

NOTICE OF CRITICAL STATUS

PENSION PLAN OF THE PLUMBERS LOCAL UNION NO. 200 PENSION FUND

EIN: 11-3125387 Plan Number: 001

This is to inform you that on September 29, 2010 the plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Pension Plan of the Plumbers Local Union No. 200 Pension Fund (the "Plan") is in critical status for the Plan Year beginning July 1, 2010. Federal law requires that you receive this notice.

Critical Status

The Plan is considered to be in critical status because it has funding or liquidity problems, or both. More specifically, the Plan's actuary determined that within the next three years the Plan is projected to have an accumulated funding deficiency. A funding deficiency is projected to begin for the plan year beginning July 1, 2013.

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 Board of Trustees (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 October 29, 2010. But you should know that whether or not the Plan reduces adjustable benefits in the future, effective as of October 29, 2010, the Plan is not permitted to pay lump sum benefits (or any other payment in excess of the monthly amount paid under a single life annuity) while it is in critical status.

Adjustable Benefits

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

- Disability benefits (if not yet in pay status);
- Early retirement benefits;
- Subsidized joint and survivor benefits;
- Three year payment guarantees; and
- Other similar benefits, rights, or features under the plan, if any.

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, i.e. effective November 28, 2010, and a 10% surcharge is applicable for each succeeding Plan Year thereafter in which the Plan is in critical status, i.e. effective July 1, 2011.

Where to Get More Information

For more information about this Notice, you may contact the Fund Office at 2121 5th Avenue, Ronkonkoma, NY 11779, (631) 739-0020. You have the right to receive a copy of the rehabilitation plan from the Plan once a rehabilitation plan is adopted.

Sincerely,

The Board of Trustees
Plumbers Local Union No. 200 Pension Fund