

NOTICE TO INTERESTED PERSONS OF A PROPOSED TRANSACTION
INVOLVING THE ROOFERS LOCAL 20 APPRENTICESHIP FUND

The Roofers Local 20 Apprenticeship Fund (the Fund) has requested authorization from the United States Department of Labor pursuant to procedures contained in Prohibited Transaction Class Exemption (PTE) 96-62, 61 FR 39988 (July 31, 1996), as amended 67 FR 44622 (July 3, 2002), that the restrictions of sections 406(a)(1)(A) and (D) of the Employee Retirement Income Security Act of 1974 (ERISA) shall not apply to the sale (the Sale) by the Fund of the real property located at 10 South James Street Kansas City, Kansas (the Property) to The Quality Roofing Company (Quality Roofing).

The Property contains the old apprenticeship school. The transaction between the Fund and Quality Roofing ordinarily constitutes a "prohibited transaction" under ERISA. The Fund, however, has requested authorization from the Department of Labor regarding the Fund's contemplated sale of the Property to Quality Roofing.

1) Proposed Transaction and Tentative Authorization

The Fund intends to sell the Property to the Quality Roofing Company as soon as possible following receipt of final authorization from the DOL. The proposed Sale has met the requirements for tentative authorization under PTE 96-62, and the Department of Labor has granted tentative authorization to the Fund to sell the Property, subject to certain terms and conditions. Final authorization, if granted, will occur 5 days after the expiration of the Comment Period defined below, unless the Department of Labor notifies the Fund otherwise. If final authorization is obtained, the restrictions of sections 406(a)(1)(A) and (D) will not apply to the Sale, provided that the following conditions are satisfied:

1. The Sale is a one-time transaction for cash;
2. The Fund will receive the greater of: (1) the tentative sale price of \$38,750 negotiated by the parties OR (2) the updated appraised fair market value to be determined by a qualified independent appraiser as of the date of the Sale;
3. The Fund will not pay any commissions, costs, or other expenses in connection with the Sale other than for the services of the independent fiduciary and the cost of the qualified independent appraiser;
4. The Fund Trustees review and, if appropriate, approve of the methodology used by the qualified independent appraiser to ensure that such methodology is properly applied in determining the fair market value of the Property as of the date of the Sale, and determine whether it is prudent to go forward with the proposed transaction;
5. The Fund Trustees in conjunction with the independent fiduciary determine that the Sale would be in the best interest of the Fund's participants and beneficiaries when compared to the value of retention by the Fund of the Property; and,
6. The terms of the Sale will be no less favorable to the Fund than terms the Fund would have received under similar circumstances in an arm's length transaction with an unrelated party.

2) Background

The Fund is a trust fund created pursuant to the terms of the Taft-Hartley Act of 1947. It is jointly administered by a board of trustees consisting of equal representation from union and management. The Training Fund is based in Raytown, Missouri, and provides training and education to approximately 200 participants, members of Roofers Local 20 and their employers. The Quality Roofing Company is a contributing employer to the Fund pursuant to a collective bargaining agreement obligation. Quality Roofing is a roofing contractor located in Kansas City, Missouri.

The Fund intends to enter into the transaction for the following reasons: as of January 1, 2012, the Fund participants (the Participants) have been attending training at a new location in Kansas City, Missouri. Prior to January 1, 2012, the Participants attended training at 10 South James Street in Kansas City, Kansas. The Fund purchased a new property in Kansas City, Missouri in December 2010 which already contained a building which was in good repair and which is much larger than the building located at 10 South James. The new property was renovated and the Fund began holding apprenticeship training classes at that location in January of 2012.

Furthermore, the building located on the Property is in disrepair. The land at 10 South James Street is too small to accommodate construction of a new building large enough to meet the needs of the Fund to train roofing apprentices. Therefore, the Fund seeks to sell the Property which currently generates no income and which has no useful purpose for the Fund. The Sale will allow diversification of the Fund's investments and protect the Fund against the further deterioration of real estate values. The Fund has recurring financial commitments that require liquidity which is not provided by holding the Property.

The Fund's assets have an aggregate fair market value of \$804,524 as of November 30, 2011. The Property has an estimated fair market value of \$37,800 based on an appraisal by a qualified independent appraiser and constitutes approximately 4.7% of the total value of Fund assets.

The terms of the proposed Sale are as follows: Quality Roofing will pay, as consideration for the Property, the greater of (1) the tentative sale price negotiated by the parties (\$38,750) or (2) the greater of the fair market value as identified in the appraisal conducted on March 12, 2012 (\$37,800) and the updated appraised value to be determined as the date of the Sale. The Fund will not pay any commissions or other expenses with respect to the transaction, other than for the services of the independent fiduciary and the cost of the qualified independent appraiser and accompanying appraisal report.

An independent fiduciary, Mr. Laird Goldsborough of Shaner Appraisals, Inc. in Overland Park, Kansas, reviewed the proposed transaction and determined that the Sale is in the best interests of the Fund and its participants and beneficiaries. Mr. Goldsborough is the President of Shaner Appraisals, Inc. and is an MAI designated appraiser by the Appraisal Institute.

On March 12, 2012, the fair market value of the Property was appraised at \$37,800 by a qualified, independent real estate appraiser, Mr. Jason Roos of Shaner Appraisals, Inc. Mr. Roos has earned the MAI designation from the Appraisal Institute. Although the Property is located less than a mile from The Quality Roofing Company's main office in Kansas City, Missouri, no additional assemblage value or premium has been assigned to the Property due to this fact.

3) Anticipated Date of Proposed Transaction

As soon as possible following authorization by the Department of Labor, but in no event before the grant of final authorization by the Department.

4) Substantially Similar Transactions

The Department has previously approved a number of substantially similar transactions between funds and parties-in-interest. In general, PTE 96-62 requires the granting of at least two substantially similar individual exemptions by the DOL within the last 60 months, or the granting of one substantially similar individual exemption within the last 120 months and the issuance of one substantially similar final authorization within the last 60 months.

The Fund is relying on the following substantially similar transactions for the purposes of this application:

- Prohibited Transaction Exemption 2005-10 for The North Texas Electrical Joint Apprenticeship and Training Trust Fund, 70 Fed. Reg. 37443 (June 29, 2005), involving the sale of 1.112 acres of land to the North Texas Chapter, National Electrical Contractors Association (NECA), a party in interest to the Plan; and the sale of 5.383 acres of land to Local Union 20, International Brotherhood of Electrical Workers (IBEW), a party in interest to the Plan; and,
- Final Authorization No. 09-15E for Network Funding Corporation Employees Welfare Benefit Plan, involving the sale of 1,587 acres of land by the Plan to the Trustees individually. Network Funding and the Trustees are parties in interest with respect to the Plan and the Trustees are also indirect owners of Network Funding.

These transactions are substantially similar because:

- The transactions involved the sale of real property by a qualified plan to a party in interest;
- The terms of the transactions required that the funds receive the greater of the fair market value of the property being sold based upon a recent valuation by an independent appraiser or the fair market value of the property being sold at the time of transaction as determined by an updated appraisal.
- The transactions were one-time transactions for cash.
- The funds did not pay any commissions, costs or expenses in connection with the sales of the properties.
- The terms of the sales were no less favorable to the funds than the terms they would have received under similar circumstances in an arm's length transaction with an unrelated party.

The above referenced PTE 2005-10 (North Texas JAT) and Final Authorization No. 09-15E (Network Welfare Fund) are very similar to the proposed transaction. One difference between both of the similar transactions and the current proposed transaction is that while the proposed transaction involves improved real estate, the North Texas JAT and Network Welfare Fund applications involved unimproved, investment real estate. However, this difference is not material. In all three cases, the funds are in possession of real estate that does

not generate income for the fund and which can be converted into cash which can be used for investment in a more diversified type of investment, investment in a more liquid investment, or used to pay current fund expenses. In the case of the North Texas JAT property sale, the reason for the sale was that the property was located in an inconvenient place for development. Whereas, in the case of the proposed Sale, the Fund is in possession of a parcel of real estate that cannot be further developed or redeveloped in such a way as to meet the needs of the Fund in training its apprentices. Thus, the restrictions based upon the location of the parcel render it unsuitable for maximizing its use similar to the situation in the North Texas JAT case.

5) Right to Comment

As an interested person, you have the right to comment to the Department concerning the Fund's proposed Sale of the Property by writing to the following address before the expiration of the Comment Period:

Submission Number E-00691
Office of Exemption Determinations
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Ave., NW, Room N-5700
Washington, DC 20210

Comments may also be submitted by fax or by email to the attention of Mr. Warren M. Blinder:

Fax: (202) 219-0204
Email: blinder.warren@dol.gov

Furthermore, if you have any questions regarding the contents of this Notice, you may contact Mr. Blinder by phone at 202-693-8553 or at the email address listed above.

6) Expiration of Comment Period

The Comment Period will expire on June 26, 2012.