

PLUMBERS AND PIPEFITTERS LOCAL 172 PENSION PLAN NOTICE OF PLAN STATUS

This is to inform you that on May 27, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the plan is in critical status for the plan year beginning March 1, 2010. Federal law requires that you receive this notice.

Plan's Status – Red Zone

The plan is considered to be in critical status because it has funding problems or liquidity problems, or both. More specifically, the plan's actuary determined that the plan has an accumulated funding deficiency for the current plan year. As a result, the plan was categorized as being in the Red "critical" Zone for the 2010 plan year.

Rehabilitation Plan and Possibility of Reduction in Benefits

Federal law requires pension plans in critical status to adopt a rehabilitation plan aimed at restoring the financial health of the plan. The law permits pension plans to reduce, or even eliminate, benefits called "adjustable benefits" as part of a rehabilitation plan. If the trustees of the plan determine that benefit reductions are necessary, you will receive a separate notice in the future identifying and explaining the effect of those reductions. Any reduction of adjustable benefits will not reduce the level of a participant's basic benefit payable at normal retirement. In addition, the reductions may only apply to participants and beneficiaries whose benefit commencement date is on or after June 26, 2010, the date of this notice.

Adjustable Benefits

The plan offers the following adjustable benefits which may be reduced or eliminated as part of any rehabilitation plan the pension plan may adopt:

- Disability benefits (if not yet in pay status);
- Early retirement benefit or retirement-type subsidy;
- Benefit payment options other than a qualified joint-and survivor annuity (QJSA);
- Pre and Post retirement death benefits in form of return of contributions;

Employer Surcharge

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

Where to Get More Information

For more information about this Notice, you may contact Carolyn Frederick at 800.759.6944; or by writing to her at 2111 West Lincoln Highway, Merrillville, Indiana 47410; or at carolynf@scmiller.com. You have a right to receive a copy of the rehabilitation plan from the plan

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EBSA/PUBLIC DISCLOSURE

**ADDENDUM TO NOTICE OF PLAN STATUS FOR
PLUMBERS AND PIPEFITTERS LOCAL 172 PENSION PLAN**

On May 18, 2010 agreement was reached to increase the contributions to the pension plan by \$1.00 per hour to \$6.14 per hour effective June 1, 2010 and if necessary by an additional \$0.50 per hour to \$6.64 per hour effective June 1, 2011.

Rehabilitation Plan

The plan actuary has determined that the increase in contributions satisfies the requirements of a rehabilitation plan. This means that the plan is expected to emerge from critical status within the allotted time of ten years based solely on the increase in contributions. As a result, a reduction to adjustable benefits and accrual rates is not required and no employer surcharge applies at this time.

Future Certifications

Federal law requires the actuary to certify as to the status of the plan and the progress of the rehabilitation plan each year no later than May 29th. Since the plan's health and status is dependent upon earnings in the assets, the overall health of the plan may improve or worsen. The next required certification will be completed by the actuary on or before May 29, 2011. At that time the progress of the rehabilitation plan will be evaluated and changes made if required.