SHEET METAL WORKERS=
UNION LOCAL #194I
PENSION FUND
2009
ACTUARIAL FUNDING CERTIFICATION
Re: Pension Protection Act of 2006

Prepared March 25, 2009
Dear Sirs:

We have completed the analysis of the plan’s funding level pursuant to the requirements of the Pension Protection Act of 2006. All of the present values of the accrued benefits and the actuarial assumptions are contained in the actuarial valuation report as of January 1, 2008. The projection of the values to January 1, 2009 are based on the actual historical trends within the plan. In consideration whereof, I hereby certify that the plan’s funding ratios contained herein are the results of the analysis.

The first exhibit shown below shows the funding ratios for January 1, 2007 and 2008 as shown in the corresponding actuarial reports. The projected ratio is shown for January 1, 2009. The ratios have increased from 87.1% to 95.2% and then are projected to decrease to 73.2%. This is the first stage of the testing and the plan would not pass the 80% limit.

The second exhibit shown below shows the projected funding standard account balance for ten years. The projection shows the credit balance just barely becoming a deficit in five years, as of January 1, 2014. Since there is an expected funding deficiency balance within the next five years, the plan would not pass the second stage of the testing. This means that the status of the plan is in the “yellow zone” and is seriously endangered.

However, the Government has granted relief for one year, which we discussed at the December, 2008 meeting. The relief allows the 2008 funding ratio of 95.2% to be carried over and applied to the 2009 year upon the election by the trustees. This would allow the plan to continue in the green zone for the 2009 year.

Successfully passing the funding ratio and projected credit balance tests last year (2008) allows the plan to be in the green zone this year (2009). This will not require any benefit or contributions adjustments for the 2009 year. The current stock market losses have caused the plan to be about $184,000 short of making the 80% threshold. It should be noted that the losses are expected to drive up the annual cost of the plan by about $78,000 to an estimated $1.00 per hour. The next valuation as of January 1, 2010 will be greatly anticipated. Hopefully the assets will recover sufficient value by December 31, 2009, to allow the plan to continue in the green zone.

Sincerely yours,

Ronald Roth, E.A.
Member, American
FUNDING RATIOS

Present Value Accrued Benefits

As of 1-1-07  As of 1-1-08  Proj to 1-1-09

1. Benefits in pay status $ 1,145,825 $ 1,314,678 $  
2. Vested deferred benefits 287,755 403,878  
3. Active vested benefits 749,770 919,198  
4. Non-vested benefit 16,693 16,874  
5. Total accrued benefits $ 2,200,043 $ 2,654,628 $ 2,707,722  
6. Market value of assets $ 1,916,883 $ 2,527,430 $ 1,982,592  
7. Plan liability funding ratio (6./5.) 87.1 % 95.2 % 73.2%  
8. Elected 2009 carryover provision 95.2%  

PROJECTED FUNDING STANDARDACCOUNT BALANCE:

<table>
<thead>
<tr>
<th>Year</th>
<th>Jan 1&lt;sup&gt;st&lt;/sup&gt;</th>
<th>Credits</th>
<th>Charges</th>
<th>Dec 31&lt;sup&gt;st&lt;/sup&gt;</th>
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<tbody>
<tr>
<td>2006</td>
<td>332,392</td>
<td>122,637</td>
<td>153,472</td>
<td>291,557</td>
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<tr>
<td>2007</td>
<td>291,557</td>
<td>119,074</td>
<td>107,174</td>
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<tr>
<td>2008</td>
<td>303,456</td>
<td>116,991</td>
<td>91,047</td>
<td>329,400</td>
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<tr>
<td>2009</td>
<td>329,400</td>
<td>118,807</td>
<td>174,231</td>
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<tr>
<td>2010</td>
<td>273,975</td>
<td>114,927</td>
<td>178,782</td>
<td>210,121</td>
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<tr>
<td>2011</td>
<td>210,121</td>
<td>110,457</td>
<td>183,491</td>
<td>137,087</td>
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<td>2012</td>
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<td>54,067</td>
<td>99,534</td>
<td>193,411</td>
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<td>2014</td>
<td>-39,810</td>
<td>92,962</td>
<td>198,632</td>
<td>-145,480</td>
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<td>2015</td>
<td>-145,480</td>
<td>85,565</td>
<td>204,036</td>
<td>-263,950</td>
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Election to Freeze Section 432 Status for 2009  
Under Section 204 of the Worker, Retiree, and Employer Recovery Act of 2008

For

The Sheet Metal Workers’ Union Local #194I  
Industrial Pension Plan  
IRS ID No 23-220 3610  
Plan # 001

Pursuant to the relief granted by the aforementioned law upon election, an election has been made, the effect of which is to carry over the funding status of the plan, known as the section 432 status, from the 2008 plan year to the 2009 plan year.

The 2008 funding level was 95.2% which put the plan well into the “green zone” and required no remedial action. Following the extreme decrease in the value of the trust fund as of December 31, 2008, the projected funding level for 2009 is expected to be 73.2%, without the elected relief. This would have put the plan in the “yellow” or endangered zone.

The relief is granted for only the 2009 year. Should the values of the trust fund not recover sufficiently to put the plan back in the “green zone” by December 31, 2009 and the plan continues in the “yellow” zone, then an additional notice will be provided and steps will have to be taken to improve the funding level of the plan. These steps would include increases in contributions and/or decreases in future benefit accruals.

Additional information may be available at the plan administrator’s office at:

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Abington, PA 19001  
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