

PLUMBERS & PIPEFITTERS NATIONAL PENSION FUND

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<http://www.ppnpf.org>

ADMINISTRATOR: WILLIAM T. SWEENEY, JR.

Notice of Endangered Status for the 2011-12 Plan Year

To: All Participants, Participating Local Unions, and Contributing Employers

From: Board of Trustees

Date: October 28, 2011

The Pension Protection Act of 2006 (PPA) requires that actuaries for multiemployer plans, such as the Plumbers and Pipefitters National Pension Fund (“National Pension Plan” or “Plan”), determine and certify the funding status of the Plan annually. The certification must be made within the first 90 days of each Plan Year, and it must be provided to the Treasury Secretary and the Board of Trustees. If the actuary determines that the Plan is in “endangered” or “seriously endangered” status or “critical” status, the Trustees must notify all Plan Participants, contributing employers and other stakeholders, as well as take corrective action as prescribed in the PPA to improve the funding position of the Plan.

Endangered Zone Status

This letter will serve as the PPA required notice that the actuary of the Plan has certified that the National Pension Plan is in endangered status for the 2011-2012 Plan Year. Under the PPA’s funding measures, the National Pension Plan has improved from 70.4% funded as of July 1, 2010 to 75.7% funded as of July 1, 2011.

Funding Improvement Plan

As required by the PPA, the Trustees of the Plan have developed and adopted a “Funding Improvement Plan” (FIP). The FIP is an action plan designed to increase the Plan’s funding percentage, improve the ratio of assets to liabilities, and avoid an accumulated funding deficiency. The FIP was adopted in April 2010. The FIP includes contribution rate increase options from which the parties to the collective bargaining agreements may choose when negotiating agreements. You have a right to receive a copy of the FIP by sending a written request to the Fund office at the address above.

The PPA requires that the Plan’s funded status be reviewed and certified annually, and notices like this one must be sent each year. There are several variables beyond the Trustees’ control that are monitored carefully, including investment market volatility and changes in employment levels, which could affect the Plan’s status and the corrective actions to be taken in the future.

Because of the National Pension Plan’s endangered status, the PPA does not allow the Trustees to accept any revised collective bargaining agreement that reduces contribution rates, provides a contribution holiday, or excludes younger or newly hired employees from participation.

Federal law requires that this notice be provided to you. The Trustees remain confident that the National Pension Plan is well positioned to continue providing participants and beneficiaries with their retirement benefits. The Trustees are committed to taking all appropriate actions to improve the Plan’s funding position.

For further information: You may email your inquiry to: AFN@ppnpf.com or mail your inquiry to:

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