

**PLUMBERS LOCAL UNION No. 1 EMPLOYEE 401(k) SAVINGS PLAN
QUALIFIED DEFAULT INVESTMENT ALTERNATIVE NOTICE**

This notice is required to be distributed to Plan Participants and Beneficiaries of deceased Participants who have not chosen an investment allocation of their individual account in The Plumbers Local Union No. 1 Employee 401(k) Savings Plan. If you have made an Investment election with respect to your individual account, the following information may not apply to you.

Right to Direct Investments:

This notice advises you that as a Participant (including a Beneficiary of a deceased Participant) in the Plan, you have the right to direct the investment of your individual account in the Plan. You may invest your individual account in any of the investment choices offered in the Plan. Your elections must be in whole percentages (no fractional percentages) and you must invest a minimum of five-percent (5%) in any one fund.

Qualified Default Investment Alternative:

If you are a Participant (including a Beneficiary of a deceased Participant) in the Plan and have **not** made an election as to how your individual account should be invested, your individual account in the Plan will be invested in the Plan's qualified "default" investment alternative that the Board of Trustees have selected in the Plan. Effective January 1, 2008, the qualified default investment alternative will be the Vanguard Target Retirement Funds.

The qualified default investment alternative is the applicable Vanguard Target Retirement Fund for each Participant. The Vanguard Target Retirement Fund in which your account will be invested is determined by your year of birth. The presumed Target Retirement Date will be age sixty-five (65). The Plan will be offering five (5) Vanguard Target Retirement Funds.

To determine in which qualified default investment alternative your account will be invested, reference the chart below. The chart references your age and year of birth, the number of years until your expected retirement age (age 65) and the corresponding Vanguard Target Retirement Fund for your investment allocation.

Assumed Time to Retirement

Age	(Year of Birth)	Retirement (Years)	Target Retirement Fund
25-34	(1973-1982)	40 to 30	2045
35-44	(1963-1972)	30 to 20	2035
45-54	(1953-1962)	20 to 10	2025
55-64	(1943-1952)	Fewer than 10	2015
65+	1942 or earlier	N/A	Income Fund

The Vanguard Target Retirement Date Funds are model portfolios to provide varying degrees of long-term appreciation and capital preservation through a mix of equity and fixed income exposures based on a participant's age and target retirement date. Each Vanguard Target Date Fund's portfolio changes the asset allocation and associated risk level over time with the objective of becoming more conservative (i.e., decreasing risk of losses) with increasing age.

Each Vanguard Target Date Fund is designed to gradually and automatically shift to more conservative investments over time as the specific Target Retirement Date for each Fund approaches. No matter what your age, you'll be invested appropriately given your retirement time horizon. Each of the Target Retirement Funds is a complete investment package, so any one can serve as your entire portfolio.

If you believe that a Target Retirement Fund with an earlier or later Target Retirement Date or one of the other investment options would better to meet your investment objectives, you may change your investment allocation at any time.

As an ongoing commitment to you as Plan participants, the Board of Trustees has engaged Wharton Advisors to give you as a Plan participant individual investment advice regarding your individual account in the Plan. Wharton Advisors is available to review your current investment allocation and/or review other investment options available in the Plan to ensure that your investment options are in line with your goals and investment objectives. If you would like to review your individual account, please contact Karen McCloskey at Wharton Advisors. Ms. McCloskey can be reached at 215-359-7527.

If you would like to make investment transfers in your account, you can simply do so by:

- Calling GEMGroup at 1-888-760-0101 Automated Voice Response Unit (VRU)
- Go the GEMGroup website www.gemgrouplp.com
- Completing and mailing "Selection Form C" to the GEMGroup at the address listed on the form. You may obtain a copy of the form by contacting GEMGroup at 1-800-242-8923.
- Calling Karen McCloskey at Wharton Advisors at 215-359-7527 to review your account and make changes to your investment allocation, if necessary.

Description of Qualified Default Investment Alternative and Other Investment Options:

The description of the qualified default investment alternatives and other investment options available in the Plan including investment strategy, risk and return characteristics, and fees and expenses are shown on the attached Fund Fact Sheets. You can obtain Fund Fact Sheets from GEMGroup by logging onto the Plan's website, www.gemgrouplp.com or by calling the toll-free Plan participant number 1-800-242-8923.

Right to Alternative Investment:

If the Plan Trustees invest some or all of your individual account in the qualified default investment alternative, you have the continuing right to direct the investment of your individual account in one or all of the investment options available to you under the Plan. You are entitled to invest in any of the alternative investment choices without incurring a financial penalty.

Additional Information about the Plan:

Participation in the 401(k) Elective Contribution Account of The Plumbers Local Union No. 1 Employee 401(k) Savings Plan is automatic at 1% of your gross hourly wages. You may elect to contribute *additional dollars* to your 401(k) Elective Contribution Account by making additional pre-tax contributions of your pay through payroll deduction. You are permitted to contribute up to 30% of your gross hourly wages (up to the maximum dollar amount of \$16,500 prescribed by law and indexed periodically) to your account. To do so, you must elect to defer an additional portion of your pay before income taxes are taken out into the Plan

You have the right to elect not have Elective Contributions made to the Plan or to have Elective Contributions made at a different Percentage. If you would like to change the amount you currently are contributing into the Plan, please contact GEMGroup to obtain the "Deferral Election Form B" and return it to your Employer for processing.