PLUMBERS & PIPEFITTERS LOCAL UNION NO. 74 PENSION FUND

Fund Office: **GEM**Group, Administrator, Brandywine Corporate Center, 650 Naamans Road, Suite 303, Claymont, DE 19703
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ESA/PUBLIC DISCLOSURE
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April 30, 2011

Notice of Endangered Status
For
PLUMBERS AND PIPEFITTERS LOCAL UNION NO. 74 PENSION PLAN
(E.I.N. 51-6015925 / Plan 001)

The Pension Protection Act of 2006 (PPA'06) requires that the Plan's actuary annually determine the Plan's financial status under specific rules. This Notice is to inform you that on March 31, 2011, the Plan's actuary certified to the U.S. Department of the Treasury, and to the Trustees, that the Plan remains in endangered status (Yellow Zone) for the Plan Year beginning January 1, 2011. **Federal law requires that you receive this Notice.**

Endangered Status

The Plan is considered to be in endangered status for the Plan Year beginning January 1, 2011 because the Plan's actuary determined that, based on PPA'06 funding rules, the Plan is currently less than 80% funded.

Funding Improvement Plan

PPA'06 requires pension plans in endangered status to adopt a Funding Improvement Plan (FIP) aimed at restoring the financial health of the Plan. More specifically, the FIP is an action plan which based on reasonably anticipated experience and under reasonable actuarial assumptions is designed to significantly increase a plan's funded percentage and to avoid any accumulated funding deficiency.

PPA'06 requires that our Plan's funding status be reviewed and certified annually and notices like this one, explaining the outcome, will be sent each year until our plan is no longer in a zone status under PPA'06. Additionally, the FIP will be reviewed annually to ensure the objectives of the FIP continue to be achievable in light of emerging Plan experience. The Board of Trustees formally adopted a FIP on October 13, 2008 that does not contain any changes to the contribution and benefit schedules. While the Board does not expect that benefit reductions will be needed to meet the requirements of the FIP, the Plan is influenced by economic and financial variables beyond the Trustees' control (such as market volatility, economic changes affecting participation, and other factors, like the outcome of collective bargaining.) Unexpected developments can affect the Plan's funding status and the need for any future corrective actions. If 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 benefit reductions.

What Lies Ahead and Where to Get More Information

We understand that legally required notices like this one can create anxiety and concern about the Pension Plan's future. The Board of Trustees remains confident that, with appropriate adjustments, the Plan will continue to provide you and your family with secure retirement benefits.

For more information about this Notice, you may contact:

GEMGroup, LP
650 Naamans Road, Suite 303, Claymont, DE 19703
Phone : (302) 798-6801; Email : sernsberger@gemgrouplp.com

Upon request, the Trustees will provide you with a copy of the Funding Improvement Plan for the Plan.