

Sheet Metal Workers' National Pension Fund

*Actuarial Certification of Plan Status as of
January 1, 2015 under IRC Section 432*



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March 31, 2015

*Board of Trustees
Sheet Metal Workers' National Pension Fund
8403 Arlington Boulevard, Suite 300
Fairfax, Virginia 22031*

Dear Trustees:

As required by ERISA Section 305 and Internal Revenue Code (IRC) Section 432, we have completed the Plan's actuarial status certification as of January 1, 2015 in accordance with the Multiemployer Pension Reform Act of 2014 (MEPRA). The attached exhibits outline the projections performed and the results of the various tests required by the statute. These projections have been prepared based on the Actuarial Valuation as of January 1, 2014 and in accordance with generally accepted actuarial principles and practices and a current understanding of the law. The actuarial calculations were completed under the supervision of Daniel V. Ciner, MAAA, EA.

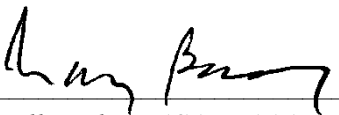
As of January 1, 2015, the Plan is in endangered status. In addition, the Plan is not projected to be in critical status for any of the succeeding five plan years. This certification is being filed with the Internal Revenue Service, pursuant to ERISA section 305(b)(3) and IRC section 432(b)(3).

Segal Consulting ("Segal") does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal's understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.

We look forward to reviewing this certification with you at your next meeting and to answering any questions you may have. We are available to assist the Trustees in communicating this information to plan stakeholders as well as in reviewing the Funding Improvement Plan.

Sincerely,

Segal Consulting, a Member of the Segal Group

By: 

Lall Bachan, ASA, MAAA, FCA, EA
Senior Vice President and Actuary

cc: *Marc LeBlanc, Esq.*
Stephen M. Rosenblatt, Esq.



March 31, 2015

*Internal Revenue Service
Employee Plans Compliance Unit
Group 7602 (TEGE:EP:EPCU)
Room 1700 - 17th Floor
230 South Dearborn Street
Chicago, Illinois 60604*

To Whom It May Concern:

As required by ERISA Section 305 and the Internal Revenue Code (IRC) Section 432, we have completed the actuarial status certification as of January 1, 2015 for the following plan:

*Name of Plan: Sheet Metal Workers' National Pension Fund
Plan number: EIN 52-6112463/PN 001
Plan sponsor: Board of Trustees, Sheet Metal Workers' National Pension Fund
Address: 8403 Arlington Boulevard, Suite 300, Fairfax, Virginia 22031
Phone number: 703.739.7000*

As of January 1, 2015, the Plan is in endangered status. In addition, the Plan is not projected to be in critical status for any of the succeeding five plan years.

If you have any questions on the attached certification, you may contact me at the following:

*Segal Consulting
101 North Wacker Drive, Suite 500
Chicago, Illinois 60606
Phone number: 312.984.8500*

Sincerely,

*Daniel V. Ciner, MAAA
Senior Vice President and Actuary
Enrolled Actuary No: 14-05773*

March 31, 2015

ACTUARIAL STATUS CERTIFICATION AS OF JANUARY 1, 2015 UNDER IRC SECTION 432

This is to certify that Segal Consulting, a Member of The Segal Group, Inc. (“Segal”) has prepared an actuarial status certification under Internal Revenue Code Section 432 for the Sheet Metal Workers' National Pension Fund as of January 1, 2015 in accordance with generally accepted actuarial principles and practices. It has been prepared at the request of the Board of Trustees to assist in administering the Fund and meeting filing and compliance requirements under federal law. This certification may not otherwise be copied or reproduced in any form without the consent of the Board of Trustees and may only be provided to other parties in its entirety.

The measurements shown in this actuarial certification may not be applicable for other purposes. Future actuarial measurements may differ significantly from the current measurements presented in this report due to such factors as the following: plan experience differing from that anticipated by the economic or demographic assumptions; changes in economic or demographic assumptions; increases or decreases expected as part of the natural operation of the methodology used for these measurements (such as the end of an amortization period or additional cost or contribution requirements based on the plan's funded status); differences in statutory interpretation and changes in plan provisions or applicable law.

This certification is based on the January 1, 2014 actuarial valuation, dated October 24, 2014. This certification reflects the changes in the law made by the Multiemployer Pension Reform Act of 2014 (MEPRA). Additional assumptions required for the projections (including those under MEPRA), and sources of financial information used are summarized in Exhibit VI.

Segal Consulting does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretations on which this certification is based reflect Segal’s understanding as an actuarial firm.

This certification was based on the assumption that the Plan was qualified as a multiemployer plan for the year.

I am a member of the American Academy of Actuaries and I meet the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion herein. To the best of my knowledge, the information supplied in this actuarial certification is complete and accurate. As required by IRC Section 432(b)(3)(B)(iii), the projected industry activity is based on information provided by the Plan Sponsor. In my opinion, the projections are based on reasonable actuarial estimates, assumptions and methods that (other than projected industry activity) offer my best estimate of anticipated experience under the Plan.



Daniel V. Ciner, MAAA
Senior Vice President and Actuary
Enrolled Actuary No: 14-05773

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Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

EIN 52-6112463/PN 001

EXHIBIT I

Status Determination as of January 1, 2015

Status	Condition	Test Component Result	Final Result
Critical Status:			
Determination of critical status:			
C1.	A funding deficiency is projected in four years (ignoring any amortization extensions)?	Yes	Yes
C2.	(a) A funding deficiency is projected in five years (ignoring any amortization extensions),.....	Yes	
	(b) AND the present value of vested benefits for non-actives is more than the present value of vested benefits for actives,	Yes	
	(c) AND the normal cost plus interest on the unfunded actuarial accrued liability (unit credit basis) is greater than the contributions for the current year?	No	No
C3.	(a) A funding deficiency is projected in five years (ignoring any amortization extensions),.....	Yes	
	(b) AND the funded percentage is less than 65%?.....	Yes	Yes
C4.	(a) The funded percentage is less than 65%,	Yes	
	(b) AND the present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over seven years?	No	No
C5.	The present value of assets plus contributions is less than the present value of benefit payments and administrative expenses over five years?	No	No
Special emergence test:			
C6.	(a) In critical status, prior to applying the following tests? (If any of (C1) through (C5) is Yes then Yes)	Yes	
	(b) Had elected an amortization extension under the provisions of IRC Section 431(d)(1)?	Yes	
	(c) Has emerged from critical status because the plan:		
	(i) is not projected to have an accumulated funding deficiency for the plan year or any of the nine succeeding plan years, without regard to the use of the shortfall method but taking into account any automatic extension of amortization periods up to five years under IRC Section 431(d)(1),	Yes	
	(ii) AND is not projected to become insolvent for the current year or any of the 30 succeeding plan years?	Yes	Yes
In Critical Status? (If any of (C1) through (C5) is Yes, then Yes, unless (C6(c)) is Yes).....			No

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**EXHIBIT I (continued)
Status Determination as of January 1, 2015**

Status	Condition	Test Component Result	Final Result
Determination of whether plan will be in critical status in any of the succeeding five plan years:			
C7. (a)	Is not in critical status,.....	Yes	
(b)	AND is projected to be in critical status in any of the next five years?.....	No	No
In Critical Status in any of the five succeeding plan years?			No
Endangered Status:			
E1. (a)	Is not in critical status,	Yes	
(b)	AND the funded percentage is less than 80%?	Yes	Yes
E2. (a)	Is not in critical status,.....	Yes	
(b)	AND a funding deficiency is projected in seven years?	No	No
In Endangered Status? (Yes when either (E1) or (E2) is Yes).....			Yes
In Seriously Endangered Status? (Yes when BOTH (E1) and (E2) are Yes)			No
Neither Critical Status Nor Endangered Status:			
Neither Critical nor Endangered Status?.....			No

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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**EXHIBIT II
Summary of Actuarial Valuation Projections**

The actuarial factors as of January 1, 2015 (based on projections from the January 1, 2014 valuation certificate):

I. Financial Information

1. Market value of assets				\$3,994,722,348
2. Actuarial value of assets				4,146,822,020
3. Reasonably anticipated contributions				
a. Upcoming year				414,382,817
b. Present value for the next five years				1,740,168,377
c. Present value for the next seven years				2,278,181,274
4. Projected benefit payments				464,713,104
5. Projected administrative expenses (payable at the beginning of the year)				14,500,000

II. Liabilities

1. Ratio of inactive participants to active participants				N/A
2. Present value of vested benefits for active participants				1,785,253,483
3. Present value of vested benefits for non-active participants				4,680,455,992
4. Total unit credit accrued liability				6,797,423,754
5. Present value of payments				
a. Next five years	Benefit Payments		Administrative Expenses	Total
b. Next seven years	\$2,035,171,040		\$66,679,043	\$2,101,850,083
	2,724,986,502		89,606,476	2,814,592,978
6. Unit credit normal cost plus expenses				163,522,060

III. Funded Percentage (I.2)/(II.4)

61.01%

IV. Funding Standard Account

		Without Amortization Extension	With Amortization Extension
1. Credit balance/(funding deficiency) as of the end of prior year		(\$533,404,383)	\$187,270,350
2. Years to projected funding deficiency		0	N/A

V. Years to Projected Insolvency

N/A

VI. Year Projected to Be in Critical Status (Based on Test C7. in Exhibit I), if within Five Years

N/A

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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**EXHIBIT III
Funding Standard Account Projections**

The tables below present the Funding Standard Account Projections for the Plan Years beginning January 1.
With Amortization Extension under IRC Section 431(d)

	Year Beginning January 1							
	2014	2015	2016	2017	2018	2019	2020	2021
1. Credit balance/(funding deficiency) at beginning of year	\$119,925,676	\$187,270,350	\$173,430,557	\$150,016,134	\$125,014,468	\$143,129,384	\$167,886,947	\$195,744,801
2. Interest on (1)	8,994,426	14,045,276	13,007,292	11,251,210	9,376,085	10,734,704	12,591,521	14,680,860
3. Normal cost	84,301,186	149,022,060	148,385,355	100,040,213	98,788,865	97,136,085	95,244,627	93,073,300
4. Administrative expenses	12,400,000	14,500,000	14,935,000	15,383,050	15,844,542	16,319,878	16,809,474	17,313,758
5. Net amortization charges	258,274,349	262,345,142	270,712,659	318,452,691	277,389,797	273,651,866	273,897,008	268,127,355
6. Interest on (3), (4) and (5)	26,623,165	31,940,040	32,552,476	32,540,697	29,401,740	29,033,087	28,946,333	28,388,581
7. Expected contributions	424,047,179	414,382,817	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
8. Interest on (7)	<u>15,901,769</u>	<u>15,539,356</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>
9. Credit balance/(funding deficiency) at end of year: (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	\$187,270,350	\$173,430,557	\$150,016,134	\$125,014,468	\$143,129,384	\$167,886,947	\$195,744,801	\$233,686,442
	2022	2023	2024	2025	2026	2027	2028	2029
1. Credit balance/(funding deficiency) at beginning of year	\$233,686,442	\$296,811,088	\$373,108,229	\$450,801,708	\$535,266,107	\$603,745,201	\$721,537,110	\$860,188,803
2. Interest on (1)	17,526,483	22,260,832	27,983,117	33,810,128	40,144,958	45,280,890	54,115,283	64,514,160
3. Normal cost	90,805,328	88,397,937	86,116,368	83,778,052	81,707,816	79,754,998	78,025,176	76,571,559
4. Administrative expenses	17,833,171	18,368,166	18,919,211	19,486,787	20,071,391	20,673,533	21,293,739	21,932,551
5. Net amortization charges	249,096,954	243,119,912	248,874,573	249,767,258	272,015,806	232,271,707	222,194,913	231,699,215
6. Interest on (3), (4) and (5)	26,830,159	26,241,451	26,543,261	26,477,407	28,034,626	24,952,518	24,113,537	24,765,249
7. Expected contributions	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
8. Interest on (7)	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>
9. Credit balance/(funding deficiency) at end of year: (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	\$296,811,088	\$373,108,229	\$450,801,708	\$535,266,107	\$603,745,201	\$721,537,110	\$860,188,803	\$999,898,164

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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**EXHIBIT III (continued)
Funding Standard Account Projections**

Without Amortization Extension under IRC Section 431(d)

	Year Beginning January 1					
	2014	2015	2016	2017	2018	2019
1. Credit balance/(funding deficiency) at beginning of year	(\$530,666,254)	(\$533,404,383)	(\$616,280,030)	(\$705,622,688)	(\$732,559,935)	(\$679,649,268)
2. Interest on (1)	(39,799,969)	(40,005,329)	(46,221,002)	(52,921,702)	(54,941,995)	(50,973,695)
3. Normal cost	84,301,186	149,022,060	148,385,355	100,040,213	98,788,865	97,136,085
4. Administrative expenses	12,400,000	14,500,000	14,935,000	15,383,050	15,844,542	16,319,878
5. Net amortization charges	278,077,519	276,284,908	276,945,162	260,557,500	185,190,884	162,033,799
6. Interest on (3), (4) and (5)	28,108,403	32,985,523	33,019,914	28,198,557	22,486,822	20,661,732
7. Expected contributions	424,047,179	414,382,817	414,615,687	414,615,687	414,615,687	414,615,687
8. Interest on (7)	<u>15,901,769</u>	<u>15,539,356</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>	<u>15,548,088</u>
9. Credit balance/(funding deficiency) at end of year: (1) + (2) - (3) - (4) - (5) - (6) + (7) + (8)	(\$533,404,383)	(\$616,280,030)	(\$705,622,688)	(\$732,559,935)	(\$679,649,268)	(\$596,610,682)

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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EXHIBIT IV

Funding Standard Account – Projected Bases Assumed Established After January 1, 2014

Schedule of Funding Standard Account Bases

Type of Base	Date Established	Base Established	Amortization Period	Amortization Payment
Actuarial Loss	01/01/2015	\$51,112,629	15	\$5,386,426
Actuarial Loss	01/01/2016	86,532,785	15	9,119,126
Actuarial Loss	01/01/2017	24,601,658	15	2,592,608
Actuarial Loss	01/01/2018	49,293,375	15	5,194,707
Actuarial Loss	01/01/2019	14,204,339	15	1,496,903

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**EXHIBIT V
Solvency Projection**

The table below presents the projected Market Value of Assets for the Plan Years beginning January 1, 2014 through 2050.

	Year Beginning January 1							
	2014	2015	2016	2017	2018	2019	2020	2021
1. Market value at beginning of year	\$3,818,123,174	\$3,994,722,348	\$4,226,521,351	\$4,465,202,811	\$4,709,985,233	\$4,960,581,510	\$5,215,699,689	\$5,474,772,905
2. Expected contributions	424,047,179	414,382,817	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
3. Benefit payments	454,025,918	464,713,104	474,618,112	485,527,504	497,140,731	510,405,148	524,528,050	539,204,875
4. Administrative expenses	12,135,354	14,500,000	14,935,000	15,383,050	15,844,542	16,319,878	16,809,474	17,313,758
5. Interest earnings	218,713,267	296,629,290	313,618,885	331,077,289	348,965,863	367,227,518	385,795,053	404,637,341
6. Market value at end of year: (1) + (2) - (3) - (4) + (5)	\$3,994,722,348	\$4,226,521,351	\$4,465,202,811	\$4,709,985,233	\$4,960,581,510	\$5,215,699,689	\$5,474,772,905	\$5,737,507,300
	2022	2023	2024	2025	2026	2027	2028	2029
1. Market value at beginning of year	\$5,737,507,300	\$6,003,876,407	\$6,273,917,898	\$6,548,273,620	\$6,827,031,098	\$7,111,266,283	\$7,401,570,272	\$7,699,255,494
2. Expected contributions	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
3. Benefit payments	554,156,199	569,317,818	584,109,633	599,111,829	613,377,520	627,451,286	640,680,052	652,777,123
4. Administrative expenses	17,833,171	18,368,166	18,919,211	19,486,787	20,071,391	20,673,533	21,293,739	21,932,551
5. Interest earnings	423,742,790	443,111,788	462,768,879	482,740,407	503,068,409	523,813,121	545,043,326	566,868,167
6. Market value at end of year: (1) + (2) - (3) - (4) + (5)	\$6,003,876,407	\$6,273,917,898	\$6,548,273,620	\$6,827,031,098	\$7,111,266,283	\$7,401,570,272	\$7,699,255,494	\$8,006,029,674

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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**EXHIBIT V (continued)
Solvency Projection**

	Year Beginning January 1								
	2030	2031	2032	2033	2034	2035	2036	2037	
1. Market value at beginning of year	\$8,006,029,674	\$8,323,517,216	\$8,653,196,787	\$8,997,155,935	\$9,357,293,326	\$9,736,159,401	\$10,133,731,300	\$10,551,278,486	
2. Expected contributions	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
4. Benefit payments	663,945,678	674,443,020	683,788,553	692,314,606	699,529,565	708,097,419	716,770,212	725,549,229	
5. Administrative expenses	22,590,528	23,268,244	23,966,291	24,685,280	25,425,838	26,188,613	26,974,271	27,783,499	
6. Interest earnings	589,408,061	612,775,148	637,098,305	662,521,590	689,205,791	717,242,244	746,675,982	777,602,116	
7. Market value at end of year: (1) + (2) - (3) - (4) + (5)	\$8,323,517,216	\$8,653,196,787	\$8,997,155,935	\$9,357,293,326	\$9,736,159,401	\$10,133,731,300	\$10,551,278,486	\$10,990,163,561	
	2038	2039	2040	2041	2042	2043	2044	2045	
1. Market value at beginning of year	\$10,990,163,561	\$11,451,849,211	\$11,937,905,674	\$12,450,018,767	\$12,989,998,513	\$13,559,788,413	\$14,161,475,415	\$14,797,300,632	
2. Expected contributions	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
4. Benefit payments	734,435,772	743,431,157	752,536,718	761,753,804	771,083,781	780,528,032	790,087,952	799,764,966	
5. Administrative expenses	28,617,004	29,475,514	30,359,779	31,270,572	32,208,689	33,174,950	34,170,199	35,195,305	
6. Interest earnings	810,122,739	844,347,447	880,393,903	918,388,435	958,466,683	1,000,774,297	1,045,467,681	1,092,714,802	
7. Market value at end of year: (1) + (2) - (3) - (4) + (5)	\$11,451,849,211	\$11,937,905,674	\$12,450,018,767	\$12,989,998,513	\$13,559,788,413	\$14,161,475,415	\$14,797,300,632	\$15,469,670,849	

Actuarial Status Certification as of January 1, 2015 under IRC Section 432 for the Sheet Metal Workers' National Pension Fund

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**EXHIBIT V (continued)
Solvency Projection**

	Year Beginning January 1				
	2046	2047	2048	2049	2050
1. Market value at beginning of year	\$15,469,670,849	\$16,181,170,913	\$16,934,577,036	\$17,732,871,098	\$18,579,256,028
2. Expected contributions	414,615,687	414,615,687	414,615,687	414,615,687	414,615,687
4. Benefit payments	809,560,505	819,476,020	829,512,980	839,672,872	849,957,204
5. Administrative expenses	36,251,164	37,338,699	38,458,860	39,612,626	40,801,005
6. Interest earnings	1,142,696,046	1,195,605,154	1,251,650,215	1,311,054,741	1,374,058,820
7. Market value at end of year: (1) + (2) - (3) - (4) + (5)	\$16,181,170,913	\$16,934,577,036	\$17,732,871,098	\$18,579,256,028	\$19,477,172,326

EXHIBIT VI

Actuarial Assumptions and Methodology

The actuarial assumptions and plan of benefits are as used in the January 1, 2014 actuarial valuation certificate, dated October 24, 2014, except as specifically described below. We also assumed that experience would emerge as projected, except as described below. The calculations are based on a current understanding of the requirements of ERISA Section 305 and IRC Section 432.

Plan of Benefits:

The Applicable Percentage under the Plan’s benefit formula is 1.25% for 2015. Based on the preliminary rate of market return for 2014, as used for this certification, the Applicable Percentage for 2016 will be 1.25%.

Contribution Rates:

Contributions for employers that adopted an Alternative Option under the Funding Improvement Plan are assumed to increase based on terms of the collective bargaining agreement in effect, according to the following schedule. This schedule is estimated based on data received from the Fund Office for purposes of this certification that included the timing of the expiration of collective bargaining agreements.

Percent of Participants Covered by an Alternative Option that Have a Collective Bargaining Agreement Providing for Contribution Increases in

Year	
2015	0.95%
2016	0.04%
2017	0.01%

Asset Information:

The financial information as of December 31, 2014, including contribution income, benefit payments and administrative expenses for the Plan Year ended December 31, 2014, was based on an unaudited financial statement provided by the Plan's Director of Finance.

For projections after that date, the administrative expenses are assumed to be \$14,500,000, as of the beginning of the year, for the Plan Year beginning January 1, 2015 and increase by 3% per year each year thereafter. The assumed administrative expenses reflect the increase in PBGC premiums beginning 2015 and beginning-of-year amounts are shown in Exhibit V. The benefit payments were projected based on the January 1, 2014 actuarial valuation. The projected net investment return was assumed to be 7.5% of the average market value of assets for future years. Any resulting investment gains or losses due to the operation of the asset valuation method are amortized over 15 years in the Funding Standard Account.

Projected Industry Activity:

As required by Internal Revenue Code Section 432, assumptions with respect to projected industry activity are based on information provided by the Plan Sponsor. Based on this information, for 2015 and all future years, the number of active participants is assumed to remain at the January 1, 2014 actuarial valuation level of 54,282 and, on the average, contributions will be made for each active for 1,650 hours each year.

Future Normal Costs:

Based on the assumed industry activity, we have determined the Normal Cost based on an open group forecast assuming new entrants have a similar demographic mix to recent entrants to the Plan. Normal Costs for the 2015 and 2016 Plan Years recognize the Applicable Percentage for those years (i.e., 1.25%). Normal Costs for 2017 and thereafter were adjusted to reflect the long-term average expected Applicable Percentage of 0.85%. This average is based on the assumed probability of three-year average market investment returns corresponding to the ranges in the Plan's variable benefit accrual formula. For this purpose, market investment returns after 2014 were based upon stochastic projections using the Plan's target investment allocation and capital market assumptions provided by the Plan's Investment Consultant.

Elections under the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010:

This status certification reflects the following elections made by the Board of Trustees as permitted under the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010. The Plan Actuary has certified to the Plan Sponsor that the Plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account elected.

Expanded Smoothing Period (IRC Section 431(b)(8)(B)):

The asset valuation method was changed effective January 1, 2009 as follows: the difference between expected and actual returns for the Plan Year ended December 31, 2008 is recognized over a period of 10 years and the upper limit on the actuarial value of assets for the Plan Years beginning January 1, 2009 and 2010 has been increased to 130% of market value.

Amortization Extension:

This status certification recognizes an extension of the amortization charge bases as of January 1, 2009, as permitted under Internal Revenue Code Section 431(d).

Technical Issues:

Segal Consulting (“Segal”) does not practice law and, therefore, cannot and does not provide legal advice. Any statutory interpretation on which the certification is based reflects Segal’s understanding as an actuarial firm. Due to the complexity of the statute and the significance of its ramifications, Segal recommends that the Board of Trustees consult with legal counsel when making any decisions regarding compliance with ERISA and the Internal Revenue Code.

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