HEAT & FROST INSULATORS AND ALLIED WORKERS LOCAL 47 FRINGE BENEFIT FUNDS

Heat & Frost Insulators and Allied Workers Local 47 Welfare Fund
Heat & Frost Insulators and Allied Workers Local 47 Retirement Trust Fund

Managed for the Trustees by:
TIC INTERNATIONAL CORPORATION

April 2010

To: **ALL PLAN PARTICIPANTS AND ALTERNATE PAYEES OF THE HEAT AND FROST INSULTORS AND ALLIED WORKERS LOCAL 47 RETIREMENT TRUST FUND**

Dear Plan Participants:

We have attached the following Important Notices and Annual Reports for your review. These Notices and Reports are required to be mailed to each Plan Participant annually as provided by the Employee Retirement Income Security Act of 1974 (ERISA):

If you have any questions, please contact your Local Union office or the Fund Office.

Sincerely,

Board of Trustees
Heat and Frost Insulators and Allied
Workers' Local 47 Retirement Trust Fund

TO: PLAN PARTICIPANTS OF THE
HEAT AND FROST INSULATORS AND ALLIED WORKERS'
LOCAL 47 RETIREMENT TRUST FUND

RE: **SUMMARY OF MATERIAL MODIFICATIONS**

Dear Plan Participant:

This is to announce that the Trustees of the Heat and Frost Insulators and Allied Workers' Local 47 Retirement Trust Fund (the "Plan") have amended the Plan. This Notice, known as a Summary of Material Modifications ("SMM") is an amendment to the Summary Plan Description ("SPD") you received previously. This Notice contains all of the modifications to the Plan since the latest SPD was issued. You should keep this SMM with the SPD for future reference.

- Effective January 1, 2010, the Board of Trustees approved a change in terms of the Retirement Plan to provide for an optional form of benefit known as Qualified Optional Survivor Annuity. The Qualified Optional Survivor Annuity Form provides a monthly Retirement Benefit to the Participant during the Participant's lifetime, and further provides for the continuation of monthly Benefits to the Participant's Surviving Spouse during the spouse's lifetime which is equal to 75% of the annuity which is payable during the joint lives of the Participant and the Participant's Surviving Spouse, and which is the Actuarial Equivalent of the Life Annuity payable for the life of the Participant.
- Effective July 28, 2008, the Board of Trustees approved the Amendment changing the name from Asbestos Workers' Local 47 Trust Fund to the Heat and Frost Insulators and Allied Workers' Local 47 Retirement Trust Fund.
- The Suspension of Benefits Provision (79 Hour Rule) was waived for the work months of December 2007, January, February and March 2008.
- The Suspension of Benefits Provision (79 Hour Rule) was waived for the work months of February, March and April 2007.

Sincerely,

Board of Trustees,
Heat and Frost Insulators and Allied Workers'
Local 47 Retirement Trust Fund

Notice of Endangered Status

For

Heat and Frost Insulators and Allied Workers' Local 47 Retirement Trust Fund

EIN: 38-6059001
PN: 001

This is to inform you that on March 31, 2010 the Plan actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor, that the Plan is in Endangered status for the plan year beginning January 1, 2010. Federal law requires that you receive this notice.

Endangered Status

A plan is in endangered status if it fails to meet certain specified benchmarks added by the Pension Protection Act designed to identify plans that could develop funding problems in the future and require the parties to take action now to prevent that from occurring. A plan is in endangered status if the ratio of assets to liabilities (funded ratio) is less than 80% in the current plan year or if it has a projected funding deficiency over the next 7 plan years. The Fund is currently 72% funded.

Funding Improvement Plan

Federal law requires pension plans in Endangered status to adopt a funding improvement plan aimed at improving the long term funding. The Trustees adopted a funding improvement plan in October 2008.

Where to Get More Information

For more information about this Notice, you may contact TIC International Corporation at (517) 321-7502 or 6525 Centurion Drive, Lansing, MI 48917-9275. You have a right to receive a copy of the funding improvement plan from the plan.

Annual Funding Notice

Heat and Frost Insulators and Allied Workers' Local 47 Retirement Trust Fund

Introduction

This notice includes important funding information about your pension plan ("the Plan"). This notice also provides a summary of federal rules governing multiemployer plans in reorganization and insolvent plans and benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal agency. This notice is for the plan year beginning January 1, 2009 and ending December 31, 2009 (referred to hereafter as "Plan Year").

Funded Percentage

The funded percentage of a plan is a measure of how well that plan is funded. This percentage is obtained by dividing the Plan's assets by its liabilities on the valuation date for the plan year. In general, the higher the percentage, the better funded the plan. The Plan's funded percentage for the Plan Year and 2 preceding plan years is set forth in the chart below, along with a statement of the value of the Plan's assets and liabilities for the same period.

	2009	2008	2007
Valuation Date	1/1/2009	1/1/2008	1/1/2007
Funded Percentage	71.3%	66.6%	N/A
Value of Assets	$ 22,667,551	$ 21,679,496	N/A
Value of Liabilities	$ 31,810,193	$ 32,545,834	N/A

Transition Data

For a brief transition period, the Plan is not required by law to report certain funding related information because such information may not exist for plan years before 2008. The plan has entered "not applicable" in the chart above to identify the information it does not have. In lieu of that information, however, the Plan is providing you with comparable information that reflects the funding status of the Plan under the law then in effect. For 2007, the Plan's "funded current liability percentage" was 49.2%, the Plan's assets were $20,099,781, and Plan liabilities were $40,826,267.

Transition Data — Additional/Explanatory Information

The last sentence of the previous paragraph states that the Plan's "funded current liability percentage" is 49.2% for 2007. This percentage is based upon assumptions required by the federal government. The assumptions require that the Plan calculate its liabilities using an interest rate of 5.78% for 2007. This interest rate would be appropriate for a plan that is terminating in 2007. The Fund, however, assumes a long-term investment rate of return of 7.50% when determining its liabilities, since it believes this rate to be a more realistic projection of expected returns over a long period of time.

The chart on the next page shows the Plan's funded percentages for the Plan Year and 2 preceding plan years using its long-term investment rate of return assumption of 7.50%:

	2009	2008	2007
Valuation Date	1/1/2009	1/1/2008	1/1/2007
Funded Percentage	71.3%	66.6%	60.6%
Value of Assets	$ 22,667,551	$ 21,679,496	$ 20,099,781
Value of Liabilities	$ 31,810,193	$ 32,545,834	$ 33,166,053

Fair Market Value of Assets
Asset values in the chart above are actuarial values, not market values. Market values tend to show a clearer picture of a plan's funded status as of a given point in time. However, because market values can fluctuate daily based on factors in the marketplace, such as changes in the stock market, pension law allows plans to use actuarial values for funding purposes. While actuarial values fluctuate less than market values, they are estimates. As of December 31, 2009, the fair market value of the Plan's assets was $21,925,155. As of December 31, 2008, the fair market value of the Plan's assets was $19,112,870. As of December 31, 2007, the fair market value of the Plan's assets was $22,318,320.

Participant Information
The total number of participants in the plan as of the Plan's valuation date was 419. Of this number, 238 were active participants, 155 were retired or separated from service and receiving benefits, and 26 were retired or separated from service and entitled to future benefits.

Funding and Investment Policies
The law requires that every pension plan have a procedure for establishing a funding policy to carry out the plan objectives. A funding policy relates to the level of contributions needed to pay for benefits promised under the plan currently and over the years. The funding policy of the Plan is as follows:

1. Annual employer contributions to the Pension Plan will equal or exceed the minimum amount that will:
    a. Be in compliance with the minimum funding requirement of the Internal Revenue Code, the Employee Retirement Income Security Act of 1974 (ERISA), the Pension Protection Act of 2006 (PPA), and the Worker, Retiree, and Employer Recovery Act of 2008 (WRERA), including all amendments to these Acts.
    b. Be in compliance with the Funding Improvement Plan. The Plan's status has been certified as "endangered" for 2009 under PPA. The plan was also certified as "endangered" for 2008, and a Funding Improvement Plan has been adopted that complies with the requirements of PPA. The Funding Improvement Period will begin January 1, 2011 and will end December 31, 2020. Plan representatives will work with the bargaining parties to implement the Funding Improvement Plan, and will update the Funding Improvement Plan annually in order to remain in compliance with PPA.
2. Annual employer contributions to the Plan will not exceed the tax deductible limits according to Section 404 of the Internal Revenue Code as amended.

Once money is contributed to the Plan, the money is invested by plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally speaking, an investment policy is a written statement that provides the fiduciaries, who are responsible for plan investments, with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is, generally, to invest the assets of the Plan among several asset classes and within permitted allocation ranges. The long-term goal of the Plan is to: (1) generate a net of fee return in excess of the Plan's actuarial assumed rate of return within acceptable levels of volatility, (2) maintain sufficient liquidity to fund benefit payments, and (3) preserve the principal value of the Plan.

In accordance with the Plan's investment policy, the Plan's assets were allocated among the following categories of investments as of the end of the Plan Year. These allocations are percentages of total assets:

Asset Allocations	**Percentage**
1. Interest-bearing cash	1.08%
2. U.S. Government securities	19.30%
3. Corporate debt instruments (other than employer securities):	10.04%
4. Corporate stocks (other than employer securities):	11.72%
5. Partnership/joint venture interests	
6. Real estate (other than employer real property)	1.23%
7. Loans (other than to participants)	
8. Participant loans	
9. Value of interest in common/collective trusts	5.23%
10. Value of interest in pooled separate accounts	
11. Value of interest in master trust investment accounts	
12. Value of interest in 103-12 investment entities	
13. Value of interest in registered investment companies (e.g., mutual funds)	49.18%
14. Value of funds held in insurance co. general account (unallocated contracts)	
15. Employer-related investments:	
16. Buildings and other property used in plan operation	
17. Other	2.22%

Critical or Endangered Status

Under federal pension law a plan generally will be considered to be in "endangered" status if, at the beginning of the plan year, the funded percentage of the plan is less than 80 percent or in "critical" status if the percentage is less than 65 percent (other factors may also apply). If a pension plan enters endangered status, the trustees of the plan are required to adopt a funding improvement plan. Similarly, if a pension plan enters critical status, the trustees of the plan are required to adopt a rehabilitation plan. Rehabilitation and funding improvement plans establish steps and benchmarks for pension plans to improve their funding status over a specified period of time.

The Plan was in Endangered Status in the Plan Year because the ratio of assets to liabilities was less than 80% on the first day of the Plan Year. In an effort to improve the Plan's funding situation, the trustees adopted a Funding Improvement Plan on October 27, 2008, which has been designed so that the Plan can emerge from Endangered Status during the 10-year funding improvement period: January 1, 2011 through December 31, 2020. The Funding Improvement Plan provides a Schedule of negotiated contribution rate increases over the next collectively bargained period beginning with an increased contribution rate of $8.23 effective July 1, 2009.

You may obtain a copy of the Plan's funding improvement and the actuarial and financial data that demonstrate any action taken by the plan toward fiscal improvement by contacting the plan administrator.

Events with Material Effect on Assets or Liabilities
Federal law requires trustees to provide in this notice a written explanation of events, taking effect in the current plan year, which are expected to have a material effect on plan liabilities or assets. For the plan year beginning on January 1, 2009 and ending on December 31, 2009, no events occurred that had a material effect on plan liabilities or assets.

Right to Request a Copy of the Annual Report
A pension plan is required to file with the US Department of Labor an annual report (i.e., Form 5500) containing financial and other information about the plan. Copies of the annual report are available from the US Department of Labor, Employee Benefits Security Administration's Public Disclosure Room at 200 Constitution Avenue, NW, Room N-1513, Washington, DC 20210, or by calling 202.693.8673. Or you may obtain a copy of the Plan's annual report by making a written request to the plan administrator.

Summary of Rules Governing Plans in Reorganization and Insolvent Plans
Federal law has a number of special rules that apply to financially troubled multiemployer plans. Under so-called "plan reorganization rules," a plan with adverse financial experience may need to increase required contributions and may, under certain circumstances, reduce benefits that are not eligible for the PBGC's guarantee (generally, benefits that have been in effect for less than 60 months). If a plan is in reorganization status, it must provide notification that the plan is in reorganization status and that, if contributions are not increased, accrued benefits under the plan may be reduced or an excise tax may be imposed (or both). The law requires the plan to furnish this notification to each contributing employer and the labor organization.

Despite the special plan reorganization rules, a plan in reorganization nevertheless could become insolvent. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for the plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available financial resources. If such resources are not enough to pay benefits at a level specified by law (see Benefit Payments Guaranteed by the PBGC, below), the plan must apply to the PBGC for financial assistance. The PBGC, by law, will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notification of the insolvency to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected as a result of the insolvency, including loss of a lump sum option. This information will be provided for each year the plan is insolvent.

Benefit Payments Guaranteed by the PBGC
The maximum benefit that the PBGC guarantees is set by law. Only vested benefits are guaranteed. Specifically, the PBGC guarantees a monthly benefit payment equal to 100 percent of the first $11 of the Plan's monthly benefit accrual rate, plus 75 percent of the next $33 of the accrual rate, times each year of credited service. The PBGC's maximum guarantee, therefore, is $35.75 per month times a participant's years of credited service.

Example 1: If a participant with 10 years of credited service has an accrued monthly benefit of $500, the accrual rate for purposes of determining the PBGC guarantee would be determined by dividing the monthly benefit by the participant's years of service ($500/10), which equals $50. The guaranteed amount for a $50 monthly accrual rate is equal to the sum of $11 plus $24.75 (.75 × $33), or $35.75. Thus, the participant's guaranteed monthly benefit is $357.50 ($35.75 × 10).

Example 2: If the participant in Example 1 has an accrued monthly benefit of $200, the accrual rate for purposes of determining the guarantee would be $20 (or $200/10). The guaranteed amount for a $20 monthly accrual rate is equal to the sum of $11 plus $6.75 (.75 × $9), or $17.75. Thus, the participant's guaranteed monthly benefit would be $177.50 ($17.75 × 10).

The PBGC guarantees pension benefits payable at normal retirement age and some early retirement benefits. In calculating a person's monthly payment, the PBGC will disregard any benefit increases that were made under the plan within 60 months before the earlier of the plan's termination or insolvency (or benefits that were in effect for less than 60 months at the time of termination or insolvency). Similarly, the PBGC does not guarantee pre-retirement death benefits to a spouse or beneficiary (e.g., a qualified pre-retirement survivor annuity) if the participant dies after the plan terminates, benefits above the normal retirement benefit, disability benefits not in pay status, or non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

Where to Get More Information

For more information about this notice, you may contact TIC International Corporation at (517) 321-7502, 6525 Centurion Drive, Lansing, MI 48917-9275. For identification purposes, the official plan number is 001 and the plan sponsor's employer identification number or "EIN" is 38-6059001. For more information about the PBGC and benefit guarantees, go to PBGC's website, www.pbgc.gov, or call PBGC toll-free at 1-800-400-7242 (TTY/TDD users may call the Federal relay service toll free at 1-800-877-8339 and ask to be connected to 1-800-400-7242).

NOTICE TO ALL PENSION PLAN PARTICIPANTS APPROACHING THE NORMAL RETIREMENT AGE

This notice applies only to Plan Participants who do **NOT** elect to retire at the normal retirement age and who choose to continue working. "Normal Retirement Age" under the Pension Plan is age 62 for those Participants with 5 Years or more of Vesting Credit. Otherwise, "Normal Retirement Age" is the later of age 65 or the fifth anniversary of commencement of participation in the Plan. If you continue to work after reaching the normal retirement age, your plan's Suspension of Benefit Rules will be applied even though you have not actually retired.

Under the Suspension of Benefit Rules, no benefits are payable for any month in which you work 80 hours or more in the same industry, same trade or craft, and within the State of Michigan. This suspension is applicable until the April 1st following the calendar year in which you reach age 70 1/2. Thereafter, you may both work and receive your monthly pension.

If you continue to work after reaching the normal retirement age but work less than 80 hours per month or do not work at all, no pension benefits will be paid during such months. However, when you do retire, you may be entitled to additional benefits for those months between your normal retirement age and your actual date of retirement if you did not work at least 80 hours in the same industry, same trade or craft and within the State of Michigan.

Be assured that application of the Suspension of Benefit Rules while you are working after reaching the normal retirement age will in no way affect your current vesting or benefit accrual status under the plan. When a Participant who continues to work after his normal retirement age decides to actually retire, his normal retirement benefit will be determined in accordance with the regular plan provisions. Such provisions give credit for work performed under the Plan prior to actual retirement if the required minimum Hours of Work in a Plan Year is met.

If you disagree with how the Suspension of Benefits Provision is being applied to your particular case, you have the right to appeal to the Board of Trustees. The Appeal Procedure is set forth on page S-24 of the Summary Plan Description.

If you have any questions about how the Suspension of Benefit Rules will be applied to your employment situation, be sure to contact the Pension Department at the Fund Office before continuing to work beyond the normal retirement age.

NOTICE TO ALL RETIRED PARTICIPANTS OF THE "RETURN TO WORK" PROVISIONS

This is a reminder of the provisions of the Pension Plan governing Suspension of Pension Benefits for returning to work at the Heat and Frost Insulators and Allied Workers' Local 47 Trade as required under Federal Law. Under these provisions, Pension Benefits being paid to Retired Participants may be suspended only if **ALL** of the following conditions are met:

1. A retiree is working ***80* or more** hours during any given month (or during the payroll periods falling within that month); and

2. The work is in the same industry as the type of business activity engaged in by employers who contribute to the Plan even though his employer may not be a contributing employer (e.g. non-union); and

3. The work is either at the same trade or craft in which the Retiree was working when he earned benefits under the Plan. (Self-employed work as well as supervisory or managerial work can be considered as a return to work so long as the retiree is using the same skill or skills he acquired while he worked under a union collective bargaining agreement); and

4. The work is performed within the *jurisdiction of the Fund.*

This suspension is applicable until the April 1st following the calendar year in which you reach age 70 ½. Thereafter, you may both work and receive your monthly pension.

Under the provisions of the Plan, *every retiree is required* to notify the Fund Office *immediately* if he returns to work in any capacity regardless of whether he returns to work for a non-contributing (e.g. non-union) employer or in a **self-employed** capacity. Failure to notify the Fund Office in a timely manner of a return to work may subject the retiree to possible suspension of his current and/or future Pension Benefits from the Pension Fund.