August 17, 2010

U.S. Department of Labor
Employee Benefits Security Administration
Public Disclosure Room, N-1513
200 Constitution Ave. NW
Washington, DC 20210

Re: Plumbers & Pipefitters Local No. 520 Pension Fund

To Whom It May Concern:

Enclosed you will find a Notice of Endangered Status for the Plumbers & Pipefitters Local No. 520 Pension Fund as required by the Pension Protection Act of 2006 (PPA).

Please be advised that, in addition to this mailing, this notice has been provided to the Plan participants, the Union, Contributing Employers, and the Pension Benefit Guaranty Corporation (PBGC).

Sincerely,

Marcy Wolf
Contract Administrator

Enclosure
NOTICE OF ENDANGERED STATUS FOR THE PLUMBERS AND PIPEFITTERS LOCAL NO. 520 PENSION FUND

To: All Participants, Union, Contributing Employers, Pension Benefit Guaranty Corporation (PBGC), and United States Department of Labor (DOL)

This Notice is to inform you that on July 29, 2010, the actuary for the Plumbers and Pipefitters Local No. 520 Pension Fund (hereinafter the “Fund”) certified to the United States Department of the Treasury, and also to the Board of Trustees of the Fund, that the Fund is in Endangered Status for the Plan Year beginning May 1, 2010. Federal law—the Pension Protection Act of 2006 (PPA)—requires the Board of Trustees of the Fund provide notice of this certification to the Fund’s Participants, Union, Employers, the PBGC and DOL.

Endangered Status

The Fund is considered to be in Endangered Status. More specifically, based on the PPA’s new funding provisions and requirements the Fund’s actuary determined that the Fund’s funded percentage for the 2010 Plan Year is less than 80%. The funded percentage is arrived at by comparing the estimated present value of all of the accrued benefits against the value of the Fund’s assets as of April 30, 2010. Having received this certification from the Fund’s actuary, the Board of Trustees must adopt a Funding Improvement Plan.

Funding Improvement Plan

The Funding Improvement Plan adopted by the Board of Trustees must avoid a funding deficiency for any Plan Year during the Funding Improvement Period, and increase the Fund’s funded percentage by one-third of the difference between the current funding percentage and 100%.

The Funding Improvement Period is a ten-year period that begins after the earlier of either: (1) the second anniversary of the adoption of the Funding Improvement Plan, or (2) the expiration of the collective bargaining agreements that are in effect when the actuarial certification was issued, and that cover at least 75% of the Fund’s Active Participants at that time. It is possible for the Funding Improvement Period to commence before the Funding Improvement Plan is adopted. The Funding Improvement Period may last fewer than ten years if the Fund is no longer in Endangered Status.

During the Funding Improvement Period, the Fund’s actuary must annually certify the Fund’s progress toward meeting the targets established in the Funding Improvement Plan, and the Board of Trustees in turn must suggest necessary adjustments and provide a status report in their annual Notice of Endangered Status to the Fund’s Participants, Union, Employers, PBGC and DOL.
During the time when a Funding Improvement Plan is being considered, and after it has been adopted, the Board of Trustees cannot accept a collective bargaining agreement that provides for: (1) a reduction in contribution rates, (2) a suspension of contributions, (3) the exclusion of new hires, or (4) benefit improvements—unless the Fund’s actuary certifies that the improvements are consistent with the Funding Improvement Plan. Additionally, once a Funding Improvement Plan has been adopted, the Fund may not be amended so as to increase benefits unless the Fund’s actuary certifies that the benefit increases are consistent with the Funding Improvement Plan and can be paid for out of contributions not required by the Funding Improvement Plan.

**Fund’s Adoption of No-Action Funding Improvement Plan**

The PPA requires the Board of Trustees to develop a Funding Improvement Plan by March 25, 2011, and to submit the Funding Improvement Plan to the Union and Employers for their review and adoption.

Rather than waiting for a formal certification from the Fund’s actuary, early in 2010, the Board of Trustees asked the actuary to provide an estimated projection of the Fund’s funded percentage. The Board of Trustees also asked the actuary to provide information on the amount of any contribution increase necessary to fund a Funding Improvement Plan if the actuary concluded that the Fund’s funding percentage would be less than 80%. It was the Board of Trustees’ intent that if they did receive notice of a funding percentage of less than 80%, they would provide the Union and Employers with the actuary’s contribution recommendation, and would recommend that the Union and Employers implement the recommended contribution increase effective May 1, 2010. The Union and Employers have informed the Board of Trustees that the actuary’s contribution recommendation was implemented and made a part of the collective bargaining agreement.

The Board of Trustees will be providing to the Union and Employers what it will call a “No-Action Funding Improvement Plan.” The phrase “No-Action” is being used since the Fund’s actuary has already informed the Board of Trustees that with the increase in contributions effective May 1, 2010, the No-Action Funding Improvement Plan is estimated to increase the Fund’s funding percentage by at least one-third of the difference between the current funding percentage and 100% during the Funding Improvement Period.

**Where to Get More Information**

For more information about this Notice, you may contact the Fund’s Contract Administrator, D. H. Evans Associates, Inc. You will have a right to request a copy of the No-Action Funding Improvement Plan from the Fund when it is adopted by the Board of Trustees.