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Plumbers' and Pipefitters' Local 162 Pension Fund Notice of Plan Status

April 30, 2010

Participants, Beneficiaries, Participating Union, and Contributing Employers:

The Pension Protection Act (PPA or Act), signed into law in 2006, is intended to improve the financial condition of pension plans. The Act implemented several safeguards as well as notification requirements to share more information about a plan's "financial health" with participants and others directly interested in the plan.

Starting with the 2008 plan year, the Act requires that the Pension Plan be tested annually to determine how well it is funded. The Act established formal benchmarks for measuring a plan's funding. Plans that are in the Yellow ("endangered") or Red ("critical") zones must notify all plan participants, unions, and contributing employers of the Plan's status, as well as take corrective action to restore the plan's financial health.

Plan's Status – Yellow Zone

For the Plan year beginning January 1, 2010, the Pension Plan is 55.3% funded. The Pension Plan's actuary provided this certification based on the Act's funding measures. On March 31, 2010, the Pension Plan was categorized as being in the Yellow "endangered" zone for the 2010 Plan year, since the Plan was less than 80% funded.

Funding Improvement Plan

To comply with the Act, the Trustees adopted a Funding Improvement Plan in 2008, and updated it in 2009. The Funding Improvement Plan has been given to contributing employer and participating unions.

What's Next

Since the Pension Plan's financial condition generally changes with changes in the economy, the Act requires that the Pension Plan's funding status be reviewed and certified annually, which means that you will receive a notice like this each year until the Pension Plan is no longer in the Yellow zone.

The Trustees have been working with our actuaries and consultants for some time now to address funding issues. Please be aware that improving the Pension Plan's funded status is a top priority and we are committed to taking any actions necessary, and as permitted by law, to ensure that the Pension Plan has the necessary assets to fund benefits when participants retire.

For more information about this Notice or the Pension Plan in general, please contact the Pension Plan's Administrator, Ms. Juliana Hall, at the address listed at the start of this letter.

Sincerely,
Board of Trustees

As required by law, this notice is being provided to the Pension Benefit Guaranty Corporation (PBGC) and the Secretary of the Department of Labor.

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