

PLUMBERS & PIPEFITTERS NATIONAL PENSION FUND

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ADMINISTRATOR: WILLIAM T. SWEENEY, JR.

Summary of Material Modifications to the Plan

October 28, 2011

This notice is to inform you of changes adopted by the Board of Trustees to the Plan during the Plan Year ending June 30, 2011.

Benefits under the Funding Improvement Plan

The Trustees adopted a Funding Improvement Plan ("FIP") to comply with requirements of the Pension Protection Act ("PPA"). The Funding Improvement Plan is a series of actions formulated to reach PPA benchmarks for increases in the legal funding percentage. Notices about the FIP have been mailed to you previously. The PPA dictated process of implementing the FIP is underway.

Your benefits under the FIP are based on whether the parties to the Collective Bargaining Agreement make sufficient on time increases in the hourly contribution rate to the Fund. If the applicable increase in hourly contributions is not implemented under the Collective Bargaining Agreement on or before July 1, 2012, the Default Schedule will go into effect automatically.

If the contribution rate increases are timely adopted, you will continue to accrue benefits in the same way as you have in the past year, and your current accrual rate will continue.

Default Schedule: If the contribution rate increases are not timely adopted, the rate of your future benefit accruals will automatically drop by 75% of the current level.