

**International Association of Heat & Frost Insulators & Allied Workers
Local No. 81 Pension Plan**

Notice of Endangered Status for 2010

This is to inform you that on August 19, 2010 the plan actuary certified to the U.S. Department of Treasury, the Pension Benefit Guaranty Corporation, and the plan sponsor, that the plan is in endangered (yellow) status for the plan year beginning May 1, 2010. Federal law requires that you receive this notice.

Endangered Status

The plan is in endangered status because it is projected to satisfy the following:

Funded percentage less than 80% - The plan's actuary determined that the plan's funded percentage is 77% on May 1, 2010. The "funded percentage" is the fraction of earned benefits that could be funded with existing Fund assets.

As required by law, the plan actuary's certification includes only contribution rate increases that have been codified in collective bargaining or participation agreements.

Funding Improvement Plan

Federal law requires pension plans in endangered status to adopt a funding improvement plan aimed at restoring the financial health of the plan. The funding improvement plan requires that the plan's funded percentage improve at least one-third of the way to 100% over a 10-year period. The target for this plan under the law is estimated to be a funded percentage of 86% by May 1, 2022 (final determination of the target will not be made until 2012). The plan must also meet the Federal minimum funding requirements during this 10-year period. Based on our most current actuarial projections, we appear to be on track to meet or exceed these benchmarks.

Future Experience and Possible Adjustments

A funding improvement plan is based on a number of assumptions about future experience and may need to be adjusted in the future if such assumptions are not met. Additional contribution rate increases and/or reductions in the rate at which benefits are earned may be needed if the plan were to suffer investment returns below the expected 7.25% (in any plan year after May 1, 2010), a drop in the hours worked, or poor experience from other sources. If, at some point in time, the Trustees determine that further adjustments are necessary, you will receive a separate notice identifying and explaining the effect of those changes.

Where to Get More Information

You have a right to receive a copy of the funding improvement plan once it has been formally approved by the bargaining parties. It should be completed before the end of March 2011. To receive a copy, you may contact the Benefit Office, c/o RJLee & Associates, LLP, at 1700 52nd Avenue, Suite B, Moline, IL 61265-6378 or by telephone at (309) 764-8080.

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