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NOTICE OF FUNDED STATUS
FOR THE
PENSION PLAN FOR PLUMBERS AND PIPEFITTERS
LOCAL UNION NO. 776 (LIMA, OHIO)

To: All Participants, Beneficiaries, and Contributing Employers

In 2006, Congress passed and the President signed into law legislation commonly known as the Pension Protection Act of 2006 (PPA). One of the purposes of this legislation is to address the funding status of defined benefit pension plans.

Starting with the 2008 plan year, the PPA requires that a Pension Fund's actuary determine annually the Fund's status under these new rules and to certify the status to the U.S. Department of Treasury and the Board of Trustees as plan sponsor. It is important to note that if the Fund's status for a plan year is in "endangered" ("yellow zone") or "critical" ("red zone") status, the Trustees must notify all Plan participants in writing of this certification and take corrective action to restore the financial health of the Plan.

This letter serves as notice, according to Federal law, that as of September 28, 2009 the Fund's actuary certified to the U.S. Department of the Treasury, and also the Board of Trustees, that the Pension Plan for Plumbers and Pipefitters Local Union No. 776 is in endangered status. The Plan is considered to be in endangered status because the Plan's funded percentage is less than 80%. The plan's actuary determined that the Plan's funded percentage is 78.7% as of July 1, 2009.

Funding Improvement Plan

Federal Law requires pension plans in endangered status to adopt a Funding Improvement Plan (FIP) aimed at reducing the unfunded percentage of the Plan by at least one third over a ten-year period and avoiding any accumulated funding deficiency. The FIP must be adopted no later than 240 days after the actuarial certification date described above.

An exception to this requirement was made available for 2009 under legislation signed into law in 2008 called the Worker, Retiree and Employer Recovery Act, or WRERA. Please see the enclosed notice of special election regarding this exception.

Where to Get More Information

For more information about this notice, you may contact the Fund Office at P.O. Box 697, 1600 Madison Avenue, Suite 300, Toledo, OH 43697-0697 or by phone at (419) 248-32401. You have a right to receive, upon written request, a copy of the Funding Improvement Plan from the Plan when one is adopted by the Trustees.

NOTICE OF SPECIAL ELECTION

FOR

PLUMBERS AND PIPEFITTERS LOCAL UNION NO. 776 (LIMA, OHIO) PENSION PLAN

This Notice includes important information about the Plumbers and Pipefitters Local Union No. 776 Plan (the "Plan"), Plan No. 001, Plan and Plan Sponsor EIN 34-6682531. This Notice relates to the plan year beginning July 1, 2009 and ending June 30, 2010 ("the 2009 Plan Year"). Under the Pension Protection Act of 2006 ("PPA"), the Plan's actuary annually certifies the Plan's funding status. The PPA created "zones" based on a multiemployer pension plan's funding status. Based on a pension plan's funding status, it may be in critical status ("red" zone), in seriously endangered status ("orange" zone) or endangered status ("yellow" zone) or outside of these categories ("green" zone).

Special Election

Pursuant to the Worker, Retiree and Employer Recovery Act of 2008, ("WRERA"), the Plan's Trustees made a special election on June 19, 2009 to retain the Plan's funding status for the plan year beginning July 1, 2008, and ending June 30, 2009 (the "2008 Plan Year") as its funding status for the 2009 Plan Year. For the 2008 Plan Year, the Plan was certified as being in the "green" zone. Therefore, for the 2009 Plan Year, the Plan will be treated as though it is in the "green" zone and will not be subject to the funding improvement requirements discussed below for the 2009 Plan Year. Without the special election, the Plan would be in endangered/"yellow" status for the 2009 Plan Year.

After careful consideration, the Plan's Trustees determined that it is in the best interests of the Plan's Participants to make the special election at this time. In making this decision, the Plan's Trustees extensively reviewed with the Plan's professional advisors the funding requirements under Federal law, including the effect of making the special election and the effect of not making the election.

This special election is available only for the 2009 Plan Year. Notice will be provided in 2010 if the Plan is certified to be in critical/"red", seriously endangered/"orange" or endangered/"yellow" status for the plan year beginning July 1, 2010 and ending June 30, 2011 (the "2010 Plan Year").

Funding Improvement Requirements

If the Plan is certified to be in anything other than the "green" zone for the 2010 Plan Year, the law requires that the Trustees notify you of the Plan's status for that Plan Year and that steps be taken to improve the Plan's funding. Such steps may include increases in employer contributions and reductions in future benefits accruals.

Interim WRERA Election
Multiemployer Plans

2009 OCT 14 AM 6:59

Election to Maintain Prior Year's Funding Status

The Worker, Retiree, and Employer Recovery Act of 2008 (WRERA) Section 204 allows sponsors of Multiemployer plans to temporarily freeze the plan's funded status to be the same as that of the plan year immediately prior to the election year. Under section 205 of WRERA, a plan sponsor may elect to extend the Funding Improvement or Rehabilitation period by three (3) years. Internal Revenue Code Section 432 requires multiemployer plans to certify their funded status (i.e. endangered, critical, or neither). Please complete the items below and send your election to the IRS/EPCU.

1. Plan Name: Pension Plan for Plumbers and Pipefitters Local No. 776 (Lima, Ohio)
 2. Plan Sponsor: Board of Trustees
 3. Sponsor Address: P.O. Box 697, 1600 Madison Avenue, Suite 300
 4. City: Toledo State: OH ZIP: 43697-0697
 5. Name of Sponsor's Contact Person: Nick Madden
 6. Phone Number: 419-248-2401
 7. Plan EIN: 34-6682531
 8. Plan Year End: June 30
 9. Sponsor EIN: 34-6682531
 10. Plan Number: 001
 11. Year for which this election is being made: 2009

- A. Are you a Multiemployer Plan Sponsor? No Yes
 B. Are you submitting an application to request WRERA relief? No Yes
 C. If you answered Yes to "B",
 1. Is this an election under section 204? No Yes
 2. Is this an election under section 205? No Yes
 3. Is this an election under both sections 204 & 205? No Yes
 D. Have you previously submitted an annual PPA 432-
 Multiemployer certification to the IRS? No Yes
 E. If this is an election under section 204, what is the section 432 status of the plan for the prior year (check one):
 1. Neither Endangered nor Critical (Green):
 2. Endangered (Yellow):
 3. Seriously Endangered (Orange):
 4. Critical (Red):

James Baughman
Terahy Miller
Trustee

9-18-09
9-18-09
Date