposes of the ESPP as gross wages, salaries, commissions, overtime, and bonuses received during the offering period.

No eligible employee may participate in an offering to the extent that, with respect to the calendar year in which the offering remains outstanding at any time, the rights of the employee to purchase Class A common stock under the ESPP and all similar purchase plans maintained by the Bank or its subsidiary corporations (as defined in Code Section 424(e) and (f)) would accrue at a rate which exceeds the lesser of: (1) 15% of the his or her eligible compensation (determined that the time the option is granted), or (2) $25,000 of the fair market value of such Class A common stock (determined at the time the right is granted).

Participants may end their participation in an offering at any time at least 30 days before a purchase date. If a participant's employment is terminated for any reason, his or her election to participate in the offering period will terminate as of the date of termination and the participant's payroll deductions not already used to purchase stock under the ESPP will be returned to the participant, except where such termination occurs within the last two weeks of the offering period in which case the participant's payroll deductions will still be applied to purchase stock at the end of the offering period.

Purchase Price

To the extent that an eligible employee elects to purchase shares during any offering period, such shares will be purchased on the last day of the offering period. The purchase price to be paid by the eligible employee for each share of Class A common stock on the purchase date will be designated by the Committee at the time it designates the offering period. The purchase price will never be less than 85% of the fair market value of the Class A common stock on the purchase date (determined as set forth in the ESPP). The purchase price may even be 100% of the fair market value, but the advantage to an eligible employee of such a purchase would be the savings of trading fees that would normally be incurred through a broker in the private market.

Restrictions on Shares Purchased

A participant may not dispose of shares acquired under the ESPP until six months following the grant date of such shares, or any earlier date as of which the Committee has determined that the participant would qualify for a hardship distribution from the Bank's 401(k) Plan (note, however, that disposing of shares prior to two years from the first day of the offering period or one year from the date of purchase may trigger ordinary income taxation as described under Federal Income Taxation below). Upon the expiration of the holding period for any share of stock, the participant's right to dispose of shares will be determined under the Bank's Stock Ownership Policy for Executives and applicable securities laws.

All shares purchased under the ESPP will also be subject to clawback, recovery, or recoupment, as determined by the Committee in its sole discretion, (a) as provided in the Bank's Policy on Sound Executive

Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time and applicable to all officers of the Bank, (b) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (c) to the extent that the Committee determines that the participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the participant has willfully engaged in any activity injurious to the Bank, or the participant's termination with the Bank or its subsidiaries is for cause, and/or (d) in instances of regulatory or capital issues and bad risk behavior.

Adjustments

The ESPP provides that in the event of certain extraordinary corporate transactions or events affecting the Bank, the Committee or the board of directors will or may make such adjustments as it deems appropriate and equitable to (1) the number of shares of Class A common stock reserved for issuance and delivery under the ESPP, (2) the minimum and maximum number of shares that may be purchased by a participant, and (3) the number and purchase price of shares made available for purchase under the current offering period.

In the case of corporate transactions, such as a merger or consolidation, such adjustments may include early termination of the offering period.

Amendment and Termination of the ESPP

Our board of directors in its discretion may terminate the ESPP at any time with respect to any shares for which options have not been granted. The Committee has the right to amend the ESPP without the approval of our stockholders; provided, that no such change may impair the rights of a participant with respect to any outstanding offering period without the consent of such participant, other than a change determined by the Committee to be necessary to comply with applicable law. Further, the Committee may not make any amendment, without the approval of our stockholders, which would (i) increase the aggregate number of shares which may be issued under the ESPP, (ii) change the class of individuals eligible to receive options under the ESPP, or (iii) cause options issued under the ESPP to fail to meet the requirements for employee stock purchase plans (as defined in Section 423 of the Code).

Unless earlier terminated by the board of directors, the ESPP will automatically terminate on, and no further offering periods will begin, the date that is 10 years after its effective date.

Federal Income Tax Information

The following discussion summarizes certain federal income tax consequences of participation in the ESPP. This discussion is based on current laws in effect on the date of this Proxy Statement, which are subject to change (possibly retroactively). The summary does not purport to cover federal employment tax or other federal tax consequences that may be associated with the ESPP, nor does it cover state, local or non-U.S. tax consequences. The tax treatment of participants in the ESPP may vary depending on each participant's particular situation and may, therefore, be subject to special rules not discussed below. Participants are advised to consult with a tax advisor concerning the specific tax consequences of participating in the ESPP.

The ESPP is intended to qualify under the provisions of Section 423 of the Code. The ESPP is not subject to any provisions of the Employee Retirement Income Security Act of 1974. Under the applicable Code provisions, no income will be taxable to a participant until the sale or other disposition of the shares purchased under the ESPP. Upon such sale or disposition, the participant will generally be subject to tax in an amount that depends upon the holding period of the shares acquired. If the shares are sold or disposed of more than two years from the first day of the offering period and one year from the date of purchase, the participant will recognize ordinary income measured as the lesser of (1) the excess of the fair market value of the shares at the time of such sale or disposition over the purchase price, or (2) the purchase price discount. For these tax purposes, the "purchase price discount" is based off the stock price on the first day of the offering period and equals the excess of the fair market value of the stock at the time the option was granted over the option price, computed as if the option had been exercised on the first day of the offering period. Any additional gain will be treated as long-term capital gain. If the shares held for the periods described above are sold and the sale price is less than the purchase price, there is no ordinary income and the participating employee has a long-term capital loss equal to the difference between the sale price and the purchase

price. If the shares are sold or otherwise disposed of before the expiration of the holding periods described above, the participant will recognize ordinary income generally measured as the excess of the fair market value of the shares on the date the shares were purchased over the purchase price. Any additional gain or loss on such sale or disposition will be long-term or short-term capital gain or loss, depending on the capital gain holding period.

We are not entitled to a deduction for amounts taxed as ordinary income or capital gain to a participant, except to the extent of ordinary income recognized upon a sale or disposition of shares prior to the expiration of the holding periods described above. We will treat any transfer of record ownership of shares as a disposition, unless we are notified to the contrary. Participants will be required to notify us in writing of the date and terms of any disposition of shares purchased under the ESPP, unless such shares are held by a broker designated by the Committee in the participant's ESPP account.

New ESPP Benefits

The amounts of future stock purchases under the ESPP are not determinable because, under the terms of the ESPP, purchases are based upon elections made by participants. Future purchase prices are not determinable because they are based upon fair market value of the Bank's Class A common stock.

Vote Required and Board's Recommendations

Section 1.423-2(c) of the Treasury Regulations requires approval of the ESPP by a majority of the stockholders unless the Bank's corporate charter, bylaws, or applicable state law requires more. Therefore, the failure to vote or an abstention, either in person or by proxy, will have the same effect as a vote against such proposal.

THE BOARD OF DIRECTORS UNANIMOUSLY RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE AMALGAMATED BANK EMPLOYEE STOCK PURCHASE PLAN.

PROPOSAL FIVE

ADVISORY VOTE ON NAMED EXECUTIVE OFFICER COMPENSATION

Under the SEC rules adopted under the Dodd-Frank Wall Street Reform and Consumer Protection Act and the JOBS Act, we, as an" emerging growth company," are not required, but have agreed voluntarily, to provide stockholders with the opportunity to vote to approve, on a non-binding, advisory basis, the compensation of our named executives officers as disclosed in this proxy statement in accordance with the applicable compensation disclosure rules of the FDIC and the SEC.

As described in greater detail under the heading "Director and Executive Officer Compensation," we seek to align the interests of our Named Executive Officers with the interests of our stockholders. Our compensation programs are designed to reward our Named Executive Officers for the achievement of strategic and operational goals and the achievement of increased stockholder value, while at the same time avoiding the encouragement of unnecessary or excessive risk-taking. We believe our compensation policies and procedures are competitive, focused on pay for performance principles and strongly aligned with the interest of the Bank's stockholders. We also believe that the Bank and its stockholders benefit from responsive corporate governance policies and constructive and consistent dialogue. The proposal, commonly known as a "Say-on-Pay" proposal, gives you as a stockholder the opportunity to express your views regarding the compensation of the Named Executive Officers by voting to approve or not approve such compensation as described in this proxy statement.

This vote is advisory, which means that it is not binding on the Bank, our board of directors or our Compensation Committee. The vote on this resolution is not intended to address any specific element of compensation, but rather relates to the overall compensation of our Named Executive Officers, as described in this proxy statement in accordance with the applicable compensation disclosure rules of the SEC.

THE BOARD OF DIRECTORS RECOMMENDS THAT STOCKHOLDERS VOTE "FOR" THE APPROVAL OF THE RESOLUTION RELATED TO COMPENSATION OF NAMED EXECUTIVE OFFICERS.

OUR 2019 ANNUAL REPORT ON FORM 10-K

Included with these proxy materials is a copy of our 2019 Annual Report on Form 10-K without exhibits, as filed with the FDIC. We will furnish to each person whose proxy is solicited, on the written request of that person, a copy of the exhibits to that annual report for a charge of ten cents per page. We will also mail to you without charge, upon request, a copy of any document specifically referenced or incorporated by reference in this proxy statement. Please direct your request to Amalgamated Bank, 275 Seventh Avenue, New York, New York 10001, Attention: Corporate Secretary or by calling (212) 895-4490.

PROPOSED STOCKHOLDER RESOLUTIONS

Upon approval of a majority of the votes cast by the holders of shares of stock present in person or represented by proxy and entitled to vote, the following resolutions of the stockholders shall be passed:

BE IT RESOLVED, that the following persons be, and they hereby are, elected to serve as members of the Board of Directors of the Bank, to serve until their successors are elected and qualified or until their earlier death, resignation or removal:

Lynne P. Fox	Robert C. Dinerstein	Keith Mestrich
Donald E. Bouffard Jr.	Mark A. Finser	Robert G. Romasco
Maryann Bruce	Julie Kelly	Edgar Romney Sr.
Patricia Diaz Dennis	John McDonagh	Stephen R. Sleigh; and

BE IT RESOLVED, that the stockholders of Amalgamated Bank hereby ratify the appointment of Crowe LLP as the Bank's independent registered public accounting firm for 2020.

Upon approval of the Amended and Restated Organization Certificate by the affirmative vote of holders of at least 66 2/3% of all outstanding shares entitled to vote, the following resolution of the stockholders shall be passed:

BE IT RESOLVED, that the stockholders of Amalgamated Bank hereby approve and adopt the amended and restated Organization Certificate and the amendments to the Bank's Organization Certificate reflected in the form attached to this proxy statement as Appendix A, and hereby request the Board of Directors to take all actions necessary to effect such amendments, including the execution and delivery to the Superintendent of the New York State Department of Financial Services copies of the amended and restated Organization Certificate and any other necessary documents.

Upon approval of the employee stock purchase plan by the affirmative vote of a majority of the votes outstanding, the following resolutions of the stockholder shall be passed:

BE IT RESOLVED, that the stockholders of Amalgamated Bank hereby approve the adoption of the Employee Stock Purchase Plan, and hereby request the Board of Directors to take all actions necessary to effect the adoption of such plan.

The Board of Directors asks our stockholders to vote in favor of the following resolution:

BE IT RESOLVED, that the compensation paid to the Bank's Named Executive Officers, as disclosed in the Bank's proxy statement for the 2020 annual meeting of stockholders pursuant to the applicable compensation disclosure rules of the FDIC and the SEC is hereby APPROVED.

BY ORDER OF THE BOARD OF DIRECTORS,

Lynne P. Fox
Chair

AMENDED AND RESTATED ORGANIZATION CERTIFICATE

[See Attached]

RESTATED ORGANIZATION CERTIFICATE

OF

AMALGAMATED BANK

Under Section 8007 of the Banking Law

We, the undersigned, Keith Mestrich, President and Chief Executive Officer, and Deborah Silodor, Secretary, of Amalgamated Bank, do hereby certify that:

1. The name of the corporation is Amalgamated Bank. The name under which the corporation was originally formed was The Amalgamated Bank of New York.

2. The Organization Certificate of the corporation was filed by the Superintendent of Banks of the State of New York on March 12, 1923.

3. The Organization Certificate of the corporation, as heretofore amended, is hereby amended to reflect (i) ~~(~~a~~)~~ ~~a decrease in the capital stock of the corporation from Twenty Nine Million Seven Hundred Thousand Dollars ($29,700,000) to Seven Hundred and Eleven Thousand Dollars ($711,000), representing the change of par value of each of the Class A common stock and the Class B common stock from $10.00 par value per share to $0.01 par value per share, (B) the addition of sixty seven million nine hundred thousand (67,900,000) shares of Class A common stock, (C) the retirement and elimination of the designation of the Series B preferred shares and (D) the addition of one million shares of preferred stock of the par value of $0.01 per share, all of~~ stated purpose of the Bank, which is set forth in Article ~~THIRD~~FIRST and (ii) the addition of Article ~~EIGHTH which allows directors in a contested election to be elected by a plurality of the votes cast at a meeting of stockholders by the holders of shares entitled to vote in the election, or otherwise, if an uncontested election, allowing directors to be elected by a majority of the votes cast by the holders of shares of stock present in person or represented by proxy and entitled to vote on the election of directors at a meeting of stockholders at which a quorum is present~~NINTH, which requires the Bank's directors to consider the enumerated interests when making business decisions, and, as so amended, the Organization Certificate of the corporation is hereby restated to read as herein set forth in full:

"ORGANIZATION CERTIFICATE

OF

AMALGAMATED BANK

FIRST. That the name by which such Bank is to be known is Amalgamated Bank. The purpose for which the Bank is organized is to engage in the business of a commercial bank in the manner authorized by the laws of the State of New York and to do any and all things a bank organized pursuant to the New York Banking Law may do which are not inconsistent or in contravention with the provisions of such laws, and such purpose shall include creating a material positive impact on society and the environment, taken as a whole, from the business and operations of the Bank.

SECOND. That the place where its business is to be transacted is 275 Seventh Avenue, in the Borough of Manhattan, in the City of New York.

THIRD. The total capital stock of the corporation is $711,000, consisting of (i) 70,000,000 shares of Class A common stock of the par value of $0.01 each and 100,000 shares of Class B common stock of the par value of $0.01 each, and (ii) 1,000,000 shares of preferred stock of the par value of $0.01 each that the Board is authorized, subject to limitations prescribed by law and this Article THIRD, to provide for the issuance of the shares of preferred stock in series, to fix the number of shares in any or all series of preferred stock to be issued and to fix any or all the designations, relative rights, preferences and limitations of any or all series of preferred stock. The relative rights, preferences and limitations of the shares of each class shall be as follows:

Common Stock

The holders of the shares of common stock (both Class A and Class B) shall receive dividends, pro rata, as funds are available for such dividends, after payment of required dividends, if any, to holders of any preferred stock as and when such dividends are declared by the Board of Directors of the corporation. The holders of the Class B common stock shall not have any voting powers, either general or special, except as otherwise provided by law. The holders of the shares of Class A common stock shall be entitled to vote in person or by proxy, appointed by an instrument in writing at any annual or special meeting of the stockholders of the corporation, each stockholder having one vote for each share of Class A common stock registered in his name on the books of the corporation, at the time of the closing of the transfer book for said meeting.

FOURTH. Unless otherwise set forth in an amendment to the Organization Certificate, no holder of any shares of capital stock in the corporation of any class or series whatsoever shall, because of such ownership of shares, have a preemptive or other right to purchase, subscribe for or take any part of any shares of capital stock in the corporation of any class or series whatsoever, whether now or hereafter authorized, or any part of the notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase shares of capital stock in the corporation, issued, optioned or sold by the corporation at any time, whether issued for cash or other consideration, or by way of dividend or other distribution. Any part of the shares of capital stock authorized by this Organization Certificate, and any part of the notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase shares of capital stock in the corporation, may at any time be issued, optioned for sale and sold or disposed of by the corporation pursuant to resolution of its Board of Directors to such persons and upon such terms and conditions as may, to the Board, seem proper and advisable without first offering to existing holders of shares of capital stock in the corporation any part of the such capital stock or the notes, debentures, bonds or other securities convertible into or carrying options or warrants to purchase capital stock in the corporation to be issued, optioned or sold.

FIFTH. That the term of its existence shall be perpetual.

SIXTH. That the number of directors shall be not less than seven (7) nor more than twenty-one (21).

SEVENTH. That the corporation is to exercise the powers conferred by Section 100 of the Banking Law.

EIGHTH. At any meeting of stockholders at which directors are to be elected, except as provided in the next sentence with respect to contested elections, each nominee for election as a director shall be elected by a majority of the votes cast by the holders of shares of stock present in person or represented by proxy and entitled to vote on the election of directors at a meeting of stockholders at which a quorum is present. In a contested election of directors, directors shall be elected by a plurality of the votes cast by the holders of shares of stock present in person or represented by proxy and entitled to vote on the election of directors at a meeting of stockholders at which a quorum is present. For purposes of this Article, (i) an election of directors shall be considered contested if, as of the date that is fourteen (14) days in advance of the date the corporation files its definitive proxy statement (regardless of whether or not thereafter revised or supplemented) with the Federal Deposit Insurance Corporation, the number of valid nominees exceeds the number of directors to be elected and (ii) a majority of the votes cast means that the number of shares voted for a director must exceed the number of votes cast against that director excluding abstentions. Any director who receives a greater number of votes cast against than for shall be subject to any resignation policies that are adopted by the Board."

NINTH: (a) In discharging the duties of their respective positions and in considering the best interests of the Bank, the board of directors, committees of the board, and individual directors shall consider the effects of any action or inaction upon:

(i) the stockholders of the Bank;

(ii) the employees and work force of the Bank, its subsidiaries, and its suppliers;

(iii) the interests of its customers as beneficiaries of the purpose of the Bank to have a material positive impact on society and the environment;

(iv) community and societal factors, including those of each community in which offices or facilities of the Bank, its subsidiaries, or its suppliers are located;

(v) the local and global environment;

(vi) the short-term and long-term interests of the Bank, including benefits that may accrue to the Bank from its long-term plans and the possibility that these interests may be best served by the continued independence of the Bank; and

(vii) the ability of the Bank to create a material positive impact on society and the environment, taken as a whole.

(b) In discharging his or her duties, and in determining what is in the best interests of the Bank, a director shall not be required to regard any interest, or the interests of any particular group affected by such action, including the stockholders, as a dominant or controlling interest or factor.

(c) A director does not have a duty to any person other than a stockholder in its capacity as a stockholder with respect to the purpose of the Bank or the obligations set forth in this Organization Certificate, and nothing in this Organization Certificate express or implied, is intended to create or shall create or grant any right in or for any person other than a stockholder or any cause of action by or for any person other than a stockholder or the Bank.

(d) Notwithstanding the foregoing, any director is entitled to rely on the provisions regarding "best interests" as set forth above in enforcing his or her rights hereunder and under state law, and such reliance shall not, absent another breach, be construed as a breach of a director's duty of care, even in the context of a change in control transaction where, as a result of weighing the interests set forth in subsection (a)(i)-(vii) above, a director determines to accept an offer, between two competing offers, with a lower price per share.

(e) Nothing in this Organization Certificate shall eliminate, diminish, or preempt the Bank's duties to operate safely and soundly in accordance with applicable regulatory requirements."

4. This amendment and restatement of the Organization Certificate was approved by a majority of the Board of Directors of the corporation at a meeting held on ~~May 4, 2018~~October 30, 2019 and by sixty-six and two-thirds percent (66-2/3%) of all outstanding shares entitled to vote thereon at a meeting of stockholders of the corporation held on ~~June 29~~April 29, ~~2018~~2020.

IN WITNESS WHEREOF, we have signed and verified this Certificate as of this ~~————~~th day of~~—~~, 2020.

Keith Mestrich
President and Chief Executive Officer

Deborah Silodor
Secretary

FORM OF
THE AMALGAMATED BANK EMPLOYEE STOCK PURCHASE PLAN

[See Attached]

FORM OF
AMALGAMATED BANK EMPLOYEE STOCK PURCHASE PLAN

ADOPTED BY THE BOARD OF DIRECTORS:
APPROVED BY THE STOCKHOLDERS:
EFFECTIVE DATE:

1. PURPOSE.

The purpose of the Amalgamated Bank Employee Stock Purchase Plan is to provide eligible employees with an incentive to advance the interests of Amalgamated Bank, a New York non-member commercial bank and chartered trust company (the "*Bank*"), by affording them an opportunity to purchase stock of the Bank at a favorable price.

2. GENERAL

(a) Compliance With Applicable Laws. The Plan is subject to any applicable provisions of the New York Banking Law or the regulations of the New York State Banking Board, and any other applicable law or regulation.

(b) Effective Date. The Plan will not become effective until the date that the Plan has been approved by the Board. The effectiveness of the Plan shall be subject to approval by the holders of a majority of the outstanding shares of capital stock of the Bank within twelve (12) months before or after the date the Plan is adopted by the Board. Such approval shall be obtained in the manner and to the degree required under applicable laws. No Shares may be delivered to any Participant under the Plan unless and until such shareholder approval is obtained. If such shareholder approval is not obtained, all options to purchase shares of Stock granted hereunder shall be null and void, except that any payroll deductions related to the options shall be returned to the applicable Participants.

(c) Duration. The Plan shall remain in effect until the earliest of (i) the date the Board terminates the Plan pursuant to Section 18, (ii) the Plan's automatic termination as set forth in Section 18, or (iii) the date that all Shares authorized for issuance under the Plan shall have been purchased or granted according to the Plan's provisions.

3. DEFINED TERMS.

The following words and phrases as used in this Plan shall have the meanings set forth in this Section unless a different meaning is clearly required by the context:

"*Board*" means the Board of Directors of the Bank.

"*Cancellation Notice*" means the notice, in the form approved by the Committee, that is delivered by a Participant who wishes to cancel his or her election to purchase Stock during an Offering, as described in Section 8(e).

"*Cause*" shall have the meaning set forth in the Participant's employment agreement with the Bank or one of its Subsidiaries; or if no such definition exists at the time in question, means, with respect to a Participant, the occurrence of any of the following events: (a) the Participant's willful failure to substantially perform his or her duties and responsibilities to the Bank or any Subsidiary or affiliate or deliberate violation of a material Bank, Subsidiary or affiliate policy; (b) the Participant's commission of any material act or acts of fraud, embezzlement, dishonesty, or other willful misconduct; (c) the Participant's material unauthorized use or disclosure of any proprietary information or trade secrets of the Bank or any Subsidiary or affiliate or any other party to whom the Participant owes an obligation of nondisclosure as a result of his or her relationship with the Bank; or (d) the Participant's willful and material breach of any of his or her obligations under any written plan or covenant with the Bank. The Committee shall in its discretion determine whether or not a Participant is being terminated for Cause. The Committee's determination shall, unless arbitrary and capricious, be final and binding on the Participant, the Bank, and all other affected persons. The foregoing definition does not in any way limit the Bank's ability to terminate a Participant's employment or service at any time, and the term "Bank" will be interpreted herein to include any Subsidiary or affiliate or successor thereto, if appropriate. Any determination by the Committee that the service of a Participant was terminated with or without Cause for the purposes of the Plan will have no effect upon any determination of the rights or obligations of the Bank,

any Subsidiary or affiliate, or such Participant for any other purpose. For purposes of this definition, Cause shall not be considered to exist unless the Bank provides written notice to the Participant which indicates the specific Cause provision in this Plan relied upon, to the extent applicable sets forth in reasonable detail the facts and circumstances claimed to provide a basis for such Cause, and specifies the termination date. The failure by the Bank to set forth in such notice any fact or circumstance which contributes to a showing of Cause shall not waive any right of the Bank hereunder or preclude the Bank from asserting such fact or circumstance in enforcing the Bank's rights hereunder.

"*Change in Control*" means the occurrence of any one or more of the following events: (a) the consummation of a transaction, or a series of related transactions undertaken with a common purpose, in which any individual, entity or group (a "*Person*"), acquires ownership of stock of the Bank that, together with stock held by such Person, constitutes more than 50% of the total fair market value or total voting power of the Bank's stock; or (b) a sale, lease, exchange or other transfer, in one transaction or a series of related transactions undertaken with a common purpose, of the Bank's assets having a total Gross Fair Market Value of 40% or more of the total gross fair market value of all of the assets of the Bank. For this purpose, "*Gross Fair Market Value*" means the value of the assets of the Bank, or the value of the assets being disposed of, determined without regard to any liabilities associated with such assets.

For purposes of this Plan, a Change in Control will not include (i) a transaction in which the holders of the outstanding voting securities of the Bank immediately prior to the transaction hold at least 50% of the outstanding voting securities of the successor company immediately after the transaction; (ii) any transaction or series of transactions approved by the Board principally for bona fide equity financing purposes in which cash is received by the Bank or any successor thereto or indebtedness of the Bank is cancelled or converted or a combination thereof; (iii) a sale, lease, exchange or other transfer of all or substantially all of the Bank's assets to a majority-owned Subsidiary; or (iv) a transaction undertaken for the principal purpose of restructuring the capital of the Bank, including, but not limited to, reincorporating the Bank in a different jurisdiction, or creating a holding company.

Notwithstanding the foregoing, a Change in Control will only be deemed to occur if the consummation of the corporate transaction meets the requirements of Treasury Regulation §1.409A-3(a)(5).

"*Code*" means the Internal Revenue Code of 1986, as amended, and any regulations or formal guidance issued thereunder.

"*Committee*" means the Compensation Committee of the Board, or in its absence, the Board shall serve as the Committee.

"*Bank*" means Amalgamated Bank a New York non-member commercial bank and chartered trust company.

"*Effective Date*" means , 2020.

"*Eligible Compensation*" means the gross (before taxes and other authorized payroll deductions are withheld) total of all wages, salaries, commissions, overtime and bonuses received during the Offering Period, but shall not include (a) employer contributions to or payments from any deferred compensation program, whether such program is qualified under Code Section 401(a) (other than amounts considered as employer contributions under Code Section 402(e)(3)) or nonqualified, (b) amounts realized from the receipt or exercise of a stock option that is not an incentive stock option within the meaning of Code Section 422, (c) amounts realized at the time property described in Code Section 83 is freely transferable or no longer subject to a substantial risk of forfeiture, (d) amounts realized as a result of an election described in Code Section 83(b), and (e) amounts realized as a result of a disqualifying disposition within the meaning of Code Section 421(b).

"*Eligible Employee*" shall have the meaning set forth in Section 7.

"*Enrollment Form*" means the enrollment form (in writing or electronic) approved by the Committee on which the Participant gives notice of his or her election to participate in an Offering under the Plan.

"Excluded Class" means any or all of the following classes of employees: (a) employees who have been employed less than two (2) years; (b) highly compensated employees (within the meaning of Code Section 414(q)); or (c) highly compensated employees (within the meaning of Code Section 414(q)) with compensation above a certain designated level, who are officers, or who are subject to the disclosure requirements of Section 16(a) of the Securities Exchange Act of 1934.

"*Fair Market Value*" of a share of Stock means, for a particular day:

(a) If shares of Stock of the same class are listed or admitted to unlisted trading privileges on any national or regional securities exchange at the date of determining the Fair Market Value, then the last reported sale price, regular way, on the composite tape of that exchange on that business day or, if no such sale takes place on that business day, the average of the closing bid and asked prices, regular way, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to unlisted trading privileges on that securities exchange or, if no such closing prices are available for that day, the last reported sale price, regular way, on the composite tape of that exchange on the last business day before the date in question; or

(b) If subparagraph (a) does not apply and if sales prices for shares of Stock of the same class in the over-the-counter market are reported by Nasdaq (or a similar system then in use) at the date of determining the Fair Market Value, then the last reported sales price so reported on that business day or, if no such sale takes place on that business day, the average of the high bid and low asked prices so reported or, if no such prices are available for that day, the last reported sale price so reported on the last business day before the date in question; or

(c) If subparagraphs (a) and (b) do not apply and if bid and asked prices for shares of Stock of the same class in the over-the-counter market are reported by Nasdaq (or, if not so reported, by the National Quotation Bureau Incorporated) at the date of determining the Fair Market Value, then the average of the high bid and low asked prices on that business day or, if no such prices are available for that day, the average of the high bid and low asked prices on the last business day before the date in question; or

(d) If subparagraphs (a)-(c) do not apply at the date of determining the Fair Market Value, then the value determined in good faith by the Committee, which determination shall be conclusive for all purposes; or

(e) If subparagraphs (a), (b) or (c) apply, but the volume of trading is so low that the Board determines in good faith that such prices are not indicative of the fair value of the Stock, then the value determined in good faith by the Committee, which determination shall be conclusive for all purposes notwithstanding the provisions of subparagraphs (a), (b), and (c).

"*Grant Date*" means the first day of an Offering Period.

"*Offering*" means the offer by the Bank during the designated Offering Period to permit Eligible Employees to elect to purchase shares of Stock at the designated Purchase Price.

"*Offering Period*" means the period specified by the Committee as described in Section 8.

"*Participant*" means each Eligible Employee who elects to participate in an Offering Period.

"*Participating Affiliate*" shall have the meaning set forth in Section 6.

"*Plan"* means this Amalgamated Bank Employee Stock Purchase Plan.

"*Purchase Date*" means the last day of an Offering Period.

"*Purchase Price*" means the per share price of Stock to be paid by each Participant on the Exercise Date for an Offering, which amount shall be designated by the Committee but shall never be less than eighty-five (85%) of the Fair Market Value of the Stock on the Purchase Date.

"*Stock*" means the authorized $0.01 par value common stock of the Bank, which shares may be unissued shares or reacquired shares or shares bought on the market for purposes of the Plan.

"*Subsidiary*" means, with respect to the Bank, (i) any corporation of which more than 50% of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, stock of any other class or classes of such corporation will have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned by the Bank, and (ii) any partnership, limited liability company or other entity in which the Bank has a direct or indirect interest (whether in the form of voting or participation in profits or capital contribution) of more than 50%. For purposes of this definition, "owned" means a person or entity, directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares voting power, which includes the power to vote or to direct the voting, with respect to such securities.

4. ADMINISTRATION OF THE PLAN.

The Plan shall be administered by the Committee. Except to the extent that the full Board is serving as the Committee hereunder, the Committee shall be composed solely of three or more Non-Employee Directors, in accordance with Rule 16b-3 and shall act only by a majority of its members then in office. Subject to the provisions of the Plan, the Committee shall interpret and construe the Plan and all options granted under the Plan; shall make such rules as it deems necessary for the proper administration of the Plan; shall make all other determinations necessary or advisable for the administration of the Plan, including the determination of eligibility to participate in the Plan and the amount of a Participant's option under the Plan; and shall correct any defect or supply any omission or reconcile any inconsistency in the Plan or in any option granted under the Plan, in the manner and to the extent that the Committee deems desirable to carry the Plan or any option into effect. The Committee shall, in its sole discretion exercised in good faith, make such decisions or determinations and take such actions as it deems appropriate, and all such decisions, determinations and actions taken or made by the Committee pursuant to this and the other paragraphs of the Plan shall be conclusive and binding on all parties. The Committee shall not be liable for any decision, determination or action taken or not taken in good faith in connection with the administration of the Plan. The Committee, in its discretion, may approve the use of a voice response system or on-line administration system through which Eligible Employees and the Committee may act under the Plan, as an alternative to written forms, notices and elections.

5. STOCK SUBJECT TO THE PLAN.

Subject to the provisions of Section 13, the aggregate number of shares which may be sold pursuant to options granted under the Plan shall not exceed five hundred thousand (500,000) shares of Stock. Should any option granted under the Plan expire or terminate prior to its exercise in full, the shares theretofore subject to such option may again be subject to an option granted under the Plan. Any shares of Stock which are not subject to outstanding options upon the termination of the Plan shall cease to be subject to the Plan.

6. PARTICIPATING AFFILIATE.

Each present and future parent and Subsidiary corporation of the Bank (within the meaning of Code Sections 424(e) and (f)) that is eligible by law to participate in the Plan shall be a "*Participating Affiliate*" during the period that such entity is such a parent or Subsidiary corporation; *provided, however*, that (a) the Committee may at any time and from time to time, in its sole discretion, terminate a Participating Affiliate's participation in the Plan, and (b) any foreign parent or Subsidiary corporation of the Bank shall be eligible to participate in the Plan only upon approval of the Committee. Any Participating Affiliate may, by appropriate action of its Board of Directors, terminate its participation in the Plan. Transfer of employment among the Bank and Participating Affiliates (and among any other parent or Subsidiary corporation of the Bank) shall not be considered a termination of employment hereunder.

7. ELIGIBILITY.

Any employee of the Bank or a Participating Affiliate (determined under Treasury Regulation section 1.421-1(h)) who satisfies all of the following requirements as of the applicable Grant Date ("*Eligible Employee*") shall be eligible to participate in any Offering Period that begins on or after the first day of the next calendar quarter after all such requirements are met:

(a) The employee is customarily employed by the Bank and/or one or more Participating Companies at least twenty (20) hours per week and at least five (5) months per year; and

(b) The employee does not, immediately after the option is granted, own stock possessing five-percent (5%) or more of the total combined voting power or value of all classes of stock of the Bank or of a parent or Subsidiary corporation (within the meaning of Sections 423(b)(3) and 424(d) of the Code); and

(c) The employee is not within one (1) or more Excluded Categories that the Committee has designated (in writing or electronically) as being ineligible to participate in the Offering.

8. OFFERING.

(a) Offering Period. The Committee shall designate (in writing or electronically) one or more Offering Periods during which the Bank will offer options to Eligible Employees to purchase shares of Stock under this Plan, which designation shall be incorporated by reference into the Plan. An Offering Period may have any length between one (1) month and one (1) year. Offering Periods may be alternative, concurrent, sequential or overlapping, and need not have the same duration, commencing or ending dates, or Purchase Prices; *provided, however*, all Eligible Employees who are eligible to purchase shares of Stock during an Offering Period shall have the same rights and privileges with respect to that Offering Period.

(b) Election to Participate. Each Eligible Employee who elects to participate in an Offering (a "*Participant*") shall deliver to the Bank, within the time period designated by the Committee, an Enrollment Form (in writing or electronic) approved by the Committee, on which the Participant will give notice of his or her election to participate in the Plan as of the next following Grant Date, and the percentage or specific amount (as determined by the Committee) of his or her Eligible Compensation to be deducted for each pay period during the Offering Period and credited to a book entry account established in his or her name. The designated percentage or specific amount of a Participant's Eligible Compensation to be deducted for each pay period during an Offering Period may not be less than one-percent (1%) or greater than (i) twenty-five-percent (25%) of the amount of Eligible Compensation (after taxes and any other authorized payroll deductions are withheld) from which the deduction is made; or (ii) an amount which will result in non-compliance with the annual limitations stated in Section 8(d) below. The Committee may adopt a procedure pursuant to which a Participant who has elected to participate in an Offering shall be deemed to have made the same election for each subsequent Offering for which he or she is eligible, unless and until the Participant cancels his or her election as described in Section 8(e) below.

(c) Payment for Shares. A Participant may elect to purchase shares of Stock during an Offering Period only by means of payroll deduction.

(d) Annual Limitations. No Eligible Employee shall be granted an option under the Plan to purchase Stock to the extent such grant would permit his or her rights to purchase Stock under the Plan and under all other employee stock purchase plans of the Bank and its parent and Subsidiary corporations (as such terms are defined in Section 424(e) and (f) of the Code) to accrue at a rate which exceeds, in any one calendar year in which any such option granted to such Eligible Employee is outstanding at any time (within the meaning of Section 423(b)(8) of the Code), the lesser of (i) $25,000 in Fair Market Value of Stock (determined in accordance with Section 8(b) at the time the option is granted), or (ii) fifteen percent (15%) of the Participant's Eligible Compensation (determined at the time the option is granted).

(e) Cancellation of Election. Any Participant may cancel his or her election made for an Offering Period at any time prior to thirty (30) days before the Purchase Date for that Offering Period. Partial withdrawals shall not be permitted. A Participant who wishes to cancel his or her election must timely deliver (in writing or electronically) to the Bank a Cancellation Notice in the form approved by the Committee. The Bank, promptly following the time when the such Cancellation Notice is delivered, shall refund to the Participant the amount of the cash balance in his or her account under the Plan and shall cancel the Participant's payroll deduction authorization and his or her interest in unexercised options under the Plan shall terminate. A Participant who cancels his or her election shall not be eligible to participate in the Plan during the then current Offering Period, but shall be eligible to participate again in the Plan in a subsequent Offering Period (*provided* that the Participant is otherwise eligible to participate in the Plan at such time and complies with the enrollment procedures).

(f) Termination of Employment. If the employment of a Participant terminates for any reason (including death), his or her election made for the current Offering Period and his or her participation in the Plan shall

terminate as of the date of termination of employment; *provided, however,* if such termination occurs within the last two (2) weeks of the Offering Period, the Participant's participation shall not terminate until the end of the Offering Period after his or her Plan account has been applied toward the purchase of shares of Stock for such Offering Period. The Bank shall refund to the Participant the amount of the cash balance in his or her account under the Plan, and no further shares of Stock will be purchased under the Plan.

(g) Leaves of Absence. For purposes of this Plan, the Participant's employment will be treated as continuing while the Participant is on military, sick leave or other bona fide leave of absence if such leave does not exceed ninety (90) days or, if longer, such period during which the Participant continues to be guaranteed reemployment rights by statute or contract as described in Treasury Regulation §1.421-7(h)(2). If a Participant takes an unpaid leave of absence, then such Participant may not make additional contributions under the Plan while on such unpaid leave of absence (except to the extent of any Eligible Compensation paid during such leave), but any payroll deductions already taken during the applicable Offering Period shall be applied to exercise options on the next following Purchase Date, unless cancelled pursuant to Section 8(e) or (f) above.

9. PURCHASE OF STOCK.

On the Purchase Date at the end of an Offering Period, each Participant in the Offering, automatically and without any act on his or her part, shall be deemed to have exercised his or her option to purchase whole shares of Stock at the Purchase Price designated by the Committee for such Offering. The number of whole shares of Stock to be purchased by a Participant shall be the total payroll deductions withheld on behalf of such Participant during the Offering Period divided by the Purchase Price of the Stock. To the extent that, after the purchase of the maximum number of whole shares of Stock permitted under the Plan with respect to an Offering Period, there is cash remaining in the Participant's Plan account, the Bank shall as soon as practicable issue the Participant a check for such amount.

10. DELIVERY OF SHARE CERTIFICATES.

As soon as practicable after each Purchase Date, the Bank shall issue one or more certificates representing the total number of whole shares of Stock purchased by all Participants during such Offering Period. Any such certificate shall be held by the Bank (or its agent) and may be held in street name. If the Bank issues a certificate representing the shares of more than one Participant, the Bank shall keep accurate records of the beneficial interests of each Participant in each such certificate by means of a Bank stock account. Each Participant shall be provided with such periodic statements as may be directed by the Committee reflecting all activity in any such Bank stock account. In the event the Bank is required to obtain from any commission or agency the authority to issue any such certificate, the Bank shall seek to obtain such authority. Inability of the Bank to obtain from any such commission or agency the authority which counsel for the Bank deems necessary for the lawful issuance of any such certificate shall relieve the Bank from liability to any Participant in the Plan except to return to him or her the amount of the balance in his or her account. A Participant may, on the form approved by the Committee, request the Bank to deliver to such Participant a certificate issued in his or her name representing all or a part of the aggregate whole number of shares of Stock then held by the Bank on his or her behalf under the Plan. Further, as soon as administratively practicable following the termination of a Participant's employment with the Bank and its parent or Subsidiary corporations for any reason, the Bank shall deliver to such Participant a certificate issued in his or her name representing the aggregate whole number of shares of Stock then held by the Bank on his or her behalf under the Plan. Neither the Bank nor the Committee shall have any liability with respect to a delay in the delivery of a Stock certificate pursuant to this Section 10.

While shares of Stock are held by the Bank (or its agent), such shares may not be sold, assigned, pledged, exchanged, hypothecated or otherwise transferred, encumbered or disposed of by the Participant who has purchased such shares; *provided, however*, that such restriction shall not apply to the transfer of such shares of Stock pursuant to (a) a plan of reorganization of the Bank (but the stock, securities or other property received in exchange therefor shall be held by the Bank pursuant to the provisions hereof), or (b) a divorce (subject to the holding period requirements described in Section 11 below).

11. HOLDING PERIOD.

Subject to the Bank's Stock Ownership Policy for Executives, a Participant may not dispose of (in any manner including assignment or hypothecation) shares of Stock acquired under this Plan until six (6) months following the Grant Date of such shares (the "*Holding Period*"); *provided*, however, this Holding Period may expire on an earlier date to the extent that the Committee determines, in its sole discretion, that the Participant would qualify for a hardship distribution from the Bank's 401(k) Plan. Upon the expiration of the Holding Period for any share of Stock, the Participant may dispose of such Stock as long as such disposition complies with all applicable securities laws.

While the Plan requires only a 6-month Holding Period, each Participant may be required to hold his or her shares of Stock acquired through this Plan until the later of twelve (12) months following their Purchase Date or twenty-four (24) months following their Grant Date, if the Participant desires to achieve capital gains treatment with respect to any gain. To the extent that the Company or any of its Subsidiaries or affiliates is required to withhold federal, state or any other taxes in connection with a Participant's participation in this Plan, the Participant consents to the Company or such Subsidiary or affiliate deducting such amount from any compensation due to such Participant by the Company or such Subsidiary or affiliate. Notwithstanding the foregoing, each Participant remains solely responsible for all taxes due with respect to his or her participation in the Plan.

12. INSUFFICIENCY OF SHARES AVAILABLE FOR ISSUANCE.

If the total number of shares of Stock remaining available for issuance pursuant to Section 5 is less than the total number of shares of Stock that has been elected by Participants to be purchased for a given Offering Period, after application of the limitations in Sections 8(b), (d) and (f) (but not this Section 8(e)) (the "*Total Share Limit*"), then the number of shares of Stock that could otherwise be acquired by each Participant for the given Offering Period shall be reduced proportionately based on the ratio that such available shares bears such total shares elected to be purchased by all Participants with respect to such Offering Period.

13. RESTRICTION UPON ASSIGNMENT.

An Eligible Employee rights under the Plan shall not be transferable otherwise than by will or the laws of descent and distribution. An Eligible Employee's option to purchase shares of Stock shall be exercisable, during the Participant's lifetime, only by the Eligible Employee to whom it was granted. The Bank shall not recognize any assignment or purported assignment by an Eligible Employee of his or her option or of any rights under his or her option, and any such attempt may be treated by the Bank as an election to withdraw from the Plan. Notwithstanding the foregoing, a Participant may file a written designation of a beneficiary who is to receive any shares of Stock and cash in the Participant's Plan account in the event of such Participant's death. Such designation of beneficiary may be changed by the Participant at any time by written notice during Participant's lifetime. Upon the death of a Participant and upon receipt by the Bank of proof of the identity and existence of a beneficiary validly designated by him or her under the Plan, the Bank shall deliver such shares and cash to such beneficiary. In the event of the death of the Participant and in the absence of a beneficiary validly designated under the Plan who is living at the time of such Participant's death, the Bank shall deliver such shares of Stock and cash to the executor or administrator of the estate of the Participant, or if no such executor or administrator has been appointed (to the knowledge of the Bank) the Bank shall deliver such shares of Stock and cash to the applicable court having jurisdiction over the administration of such estate. No designated beneficiary shall, prior to the death of the Participant by whom he or she has been designated, acquire any interest in the shares or Stock or cash credited to the Participant under the Plan.

14. NO STOCKHOLDER RIGHTS.

A Participant shall not have any rights or privileges of a stockholder until the Bank has issued a certificate for shares of Stock to the Participant following the applicable Purchase Date. With respect to a Participant's Stock that has been issued but is held by the Bank (or its agent) pursuant to Section 10, the Bank shall, as soon as practicable and in accordance with applicable law, pay the Participant any cash dividends attributable thereto and facilitate the Participant's voting rights attributable thereto.

15. CLAWBACK/RECOVERY.

All shares of Stock purchased under the Plan will be subject to clawback, recovery, or recoupment, as determined by the Committee in its sole discretion, (a) as provided in the Bank's Policy on Sound Executive Compensation and any other compensation clawback or forfeiture policy implemented by the Bank from time to time and applicable to all officers of the Bank on the same terms and conditions, including without limitation, any such policy adopted to comply with the requirements of applicable law or the rules and regulations of any stock exchange applicable to the Bank, (b) as is required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, New York Banking Law, federal banking law or other applicable law, (c) to the extent that the Committee determines that the Participant has been involved in the altering, inflating, and/or inappropriate manipulation of performance/financial results or any other infraction of recognized ethical business standards, or that the Participant has willfully engaged in any activity injurious to the Bank, or the Participant's termination with the Bank or its Subsidiaries is for Cause, and/or (d) in instances of regulatory or capital issues and bad risk behavior (i.e., significant negative individual actions such as violations of risk policies). No recovery of compensation under this Section will be an event giving rise to a right to resign for "good reason" or "constructive termination" (or similar term) under any agreement with the Bank or any of its Subsidiaries.

16. CHANGES IN STOCK; ADJUSTMENTS.

Whenever any change is made in the Stock, by reason of a stock dividend or by reason of subdivision, stock split, reverse stock split, recapitalization, reorganization, combinations, reclassification of shares, or other similar change, appropriate action will be taken by the Committee to appropriately adjust the number of shares of Stock subject to the Plan, the minimum and maximum number of shares that may be purchased hereunder, and the number and Purchase Price of shares available for purchase and elections made to purchase such shares during the current Offering Period.

Upon the occurrence of a Change in Control, unless a surviving corporation assumes or substitutes new options to purchase (within the meaning of Code Section 424(a)) for all options to purchase shares of Stock then outstanding or the Committee elects to continue the options to purchase shares of Stock then outstanding without change, the Purchase Date for all options then outstanding shall be accelerated to a date fixed by the Committee prior to the effective date of such Change in Control.

17. USE OF FUNDS; NO INTEREST PAID.

All funds received or held by the Bank under the Plan shall be included in the general funds of the Bank free of any trust or other restriction, and may be used for any corporate purpose. No interest shall be paid to any Participant or credited to his or her account under the Plan.

18. AMENDMENT OR TERMINATION THE PLAN.

The Board in its discretion may terminate the Plan at any time with respect to any shares for which options have not theretofore been granted. The Committee shall have the right to alter or amend the Plan or any part thereof, from time to time without the approval of the stockholders of the Bank; *provided*, that no change in any option theretofore granted, other than a change determined by the Committee to be necessary to comply with applicable law, may be made which would impair the rights of the Participant without the consent of such Participant; and *provided*, *further*, that the Committee may not make any alteration or amendment, without the approval of the stockholders of the Bank, which would (i) increase the aggregate number of shares which may be issued pursuant to the provisions of the Plan (other than as a result of the anti-dilution provisions of the Plan), (ii) change the class of individuals eligible to receive options under the Plan, or (iii) cause options issued under the Plan to fail to meet the requirements for employee stock purchase plans as defined in Section 423 of the Code.

Unless earlier terminated by the Board, the Plan shall automatically terminate on, and no further Offering Periods shall begin ten (10) years after its Effective Date; *provided*, *however*, no termination of the Plan, other than to the extent that the Board determines is necessary or advisable to comply with applicable U.S. or foreign laws, shall adversely affect in any material way any option previously granted under the Plan, without the written (or electronic) consent of the Participant who has elected to purchase shares pursuant to such option. No further options to purchase may be granted under the Plan after the Plan is terminated.

19. SECURITIES LAWS.

The Bank shall not be obligated to issue any Stock pursuant to any option granted under the Plan at any time when the shares covered by such option have not been registered under the Securities Act of 1933, as amended, and such other state and federal laws, rules or regulations as the Bank or the Committee deems applicable and, in the opinion of legal counsel for the Bank, there is no exemption from the registration requirements of such laws, rules or regulations available for the issuance and sale of such shares. Further, all Stock acquired pursuant to the Plan shall be subject to the Bank's policy or policies, if any, concerning compliance with securities laws and regulations, as the same may be amended from time to time.

The Committee may cause the Stock certificates issued under the Plan to bear such legend or legends, and the Committee may take such other actions, as it deems appropriate in order to reflect the provisions of Section 10 and 11 and to assure compliance with applicable securities laws.

20. NO RESTRICTION ON CORPORATE ACTION.

Nothing contained in the Plan shall be construed to prevent the Bank or any parent or Subsidiary from taking any corporate action which is deemed by the Bank or such parent or Subsidiary to be appropriate or in its best interest, whether or not such action would have an adverse effect on the Plan or any grant made under the Plan. No employee, beneficiary or other person shall have any claim against the Bank or any parent or Subsidiary as a result of any such action.

21. ELECTRONIC DELIVERY.

Any reference herein to a "written" agreement or document will include any agreement or document delivered electronically, filed publicly with the FDIC's Securities Exchange Act Filings System (or any successor website thereto) or posted on the Bank's intranet (or other shared electronic medium controlled by the Bank to which the Participant has access).

22. CHOICE OF LAW.

The law of the State of New York will govern all questions concerning the construction, validity and interpretation of this Plan and all payments hereunder, without regard to that state's conflict of laws rules.

23. SEVERABILITY.

Each provision in this Plan is severable, and if any provision is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not, in any way, be affected or impaired thereby.

Adopted this day of , 2020.

AMALGAMATED BANK

By: _____

Name: _____

Title: _____

See enclosed proxy card and additional definitive proxy soliciting materials.

AMALGAMATED BANK
275 SEVENTH AVENUE
NEW YORK, NY 10001

VOTE BY INTERNET - www.proxyvote.com
Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 p.m. Eastern Time on April 28, 2020. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS
If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903
Use any touch-tone telephone to transmit your voting instructions up until 11:59 p.m. Eastern Time on April 28, 2020. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL
Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

E98424-P34293 — KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

AMALGAMATED BANK

The Board of Directors recommends you vote FOR the following proposals:

		For	Against	Abstain
1.	To elect 12 directors to our board of directors each to serve until the Annual Meeting of Stockholders to be held in 2021 or until that person's successor is duly elected and qualified;			
1a.	Election of Lynne Fox	☐	☐	☐
1b.	Election of Donald Bouffard, Jr.	☐	☐	☐
1c.	Election of Maryann Bruce	☐	☐	☐
1d.	Election of Patricia Diaz Dennis	☐	☐	☐
1e.	Election of Robert Dinerstein	☐	☐	☐
1f.	Election of Mark A. Finser	☐	☐	☐
1g.	Election of Julie Kelly	☐	☐	☐
1h.	Election of John McDonagh	☐	☐	☐
1i.	Election of Keith Mestrich	☐	☐	☐
1j.	Election of Robert Romasco	☐	☐	☐
1k.	Election of Edgar Romney, Sr.	☐	☐	☐
1l.	Election of Stephen R. Sleigh	☐	☐	☐
2.	To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;	☐	☐	☐
3.	To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;	☐	☐	☐
4.	To approve the Amalgamated Bank Employee Stock Purchase Plan;	☐	☐	☐
5.	To conduct a non-binding, advisory vote on the compensation of the Bank's Named Executive Officers.	☐	☐	☐

NOTE-This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

Please sign exactly as your name(s) appear(s) hereon. When signing as attorney, executor, administrator, or other fiduciary, please give full title as such. Joint owners should each sign personally. All holders must sign. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Signature [PLEASE SIGN WITHIN BOX]	Date	Signature (Joint Owners)	Date

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:
The Proxy Statement and Annual Report are available at www.proxyvote.com.

E98425-P34293

AMALGAMATED BANK
Annual Meeting of Stockholders
April 29, 2020 9:00 AM (ET)
This proxy is solicited by the Board of Directors

The undersigned does hereby constitute and appoint Adele Hogan and Kay A. Gordon, and each of them, attorneys with the full power of substitution to each, for and in the name of the undersigned to vote all shares of Class A common stock of Amalgamated Bank (the "Bank") held of record on March 11, 2020 by the undersigned, at the 2020 Annual Meeting of Stockholders, to be held at the Bank at 275 Seventh Avenue, 12th floor conference room, New York, NY 10001, on April 29, 2020, at 9:00 AM (ET) and at any adjournment or postponement of the meeting, for the purposes more fully described in the Notice of Annual Meeting of Stockholders, with all the powers the undersigned would possess if personally present. The signing stockholder acknowledges receipt of the Notice of Annual Meeting and Proxy Statement and directs the proxies to vote as follows on the matters described in the Notice of Annual Meeting and Proxy Statement and otherwise in their discretion on any other business that may properly come before, and matters incident to the conduct of, the meeting or any adjournment or postponement of it, as provided in the Proxy Statement.

Only holders of record on March 11, 2020 of Class A common stock are entitled to vote on the matters described in the Notice of Annual Meeting and Proxy Statement. This proxy, when properly executed, will be voted in the manner described herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations.

Continued and to be signed on reverse side

*** Exercise Your *Right* to Vote ***

Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to Be Held on April 29, 2020.

AMALGAMATED BANK

Meeting Information

Meeting Type: Annual Meeting
For holders as of: March 11, 2020
Date: April 29, 2020 **Time:** 9:00 AM (ET)
Location: 275 Seventh Avenue
12th Floor Conference Room
New York, New York, 10001

AMALGAMATED BANK
275 SEVENTH AVENUE
NEW YORK, NY 10001

You are receiving this communication because you hold shares in the company named above.

This is not a ballot. You cannot use this notice to vote these shares. This communication presents only an overview of the more complete proxy materials, which contain important information and are available to you on the Internet. You may view the proxy materials online at *www.proxyvote.com* or easily request a paper copy (see reverse side).

We encourage you to access and review all of the important information contained in the proxy materials before voting.

See the reverse side of this notice to obtain proxy materials and voting instructions.

E01711-P34293

Before You Vote

How to Access the Proxy Materials

Proxy Materials Available to VIEW or RECEIVE:

NOTICE OF ANNUAL MEETING AND PROXY STATEMENT ANNUAL REPORT

How to View Online:

Have the information that is printed in the box marked by the arrow → XXXX XXXX XXXX XXXX (located on the following page) and visit: *www.proxyvote.com.*

How to Request and Receive a PAPER or E-MAIL Copy:

If you want to receive a paper or e-mail copy of proxy materials, now or in the future, you must request one. Otherwise, you will not receive a paper or e-mail copy. There is NO charge for requesting a copy. Please choose one of the following methods to make your request:

1) *BY INTERNET*: www.proxyvote.com
2) *BY TELEPHONE*: 1-800-579-1639
3) *BY E-MAIL**: sendmaterial@proxyvote.com

* If requesting materials by e-mail, please send a blank e-mail with the information that is printed in the box marked by the arrow → XXXX XXXX XXXX XXXX (located on the following page) in the subject line.

Requests, instructions and other inquiries sent to this e-mail address will NOT be forwarded to your investment advisor. Please make the request as instructed above on or before April 15, 2020 to facilitate timely delivery.

How To Vote

Please Choose One of the Following Voting Methods

Vote In Person: To obtain directions to attend the Annual Meeting, please call 800-662-0860. Many stockholder meetings have attendance requirements including, but not limited to, the possession of an attendance ticket issued by the entity holding the meeting. Please check the meeting materials for any special requirements for meeting attendance. At the meeting, you will need to request a ballot to vote these shares.

Vote By Internet: To access your online proxy card and to vote now by Internet, go to *www.proxyvote.com.* Have the information that is printed in the box marked by the arrow → XXXX XXXX XXXX XXXX (located on the following page) available and follow the instructions. You may enter your voting instructions at *www.proxyvote.com* up until 11:59 p.m. (ET) the day before the meeting date.

Vote By Mail: You can vote by mail by requesting a paper copy of the materials, which will include a proxy card.

E01712-P34293

Voting Items

The Board of Directors recommends you vote FOR the following proposals:

1. To elect 12 directors to our board of directors each to serve until the Annual Meeting of Stockholders to be held in 2021 or until that person's successor is duly elected and qualified;

   1a. Election of Lynne Fox

   1b. Election of Donald Bouffard, Jr.

   1c. Election of Maryann Bruce

   1d. Election of Patricia Diaz Dennis

   1e. Election of Robert Dinerstein

   1f. Election of Mark A. Finser

   1g. Election of Julie Kelly

   1h. Election of John McDonagh

   1i. Election of Keith Mestrich

   1j. Election of Robert Romasco

   1k. Election of Edgar Romney, Sr.

   1l. Election of Stephen R. Sleigh

2. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;

3. To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;

4. To approve the Amalgamated Bank Employee Stock Purchase Plan;

5. To conduct a non-binding, advisory vote on the compensation of the Bank's Named Executive Officers.

NOTE-This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

These items of business are more fully described in the proxy statement.

EO1713-P34293

amalgamated bank

2019 ANNUAL REPORT

DEAR STAKEHOLDERS,

As we near the centennial of our founding, we are provided a unique and powerful vantage point. One where we can look back at the many accomplishments that have defined our story and built our reputation, while also holding a thoughtful, innovative vision for the future.

It is this perspective and experience which provides us with confidence in an environment like what we face today as we work together to stop the spread of the coronavirus. Over our long and rich history, we have faced many challenges and our focus has remained the same — ensure the safety, health and well-being of our employees, customers and the communities that we serve.

This was at the center of our founding when the leaders of the Amalgamated Clothing Workers of America decided to launch a financial institution that would support working families, a simple idea that grew into a powerful principle for the 20th century: that the financial system should be open and accessible to all.

Over the last several years of growth, we have doubled down on our mission and the belief that socially conscious businesses need a financial partner who shares in their mission while offering the ability to leverage their impact through a values-driven lending strategy.

Today, clients seek our services on a daily basis, with the understanding that they can expect the same services larger financial institutions offer, with the differentiation that only Amalgamated provides as we align their money with their values. By supporting our clients' financial needs, we are contributing to the change they wish to see in the world.

Our 2019 financial results are proof that our mission aligned strategy is clearly resonating in the market as we reached several new milestones this past year — surpassing $5 billion in assets, growing interest earning assets by 13.6%, and delivering deposit growth of $535.7 million or 13%, all of which positions us to reach new success in 2020.

Other notable achievements include:

- 33% increase in quarterly dividend to $0.08 per share
- Net income of $47.2 million, as compared to $44.7 million, for the full year of 2018
- Strong loan growth achieved while derisking the loan portfolio to prepare for a more uncertain economic environment
- Recipient of EuroMoney's Award for Corporate Social Responsibility in North America and Forbes Best Bank in California

Looking to the year ahead, we are excited about all the opportunities that we're leaning into:

First, we see an opportunity to grow our Trust business and have entered into an agreement with Invesco in an effort to more effectively deliver the investment management funds that are currently on our platform and to expand our offerings. By joining Invesco, our clients will benefit from the breadth and depth of Invesco's passive equity, fixed income, and alternative investment capabilities. This enhanced product offering and distribution capability will help accelerate our Trust business' growth and improve its profitability.

Second, we are working to expand our geographic reach through our strategy of opening commercial banking offices, beginning in Boston and Los Angeles. In order to tap into the large opportunity that we see in these attractive markets, we are currently recruiting bankers and securing commercial office space with the goal of having our Boston office fully functioning by the end of the second quarter and Los Angeles in the second half of the year.

And third, we are increasing our ESG product offerings given the large market opportunity that exists as Amalgamated continues to be the banking partner of choice for individuals and companies who share our strong values and mission. As a values-based bank, we are excited about the opportunity to provide our clients with a wide array of products that align with their socially responsible standards and are investing to expand our product set.

2019 proved to be a year where our reputation as America's socially responsible bank became more widely recognized in the market. We were profiled by multiple media outlets and made news with our efforts to advocate and speak out on issues impacting our world. We are eager to keep this momentum into 2020, reach new milestones, and grow our Amalgamated family.

Our employees, clients, allies, and the union have all contributed to the success of Amalgamated over the last year, and we are grateful to everyone's continued dedication to our vision of banking that furthers economic, social and environmental justice.

Lynne Fox
Chair of the Board

Keith Mestrich
President and CEO

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lynne P. Fox, Chair
International President,
Workers United

Donald E. Bouffard, Jr.
Former Partner, Crowe LLP

Maryann Bruce
Former President,
Evergreen Investments Services, Inc.

Patricia Diaz Dennis
Former Senior Vice President and Assistant General Counsel,
AT&T (retired)

Robert C. Dinerstein
Chair, Veracity Worldwide

Mark A. Finser
Former Chair of the Boards of New Resource Bank and RSF Social Finance

Julie Kelly
General Manager,
New York-New Jersey
Joint Board of Workers United

Keith Mestrich
President and Chief Executive Officer, Amalgamated Bank

John McDonagh
Former Managing Director, Global Special Credit Group, JPMorgan Chase Bank N.A.

Robert G. Romasco
Former Senior Vice President,
QVC, Inc.

Edgar Romney, Sr.
Secretary-Treasurer, Workers United

Stephen R. Sleigh
President, Sleigh Strategy, LLC

SENIOR MANAGEMENT TEAM

Keith Mestrich
President
Chief Executive Officer

Dixiana Berrios
Executive Vice President
Director of Operations

Sam Brown
Executive Vice President
Director of Commercial Banking

Molly Culhane
Senior Vice President
Mid-Atlantic Regional Director

Jason Darby
Executive Vice President
Chief Accounting Officer

Barbara Kissner
Executive Vice President
Chief Information Officer

Andrew LaBenne
Senior Executive Vice President
Chief Financial Officer

Jim Lingberg
Senior Vice President
Chief Trust Officer

Martin Murrell
Senior Executive Vice President
Chief Operating Officer

Peter Neiman
Executive Vice President
Chief Marketing Officer

Mark Pappas
Executive Vice President
Chief Risk Officer

James Paul
Executive Vice President
Chief Administrative Officer

Arthur Prusan
Executive Vice President
Chief Credit Risk Officer

Edgar Romney
Senior Vice President
Northeast Regional Director

Deborah Silodor
Executive Vice President
General Counsel

Nina Webster
Senior Vice President
Western Regional Director

Sherry Williams
Executive Vice President
Chief Audit Officer

Tanisa Williams
Senior Vice President
Director of Human Resources

Independent Auditors
KPMG LLP
New York, New York

Legal Counsel
Nelson Mullins Riley & Scarborough LLP
New York, New York

Stock Exchange
Amalgamated Bank's Class A common stock is listed for trading on The Nasdaq Stock Market under the ticker symbol "AMAL"

Stock Transfer Agent
American Stock Transfer & Trust Company, LLC
Brooklyn, New York

Notice of Annual Meeting
The Annual Meeting of Stockholders of Amalgamated Bank will be held on Wednesday April 29, 2020 at 9:00 a.m. Eastern Time.

Investor Relations
For further information about Amalgamated Bank, please visit amalgamatedbank.com

Or contact:
Investor Relations
(800) 895-4172
shareholderrelations@amalgamatedbank.com

amalgamated bank.

275 Seventh Avenue
New York, NY 10001
(212) 895-8988
amalgamatedbank.com

Global Alliance for Banking on Values

Certified B Corporation

FEDERAL DEPOSIT INSURANCE CORPORATION

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the Securities Exchange Act of 1934

Filed by the Registrant ☒ Filed by a Party other than the Registrant ☐

Check the appropriate box:

☐ Preliminary Proxy Statement

☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**

☐ Definitive Proxy Statement

☒ Definitive Additional Materials

☐ Soliciting Material Pursuant to §240.14a-12

Amalgamated Bank

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

☒ No fee required.

☐ Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

☐ Fee paid previously with preliminary materials.

☐ Check box if any part of the fee is offset as provided by Exchange Act Rule 240.0-11 and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

ADDITIONAL INFORMATION REGARDING THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON APRIL 29, 2020

On March 19, 2020, Amalgamated Bank (the "Bank") filed a definitive proxy statement with the Federal Deposit Insurance Corporation in connection with its Annual Meeting of Stockholders to be held on April 29, 2020. On April 17, 2020, the Bank issued a press release announcing that its Annual Meeting of Stockholders will now be held by means of a virtual-only format. The press release is being filed herewith as definitive additional material. Additionally, on or about April 17, 2020, the Bank mailed a letter with a new proxy card to stockholders of record as of March 11, 2020, each of which is filed herewith as definitive additional material.

The definitive additional materials should be read in conjunction with the proxy statement.

Press Release

AMALGAMATED BANK TO HOST ITS ANNUAL MEETING OF STOCKHOLDERS IN VIRTUAL FORMAT

NEW YORK, NY, April 17, 2020 – Amalgamated Bank (Nasdaq: AMAL), today announced that, due to the public health and safety concerns related to the novel coronavirus (COVID-19) pandemic and based upon orders and guidance from Federal and New York authorities, its Annual Meeting of Stockholders (the "2020 Annual Meeting") will now be held by means of a virtual-only format.

The 2020 Annual Meeting will be held on Wednesday, April 29, 2020 at 9:00 a.m., Eastern Time, as disclosed in Amalgamated's proxy statement for the meeting. Online access to the meeting will begin at 9:00 a.m., Eastern Time. Stockholders will not be able to attend the meeting in person. If stockholders plan to attend the meeting virtually, they should periodically check the "Investor Relations – News and Events" tab on our corporate website, www.amalgamatedback.com, for updates prior to the meeting date.

As always, whether or not stockholders plan to attend the 2020 Annual Meeting, they are encouraged to vote their shares prior to the meeting. If a stockholder already has voted, (s)he does not need to vote again.

Attending the Virtual Meeting

Stockholders can attend the meeting by accessing https://web.lumiagm.com/?fromUrl=245788868 and entering the 11-digit control number on the proxy card you received. The password for the virtual meeting is ab2020. Record holders will receive a new proxy card that provides a new control number that will be required in order to gain access to the 2020 Annual Meeting. Stockholders who hold their shares in "street name" (*i.e.*, through an account at a broker or other nominee) will need to follow their broker's or nominee's instructions that they previously received to obtain the 11-digit control number or otherwise attend through the broker or nominee.

A list of Amalgamated's stockholders of record as of March 11, 2020, the record date for the 2020 Annual Meeting, will be available for examination by stockholders on the meeting website during the meeting.

Asking Questions

Stockholders may submit questions live during the meeting by accessing the meeting at https://web.lumiagm.com/?fromUrl=245788868, typing their question into the "Ask a Question" field, and clicking "Submit." Only questions pertinent to meeting matters will be answered during the meeting, subject to time constraints.

Voting Shares at the Virtual Meeting

If a stockholder has already voted, and does not wish to change their vote, no further action is required on such stockholder's part. Otherwise, such stockholder may vote during the meeting by following the instructions available on the meeting website.

Attending the Virtual Meeting as a Guest

Anyone wishing to attend the meeting as a guest in listen-only mode, please access https://web.lumiagm.com/?fromUrl=245788868 and enter the information requested on the screen. Please note those who attend as guests will not have the ability to ask questions or vote during the meeting.

About Amalgamated Bank

Amalgamated Bank is a New York-based full-service commercial bank and a chartered trust company with a combined network of 13 branches in New York City, Washington D.C., and San Francisco. Amalgamated was formed in 1923 as Amalgamated Bank of New York by the Amalgamated Clothing Workers of America, one of the country's oldest labor unions. Amalgamated provides commercial banking and trust services nationally and offers a full range of products and services to both commercial and retail customers. Amalgamated is a proud member of the Global Alliance for Banking on Values and is a Certified B Corporation®. As of December 31, 2019, our total assets were $5.3 billion, total net loans were $3.4 billion, and total deposits were $4.6 billion. Additionally, as of December 31, 2019, the trust business held $32.4 billion in assets under custody and $13.9 billion in assets under management.

Media Contact:
Kaye Verville
The Levinson Group
kaye@mollylevinson.com
202-244-1785

Investor Contact:
Jamie Lillis
Solebury Trout
stockholderrelations@amalgamatedbank.com
800-895-4172

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Letter to Stockholders with New Proxy Card

To the Stockholders of Amalgamated Bank:

Due to the emerging public health impact of the coronavirus (COVID-19) outbreak and out of an abundance of caution to support the health and well-being of our employees and stockholders, our annual meeting is now going to be held in a virtual-only format at 9:00 a.m., Eastern Time, on April 29, 2020. We have issued a press release that can be found at the "Investor Relations – News and Events" tab on our corporate website, www.amalgamatedback.com, that contains pertinent details on how to attend the annual meeting virtually.

If you were a stockholder as of the close of business on March 11, 2020, you may vote during the annual meeting. For registered stockholders (those whose shares are held directly and not in "street name"), you will need the control number set forth on the enclosed ***new*** proxy card (which is a different control number than was on the proxy card previously provided to you). If you hold your shares in "street name"—through an intermediary, you will need the control number set forth on the ***original*** proxy card that you received and you also must obtain a valid legal proxy from your broker, bank or other agent and then register in advance to attend the annual meeting. Street name holders must then follow the instructions from their broker included with the ***original*** proxy materials, or contact your broker or bank to request a legal proxy form. After obtaining a valid legal proxy from your broker, bank or other agent, to then register to attend the meeting, you must submit proof of your legal proxy reflecting the number of your shares along with your name and email address to American Stock Transfer & Trust Company, LLC. Requests for registration should be directed to proxy@astfinancial.com or to facsimile number 718-765-8730. Requests for registration must be labeled as "Legal Proxy" and be received no later than 5:00 p.m., Eastern Time, on April 23, 2020.

If you have already voted, and do not wish to change your vote, no further action is required on your part. Otherwise, you may vote during the meeting by following the instructions available on the meeting website. Your vote is important, and we appreciate the time and consideration that we are sure you will give it.

By Order of the Board of Directors,

/s/ Lynne P. Fox

April 17, 2020

Lynne P. Fox, Chair of the Board of Directors

ANNUAL MEETING OF STOCKHOLDERS OF

AMALGAMATED BANK

April 29, 2020

PROXY VOTING INSTRUCTIONS

INTERNET - Access "**www.voteproxy.com**" and follow the on-screen instructions or scan the QR code with your smartphone. Have your proxy card available when you access the web page.

TELEPHONE - Call toll-free **1-800-PROXIES** (1-800-776-9437) in the United States or **1-718-921-8500** from foreign countries from any touch-tone telephone and follow the instructions. Have your proxy card available when you call.

Vote online/phone until 11:59 PM EST the day before the meeting.

MAIL - Sign, date and mail your proxy card in the envelope provided as soon as possible.

VIRTUAL ATTENDANCE - You may vote your shares by attending the virtual Annual Meeting.

GO GREEN - e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

COMPANY NUMBER	
ACCOUNT NUMBER	

NOTICE OF INTERNET AVAILABILITY OF PROXY MATERIAL:
The Notice of Meeting, proxy statement and proxy card
are available at https://ir.amalgamatedbank.com/financial-information/annual-reports

Please detach along perforated line and mail in the envelope provided IF you are not voting via telephone or the Internet.

212330033000000000000 6 042920

THE BOARD OF DIRECTORS RECOMMENDS YOU VOTE FOR THE FOLLOWING PROPOSALS:
PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE [x]

1. To elect 12 directors to our board of directors each to serve until the Annual Meeting of Stockholders to be held in 2021 or until that person's successor is duly elected and qualified;

☐ **FOR ALL NOMINEES**

☐ **WITHHOLD AUTHORITY FOR ALL NOMINEES**

☐ **FOR ALL EXCEPT** (See instructions below)

NOMINEES:
- ○ Lynne Fox
- ○ Donald Bouffard, Jr.
- ○ Maryann Bruce
- ○ Patricia Diaz Dennis
- ○ Robert Dinerstein
- ○ Mark A. Finser
- ○ Julie Kelly
- ○ John McDonagh
- ○ Keith Mestrich
- ○ Robert Romasco
- ○ Edgar Romney, Sr.
- ○ Stephen R. Sleigh

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark **"FOR ALL EXCEPT"** and fill in the circle next to each nominee you wish to withhold, as shown here: ●

	FOR	AGAINST	ABSTAIN
2. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;	☐	☐	☐
3. To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;	☐	☐	☐
4. To approve the Amalgamated Bank Employee Stock Purchase Plan;	☐	☐	☐
5. To conduct a non-binding, advisory vote on the compensation of the Bank's Named Executive Officers.	☐	☐	☐

NOTE-This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder _____ Date: _____ Signature of Stockholder _____ Date: _____

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

ANNUAL MEETING OF STOCKHOLDERS OF

AMALGAMATED BANK

April 29, 2020

GO GREEN

e-Consent makes it easy to go paperless. With e-Consent, you can quickly access your proxy material, statements and other eligible documents online, while reducing costs, clutter and paper waste. Enroll today via www.astfinancial.com to enjoy online access.

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↓ Please detach along perforated line and mail in the envelope provided. ↓

212330033000000000000 6 042920

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PLEASE SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE. PLEASE MARK YOUR VOTE IN BLUE OR BLACK INK AS SHOWN HERE [x]

1. To elect 12 directors to our board of directors each to serve until the Annual Meeting of Stockholders to be held in 2021 or until that person's successor is duly elected and qualified;

☐ **FOR ALL NOMINEES**

☐ **WITHHOLD AUTHORITY FOR ALL NOMINEES**

☐ **FOR ALL EXCEPT** (See instructions below)

NOMINEES:
- ○ Lynne Fox
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- ○ Patricia Diaz Dennis
- ○ Robert Dinerstein
- ○ Mark A. Finser
- ○ Julie Kelly
- ○ John McDonagh
- ○ Keith Mestrich
- ○ Robert Romasco
- ○ Edgar Romney, Sr.
- ○ Stephen R. Sleigh

INSTRUCTIONS: To withhold authority to vote for any individual nominee(s), mark **"FOR ALL EXCEPT"** and fill in the circle next to each nominee you wish to withhold, as shown here: ●

	FOR	AGAINST	ABSTAIN
2. To ratify the appointment of Crowe LLP as our independent registered public accounting firm for 2020;	☐	☐	☐
3. To approve the adoption of an amended and restated Organization Certificate of the Bank to add (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to Amalgamated Bank;	☐	☐	☐
4. To approve the Amalgamated Bank Employee Stock Purchase Plan;	☐	☐	☐
5. To conduct a non-binding, advisory vote on the compensation of the Bank's Named Executive Officers.	☐	☐	☐

NOTE-This proxy may be revoked at the pleasure of the stockholder executing it at any time before the authority granted hereby is exercised in accordance with Section 6009 of the New York Banking Law.

To change the address on your account, please check the box at right and indicate your new address in the address space above. Please note that changes to the registered name(s) on the account may not be submitted via this method. ☐

Signature of Stockholder _____ Date: _____ Signature of Stockholder _____ Date: _____

Note: Please sign exactly as your name or names appear on this Proxy. When shares are held jointly, each holder should sign. When signing as executor, administrator, attorney, trustee or guardian, please give full title as such. If the signer is a corporation, please sign full corporate name by duly authorized officer, giving full title as such. If signer is a partnership, please sign in partnership name by authorized person.

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AMALGAMATED BANK

Proxy Solicited by the Board of Directors for the Annual Meeting of Stockholders
April 29, 2020 at 9:00 a.m.

The undersigned does hereby constitute and appoint Adele Hogan and Kay A. Gordon, and each of them, attorneys with the full power of substitution to each, for and in the name of the undersigned to vote all shares of Class A common stock of Amalgamated Bank (the "Bank") held of record on March 11, 2020 by the undersigned, at the 2020 Annual Meeting of Stockholders, to be held in virtual format, on April 29, 2020, at 9:00 AM (ET) and at any adjournment or postponement of the meeting, for the purposes more fully described in the Notice of Annual Meeting of Stockholders, with all the powers the undersigned would possess if personally present. The signing stockholder acknowledges receipt of the Notice of Annual Meeting and Proxy Statement and directs the proxies to vote as follows on the matters described in the Notice of Annual Meeting and Proxy Statement and otherwise in their discretion on any other business that may properly come before, and matters incident to the conduct of, the meeting or any adjournment or postponement of it, as provided in the Proxy Statement.

Only holders of record on March 11, 2020 of Class A common stock are entitled to vote on the matters described in the Notice of Annual Meeting and Proxy Statement. This proxy, when properly executed, will be voted in the manner described herein. If no such direction is made, this proxy will be voted in accordance with the Board of Directors' recommendations.

(Continued and to be signed on the reverse side.)

1.1

14475

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20006

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 6, 2020

AMALGAMATED BANK

(Exact name of registrant as specified in its charter)

New York	**13-4920330**
(State or other jurisdiction of incorporation)	**(IRS employer identification no.)**
275 Seventh Avenue, New York, New York	**10001**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 895-8988

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value per share	**AMAL**	**The Nasdaq Stock Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR § 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR § 240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.03 Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On April 6, 2020, the Board of Directors of Amalgamated Bank (the "Company") amended and restated in its entirety the bylaws of the Company (the "Amended and Restated Bylaws") to permit the Company to hold stockholders meetings solely by means of remote communication, to the extent permitted by applicable law, and to include a new Article II, Section 12 that outlines the process for holding a meeting of stockholders of the Company solely by means of remote communication, to the extent permitted by applicable law. The Amended and Restated Bylaws were deemed effective April 6, 2020.

The foregoing description is qualified in its entirety by reference to the full text of the Amended and Restated Bylaws which is attached hereto as Exhibit 3.1 and is incorporated herein by reference to this Item 5.03.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits**

3.1 Bylaws of Amalgamated Bank, as amended and restated through April 6, 2020

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Date: April 6, 2020

BY-LAWS

OF

AMALGAMATED BANK

Amended and Restated
as of April 6, 2020.

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Amended and Restated
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BY-LAWS

OF

AMALGAMATED BANK

ARTICLE I

LOCATION OF OFFICES AND CORPORATE SEAL

Section 1. Offices. The location of the principal office of Amalgamated Bank (the "Bank") shall be 275 Seventh Avenue, in the Borough of Manhattan, in the City of New York, or such other location within the State of New York as the Board of Directors (the "Board") may lawfully determine. The Board may from time to time and at any time establish other offices of the Bank or branches of its business at whatever location or locations within or without the United States of America as it may deem expedient and as permitted by law.

Section 2. Corporate Seal. The corporate seal of the Bank shall bear the name of the Bank and such other words, devices and inscriptions as the Board shall prescribe. The presence of the corporate seal on a written instrument purporting to be executed by authority of the Bank shall be evidence that the instrument was so executed.

(Impression)
(of)
(Seal)

ARTICLE II

STOCKHOLDERS

Section 1. Location of Stockholders' Meetings. All meetings of the stockholders of the Bank shall be held at the principal office of the Bank or at such other location within or without the City of New York, or no location, solely by means of remote communication to the extent permitted by applicable law and subject to Article II, Section 12 in these By-laws, as may be fixed by the Board.

Section 2. Annual Stockholders' Meetings. A meeting of stockholders shall be held annually for the election of directors and the transaction of other business during any of the first four months of each calendar year, but not later than thirteen months from the date of the previous annual meeting and not on a legal holiday, or on a later date to the extent permitted by applicable law.

Section 3. Special Stockholders' Meeting.

(a) A special meeting of stockholders may be held for any purpose, unless otherwise proscribed by statute, and may be called by the Board, the Chair, any Vice Chair or the President, shall be called by the Chair whenever such a meeting is requested in writing by two-thirds of the

Board, and shall be called by the President whenever such a meeting is requested in writing by the holders of not less than two-thirds of the outstanding shares of the Bank entitled to vote at the meeting requested to be called. At any special meeting only such business may be transacted as is related to the purpose or purposes stated in the notice thereof.

(b) No stockholder may demand that the President call a special meeting of the stockholders unless a stockholder of record has first submitted a request in writing that the Board fix a record date (a "Demand Record Date") for the purpose of determining the stockholders entitled to demand that the President call such special meeting, which request shall be in proper form and delivered to, or mailed and received by, the President at the principal executive offices of the Bank. To be in proper form for purposes of this Article II, Section 3, a request by a stockholder for the Board to fix a Demand Record Date shall set forth:

i. As to each Requesting Person (as defined below), the Stockholder Information (as defined in Article II, Section 11(a)(ii)(a));

ii. As to the purpose or purposes of the special meeting, (a) a reasonably brief description of the purpose or purposes of the special meeting and the business proposed to be conducted at the special meeting, the reasons for conducting such business at the special meeting and any interest in such business of each Requesting Person, and (b) a reasonably detailed description of all agreements, arrangements and understandings (x) between or among any of the Requesting Persons or (y) between or among any Requesting Person and any other person or entity (including their names) in connection with the request for the special meeting or the business proposed to be conducted at the special meeting; and

iii. If directors are proposed to be elected at the special meeting, the Nominee Information (as defined in Article II, Section 11(a)(ii)(b)) and the director questionnaire (as required under Article II, Section 11(a)(ii)(d)) for each person whom a Requesting Person expects to nominate for election as a director at the special meeting.

For purposes of this Article II, Section 3, the term "Requesting Person" shall mean (1) the stockholder making the request to fix a Demand Record Date for the purpose of determining the stockholders entitled to demand that the President of the Bank call a special meeting, (2) the beneficial owner or beneficial owners, if different, on whose behalf such request is made, and (3) any affiliate or associate of such stockholder or beneficial owner.

(c) Within ten days after receipt of a request to fix a Demand Record Date in proper form and otherwise in compliance with this Article II, Section 3 from any stockholder of record, the Board may adopt a resolution fixing a Demand Record Date for the purpose of determining the stockholders entitled to demand that the President call a special meeting, which date shall not precede the date upon which the resolution fixing the Demand Record Date is adopted by the Board. If no resolution fixing a Demand Record Date has been adopted by the Board within the ten day period after the date on which such a request to fix a Demand Record Date was received, the Demand Record Date in respect thereof shall be deemed to be the twentieth day after the date on which such a request is received. Notwithstanding anything in this Article II, Section 3 to the contrary, no Demand Record Date shall be fixed if the Chair of the Board determines that the demand or demands that would otherwise be submitted following such Demand Record Date could not comply with the requirements set forth in clauses (ii), (iv), (v) or (vi) of Article II, Section 3(e).

(d) Without qualification, a special meeting of the stockholders shall not be called pursuant to Article II, Section 3 unless stockholders of record as of the Demand Record Date who hold, in the aggregate, of not less than two-thirds of the outstanding shares of the Bank entitled to vote at the meeting requested to be called (the "Requisite Percentage"), timely provide one or more demands to call such special meeting in writing and in proper form to the President at the principal executive offices of the Bank. Only stockholders of record on the Demand Record Date shall be entitled to demand that the President call a special meeting of the stockholders pursuant to Article II, Section 3. To be timely, a stockholder's demand to call a special meeting must be delivered to, or mailed and received at, the principal executive offices of the Bank not later than the sixtieth day following the Demand Record Date. To be in proper form for purposes of this Article II, Section 3, a demand to call a special meeting shall set forth (i) the business proposed to be conducted at the special meeting or the proposed election of directors at the special meeting, as the case may be, (ii) the text of the proposal or business (including the text of any resolutions proposed for consideration), if applicable, and (iii) with respect to any stockholder or stockholders submitting a demand to call a special meeting (except for any stockholder that has provided such demand in response to a solicitation made pursuant to, and in accordance with, Section 14(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") by way of a solicitation statement filed on Schedule 14A) (a "Solicited Stockholder") the information required to be provided pursuant to this Article II, Section 3 of a Requesting Person. A stockholder may revoke a demand to call a special meeting by written revocation delivered to the President at any time prior to the special meeting. If any such revocation(s) are received by the President after the President's receipt of written demands from the holders of the Requisite Percentage of stockholders, and as a result of such revocation(s), there no longer are unrevoked demands from the Requisite Percentage of stockholders to call a special meeting, the Board shall have the discretion to determine whether or not to proceed with the special meeting (any such special meeting of the stockholders that has been called may be canceled by resolution of the Board upon public notice given prior to the time previously scheduled for such special meeting of stockholders).

(e) The President shall not accept, and shall consider ineffective, a written demand from a stockholder to call a special meeting (i) that does not comply with this Article II, Section 3, (ii) that relates to an item of business to be transacted at such meeting that is not a proper subject for stockholder action under applicable law, (iii) that includes an item of business to be transacted at such meeting that did not appear on the written request that resulted in the determination of the Demand Record Date, (iv) that relates to an item of business (other than the election of directors) that is identical or substantially similar to an item of business (a "Similar Item") for which a record date for notice of a stockholder meeting (other than the Demand Record Date) was previously fixed and such demand is delivered between the time beginning on the sixty-first day after such previous record date and ending on the one-year anniversary of such previous record date, (v) if a Similar Item will be submitted for stockholder approval at any stockholder meeting to be held on or before the ninetieth day after the President receives such demand, or (vi) if a Similar Item has been presented at the most recent annual meeting or at any special meeting held within one year prior to receipt by the President of such demand to call a special meeting.

(f) After receipt of demands in proper form and in accordance with this Article II, Section 3 from a stockholder or stockholders holding the Requisite Percentage, the Board shall direct the President of the Bank to duly call, and the Board shall determine the location, if any, date and time of, a special meeting of stockholders for the purpose or purposes and to conduct the business specified in the demands received by the Bank. Notwithstanding anything in these By-laws to the contrary, the Board may submit its own proposal or proposals for consideration at such a special meeting. The record date for notice and voting for such a special meeting shall be fixed in accordance with Article II, Section 7 of these By-laws. The Board shall direct the Bank to provide written notice of such special meeting to the stockholders in accordance with Article II, Section 4.

(g) In connection with a special meeting called in accordance with this Article II, Section 3, the stockholder or stockholders (except for any Solicited Stockholder) who requested that the Board fix a record date for notice and voting for the special meeting in accordance with this Article II, Section 3 or who delivered a demand to call a special meeting to the President shall further update and supplement the information previously provided to the Bank in connection with such request or demand, if necessary, so that the information provided or required to be provided in such request or demand pursuant to this Article II, Section 3 shall be true and correct as of the record date for notice of the special meeting and as of the date that is ten business days prior to the special meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the President at the principal executive offices of the Bank not later than five business days after the record date for notice of the special meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight business days prior to the date for the special meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the special meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten business days prior to the special meeting or any adjournment or postponement thereof); provided, that this Article II, Section 3(g) shall not permit any such stockholder(s) to change any proposed business or nominee (or add any proposed business or nominee), as the case may be.

(h) Notwithstanding anything in these By-laws to the contrary, the President shall not be required to call a special meeting pursuant to this Article II, Section 3 except in accordance with this Article II, Section 3. If the Chair of the Board shall determine that any request to fix a record date for notice and voting for the special meeting or demand to call and hold a special meeting was not properly made in accordance with this Article II, Section 3, or shall determine that the stockholder or stockholders requesting that the Board fix such record date or submitting a demand to call the special meeting have not otherwise complied with this Article II, Section 3, then the Board shall not be required to fix such record date, the President shall not be required to call the special meeting and the Bank shall not be required to hold the special meeting. In addition to the requirements of this Article II, Section 3, each Requesting Person shall comply with all requirements of applicable law, including all requirements of the Exchange Act, with respect to any request to fix a record date for notice and voting for the special meeting or demand to call a special meeting.

Section 4. Notice of Stockholders' Meeting. Written notice of each meeting of stockholders shall be given at least ten, but no more than fifty, days prior to the date of such meeting. Such notice shall be signed by the President or by any other executive officer of the Bank so designated by the Board, and shall state the location, if any, date, hour and purpose or purposes of the meeting and shall be mailed, postage prepaid, or personally delivered, to each stockholder entitled to vote at such meeting, at the address as it appears on the record of stockholders, or if a stockholder shall have filed with the Secretary a written request that notice be mailed to some other address, then directed to such stockholder at such other address.

Notice of a special meeting shall indicate that it is being issued by or at the direction of the person or persons calling or requesting the meeting. If at any meeting action is proposed to be taken which would, if taken, entitle objecting stockholders to receive payment for their shares, the notice shall include a statement of that purpose and to that effect.

Section 5. Stockholder Votes and Proxies. Each stockholder of record shall have one vote for each share of stock of the Bank with voting rights registered in his name on the books of the Bank as of the established record date. Stockholders shall have the right to vote in person or by proxy appointed by an instrument in writing, subscribed by such stockholder or his duly authorized agent, and bearing a date not more than eleven months prior to the stockholders' meeting. A stockholder or his agent or attorney in fact may appoint a proxy to vote or otherwise act for him, including giving waivers and consents, by signing an appointment form or by an electronic transmission of appointment. The electronic transmission must contain or be accompanied by sufficient information to determine that the transmission appointing the proxy is authorized. A proxy must have an effective date. If not dated by the person giving the proxy, the effective date of the proxy is the date on which it is received by the person appointed to serve as proxy, and that date must be noted by the appointee on the appointment form. An appointment of a proxy is effective when the appointment form or electronic transmission is received by the Secretary of the meeting or other officer or agent authorized to tabulate votes. Unless and until voted, every proxy shall be revocable at the pleasure of the person who executed it or his legal representative or assigns, except in such cases where an irrevocable proxy permitted under the New York Banking Law shall have been given. No director, officer, or employee of the Bank shall act as a proxy. The Secretary, with the assistance of such agents as may be designated by the Secretary, shall make all determinations of the validity of proxies presented and ballots cast.

Section 6. Quorum. The holders of a majority of shares issued, outstanding, and entitled to vote, present in person or by proxy at a duly constituted meeting of stockholders, shall constitute a quorum to transact business, including the election of directors, except where the vote of a higher percentage of the shares issued, outstanding and entitled to vote shall be required by the Organization Certificate or these By-laws, in which case such higher percentage shall be necessary to constitute a quorum with respect to the relevant matter. Once present, a quorum shall not be broken by the subsequent withdrawal of any stockholder and the concurring vote of a majority of the shares constituting a quorum shall be valid and binding, except as may be otherwise specifically provided by statute, the Organization Certificate or these By-laws.

Section 7. Record Date. For the purpose of determining the stockholders that are entitled to vote for the election of directors, to receive payment of a dividend or for any other purpose, the Board may fix a record date, which record date shall be not less than ten days nor more than fifty days prior to the meeting, the payment of the dividend or the other action to be taken.

Section 8. Adjournment of Stockholders' Meetings. The stockholders present at a duly constituted meeting of stockholders may adjourn such meeting by a vote of the holders of a majority of the shares entitled to vote thereat and held by such holders, whether or not a quorum is present. No further notice of the adjourned meeting need be given to stockholders if the time and location (or no location, solely by means of remote communication subject to Article II, Section 12 in these By-laws) to which the meeting is adjourned are announced at the meeting at which the adjournment is taken. If subsequent to adjournment, however, the Board fixes a new record date for the adjourned meeting, notice of such meeting and the record date shall be given to each stockholder of record. Any business may be transacted at the adjourned meeting that might have been transacted during the original meeting.

Section 9. Inspectors. In advance of any meeting of the stockholders, the Board may appoint one or more inspectors to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the chair of the meeting may, and upon the request of any stockholder entitled to vote thereat shall, appoint one or more inspectors. Such inspectors shall sign an oath to faithfully execute with impartiality and in good faith the duties of inspector, which shall include determining the number of shares outstanding and the voting power of each, the shares represented at the meeting, the presence of a quorum, and the validity and effect of the proxies. Inspectors shall also receive votes, ballots, or consents, and hear and decide all challenges and questions arising from the voting process, count and tabulate all votes, determine the result of the votes and do such acts as are appropriate to conduct the election or vote in a fair manner. No director or officer of the Bank shall be eligible to act as an inspector at the election of directors.

Section 10. Action Without a Meeting. Any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting on written consent, setting forth the action so taken, signed by the holders of all outstanding shares entitled to vote thereon. Written consent of stockholders given in accordance with this provision shall have the same effect as a unanimous vote of stockholders.

Section. 11. Matters Considered at Stockholders Meetings.

(a) Annual Meetings of Stockholders

i. Nominations of persons for election to the Board and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (A) pursuant to the Bank's notice of meeting, (B) by or at the direction of the Board or the Chair of the Board or (C) by any stockholder of the Bank who (1) was a stockholder of record at the time of giving of notice provided for in this Article II, Section 11 and at the time of the annual meeting, (2) is entitled to vote at the meeting and (3) complies with the notice procedures set forth in this Article II, Section 11 (including, without limitation, by providing any updates or supplements at the times and in the forms required by Article II, Section 11(a)(ii)(E)) as to such business or nomination. The foregoing clause (C) shall be the exclusive means for a stockholder to make nominations or submit other business (other than matters properly brought under Rule 14a-8 under the Exchange Act and included in the Bank's notice of meeting) before an annual meeting of stockholders.

ii. Without qualification, for any nominations or any other business to be properly brought before an annual meeting by a stockholder pursuant to Article II, Section 11(a)(i)(C), the stockholder must have given timely notice thereof in writing to the President of the Bank and such other business must otherwise be a proper matter for stockholder action. To be timely, a stockholder's notice shall be delivered to the President at the principal executive offices of the Bank not earlier than the close of business on the one hundred twentieth day and not later than the close of business on the ninetieth day prior to the first anniversary of the preceding year's annual meeting; provided, however, that in the event that the date of the annual meeting is more than thirty days before or more than sixty days after such anniversary date, notice by the stockholder to be timely must be so delivered not earlier than the close of business on the one hundred twentieth day prior to the date of such annual meeting and not later than the close of business on the later of the ninetieth day prior to the date of such annual meeting or, if the first public announcement of the date of such annual meeting is less than one hundred days prior to the date of such annual meeting, then the tenth day following the day on which public announcement of the date of such meeting is first made by the Bank. In no event shall any adjournment or postponement of an annual meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above.

To be in proper form, a stockholder's notice (whether given pursuant to this Article II, Section 11(a)(ii) or Article II, Section 11(b)) to the President must:

A. set forth, as to the stockholder giving the notice and the beneficial owner, if any, on whose behalf the nomination or proposal is made (1) the name and address of such stockholder, as they appear on the Bank's books, and of such beneficial owner, if any, (2) (i) the class or series and number of shares of the Bank which are, directly or indirectly, owned beneficially and of record by such stockholder and such beneficial owner, (ii) any option, warrant, convertible security, stock appreciation right, or similar right with an exercise or conversion privilege or a settlement payment or mechanism at a price related to any class or series of shares of the Bank or with a value derived in whole or in part from the value of any class or series of shares of the Bank, whether or not such instrument or right shall be subject to settlement in the underlying class or series of capital stock of the Bank or otherwise (a "Derivative Instrument") directly or indirectly owned beneficially by such stockholder or such beneficial owner and any other direct or indirect opportunity to profit or share in any profit derived from any increase or decrease in the value of shares of the Bank, (iii) any proxy, contract, arrangement, understanding, or relationship pursuant to which such stockholder or such beneficial owner has a right to vote any shares of any security of the Bank, (iv) any short interest in any security of the Bank (for purposes of this Article II, Section

11(a)(ii) a person shall be deemed to have a short interest in a security if such person directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has the opportunity to profit or share in any profit derived from any decrease in the value of the subject security), (v) any rights to dividends on the shares of the Bank owned beneficially by such stockholder or such beneficial owner that are separated or separable from the underlying shares of the Bank, (vi) any proportionate interest in shares of the Bank or Derivative Instruments held, directly or indirectly, by a general or limited partnership in which such stockholder or such beneficial owner is a general partner or, directly or indirectly, beneficially owns an interest in a general partner, (vii) any performance-related fees (other than an asset-based fee) that such stockholder or such beneficial owner is entitled to based on any increase or decrease in the value of shares of the Bank or Derivative Instruments, if any, as of the date of such notice, including without limitation any such interests held by members of such stockholder's or such beneficial owner's immediate family sharing the same household (which information shall be supplemented by such stockholder and beneficial owner, if any, not later than ten days after the record date for the meeting to disclose such ownership as of the record date), (viii) any pending or threatened legal proceeding in which such stockholder or such beneficial owner is a party or participant involving the Bank or any of its officers or directors, or any affiliate of the Bank, (ix) any other material relationship between such stockholder or such beneficial owner, on the one hand, and the Bank, any affiliate of the Bank or any principal competitor of the Bank, on the other hand, and (x) to the extent known to such stockholder or such beneficial owner, the name(s) of any other stockholder(s) of the Bank (whether holders of record of beneficial owners) that support the business that the stockholder proposes to bring before the meeting or the nominees whom the stockholder proposes to nominate for election or reelection to the Board, as applicable, (3) a representation of such stockholder and such beneficial owner, if any, that such person (or a qualified representative thereof) intends to appear in person at the meeting, and (4) any other information relating to such stockholder and beneficial owner, if any, that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for, as applicable, the proposal and/or for the election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (the disclosures to be made pursuant to the foregoing clauses (1), (2), (3) and (4) are referred to herein as the "Stockholder Information");

B. if the notice relates to any business other than a nomination of a director or directors that the stockholder proposes to bring before the meeting in addition to the information required by Article II, Section 11(a)(ii)(A), set forth (1) a brief description of the business desired to be

brought before the meeting, the reasons for conducting such business at the meeting and any material interest of such stockholder and beneficial owner, if any, in such business and (2) a description of all agreements, arrangements and understandings between such stockholder and beneficial owner, if any, and any other person or persons (including their names) in connection with the proposal of such business by such stockholder;

C. in addition to the information required by Article II, Section 11(a)(ii)(A), set forth, as to each person, if any, whom the stockholder proposes to nominate for election or reelection to the Board (1) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitations of proxies for election of directors in a contested election pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder (including such person's written consent to being named in the proxy statement as a nominee and to serving as a director if elected) and (2) a description of all direct and indirect compensation and other material monetary agreements, arrangements and understandings during the past three years, and any other material relationships, between or among such stockholder and beneficial owner, if any, and their respective affiliates and associates, or others acting in concert therewith, on the one hand, and each proposed nominee, and his or her respective affiliates and associates, or others acting in concert therewith, on the other hand, including, without limitation all information that would be required to be disclosed pursuant to Rule 404 promulgated under Regulation S-K if the stockholder making the nomination and any beneficial owner on whose behalf the nomination is made, if any, or any affiliate or associate thereof or person acting in concert therewith, were the "registrant" for purposes of such rule and the nominee were a director or executive officer of such registrant (the disclosures to be made pursuant to the foregoing clauses (1) and (2) are referred to herein as the "Nominee Information");

D. with respect to each nominee for election or reelection to the Board, include a completed and signed questionnaire, representation and agreement required by Article II, Section 11(c). The Bank may require any proposed nominee to furnish such other information as may reasonably be required by the Bank to determine the eligibility of such proposed nominee to serve as an independent director of the Bank or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such nominee; and

E. a stockholder giving the notice shall update and supplement its notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 11(a)(ii) shall be true and

correct as of the record date for notice of the meeting and as of the date that is ten business days prior to the meeting or any adjournment or postponement thereof, and such update and supplement shall be delivered to, or mailed and received by, the President at the principal executive offices of the Bank not later than five business days after the record date for notice of the meeting (in the case of the update and supplement required to be made as of such record date), and not later than eight business days prior to the date for the meeting or, if practicable, any adjournment or postponement thereof (and, if not practicable, on the first practicable date prior to the date to which the meeting has been adjourned or postponed) (in the case of the update and supplement required to be made as of ten business days prior to the meeting or any adjournment or postponement thereof); provided, that this Article II, Section 11(a)(ii)(E) shall not permit any such stockholder(s) to change any proposed business or nominee (or add any proposed business or nominee), as the case may be.

iii. Notwithstanding anything in the second sentence of Article II, Section 11(a)(ii) to the contrary, in the event that the number of directors to be elected to the Board at an annual meeting of stockholders is increased and there is no public announcement by the Bank naming all of the nominees for director or specifying the size of the increased Board at least one hundred days prior to the first anniversary of the preceding year's annual meeting, a stockholder's notice required by this Article II, Section 11(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the President at the principal executive offices of the Bank not later than the close of business on the tenth day following the day on which such public announcement is first made by the Bank.

(b) Special Meetings of Stockholders.

i. Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Bank's notice of meeting. Nominations of persons for election to the Board may be made at a special meeting of stockholders at which directors are to be elected pursuant to the Bank's notice of meeting (A) by or at the direction of the Board, or (B) provided that the Board has determined that directors shall be elected at such meeting, by any stockholder of the Bank who (1) is a stockholder of record at the time of giving of notice provided for in this Article II, Section 11(b) and at the time of the special meeting, (2) is entitled to vote at the meeting, and (3) complies with the notice procedures set forth in this Article II, Section 11(b) as to such nomination (including, without limitation, by providing all information required to be provided with respect to such nominating stockholder, including, without limitation, by providing any updates or supplements at the times and in the forms required by Article II, Section 11(a)(ii)(E)). In the event the Bank calls a special meeting of stockholders for the purpose of electing one or more directors to the Board, any such stockholder may nominate a person or persons (as the case may be) for election to such position(s) as specified in the Bank's notice of

meeting, if the stockholder's notice (in proper form) required by Article II, Section 11(a)(ii) with respect to any nomination (including, without limitation, the completed and signed questionnaire, representation and agreement required by Article II, Section 11(c) and the information with respect to such nominating stockholder required by Article II, Section 11(a)(ii)) shall be delivered to the Secretary at the principal executive offices of the Bank not earlier than the close of business on the one hundred twentieth day prior to the date of such special meeting and not later than the close of business on the later of the ninetieth day prior to the date of such special meeting or, if the first public announcement of the date of such special meeting is less than one hundred days prior to the date of such special meeting, then the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board to be elected at such meeting. In no event shall any adjournment or postponement of a special meeting or the announcement thereof commence a new time period for the giving of a stockholder's notice as described above.

(c) Submission of Questionnaire, Representation and Agreement.

i. To be eligible to be a nominee of a stockholder of the Bank for election or reelection as a director of the Bank, a person must deliver (in accordance with the time periods prescribed for delivery of notice under this Article II, Section 11) to the Secretary at the principal executive office of the Bank a written questionnaire with respect to the background and qualification of such person and the background of any other person or entity on whose behalf the nomination is being made (which questionnaire shall be provided by the Secretary upon written request) and a written representation and agreement (in the form provided by the Secretary upon written request) that such person: (A) is not and will not become a party to (1) any agreement, arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Bank, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Bank or (2) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Bank, with such person's fiduciary duties under applicable law, (B) is not and will not become a party to any agreement, arrangement or understanding with any person or entity other than the Bank with respect to any direct or indirect compensation, reimbursement or indemnification in connection with service or action as a director that has not been disclosed therein, and (C) in such person's individual capacity and on behalf of any person or entity on whose behalf the nomination is being made, would be in compliance, if elected as a director of the Bank, and will comply with all applicable publicly disclosed corporate governance, conflict of interest, confidentiality and stock ownership and trading policies and guidelines of the Bank.

(d) General.

i. Only such persons who are nominated in accordance with the procedures set forth in this Article II, Section 11 shall be eligible to serve as directors and only such business

shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with the procedures set forth in this Article II, Section 11. Except as otherwise provided by law, the Organization Certificate or these By-laws, the chair of the meeting shall have the power to determine all matters relating to the conduct of the meeting, including, but not limited to, determining whether a nomination or any business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with the procedures set forth in this Article II, Section 11 and, if any proposed nomination or business is not in compliance with this Article II, Section 11, to declare that such defective proposal or nomination shall be disregarded.

ii. For purposes of this Article II, Section 11, a "public announcement" shall mean disclosure in a press release reported by a national news service or in a document publicly filed by the Bank with the Federal Deposit Insurance Corporation pursuant to Section 13, 14 or 15(d) of the Exchange Act and the rules and regulations promulgated thereunder.

iii. Notwithstanding the foregoing provisions of this Article II, Section 11, all director nominations are subject to any required regulatory approval(s), and a proposed director will not be entitled to vote on any matter or otherwise take any action in the capacity of a director until all required regulatory approvals, if any, have been obtained. In addition, notwithstanding the foregoing provisions of this Article II, Section 11, a stockholder shall also comply with all applicable requirements of the Exchange Act and the rules and regulations thereunder with respect to the matters set forth in this Article II, Section 11; provided, however, that any references in these By-laws to the Exchange Act or the rules promulgated thereunder are not intended to and shall not limit the requirements applicable to nominations or proposals as to any other business to be considered pursuant to Article II, Section 11(a)(i)(C) or Article II, Section 11(b). Nothing in Article II, Section 11 shall be deemed to affect any rights of stockholders to request inclusion of proposals in the Bank's proxy statement pursuant to Rule 14a-8 under the Exchange Act.

iv. Unless otherwise required by law, if the stockholder (or a qualified representative of the stockholder) does not appear at the annual or special meeting of stockholders of the Bank to present the nomination or proposal in compliance with the stockholder's representation required by Article II, Section 11(a)(ii)(A)(3), such nomination shall be disregarded and such proposed business shall not be transacted, notwithstanding that proxies in respect of such vote may have been received by the Bank. For purposes hereof, to be considered a qualified representative of the stockholder, a person must be a duly authorized officer, manager or partner of such stockholder or must be authorized by a writing complying with Article II, Section 5 to act for such stockholder as proxy at the meeting of stockholders, and such person must produce such writing, or a reliable reproduction thereof, at the meeting of stockholders.

Section 12. Meeting Attendance via Remote Communication Equipment. To the extent permitted by applicable law, if authorized by the Board in its sole discretion, and subject to such guidelines and procedures as the Board may adopt, stockholders entitled to vote at the meeting of the stockholders and proxy holders not physically present at a meeting of stockholders may, by means of remote communication: (i) participate in the meeting of stockholders and (ii) be deemed present in person and vote at a meeting of stockholders, whether such meeting is to be held at a designated location or solely by means of remote communication, provided that (A) the Bank shall implement reasonable measures to verify that each person deemed present and permitted to vote at the meeting by means of remote communication is a stockholder or proxy holder, (B) the Bank shall implement reasonable measures to provide such stockholders and proxy holders a reasonable opportunity to participate in the meeting and, if entitled to vote, to vote on matters submitted to the applicable stockholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings, and (C) if any stockholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of such votes or other action shall be maintained by the Bank.

ARTICLE III

DIRECTORS

Section 1. Powers of the Board. The Board shall have the power to manage and administer the business and affairs of the Bank. Except as expressly limited by law, these By-laws, or the Organization Certificate, all corporate powers of the Bank shall be vested in and may be exercised by said Board.

Section 2. Election, Number of Directors and Declassification. The entire number of directors constituting the Board shall be the number, not less than seven nor more than twenty-one, fixed from time to time by a majority of the entire Board prior to any increase or decrease, provided, however, that no decrease shall shorten the term of any incumbent director. The term “entire Board” refers to the total number of directors which the Board is authorized to have without regard to vacancies. No more than one-third of the directors shall be officers or employees of the Bank. Any reduction in the number of directors shall be reported to the New York Superintendent of Banks within ten days after such occurrence, as shall any vacancy on the Board, including newly created but unfilled directorships resulting from an increase by the Board in the number of directors.

Section 3. Board Vacancies: Resignation and Removal of Directors. Any director may resign from the Board or from any committee thereof at any time upon written notice to the Board, the Chair, any Vice Chair or the President. Unless otherwise specified in the notice of resignation, such resignation shall take effect upon receipt of notice thereof. The acceptance of a resignation shall not be necessary to render it effective. Any one or more of the directors may be removed from the Board for cause by a majority vote of the stockholders or the Board. All vacancies in the office of director not exceeding one-third of the entire Board may be filled by the vote of a majority of the incumbent directors. All vacancies exceeding one-third of the entire Board shall be filled by the vote of a majority of stockholders entitled to vote thereon.

Section 4. Oath. Upon notification of election or reelection, each director-elect shall execute and transmit to the Superintendent of Banks an oath that he or she will diligently and honestly administer the affairs of the Bank, and will not knowingly violate or willingly permit to be violated, any of the provisions of law applicable to the Bank. Such oath shall be certified by an officer authorized by law to administer oaths.

Section 5. Annual Meetings of the Board. An annual meeting of the Board shall be held at any location (or no location, solely by means of remote communication subject to Article III, Section 16 in these By-laws) within or without this state as may be fixed by the Board, and at any time within twenty-five days following the annual meeting of stockholders.

Section 6. Regular and Special Meetings. Regular and special meetings of the Board may be held at any location (or no location, solely by means of remote communication subject to Article III, Section 16 in these By-laws) within or without this state, unless otherwise provided by these By-laws. To the extent permitted by New York law, the Board shall hold a regular monthly meeting at least six times each year, provided, however, that during any three consecutive calendar months the Board shall meet at least once. If the Board does not satisfy the requirements of New York law entitling the Bank to hold Board meetings as described in the immediately preceding sentence, the Board shall hold a regular monthly meeting at least ten times each year, provided, however, that during any three consecutive calendar months the Board shall meet at least twice. Special meetings of the Board shall be held upon the oral or written request of the President, Chair, Vice Chair or one-third or more of the entire Board. The Chair of the Board shall preside at all meetings of the Board. In the Chair's absence, the Vice Chair, or, if the Vice Chair is absent or no Vice Chair has been appointed, the President shall preside at meetings of the Board, including annual meetings.

Section 7. Notice of Annual. Regular and Special Board Meetings. The time and location of annual, regular and special Board meetings shall be fixed by the Board and notice thereof shall be given to each director as soon as practicable thereafter, and in any event at least two business days prior to the meeting. Notice of a meeting of the Board need not be given to any director who submits a signed waiver of notice, whether before or after the meeting as to which such waiver relates, or who attends such meeting without protesting, prior thereto or at its commencement, the lack of notice to him.

Section 8. Chair of the Board. The Chair of the Board shall be selected from among the members of the Board and shall preside at all meetings of the Board, except where otherwise provided by these By-laws. The Chair shall perform all duties as may be prescribed by law, the Board or these By-laws.

Section 9. Vice Chair of the Board. A Vice Chair of the Board may be selected from among the members of the Board. The Vice Chair, if appointed, shall perform all duties as may be assigned to him or her by the Chair of the Board or as prescribed by law, the Board or these By-laws.

Section 10. Quorum: Action of the Board. While the Investors Rights Agreement, dated April 11, 2012, by and among the Bank, WLR Recovery Fund IV, L.P., WLR IV Parallel ESC, L.P., WLR Recovery Fund V, L.P., Yucaipa Corporate Initiatives Fund II, L.P., Yucaipa Corporate Initiatives (Parallel) Fund II, L.P. and each of the Key Holders (as such term in defined in such agreement) (the "2012 Investor Rights Agreement") is in effect, sixty percent of the entire Board

shall constitute a quorum thereof, which shall be necessary to transact any and all business by the Board, and except where otherwise provided by law or these By-laws, the affirmative vote of at least a majority of the entire Board at a meeting, if a quorum is then present at such meeting, shall be an act of the Board. However, upon the termination of the 2012 Investor Rights Agreement, a majority of the entire Board shall constitute a quorum thereof, which shall be necessary to transact any and all business by the Board, and except where otherwise provided by law or these By-laws, the affirmative vote of at least a majority of the entire Board at a meeting, if a quorum is then present at such meeting, shall be an act of the Board.

Section 11. Adjournment of Board Meetings. A majority of the directors present, whether or not a quorum is present at a duly constituted meeting thereof, may adjourn any meeting of the Board to another time and place. Notice of any adjournment of any meeting of the Board to another time or place shall be given to the directors who were not present at the time of the adjournment and, unless such time and place are announced at the meeting, to the other directors.

Section 12. Action Without Meeting. To the extent permitted by applicable law, any action required or permitted to be taken at a meeting of the Board or any committee thereof may be taken by directors without a meeting if all of the members of the Board or any committee thereof consent in writing. Written consent of the directors given in accordance with this provision shall have the same effect as a unanimous vote of the entire Board. Such writing shall be filed with the minutes of the proceedings of the Board or committee thereof.

Section 13. Minutes. The Board shall ensure that the minutes of its proceedings and any reports to the Board delivered by any state or federal banking agency regarding the condition and operations of the Bank are recorded.

Section 14. Compensation for Directors. The Board shall have authority to fix reasonable compensation for each director.

Section 15. Committees. The Board by resolution adopted by a majority of the entire Board shall designate from among its members an Executive Committee of the Board. The Board may also appoint or provide for such other committees consisting of directors, officers, or other persons having such powers and functions in the management of the Bank as may be provided by the Board. All committee members shall be appointed by the affirmative vote of a majority of the Board and shall have such powers and functions in the management of the Bank as may be expressly provided in these By-laws, by the Board or by statute.

Section 16. Presence at Meeting by Telephone. Members of the Board or any committee thereof may participate in a meeting of the Board or any committee by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting by such means shall constitute presence in person at such meeting.

Section 17. Actions Requiring Board or Board and Stockholder Approval. While the 2012 Investors Rights Agreement is in effect, none of the actions listed in Section 5.1 or 5.2 of the 2012 Investor Rights Agreement shall be taken unless such action has been approved, consented to, or waived as provided therein.

Section 18. Supermajority Approval for Termination of Pension Plan. Any decision by the Board to withdraw, in a complete or partial withdrawal, from the Consolidated Retirement Fund (the "CRF"), or to amend its participation in the CRF in a manner materially detrimental to its participants, shall require approval by not less than two thirds of the disinterested Board members with such vote to be held at a Board meeting at which all Board members are given notice and an opportunity to participate in the discussion. In making such decision, the directors shall take into account each of the factors set forth in Section 7015(2) of the New York Banking Law and that the Bank is committed, as part of its mission and marketing efforts, to progressive pay policies for its employees.

ARTICLE IV

EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS

Section 1. Composition of Executive Committee. There shall be an Executive Committee of the Board, consisting of at least five directors. The Chair of the Board shall be the Chair of the Executive Committee or, in his or her absence, the Vice Chair of the Board, if a Vice Chair has been appointed, shall be the Chair of the Executive Committee.

Section 2. Meetings: Quorum. The Executive Committee shall meet at least once in each thirty day period during which the Board does not meet, and may meet at any other time upon oral or written notice to all members by any member of the Committee. A majority of the total number of members of the Executive Committee shall constitute a quorum thereof, which shall be necessary for the transaction of any business by the Committee. The affirmative vote of a majority of the members of the Executive Committee present at a meeting thereof shall be required for the Executive Committee to act. The Committee shall keep minutes of its meetings.

Section 3. Powers. Except as prohibited by law and these By-laws, the Executive Committee shall have the authority to act for the entire Board. The Executive Committee shall not be authorized to declare dividends, approve issuances of stock, elect directors to fill vacancies on the Board or on any committee established by the Board, fix directors' compensation, elect the Chair or Vice Chair of the Board or the President, submit to stockholders any action that requires stockholder approval, amend or repeal these By-laws or adopt new By-laws, amend or repeal any resolution of the Board which by its terms shall not be amended or repealed without the approval of the entire Board or take any other action not authorized by law or these By-laws.

Section 4. Vacancies. Vacancies on the Executive Committee shall be filled by the Board at any regular meeting of the Board or at a special meeting called for such purpose.

ARTICLE V

COMMITTEES OF DIRECTORS

Section 1. Designation of Committees. The Board, by resolution or resolutions adopted by a majority of the entire Board, may designate from among its members any other committee, each consisting of one or more directors, and may designate one or more directors as alternate members of any such committee, who may replace any absent or disqualified member or members at any meeting of such committee. Each other committee so designated shall have such name as may be provided from time to time in the resolution or resolutions, shall serve at the pleasure of the Board and shall have, to the extent provided in such resolution or resolutions, all the authority of the Board except as otherwise provided by law.

Section 2. Independent Nominee Selection Committee. While the 2012 Investors Rights Agreement is in effect, there shall be an Independent Nominee Selection Committee of the Board. The purpose of the Independent Nominee Selection Committee shall be to designate the Independent Nominees (as defined in the 2012 Investor Rights Agreement) pursuant to Section 2.2(b)(iv) of the 2012 Investor Rights Agreement. The Independent Nominee Selection Committee shall be comprised as set forth in Section 2.2(b)(iv) of the 2012 Investor Rights Agreement.

Section 3. Meetings and Quorum of Independent Nominee Selection Committee. The Independent Nominee Selection Committee shall meet at least once annually and at any other time upon written or oral request of any member of the Independent Nominee Selection Committee. A quorum consisting of a majority of the members of the entire Independent Nominee Selection Committee must be present for the purpose of transacting any business of the Independent Nominee Selection Committee. The Independent Nominee Selection Committee shall keep minutes of its meetings.

Section 4. Vacancies of Independent Nominee Selection Committee. Vacancies in the membership of the Independent Nominee Selection Committee shall be filled by the Board at any regular meeting of the Board or at a special meeting called for such purpose.

ARTICLE VI

OFFICERS

Section 1. General; Functions and Duties. The Board, at its annual meeting, shall elect officers, including a Chair of the Board, a President, Chief Financial Officer, Secretary one or more Vice Presidents and such other officers as the Board from time to time may designate. The Board from time to time may fill vacancies in the office of any officer so elected, and may elect or appoint such other officers as the Board may determine. All such officers shall serve for such terms, exercise such powers, and perform such duties as shall be specified from time to time by resolution of the Board. Any two or more offices may be held by the same person, except that the same person may not hold concurrently the offices of President and Secretary. All officers shall have such authority and perform such duties in the management of the Bank as may be provided in these By-laws and as are necessarily incidental to the particular office. In addition to the powers hereinafter prescribed for certain officers, the Board may from time to time impose or confer upon any officer such additional powers and duties as the Board may see fit, and the Board from time to time may impose or confer any or all of the powers and duties hereinafter prescribed for any officer upon any other officer, except that the same person may not concurrently exercise the duties of President and Secretary.

Section 2. Appointment, Term and Removal. Unless otherwise provided in the resolution of the Board electing an officer or unless such officer sooner resigns, becomes disqualified, or is removed by the Board, the term of office of each officer shall extend to and expire at the meeting of the Board following the next annual meeting of stockholders. The Board may, with or without

cause, suspend the authority of, or remove, any officer elected by the Board and demand from any officer at any time the inspection of any property of the Bank, including all books, documents, records or papers relating to the business of the Bank. The Board may delegate to any committee or officer the power to appoint and remove any subordinate officer or agent. Any suspension or removal shall be reported to the Board at the next regular meeting. Removal of an officer without cause shall be without prejudice to his contract rights, if any, and the election or appointment of an officer shall not of itself create contract rights.

Section 3. President. The President shall be the chief executive officer of the Bank. He shall perform all duties prescribed by law, the Board and these By-laws, including presiding at all stockholder meetings and conducting the general supervision of the affairs and business of the Bank and the management thereof; and prescribing those duties to be performed by other officers and employees of the Bank that are not prescribed by these By-laws or by resolution of the Board. The President shall also perform all duties incident to such office, subject to the control of the Board, and such other duties as may from time to time be assigned by the Board.

Section 4. Vice Presidents. Vice Presidents (which term shall include Executive Vice President, Senior Vice President, First Vice President and Assistant Vice President) shall perform such duties as from time to time may be assigned to them by the President or by the Board. In the absence or disability of the President, the most senior Vice President, in order of rank as fixed by the Board, shall perform all duties of the President.

Section 5. Chief Financial Officer. The Chief Financial Officer shall have charge of the accounting system of the Bank and of the funds, receipts and disbursements of the Bank. He shall be the custodian of all securities, notes and other evidences of indebtedness belonging to the Bank and shall have the authority to sign drafts, checks, notes, certificates of deposit and receipts for money delivered, and to perform all ordinary business transactions of the Bank and all other duties incident to his office, subject to the control of the Board, the Chair and the President, and such other duties as from time to time may be assigned to him by the Chair, the Board or the President.

Section 6. Secretary. The Secretary shall attend (whether in person or by means of conference telephone or similar communications equipment) all meetings of the Board, the stockholders and, when requested, the standing committees, and record all votes and the minutes of all such proceedings in a book or books maintained for that purpose at the principal office of the Bank. The Secretary shall act as the transfer agent for shares of the Bank's stock. The Secretary shall be the custodian of the seal of the Bank and of all books and records of the Bank, including complete and current books and records containing the names and addresses of all stockholders, the number and class of shares held by each and the dates when each became the record owner thereof. The Secretary shall cause all notices required to be given by the Bank in accordance with these By-laws or as required by law to be given and served, and in general shall perform all duties incident to the office of Secretary, subject to the control of the Chair, the President, and the Board, and such other duties as from time to time may be assigned to him by the Chair, the Board or the President.

Section 7. Compensation. The compensation of the officers shall be fixed from time to time by the Board and no officer shall be prevented from receiving compensation in his capacity as an officer by reason of the fact that he is also a director of the Bank.

ARTICLE VII

INDEMNIFICATION

Section 1. Indemnification. The Bank shall, to the fullest extent permitted by applicable law as now or hereafter in effect, indemnify each person made or threatened to be made a party to any action or proceeding, whether civil or criminal, by reason of the fact that such person or such persons' testator or intestate is or was a director, officer or employee of the Bank, or serves or served at the request of the Bank any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, penalties, amounts paid in settlement and reasonable expenses, including attorneys' fees, incurred in connection with such action or proceeding, or any appeal therein.

The Bank may advance to any person entitled to indemnification hereunder all expenses, including attorneys' fees, reasonably incurred in defending any action or proceeding in advance of the final disposition thereof upon receipt of an undertaking by or on behalf of such person (i) to repay such amount in full if such person is ultimately found not to be entitled to indemnification and (ii) to repay such amount in part to the extent that the expenses so advanced exceeded the amount to which such person was entitled to be indemnified.

Nothing herein shall limit or affect any right of any person hereunder to indemnification of expenses, including attorneys' fees, under any statute, rule, regulation, certificate of incorporation, by-law, insurance policy, contract or otherwise.

The indemnification of any person provided by this by-law shall continue after such person has ceased to be a director, officer or employee of the Bank or other enterprise referred to above and shall inure to the benefit of such person's heirs, executors, administrators and legal representatives. No elimination of or amendment to this by-law shall deprive any person of his rights hereunder arising out of alleged or actual occurrences, acts or failures to act existing prior to such elimination or amendment.

The Bank shall provide notice of any payments or advances made or proposed to be made under this Article VI to the Superintendent of Banks and to the stockholders of the Bank as required by the New York Banking Law.

The Bank is authorized to enter into one or more agreements providing for the indemnification and advancement of expenses of directors.

ARTICLE VIII

SURETY BOND

Section 1. Bond. The Bank shall be secured by a blanket bond or bonds in the sum of at least $15 million covering all officers and employees of the Bank.

ARTICLE IX

EXECUTION OF INSTRUMENTS

Section 1. Authorized Signatures. The Board shall annually review and approve the signature authorization policy of the Bank and the designated person or persons having authority to sign checks, drafts notes, bonds, acceptances, deeds, leases, contracts, certificates of stock and all other instruments on behalf of the Bank. The Executive Committee shall make any interim changes to signing authority as it shall deem necessary. All written documents that must be executed under the seal of the Bank shall be signed by any two officers designated by the Board.

ARTICLE X

CERTIFICATES AND TRANSFERS OF STOCK

Section 1. Transfer of Stock. Transfers of shares of stock of the Bank shall be made only on the books of the Bank by the holder thereof, or by his attorney thereunto authorized by a power of attorney duly executed and filed with the Secretary of the Bank and on surrender of the certificate or certificates of such shares. Every certificate surrendered to the Bank shall be marked "cancelled" with the date of cancellation, and no new certificate shall be issued in exchange therefor until the old certificate has been surrendered and cancelled or until the holder thereof has provided the Bank with an affidavit of loss and an indemnity in a form satisfactory to the Bank. A holder of record of shares of the Bank's stock shall be deemed the owner thereof, and no transfer of stock shall be valid as against the Bank, its stockholders and creditors for any purpose, except as required by law, until such transfer shall have been entered in the records of the Bank.

Section 2. Certificates. The shares of stock of the Bank shall be represented by certificates in such form as shall be approved by the Board, but not inconsistent with the Organization Certificate, these By-laws or applicable law, or shall be uncertificated shares that may be evidenced by a book-entry system maintained by the registrar of such stock, or a combination of both. If the shares are represented by certificates, such certificates shall be numbered in the order of issuance, and each certificate shall bear on its face the number of the certificate, the date of its issuance, the number of shares represented, the person or entity to whom the certificate is issued, the name of the Bank and the total amount of the authorized capital stock of the class or series represented by such certificate.

Each certificate representing stock of the Bank shall have endorsed thereon a legend substantially to the following effect:

(i) On the reverse of each stock certificate shall appear the following:

The shares represented by this certificate are not insured or guaranteed by the Federal Deposit Insurance Corporation.

The shares represented by this certificate are subject to the provisions of the organization certificate of the Bank, as amended (the "Organization Certificate"),

a copy of which is on file at the office of the Superintendent of Banks of the State of New York and at the principal office of the Bank, and the By-laws of the Bank, as amended (the "By-laws"), a copy of which is on file at the principal office of the

Bank. The Organization Certificate sets forth a full statement of the designation, relative rights, preferences and limitations of the shares of each class authorized to be issued. The Bank will furnish a copy of the Organization Certificate and By-laws without charge to each registered holder of stock who so requests. No dividends of any amount are guaranteed by the Bank.

Section 3. Execution. All certificates of stock shall bear the corporate seal of the Bank and shall be signed by the Chair of the Board, any Vice Chair or the President and by the Secretary or the Assistant Secretary. The signatures shall be manual and the corporate seal may be either manual or a printed facsimile thereof.

Section 4. Lost, Stolen or Destroyed Certificates of Stock. In case of the loss, theft or destruction of a certificate of stock, a new certificate may be issued upon such terms as the Board prescribes subsequent to the Bank's receipt of the certificate owner's affidavit of facts asserting loss or destruction of such certificate. When authorizing issuance of a new certificate, the Board, in its discretion and as a condition precedent to the issuance thereof, may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Bank a bond in such amount as the Board shall direct as indemnity against any claim that may be made against the Bank, any transfer agent or any registrar on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate.

ARTICLE XI

AMENDMENTS

Section 1. Amendments to By-laws. Except for amending Article III, Section 18, which shall require a vote of two-thirds of the entire Board, the By-laws may be amended or repealed by a vote of the holders of a majority of all outstanding shares entitled to vote thereon or by a vote of a majority of the entire Board.

If any by-law regulating an impending election of directors is adopted, amended or repealed by the Board, there shall be set forth in the notice of the next meeting of stockholders for election of directors the by-law so adopted, amended or repealed, together with a concise statement of the changes made.

Section 2. Amendments to Organization Certificate. Amendment of the Organization Certificate shall be authorized by vote of the holders of a majority of all outstanding shares entitled to vote thereon.

ARTICLE XII

AUDIT

Section 1. Audit. The fiscal year of the Bank shall commence on the first day of January in every year. At least once in every fiscal year there shall be an audit of the books and accounts of the Bank, and of any corporations a majority of the stock of which the Bank shall own and any partnerships of which any such corporation is a general partner, by independent public accountants of recognized standing to be designated by the Board.

ARTICLE XIII

MISCELLANEOUS

Section 1. Books. There shall be kept at the principal office of the Bank correct books of account of the business and transactions of the Bank, a copy of these By-laws and the stock record book of the Bank.

Section 2. Dividends. The Board may in its sole discretion to the extent permitted by law declare and pay dividends upon the Bank's stock out of net profits from time to time, but no more frequently than quarterly. No dividends shall be declared, credited or paid so long as there is any impairment of capital stock.

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20006

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 23, 2020

AMALGAMATED BANK

(Exact name of registrant as specified in its charter)

New York	**13-4920330**
(State or other jurisdiction of incorporation)	**(IRS employer identification no.)**

275 Seventh Avenue, New York, New York	**10001**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (212) 895-8988

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value per share	**AMAL**	**The Nasdaq Stock Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR § 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR § 240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Reference is made to the Amended and Restated Employment Agreement, dated July 25, 2017 (the "Original Agreement"), between Amalgamated Bank (the "Bank") and Keith Mestrich, the Bank's President and Chief Executive Officer (incorporated by reference to Exhibit 10.1 to the Bank's Form 10 Registration Statement filed with the FDIC on July 19, 2018), as amended that certain amendment dated May 16, 2019 ("Amendment No. 1" and the Original Agreement as amended by Amendment No. 1, the "Existing Employment Agreement") (incorporated by reference to Exhibit 10.1 to the Bank's Current Report on Form 8-K filed with the FDIC on May 20, 2019). On April 23, 2020, the Bank and Mr. Mestrich entered into an amendment (the "Amendment") to the Existing Employment Agreement. The Amendment extends the term of the Existing Employment Agreement to June 30, 2021 with the potential to further extend until September 30, 2021 unless earlier terminated in accordance with the terms of the Existing Employment Agreement, as amended by the Amendment. All other terms and provisions of the Existing Employment Agreement remain in full force and effect.

Item 9.01 Financial Statements and Exhibits.

(d) **Exhibits**. See Exhibit Index to this Report.

Exhibit Index

Exhibit No.	Description
10.1	Amendment dated April 23, 2020 to Employment Agreement between Amalgamated Bank and Keith Mestrich.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMALGAMATED BANK

By: /s/ Andrew LaBenne
Name: Andrew LaBenne
Title: Chief Financial Officer and Senior Executive Vice President

Date: April 27, 2020

AMENDMENT TO

AMENDED RESTATED EMPLOYMENT

AMENDMENT (this "Amendment") dated April 23, 2020 ("Amendment Date") to the AMENDED AND RESTATED EMPLOYMENT AGREEMENT (the "Agreement") dated July 25, 2017, by and between Amalgamated Bank (the "Company") and Keith Mesrich (the "Executive") (each a "Party") and together, the "Parties").

WHEREAS, the Parties entered into the Agreement dated as of July 25, 2017, amended effective as of May 17, 2019; and

WHEREAS, the Parties wish to amend the Agreement, effective as of the Amendment Date.

NOW, THEREFORE, in consideration of the mutual promises and conditions herein set forth, the Parties agree as follows:

Section 2 of the Agreement is hereby amended in its entirety to reach as follows:

Term. Subject to earlier termination pursuant to Section 5 of this Agreement, this Agreement and the employment relationship hereunder shall continue from the Effective Date until June 30, 2021 (such date the "Term Date"); provided that, the Parties may agree in writing prior to the Term Date to extend this Agreement and the employment relationship hereunder until September 30, 2021 (such date, the "Term Extension Date," and the period from the Term Date through the Term Extension Date, the "Extension Period"). As used in this Agreement, the "Term" shall refer to the period beginning on the Effective Date and ending on the Term Date or the Term Extension Date, as applicable, or, if earlier, on the date the Executive's employment terminates in accordance with Section 5 below.

[*Signature Page follows*]

IN WITNESS WHEREOF, the Parties hereto, intending to be legally bound hereby, have executed this Amendment as of the day and year first above mentioned.

EXECUTIVE:

/s/ Keith Mestrich
Name: Keith Mestrich

THE COMPANY:

AMALGAMATED BANK

/s/ Lynne P. Fox
Name: Lynne P. Fox
Title: Chair of the Board

[*Signature Page to Amendment to Keith Mestrich Employment Agreement*]

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20006

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): April 29, 2019

AMALGAMATED BANK

(Exact name of registrant as specified in its charter)

New York **(State or other jurisdiction of incorporation)**	**13-4920330** **(IRS employer identification no.)**
275 Seventh Avenue, New York, New York **(Address of principal executive offices)**	**10001** **(Zip Code)**

Registrant's telephone number, including area code: (212) 895-8988

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8- K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value per share	**AMAL**	**The Nasdaq Stock Market**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR § 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR § 240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On April 29, 2020, at the Bank's annual meeting of stockholders (the "Annual Meeting"), the stockholders approved the Amalgamated Bank Employee Stock Purchase Plan (the "Stock Purchase Plan"), which was previously adopted by the Board of Directors subject to stockholder approval. A description of the terms and conditions of the plan is included in the Company's definitive proxy statement for the Annual Meeting (the "Definitive Proxy Statement"), filed with the FDIC on March 19, 2020, which description is incorporated herein by reference. The Stock Purchase Plan is filed as Exhibit 99.1 to this Current Report on Form 8-K.

Item 5.07 Submission of Matters to a Vote of Security Holders.

At the Annual Meeting, of the 31,296,703 shares of the Company's Class A common stock outstanding and entitled to vote at the Annual Meeting, there were present, in person or by proxy, 28,753,204 shares, representing approximately 91.87% of the total outstanding shares. At the Annual Meeting, the stockholders voted on five proposals, as described in greater detail in the Definitive Proxy Statement and cast their votes as described below.

1. The following individuals were elected to serve as directors of the Company, each of whom will hold office until the 2020 annual meeting of stockholders and until his or her successor is duly elected and qualified. Votes cast were as follows:

	FOR	AGAINST	ABSTAIN	BROKER NON-VOTE
Lynne Fox	27,411,704	334,501	667	1,006,332
Donald Bouffard, Jr.	27,368,218	370,382	8,272	1,006,332
Maryann Bruce	27,745,323	683	866	1,006,332
Patricia Diaz Dennis	27,366,968	377,157	2,747	1,006,332
Robert Dinerstein	27,735,947	9,027	1,898	1,006,332
Mark A. Finser	27,275,558	470,126	1,188	1,006,332
Julie Kelly	27,482,795	262,811	1,266	1,006,332
John McDonagh	27,737,749	8,136	987	1,006,332
Keith Mestrich	27,679,603	65,057	2,212	1,006,332
Robert Romasco	27,377,686	366,939	2,247	1,006,332
Edgar Romney, Sr.	27,473,500	271,159	2,213	1,006,332
Stephen R. Sleigh	27,738,417	7,467	988	1,006,332

2. The appointment of Crowe LLP to serve as the Company's independent registered public accounting firm for the fiscal year ended December 31, 2020 was ratified. Votes cast were as follows:

For	Against	Abstain
28,387,952	63,316	301,936

3. The adoption of an amended and restated Organization Certificate of the Company (a) a provision describing our business purpose, and (b) a provision that requires our directors, when discharging his or her duties, to consider the effects of any action or inaction on other stakeholders in addition to the Company was approved. Votes cast were as follows:

For	Against	Abstain	Broker Non-Vote
27,738,500	814	7,558	1,006,332

4. The Amalgamated Bank Employee Stock Purchase Plan was approved. Votes cast were as follows:

For	Against	Abstain	Broker Non-Vote
27,741,733	3,700	1,439	1,006,332

5. The compensation of the Company's named executive officers was approved on a non-binding and advisory basis. Votes cast were as follows:

For	Against	Abstain	Broker Non-Vote
27,101,104	634,513	11,255	1,006,332

Item 9.01 Financial Statements and Exhibits.

(d) *Exhibits* See Exhibit Index to this report.

Exhibit Index

Exhibit No.	Description
99.1	Amalgamated Bank Employee Stock Purchase Plan (incorporated herein by this reference to pages B-1 through B-9 of the Definitive Proxy Statement).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Date: May 1, 2020

FEDERAL DEPOSIT INSURANCE CORPORATION

WASHINGTON, D.C. 20006

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported): June 24, 2020

AMALGAMATED BANK

(Exact name of registrant as specified in its charter)

New York **(State or other jurisdiction of incorporation)**	**13-4920330** **(IRS employer identification no.)**
275 Seventh Avenue, **New York, New York** **(Address of principal executive offices)**	**10001** **(Zip Code)**

Registrant's telephone number, including area code: (212) 895-8988

Not Applicable
(Former name or former address, if changed since last report)

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Emerging growth company ☒

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Item 2.05 Costs Associated with Exit or Disposal Activities.

The information included in Item 7.01 regarding the branch closure is incorporated by reference into this Item 2.05.

Item 7.01 Regulation FD Disclosure.

On June 24, 2020, the Bank notified the Federal Deposit Insurance Company and the New York Department of Financial Services of its intention to close the following branches: Burnside Branch located at 66-96 East Burnside Ave., Bronx, NY 10453; Flushing Branch located at 70-23 Parsons Blvd., Flushing, NY 11365; Long Island City Branch located at 36-16/18 21st St., Long Island City, NY 11106; Sunset Park Branch located at 4502-4504 Fifth Ave., Brooklyn, NY 11220; Roosevelt Island Branch located at 619 Main St., New York, NY 10044. Wall Street Branch located at 52 Broadway, New York, NY 10004. On June 25, 2020 the impacted customers and employees were notified of the same. The affected branches are low traffic and the Bank expects to fully serve the affected customers through its remaining branch network and electronic services.

As a result of the branch closures, the Bank expects to realize approximately a $4.4 million reduction in annual operating expense as a result of the branch closures, which will not be fully realized until sometime in 2021. The Bank expects to take a charge of approximately $7.9 million related to the closures in the second and third quarter of 2020, with potential for smaller charges or recoveries in future quarters as leases are fully exited.

The branch closures and divestures are in the interest of operational efficiency and are part of the Bank’s disclosed strategic initiatives to improve the performance and overall condition of the Bank.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AMALGAMATED BANK

By: /s/ Keith Mestrich
Name: Keith Mestrich
Title: Chief Executive Officer and President

Date: June 26, 2020