Automotive Industries Pension Plan

Actuarial Valuation and Review as of January 1, 2010

SEGAL

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THE SEGAL COMPANY
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June 7, 2010

Board of Trustees
Automotive Industries Pension Plan
Alameda, California

Dear Trustees:

We are pleased to submit the Actuarial Valuation and Review as of January 1, 2010. It establishes the funding requirements for the current year and analyzes the preceding year's experience. It also summarizes the actuarial data and includes the certification that is required to be filed with federal government agencies.

The census information upon which our calculations were based was prepared by the Fund Office, under the direction of Michael Schumacher. That assistance is gratefully acknowledged. The actuarial calculations were completed under the supervision of Theodore J. Shively, ASA, MAAA, Enrolled Actuary.

We look forward to reviewing this report with you at your next meeting and to answering any questions you may have.

Sincerely,

THE SEGAL COMPANY

By: ______________________________

J. Tim Blake
Senior Vice President

PXP/gxk

cc: William Craig Dobbs
Philip M. Miller, Esq.
Robert J. Ruehl, CPA
Michael Schumacher

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INTRODUCTION

There are several ways of evaluating funding adequacy for a pension plan. In monitoring the Plan's financial position, the Trustees should keep in mind all of these concepts.

- **Scheduled Cost**

  The Scheduled Cost is an annual contribution amount that allows an evaluation of whether benefit levels are sustainable over the long term, given current assets, negotiated contributions and the expectation of a continuing Plan.

- **Funding Standard Account**

  The ERISA Funding Standard Account (FSA) is charged with the normal cost and amortization of changes in the unfunded actuarial accrued liability measured as of each valuation date. The accumulation of actual contributions made in excess of the minimum required contributions is called the credit balance.

- **Withdrawal Liability**

  ERISA provides for assessment of withdrawal liability to employers who withdraw from a multiemployer plan based on unfunded vested benefit liabilities.

- **PPA'06**

  The Pension Protection Act of 2006 (PPA'06) calls on plan sponsors to actively monitor the projected FSA credit balance, the funded percentage (the ratio of the actuarial value of assets to the present value of benefits earned to date) and cash flow sufficiency tests. Based on these measures, plans are then categorized as critical (*Red Zone*), endangered (*Yellow Zone*), or neither (*Green Zone*).

- **Cash Flow**

  Pension plan funding anticipates that, over the long term, both contributions and investment earnings will be needed to cover benefit payments and expenses. To the extent that contributions are less than benefit payments, investment earnings and fund assets will be needed to cover the shortfall. In some situations, a plan may be faced with insufficient assets to cover its current obligations and will need PBGC assistance.

The current year's actuarial valuation results follow.

A. CHANGES SINCE LAST VALUATION

1. As shown in B.2. of this Section, the Trustees adopted a rehabilitation plan that included a schedule of benefit cuts and contribution increases. Benefit reductions for members whose collective bargaining agreements were renegotiated in 2010 are recognized in this valuation. This lowered the Scheduled Cost deficit by about $65 per month.
2. The market value return for 2009 was 23.4%. Due to the recognition of previously deferred investment losses, the return on an actuarial basis was 4.9%. Since the actuarial return is less than the investment return assumption of 7.25%, the plan experienced an investment loss, which increased the Scheduled Cost deficit by about $50 per month.
3. The number of active participants declined by about 17% during the year from 5,661 as of January 1, 2009 to 4,687 as of January 1, 2010. The resulting reduction in expected future contributory months increased the Scheduled Cost deficit by about $235 per month.
4. The actuarial valuation report as of January 1, 2010 is based on financial and demographic information as of that date. Changes subsequent to that date are not reflected and could affect future actuarial costs of the Plan. We are prepared to work with the Trustees to analyze the effects of any subsequent developments.

B. 2010 ACTUARIAL STATUS (ZONE) CERTIFICATION

1. The 2010 certification, previously issued, was based on the liabilities calculated in the 2009 actuarial valuation, projected to December 31, 2009, and on estimated asset information as of December 31, 2009. This Plan was classified as Critical (Red Zone) because there was a projected deficiency in the Funding Standard Account within two years.
2. This plan was initially classified as Critical (*Red Zone*) for 2008 and the Trustees have adopted a rehabilitation plan. Under the rehabilitation plan, new collective bargaining agreements negotiated after April 27, 2008 will include the maximum benefit reductions allowed by law. These reductions include the removal of all early retirement subsidies, joint and survivor subsidies, disability pensions, the 36-payment pre-retirement death benefit and all benefit options besides the single life annuity or the QJSA. The rehabilitation plan also includes supplemental off-benefit contributions to the plan beginning January 1, 2013.
3. The Trustees elected under the Worker, Retiree and Employer Recovery Act of 2008 (WRERA) to freeze the Zone Status for 2009 at the level it was assigned for 2008, (i.e., critical). As a result, an update to the rehabilitation plan was not required in the 2009 Plan Year. Since the Plan was again classified as critical for 2010, the Trustees should update the rehabilitation plan for this plan year. We are prepared to work with the Trustees in evaluating alternatives for this Plan.

4. WRERA permitted trustees of plans that were in critical status in 2008 or 2009 to extend the rehabilitation period by three additional years. The Trustees have elected this option and the three-year extension will be reflected as part of the rehabilitation plan update for 2010.

C. FUNDED PERCENTAGE AND FUNDING STANDARD ACCOUNT

1. Based on this January 1, 2010 actuarial valuation, the funded percentage as of that date is 64.2%. This will be reported on the 2010 Annual Funding Notice to be provided within 120 days after the end of this plan year.
2. The credit balance in the Funding Standard Account as of December 31, 2009 was $53,002,298, a decrease of $32,869,336 from the prior year. PPA'06 requires plan sponsors to monitor the projected FSA credit balance.
3. We are available to work with the Trustees to develop credit balance projections.
4. Based on the assumptions and methods employed for this 2010 valuation, a funded percentage of 64.2% and a projected Funding Standard Account deficiency on December 31, 2011, this Plan would be categorized as in critical (Red Zone) status for 2011. However, the actual status for the 2011 Plan Year will involve updated assets, Trustee input on industry activity and any plan or assumption changes.

D. SCHEDULED COST DEFICIT

1. The projected annual contributions of $394.93 per month fall short of the Scheduled Cost of $1,357.64 per month, resulting in a deficit of $962.71 per month, or 244% of contributions, as compared to a deficit of 199% in the prior valuation. This deterioration in the deficit position is primarily due to a 17% decline in the active population which results in plan costs being spread out over a smaller contribution base.
2. The Scheduled Cost deficit does not recognize the rehabilitation plan benefit reductions for participants whose CBA's have not been renegotiated before 2011 to comply with the rehabilitation plan. Those savings will be recognized as existing CBAs expire and are subsequently renewed.
3. The investment losses that have occurred in the past years have only been partially recognized in the determination of the actuarial value of assets. As these deferred net losses are recognized in future years, the Scheduled Cost of the Plan will increase unless the losses are offset by future investment gains. To illustrate the effect of the net unrecognized investment losses, if the current year's actuarial value of assets were equal to the current market value of assets, the Scheduled Cost deficit of $962.71 per month would become a deficit of $1,025.71 per month, or 260% of contributions.
4. Under PPA'06, certain amortization periods for purposes of ERISA minimum funding standards were shortened from 30 to 15 years. As such, the use of a fixed 20-year funding period for the Board's funding policy needs to be re-examined. We recommend that the Board lower the period used to amortize unfunded liabilities from a "fixed" 20-year period to a "fixed" 10-year period. Had this change been implemented with this valuation, the Scheduled Cost deficit would have increased from $962.71 per month to $1,569.03 per hour, or 397% of contributions.

E. CASH FLOW SUFFICIENCY

Based on this valuation, the current value of assets plus projected investment earnings and future contribution income will exceed projected benefit payments and administrative expenses for at least 15 years, assuming experience is consistent with the assumptions. This projection assumes that the active population remains at the level as of this valuation date. If requested by the Trustees, we can perform additional projections of the financial situation of the Plan.

F. WITHDRAWAL LIABILITY

1. The plan's unfunded vested benefits (UVB) for withdrawal liability purposes increased from $904.4 million as of December 31, 2008 to $1,139.6 million as of December 31, 2009. The UVB increase was due mainly to the sharp decline in the PBGC interest rates used to measure this liability, the impact of which was partially offset by the market value investment gain during the year.

SUMMARY OF KEY VALUATION RESULTS

	2010		2009	
Certified Zone Status	*Critical*		*Critical*	
Zone Status after WRERA freeze election	*N/A*		*Critical*	
	Amount	**Per Month**	**Amount**	**Per Month**
Scheduled Cost and Contributions:				
Contributions projected at the negotiated contribution rates	$21,286,924	$394.93	$24,861,612	$381.89
Scheduled Cost	73,177,568	1,357.64	74,251,711	1,140.55
Margin/(Deficit)	-51,890,644	-962.71	-49,390,099	-758.66
Projected employer contributions for the upcoming year	21,286,924		24,861,612	
Actual employer contributions	- -		27,914,724	
Assets:				
Market value of assets (MVA)	$1,215,966,615		$1,074,720,369	
Actuarial value of assets (AVA)	1,252,406,899		1,289,664,443	
Cost Elements on a Scheduled Cost Basis:				
Normal cost, including administrative expenses	$8,485,591		$8,809,229	
Actuarial accrued liability	1,958,649,406		1,988,371,446	
Unfunded actuarial accrued liability (based on AVA)	706,242,507		698,707,003	
Statutory Funding Information:				
Minimum required contribution	$8,485,591		$0	
Maximum deductible contribution	2,561,559,381		2,491,913,781	
Annual Funding Notice percentage	64.2%		66.0%	
Withdrawal Liability:				
Present value of vested benefits	$2,355,524,780		$1,979,126,054	
Unfunded present value of vested benefits (based on MVA)	1,139,558,165		904,405,685	
Demographic Data:				
Number of active participants	4,687		5,661	
Number of inactive participants with vested rights	11,011		10,856	
Number of retired participants and beneficiaries, including suspensions	11,044		10,698	

COMPARISON OF FUNDED PERCENTAGES

	2010		Funded Percentages as of January 1	
	Liability	Assets	2010	2009
1. Present Value of Future Benefits	$1,984,871,839	$1,252,406,899	63.1%	63.7%
2. Actuarial Accrued Liability	1,958,649,406	1,252,406,899	63.9%	64.9%
3. PPA'06 Liability and Annual Funding Notice	1,952,028,529	1,252,406,899	64.2%	66.0%
4. Accumulated Benefits Liability	1,952,028,529	1,215,966,615	62.3%	55.0%
5. Withdrawal Liability	2,355,524,780	1,215,966,615	51.6%	54.3%
6. Current Liability	2,734,843,932	1,215,966,615	44.5%	40.2%

Notes:

1. Includes the value of benefits earned through the valuation date (accrued benefits) plus the value of benefits projected to be earned in the future for current participants and includes plan amendments effective through 2010 (after the valuation date). Used to develop the actuarial accrued liability, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets.
2. Represents the portion of present value of future benefits allocated by the actuarial cost method to years prior to the valuation date and includes plan amendments effective through 2010 (after the valuation date). Used in determining Scheduled Cost, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets.
3. Measures present value of accrued benefits using the current participant census and financial data. As defined by the Pension Protection Act of 2006, based on long-term funding investment return assumption of 7.25% and the actuarial value of assets. These percentages will be disclosed on the Annual Funding Notice for the respective years.
4. Provides present value of accrued benefits for disclosure in the audited financial statements, based on long-term funding investment return assumption of 7.25%, and the market value of assets.
5. Used to determine unfunded vested benefits for withdrawal liability purposes. Based on blended interest rate assumption described in Section 2.I, the present value of vested benefits (excluding death benefits), and the market value of assets.
6. Used to determine maximum tax-deductible contributions and is reported on Schedule MB to Form 5500. Based on the present value of accrued benefits, using prescribed investment return assumption of 4.58% for 2010 and 4.82% for 2009, and the market value of assets. The funded percentage is also shown on the Schedule MB if it is less than 70%.

A. PARTICIPANT DATA

The Actuarial Valuation and Review considers the number and demographic characteristics of covered participants, including active participants, inactive vested participants, pensioners and beneficiaries.

This section presents a summary of significant statistical data on these participant groups.

More detailed information for this valuation year and the preceding year can be found in Section 3, Exhibit A.

A historical perspective of how the participant population has changed over the past several years can be seen in this chart.

CHART 1

Participant Population: 2000 – 2009

Year Ended December 31	Active Participants	Inactive Vested Participants	Pensioners and Beneficiaries	Ratio of Non-Actives to Actives
2000	8,615	10,775	8,291	2.21
2001	8,552	11,017	8,509	2.28
2002	8,405	10,893	8,775	2.34
2003	7,865	10,904	9,135	2.55
2004	7,460	10,972	9,405	2.73
2005	6,946	11,047	9,714	2.99
2006	6,426	11,231	9,979	3.30
2007	6,211	11,156	10,293	3.45
2008	5,661	10,856	10,698	3.81
2009	4,687	11,011	11,044	4.71

Active Participants

Pension plan costs are affected by the age and years of Credited Service of active participants. In this year's valuation, there were 4,687 active participants with an average age of 45.0 and average years of Credited Service of 12.2. This compares to 44.2 and 11.5, respectively, for the 5,661 active participants in the prior year.

Among active participants, there were 24 with unknown age. The actuarial calculations were adjusted for missing information by assuming that it was the same as information provided for other active participants with similar known characteristics.

Inactive Vested Participants

Participants, who leave the coverage of the Plan after satisfying the requirements for a deferred pension, or an immediate pension but elect to defer commencement, are considered "inactive vesteds" and are included in the pension plan cost. In this year's valuation, there were 11,011 inactive vesteds, versus 10,856 in the prior valuation. No cost is included for other inactive participants, even though some may return to active employment before incurring a permanent break in service.

These charts show a distribution of active participants by age and by years of Credited Service.

CHART 2

Distribution of Active Participants by Age as of December 31, 2009

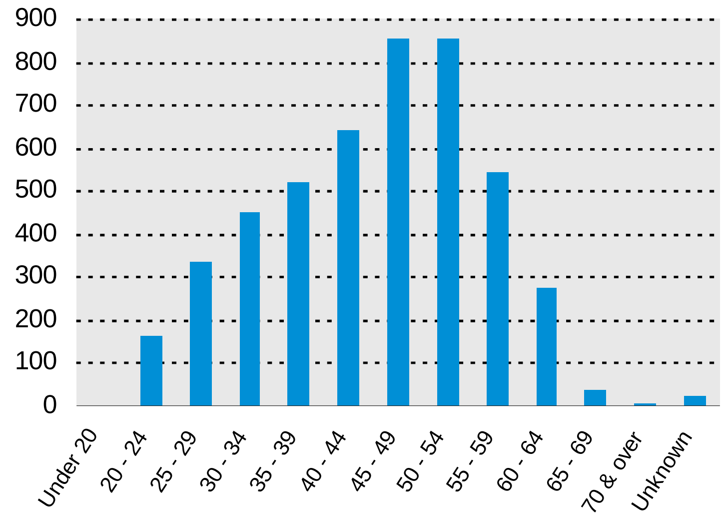
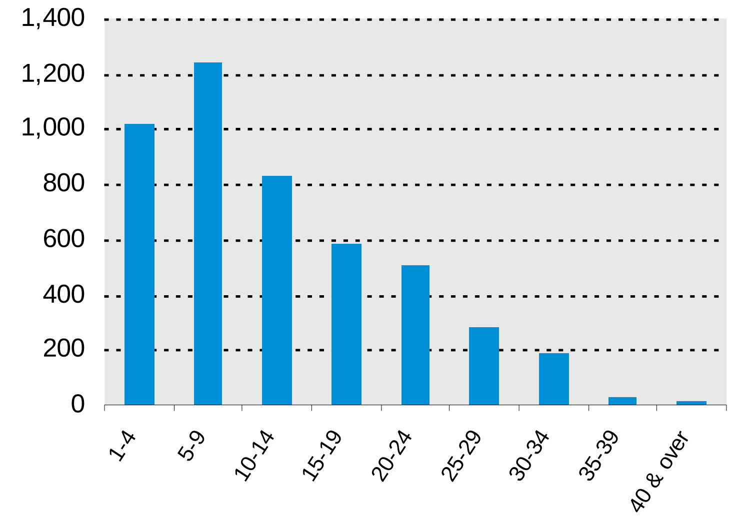


CHART 3

Distribution of Active Participants by Years of Credited Service as of December 31, 2009



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Pensioners and Beneficiaries

During the fiscal year ended December 31, 2009, there were 577 pensions awarded, as detailed in this chart. The average monthly pension awarded, after adjustment for optional forms of payment, was $1,287. The chart below presents both the number and average monthly amount of pensions awarded in each of the years shown, by type and in total.

CHART 4

Pension Awards: 2000 – 2009

	Total		Normal		Early		Disability		Unreduced Early		Rule of 85	
Year Ended December 31	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount	Number	Average Amount
2000	485	$1,142	73	$652	164	$850	43	$1,384	138	$1,044	67	$2,437
2001	413	1,237	72	609	121	1,030	28	1,686	129	931	63	2,778
2002	484	1,266	68	534	176	812	33	1,522	135	947	72	3,547
2003	584	1,399	93	847	204	891	26	1,432	157	1,038	104	3,424
2004	551	1,256	114	685	187	879	25	2,424	150	989	75	3,210
2005	555	1,331	116	786	194	989	21	2,184	145	987	79	3,377
2006	511	1,255	120	690	177	920	27	2,445	124	957	63	3,346
2007	541	1,177	131	544	177	991	21	1,852	148	952	64	3,283
2008	678	1,360	134	687	276	1,102	29	1,882	133	1,015	106	3,172
2009	577	1,287	197	594	221	967	26	2,044	57	1,130	76	3,871

As of this year's valuation date, 8,796 pensioners and 2,203 beneficiaries were receiving total monthly benefits of $10,155,391. For comparison, in the previous year, there were 8,568 pensioners and 2,107 beneficiaries receiving monthly benefits of $9,585,473. There were 45 suspended pensioners in this valuation compared with 23 in the prior year.

These charts show the distribution of the current pensioners based on their monthly amount and age, by type of pension.

CHART 5

Distribution of Pensioners by Type and by Monthly Amount as of December 31, 2009

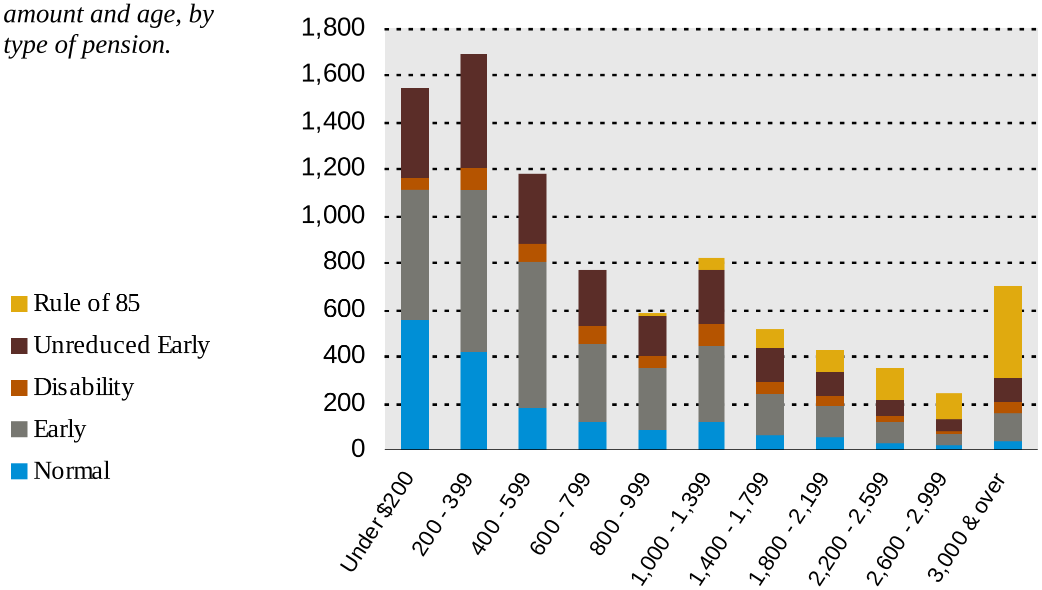
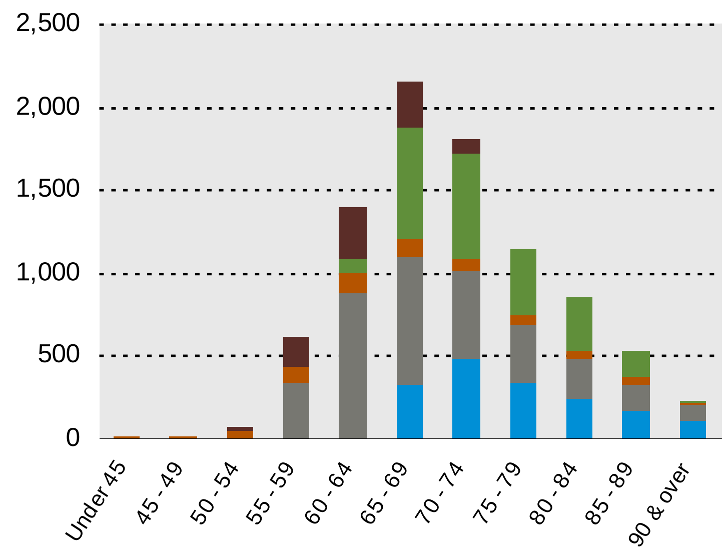


CHART 6

Distribution of Pensioners by Type and by Age as of December 31, 2009



In Chart 7, additions to the pension rolls include new pensions awarded and suspended pensioners who have been reinstated. Terminations include pensioners who died or were suspended during the prior plan year. The change in average age and average amounts of pensioners in payment status is shown as the Fund matures over time.

This chart shows a year-by-year history of changes in the pensioner group.

CHART 7

Progress of Pension Rolls: 2000 – 2009

Year Ended			In Payment Status at Year End		
December 31	Additions	Terminations	Number	Average Age	Average Amount
2000	485	300	6,773	71.1	$688
2001	413	269	6,917	71.2	730
2002	484	311	7,090	71.1	780
2003	585	329	7,346	71.0	843
2004	568	350	7,564	70.9	886
2005	565	328	7,801	70.9	931
2006	519	317	8,003	70.9	968
2007	544	352	8,195	71.0	997
2008	720	347	8,568	70.8	1,039
2009	589	361	8,796	71.0	1,070

B. FINANCIAL INFORMATION

Pension plan funding anticipates that, over the long term, both contributions (less administrative expenses) and investment earnings (less investment fees) will be needed to cover benefit payments. Pension plan assets change as a result of the net impact of these income and expense components. Chart 8 shows these changes over the last ten years. A summary of these transactions for the valuation year is presented in Section 3, Exhibit B.

Benefit payments during the year totaled $123,299,506. They are projected to increase to $158,598,336 ten years from now (reflects Rehabilitation Plan schedules for members covered under CBA's that adopted schedules before 2011). To the extent that future contributions are projected to be less than benefit payments, investment earnings or fund assets will be needed to cover the shortfall.

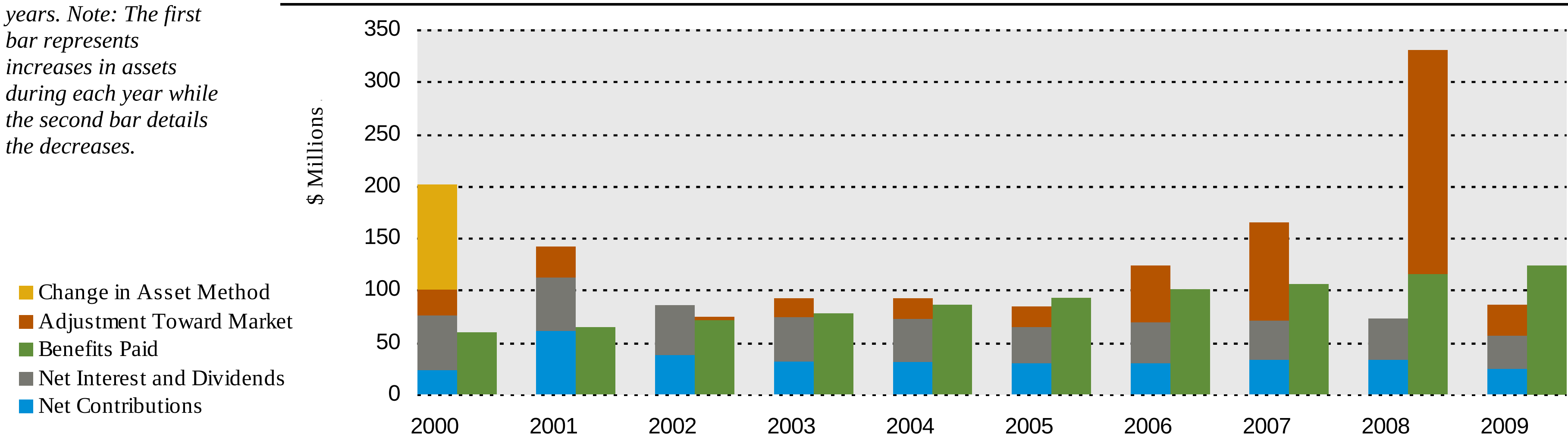
PPA'06 requires Trustees to monitor plan solvency, the ability to pay benefits when due. If a plan is projected to be unable to pay benefits within five years (or within seven years, if the PPA'06 funded percentage is less than 65%), the plan will be categorized in the Red Zone. More information about PPA'06 can be found in Subsection G.

Our projections show the Plan is not expected to be insolvent within seven years. We will continue to monitor the plan solvency.

This chart depicts the components of changes in the actuarial value of assets over the last ten years. Note: The first bar represents increases in assets during each year while the second bar details the decreases.

CHART 8

Comparison of Increases and Decreases in the Actuarial Value of Assets for Years Ended December 31, 2000 – 2009



Because the Plan is funded by negotiated contribution rates, it is desirable to have a level and predictable pension plan cost from one year to the next. For this reason, the Trustees have approved an asset valuation method that gradually adjusts to market value. Under this valuation method, the full value of market fluctuations is not recognized in a single year and, as a result, the asset value and the pension plan cost are more stable.

The amount of the adjustment to recognize market value is treated as income, which may be positive or negative. Realized gains and losses and unrealized gains and losses are treated equally and, therefore, the sale of assets has no immediate effect on the actuarial value. This removes any consideration of the impact of sales of assets from the determination of the actuarial cost of the Plan.

This chart shows the determination of the actuarial value of assets as of December 31, 2009.

CHART 9

Determination of Actuarial Value of Assets as of December 31, 2009

1	Market value of assets, December 31, 2009			$1,215,966,615
		Original	Unrecognized	
2	Calculation of unrecognized return	Amount*	Return**	
	(a) Year ended December 31, 2009	$336,280,771	$269,024,617	
	(b) Year ended December 31, 2008	-544,725,297	-326,835,178	
	(c) Year ended December 31, 2007	9,505,483	3,802,193	
	(d) Year ended December 31, 2006	87,840,421	17,568,084	
	(e) Year ended December 31, 2005	-33,737,976	0	
	(f) Total unrecognized return			-36,440,284
3	Preliminary actuarial value: (1) - (2f)			1,252,406,899
4	Adjustment to be within 20% corridor			0
5	Final actuarial value of assets as of December 31, 2009: (3) + (4)			$1,252,406,899
6	Actuarial value as a percentage of market value: (5) ÷ (1)			103.0%
7	Amount deferred for future recognition: (1) - (5)			-$36,440,284

* *Total return on market value basis minus expected return on actuarial basis using the net investment return assumption*

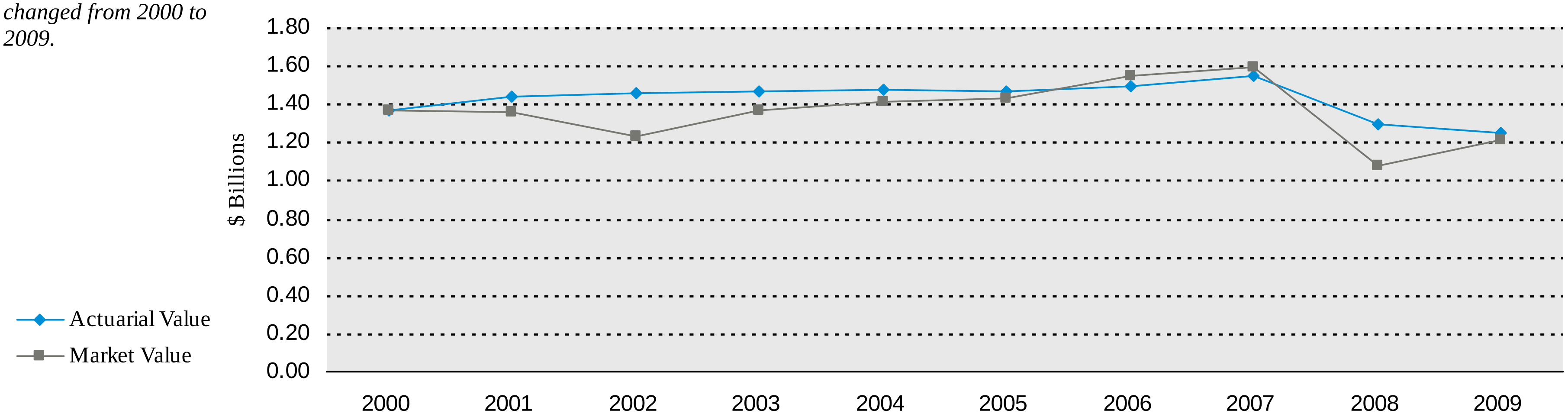
** *Recognition at 20% per year over 5 years*

Both the actuarial value and the market value of assets are representations of the Fund's financial status. As investment gains and losses are gradually taken into account, the actuarial value of assets tracks the market value of assets. The actuarial value is significant because it is subtracted from the Plan's total actuarial accrued liability to determine the portion that is not funded and is used to determine the PPA'06 funded percentage. Amortization of the unfunded portion is an important element in the contribution requirements of the Plan as detailed in Subsections E and F.

This chart shows how the actuarial value of assets and the market value of assets have changed from 2000 to 2009.

CHART 10

Actuarial Value of Assets vs. Market Value of Assets as of December 31, 2000 - 2009



C. EMPLOYMENT EXPERIENCE

The Trustees are in the best position to select the appropriate employment level assumption to use in long term planning for funding the Plan. Total months of contributions, number of actives and their average months of contributions are shown in Chart 11.

The long term assumption for Scheduled Cost purposes is 11.5 months for each active participant. The experience in recent years has shown a trend of per capita months at about this level. For this valuation, the assumption has remained at 11.5 months for each active participant based on this experience.

We look to the Trustees for guidance as to whether this is reasonable for the long term.

Certifications under PPA'06 include a projection of future contributions. Any projection of industry activity, including future employment and contribution levels, must be based on reasonable information for the projection period provided by the Trustees. The industry activity assumption used for the 2010 actuarial certification was that the number of active participants declined by 5% each year for three years and, on the average, contributions were made for each active for 11.5 months each year.

This chart provides a history of the various measures of employment.

CHART 11

Employment History: 2000 - 2009

	Total Months of Contributions		Active Participants		Average Months of Contributions	
Year Ended December 31	**Number**	**Percent Change**	**Number**	**Percent Change**	**Number**	**Percent Change**
2000	98,283	-1.7%	8,615	-0.1%	11.4	-1.7%
2001	98,250	0.0%	8,552	-0.7%	11.5	0.9%
2002	97,275	-1.0%	8,405	-1.7%	11.6	0.9%
2003	91,616	-5.8%	7,865	-6.4%	11.6	0.0%
2004	86,584	-5.5%	7,460	-5.1%	11.6	0.0%
2005	79,452	-8.2%	6,946	-6.9%	11.4	-1.7%
2006	75,015	-5.6%	6,426	-7.5%	11.7	2.6%
2007	71,943	-4.1%	6,211	-3.3%	11.6	-0.9%
2008	65,874	-8.4%	5,661	-8.9%	11.6	0.0%
2009	55,385	-15.9%	4,687	-17.2%	11.8	1.7%
			Five-year average months:		11.6	
			Ten-year average months:		11.6	

D. ACTUARIAL EXPERIENCE

To calculate the cost requirements of the Plan, assumptions are made about future events that affect the amount and timing of benefits to be paid and assets to be accumulated. Each year actual experience is measured against the assumptions and, to the extent that there are differences in that year, the contribution requirement is adjusted. If assumptions are changed, the contribution requirement is adjusted to take into account a change in experience anticipated for all future years.

Taking account of experience gains or losses in one year without making a change in assumptions reflects the belief that the single year's experience was a short-term development and that, over the long run, experience will return to that originally assumed. For contribution requirements to remain stable, assumptions should approximate experience.

When compared to the projected actuarial accrued liability of $2,011,686,615 as of December 31, 2009, the net experience variation other than investment experience was not significant. On the following pages is a discussion of the major components of the actuarial experience.

This chart provides a summary of the prior year's actuarial experience.

CHART 12

Actuarial Experience for the Year Ended December 31, 2009

1	Net loss from investments*	-$28,967,320
2	Net loss from administrative expenses	-150,041
3	Net gain from other experience	19,983,611
4	Net experience loss: (1) + (2) + (3)	-$9,133,750

** Details in Chart 13.*

Investment Rate of Return

Because earnings on investments significantly affect the cost of the Plan, an assumption is made about the rate of return on plan assets. The rate of return is investment income net of investment expenses, expressed as a percentage of the average actuarial value of assets during the year.

Investment income for the purposes of the actuarial valuation consists of interest and dividend income and the adjustment for market value changes. Investment expenses are subtracted.

The actuarial value of assets does not yet fully recognize past investment losses. As a result, the impact of favorable future investment returns will be dampened as recognition of past investment losses is phased in. Therefore, the rate of return on an actuarial basis is likely to fall below the assumed rate of return as unrecognized losses are reflected, even if market returns are favorable.

This chart shows the portion of the loss due to investment experience.

CHART 13

Actuarial Value Investment Experience for the Year Ended December 31, 2009

1	Net investment income	$60,972,513
2	Average actuarial value of assets	1,240,549,415
3	Rate of return: (1) ÷ (2)	4.91%
4	Assumed rate of return	7.25%
5	Expected net investment income: (2) x (4)	$89,939,833
6	Actuarial loss: (1) – (5)	-$28,967,320

For your information, the chart below shows the rate of return on an actuarial basis compared to the market value investment return for the last ten years, including five-year and ten-year averages. However, actuarial planning is long term as the obligations of pension plans are expected to continue for the lifetime of its active and inactive participants.

As indicated below, the experience in the past few years has shown both higher and lower rates of return than the long-term assumption. Based upon the current asset allocation and future expectations, we have maintained the assumed long-term rate of return of 7.25%.

CHART 14

Investment Return – Actuarial Value vs. Market Value: 2000 - 2009

	Net Interest and Dividend Income		Adjustment Toward Market Value		Change in Asset Method		Actuarial Value Investment Return		Market Value Investment Return	
Year Ended December 31	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**	**Amount**	**Percent**
2000	$52,900,606	4.39%	$24,969,350	2.07%	$99,877,401	8.29%	$177,747,357	14.75%	$54,220,234	4.08%
2001	50,676,604	3.72%	29,296,649	2.15%	- -	- -	79,973,253	5.87%	-9,069,183	-0.67%
2002	48,601,263	3.41%	-3,207,557	-0.22%	- -	- -	45,393,706	3.19%	-89,236,183	-6.68%
2003	42,459,075	2.97%	18,732,995	1.31%	- -	- -	61,192,070	4.28%	184,138,629	15.25%
2004	40,090,505	2.78%	20,474,952	1.42%	- -	- -	60,565,457	4.20%	100,886,814	7.52%
2005	34,974,526	2.42%	18,978,130	1.32%	- -	- -	53,952,656	3.74%	74,528,689	5.39%
2006	39,606,790	2.77%	53,225,232	3.72%	- -	- -	92,832,022	6.49%	195,157,758	14.03%
2007	37,889,042	2.61%	94,006,873	6.47%	- -	- -	131,895,915	9.08%	114,762,992	7.58%
2008	39,032,910	2.59%	-214,275,326	-14.23%	- -	- -	-175,242,416	-11.64%	-435,550,927	-28.08%
2009	30,324,368	2.44%	30,648,145	2.47%	- -	- -	60,972,513	4.91%	239,476,303	23.35%
Total	$416,555,689		$72,849,443		$99,877,401		$589,282,533		$429,315,126	
							Five-year average return:	2.32%		2.74%
							Ten-year average return:	4.23%		3.19%

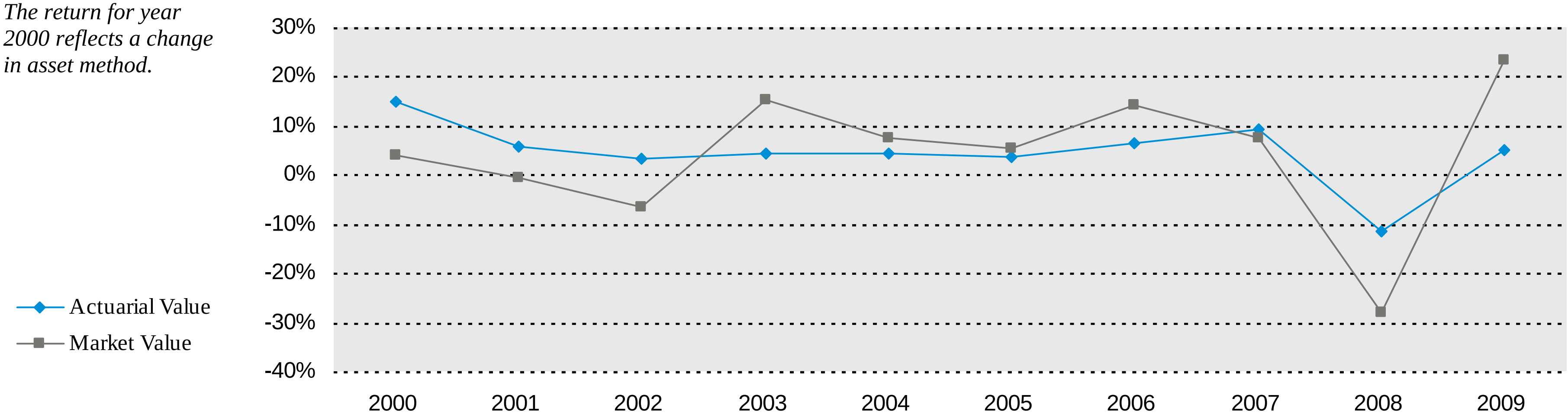
Note: Each year's yield is weighted by the average asset value in that year.

Subsection B described the actuarial asset valuation method that gradually takes into account fluctuations in the market value rate of return. The effect of this is to stabilize the actuarial rate of return and to produce more level pension plan costs.

This chart illustrates how this leveling effect has actually worked over the past ten years. The return for year 2000 reflects a change in asset method.

CHART 15

Market Value and Actuarial Rates of Return for Years Ended December 31, 2000 - 2009



Administrative Expenses
Administrative expenses for the year ended December 31, 2009 totaled $2,845,275, compared to the assumption of $2,700,000, payable monthly. This resulted in a loss of $150,041 for the year when adjusted for timing. We have maintained the assumption of $2,700,000 for the current year. However, if actual expenses continue at the 2009 level, the expense assumption will be increased in future valuations.

Other Experience
There are other differences between projected and actual experience that appear when a new valuation is compared with projections from the previous valuation. These include:

- the extent of turnover among the participants,
- retirement experience (earlier or later than projected),
- the number of disability retirements, and
- mortality (more or fewer deaths than projected).

Another difference may be a significant change among the participants, such as the reemployment of previously inactive participants who are not vested but have credit for prior service.

The net gain from this other experience amounted to $19,983,611 for the last plan year. This was primarily due to the significantly higher than expected number of actives terminating employment during the year.

E. SCHEDULED COST VS. CONTRIBUTIONS

The Scheduled Cost is the amount of annual contribution required to fund the Plan in accordance with the amortization approach adopted by the Trustees. It provides a long term evaluation of whether benefit levels are sustainable given the negotiated contributions and the expectation of a continuing Plan.

The Scheduled Cost as of January 1, 2010 is based on all of the data described in the previous sections and the actuarial assumptions and methods described in the Certificate of Actuarial Valuation. It includes all changes affecting future costs, all plan provisions adopted at the time of the preparation of the Actuarial Valuation, actuarial gains and losses, changes in the actuarial assumptions and the effect of contribution levels that were higher or lower than necessary to meet the prior year's Scheduled Cost.

The following plan changes were reflected in this valuation:

- The Trustees implemented a Rehabilitation Plan with a schedule that reduced Plan benefits as described in Section 4, Exhibit VIII. This year's valuation recognizes the benefit reductions for members covered under collective bargaining agreements that adopted the schedule before 2011.

The actuarial assumptions are unchanged from our prior valuation.

The contribution rate change included in this valuation is:

- The average contribution rate increased from $381.89 per month to $394.93 per month.

The Plan's Scheduled Cost is based on a funding schedule different from the minimum funding requirements established by ERISA. While the ERISA Funding Standard Account (FSA) has separate components with different amortization schedules for each change in the unfunded actuarial accrued liability due to (a) experience gains and losses, (b) revised assumptions and (c) benefit changes, the Scheduled Cost is derived by using a single amortization schedule (fixed 20-year period) for the Plan's combined unfunded actuarial accrued liability. As of January 1, 2010, the unfunded actuarial accrued liability totaled $706,242,507 (actuarial accrued liability of $1,958,649,406 less assets of $1,252,406,899).

The Scheduled Cost recognizes all plan provisions at the time the Actuarial Valuation was prepared. This differs from the plan of benefits used for the coming year (for the year beginning January 1, 2010) Funding Standard Account purposes because the FSA does not reflect the Rehabilitation Plan schedule effective in 2010 until the middle of the year.

This chart compares this valuation's Scheduled Cost with the corresponding determination one year earlier.

CHART 16

Scheduled Cost

		Year Beginning January 1	
	Cost Element	**2010**	**2009**
1	Normal cost, including administrative expenses	$7,098,681	$8,809,229
2	Amortization of the unfunded actuarial accrued liability	63,370,755	62,694,598
3	Adjustment for monthly payments	2,708,132	2,747,884
4	Total Scheduled Cost, payable monthly	$73,177,568	$74,251,711

A reconciliation of the prior year's Scheduled Cost with the current year's Scheduled Cost is presented in Chart 17.

This chart illustrates the changes in the Scheduled Cost over the preceding plan year.

CHART 17

Reconciliation of the Scheduled Cost

Scheduled Cost as of January 1, 2009		$74,251,711
Effect of plan amendments, including changes in contribution rates	-$3,473,919	
Effect of resetting amortization period to 20 years	-1,674,191	
Effect of contributions (more)/less than Scheduled Cost	4,558,478	
Effect of investment loss	2,764,730	
Effect of other gains and losses on accrued liability	-1,889,891	
Effect of net other changes, including composition and number of participants	-1,359,350	
Total change		-$1,074,143
Scheduled Cost as of January 1, 2010		$73,177,568

Plan's Margin/(Deficit)
If the contributions projected at the negotiated contribution rates exceed the Scheduled Cost, the plan has a margin. If the Scheduled Cost exceeds the projected negotiated contributions, a deficit results. The projected employer contributions are based on the Trustees' assumption that 4,687 participants will work an average of 11.5 months at the $394.93 average negotiated contribution rate. The annual contribution amount is projected to be $21,286,924. This falls short of the Scheduled Cost of $73,177,568 by $51,890,644, or 243.8% of projected contributions.

The Scheduled Cost deficit is large enough that the unfunded actuarial accrued liability is not being amortized.

The net investment losses that have occurred in the past have been only partially recognized in the determination of the actuarial value of assets. As these net deferred losses are recognized, unless offset by future investment gains, the cost of the Plan will increase. To illustrate the possible effect of unrecognized net losses, if the current year’s actuarial value of assets were equal to the current market value, the deficit of $51,890,644 would increase by $3,395,424 to a deficit of $55,286,068, or 259.7% of projected contributions.

If the actual market return is equal to the assumed 7.25% rate and all other actuarial assumptions are fully realized, we would anticipate an increase in the Scheduled Cost.

This chart compares the Scheduled Cost with contributions projected at the negotiated contribution rates.

CHART 18

Contributions Projected at the Negotiated Contribution Rates vs. Scheduled Cost

		Year Beginning January 1, 2010	
		Amount	**Rate per Month**
1	Total projected employer contributions (4,687 participants at 11.5 months)	$21,286,924	$394.93
2	Scheduled Cost (fixed 20-year amortization period)	73,177,568	1,357.64
3	Projected margin/(deficit) for the year: (1) – (2)	-$51,890,644	-$962.71

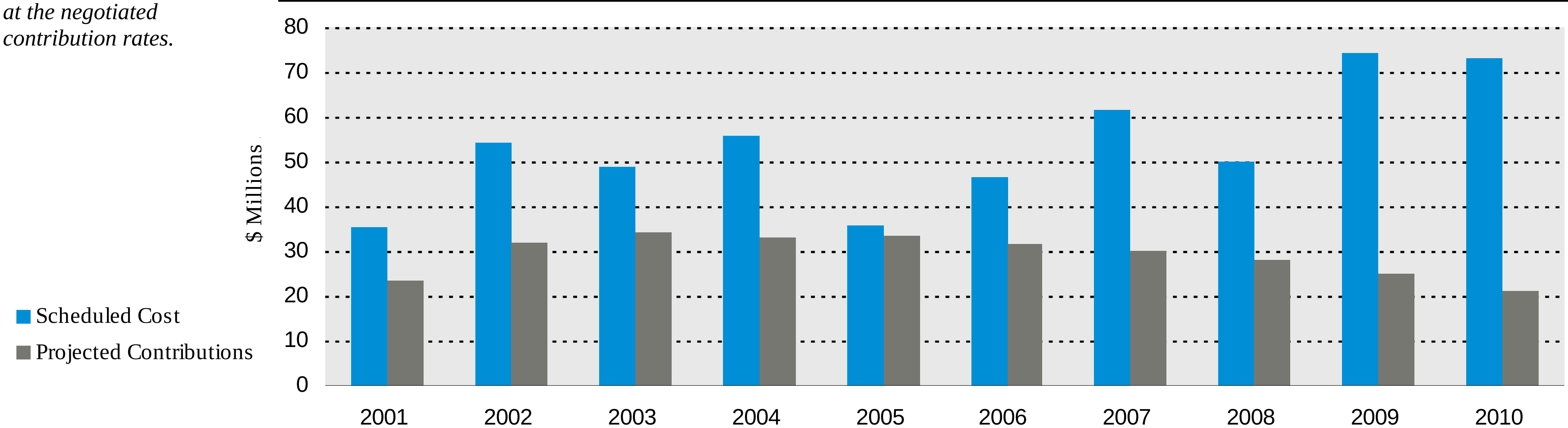
As previously noted, the Scheduled Cost is based on an amortization schedule that is different from what is demanded for the Funding Standard Account. Simply avoiding a legal funding deficiency as determined by the Funding Standard Account is not, in our opinion, an adequate or stable basis for funding the Plan through contribution rates that are fixed in multi-year contracts. PPA'06 reinforces this position by requiring formal annual projections and requires a Funding Improvement Plan or Rehabilitation Plan unless the Funding Standard Account credit balance is projected to remain positive for at least seven years.

The Plan's approach to amortizing the unfunded liabilities for Scheduled Cost is directed toward preserving long-term stability of contribution rates by maintaining a margin. In Chart 20, the margin/(deficit) is represented by the difference between contributions projected at the negotiated contribution rates and the Scheduled Cost.

Chart 20 shows a comparison of Scheduled Cost and contributions projected at the negotiated contribution rates.

CHART 19

Scheduled Cost and Contributions Projected at the Negotiated Contribution Rates for Years Beginning January 1



F. SUMMARY OF CONTRIBUTION REQUIREMENTS

Contributions

ERISA imposes a minimum funding standard that requires the Plan to maintain a Funding Standard Account. Contributions meet the legal requirement on a cumulative basis if that account shows no deficiency. Employers are not liable for satisfying the ERISA minimum funding standard for any plan year in which the plan is in critical status pursuant to Section 432, but only if the plan adopts and complies with a rehabilitation plan in accordance with Section 432(e). The accumulation of the actual contributions in excess of the minimum required contributions under ERISA is called the credit balance.

The minimum funding rules were revised as a result of PPA'06. Increases or decreases in the actuarial accrued liability due to assumption changes and plan amendments will be amortized over 15 years (half the time previously allowed) and short-term benefits, such as 13th checks, must be amortized over the scheduled payout period.

Employers who contribute to defined benefit pension plans are also subject to maximum deductible contribution limitations prescribed by the IRS. For the development of the maximum deductible contribution amount, see Section 3, Exhibit F.

Based on the assumption that 4,687 participants will work an average of 11.5 months at a $394.93 average contribution rate, the contributions projected for the year beginning January 1, 2010 are $21,286,924 as shown in Chart 20. Contributions for the year beginning January 1, 2010 are projected to be less than the maximum allowable deduction level and to exceed the minimum required contribution.

This chart summarizes the contribution information for the valuation year.

CHART 20

Contribution Requirements vs. Contributions Projected for Year Beginning January 1, 2010

ERISA minimum required contribution	$8,485,591
Projected contributions	21,286,924
Maximum deductible contribution	2,561,559,381

Funding Standard Account

The Funding Standard Account is charged with a normal cost and the amortization of increases in the unfunded actuarial accrued liability due to 1) plan amendments, 2) experience losses and 3) changes in actuarial assumptions and funding methods. The account is credited with employer contributions, withdrawal liability payments and the amortization of decreases in the unfunded actuarial accrued liability due to 1) plan amendments, 2) experience gains and 3) changes in actuarial assumptions and funding methods.

On December 31, 2009, the Funding Standard Account had a credit balance of $53,002,298, as shown on the 2009 Schedule MB.

This reserve may be drawn upon to meet charges to the account if contributions fall below the net charge in the future.

The minimum funding requirement for the year beginning January 1, 2010, as shown in Chart 20, is $8,485,591. For the year beginning January 1, 2010, the minimum contribution necessary to avoid a decrease in the current credit balance is $59,633,768. The projected contributions for the year of $21,286,924 are not projected to be sufficient to meet this cost.

We are available to work with the Trustees to develop credit balance projections.

Chart 21 presents the Funding Standard Account information for the year ended December 31, 2009.

CHART 21

Funding Standard Account for the Year Ended December 31, 2009

	Charges			Credits	
1	Normal cost, including administrative expenses	$8,343,521	5	Prior year credit balance	$85,871,634
2	Total amortization charges	156,387,157	6	Employer contributions	27,914,724
3	Interest to end of the year	11,942,974	7	Total amortization credits	101,307,216
4	Total charges	$176,673,652	8	Interest to end of the year	14,582,376
			9	Full-funding limitation credit	0
			10	Total credits	$229,675,950
			11	Credit balance: (10) – (4)	$53,002,298

G. PENSION PROTECTION ACT OF 2006 (PPA'06)

PPA'06 preserves the current basic structure of ERISA's funding rules for multiemployer pension plans, while tightening them in some regards and adding new flexibility for trustees and bargaining parties in other areas. To identify emerging funding challenges so they can be addressed effectively, PPA'06 calls on trustees to actively monitor their plans' financial prospects. Trustees are required to review formal projections of the financial status of their plans at least annually.

PPA'06 Zone Status

Based on projections of the credit balance in the Funding Standard Account, the funded percentage, and cash flow sufficiency tests, plans are categorized in one of three "zones."

A plan is classified as being in critical status (the *Red Zone*) if:

- The PPA'06 funded percentage is less than 65%, and either there is a projected Funding Standard Account deficiency within five years or the plan is projected to be unable to pay benefits within seven years, or
- There is a projected Funding Standard Account deficiency within four years, or
- There is an inability to pay benefits within five years, or
- The present value of vested benefits for inactive participants exceeds that for actives, contributions are less than the value of the current year's benefit accruals plus interest on existing unfunded accrued benefit liabilities, and there is a projected Funding Standard Account deficiency within five years, or
- The plan is critical the prior year and has a projected Funding Standard Account deficiency within ten years.

For a plan that is in critical status, employers will generally not be penalized if a funding deficiency develops, provided the parties fulfill their obligations in accordance with the Rehabilitation Plan developed by the trustees and the negotiated bargaining agreements reflect that Rehabilitation Plan.

Red Zone plans have new tools, such as the ability to reduce or eliminate early retirement subsidies, to remedy the situation. Plans in the Red Zone may not pay lump sums. They may not reduce benefits of participants who retired before being notified of the plan's critical status (other than rolling back recent benefit increases) or alter core retirement benefits payable at normal retirement age.

A plan is classified as being in endangered status (the *Yellow Zone*) if:

- The PPA'06 funded percentage is less than 80%, or
- There is a projected Funding Standard Account deficiency within seven years, and
- The plan is not in critical status (*Red Zone*).

The corrective actions for endangered plans are based on the adoption of a formal Funding Improvement Plan, designed to improve gradually the current funded percentage, to forestall a funding deficiency and to keep the plan out of critical status.

A plan that has both of the endangered conditions present is classified as seriously endangered. Trustees of those plans must take interim measures to delay the projected funding deficiency by one year and improve the plan's funded percentage.

A plan is classified as being in the *Green Zone* if it is neither in critical status (the *Red Zone)* nor in endangered status (the *Yellow Zone).*

Funded Percentage
For purposes of PPA'06, the funded percentage is determined using the actuarial value of assets and the "Unit Credit accrued liability." This liability is generally equivalent to the present value of benefits earned to date, as discussed in Subsection H, and is based on the actuary's best estimate assumptions.

2010 Actuarial Status Certification
The actuarial certification of plan status under PPA'06 is required not later than the 90th day of the plan year.

The 2010 certification was based on the liabilities calculated in the 2009 actuarial valuation, adjusted for subsequent events and projected to December 31, 2009, and on estimated asset information as of December 31, 2009. In addition, the Trustees provided an industry activity assumption which assumed that the number of active participants declined by 5% each year for three years and, on the average, contributions were made for each active for 11.5 months each year. This Plan was classified as Critical (*Red Zone*) because there was a projected deficiency in the Funding Standard Account within two years.

This plan was first categorized as in critical status in 2008. The Trustees adopted a rehabilitation plan to enable the plan to cease being in critical status by the end of the rehabilitation period. Under the rehabilitation plan, new collective bargaining agreements negotiated on or after April 28, 2008 will include the maximum benefit reductions allowed by law. These reductions include the removal of all early retirement subsidies, joint and survivor subsidies, disability pensions, the 36-payment pre-retirement death benefit and all benefit options besides single life annuity or the QJSA. The Rehabilitation Plan also includes supplemental off-benefit contributions to the plan beginning January 1, 2013.

An update to the rehabilitation plan was not required for the 2009 Plan Year because the Trustees elected the WRERA freeze. We encourage the Trustees to begin work to adjust their rehabilitation plan for the 2010 Plan Year. The 2010 update may reflect the Trustees election, also under WRERA, to extend the Rehabilitation Period by 3 years.

2011 Actuarial Status Certification
Based on the assumptions and methods employed for this 2010 valuation, the funded percentage is 64.2% and there is a projected Funding Standard Account deficiency on December 31, 2011. Therefore, this plan would again be categorized as in critical (*Red Zone*) status for 2011. However, the actual status for the 2011 Plan Year will involve the following:

- Updated asset information,
- Trustee input on industry activity, and
- Projections of benefit liabilities that recognize adopted plan changes, changes in collectively bargained contribution rates and other significant events.

H. DISCLOSURE REQUIREMENTS

Present Value of Accumulated Plan Benefits (PVAB)

Financial reporting, in accordance with the Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) 960 (formerly SFAS No. 35), requires determination of the present value of accumulated plan benefits. It is the single-sum value of the benefits, vested or not, earned by participants as of the valuation date. These present values are determined based on the plan of benefits reflected for Funding Standard Account purposes and are based upon the actuarial assumptions used to determine the ERISA's funding costs of the ongoing Plan. These are not appropriate liability measurements for other purposes such as if the Plan were to terminate.

Chart 22 shows the present value of vested and accumulated plan benefits and the funded percentages based on the actuarial value of assets, for the 2010 and 2009 valuations. The PVAB funded percentage for 2010 is not the same as that used to determine the annual certification required under PPA'06. The values shown in Charts 22, 23, and 24 reflect current participant and financial information, whereas the annual certification was based on prior participant data and estimated financial results.

For a detailed breakdown of this information and a reconciliation from last year to this year, see Section 4, Exhibit VI.

This chart shows the calculation of the funded percentage.

CHART 22

Present Value of Vested and Accumulated Plan Benefits

		January 1	
		2010	**2009**
1	Present value of vested accumulated plan benefits	$1,928,605,153	$1,914,625,373
2	Present value of accumulated benefits	1,952,028,529	1,954,990,113
3	Actuarial value of assets	1,252,406,899	1,289,664,443
4	PVAB funded percentage: (3) ÷ (2)	64.2%	66.0%

Chart 23 below compares the present value of accumulated plan benefits with the actuarial value of assets over the past ten years. Chart 24 shows the relationship of these measures as a percentage.

A historical comparison over the past ten years is shown in these charts.

CHART 23

Present Value of Accumulated Plan Benefits vs. Actuarial Value of Assets as of January 1, 2001 - 2010

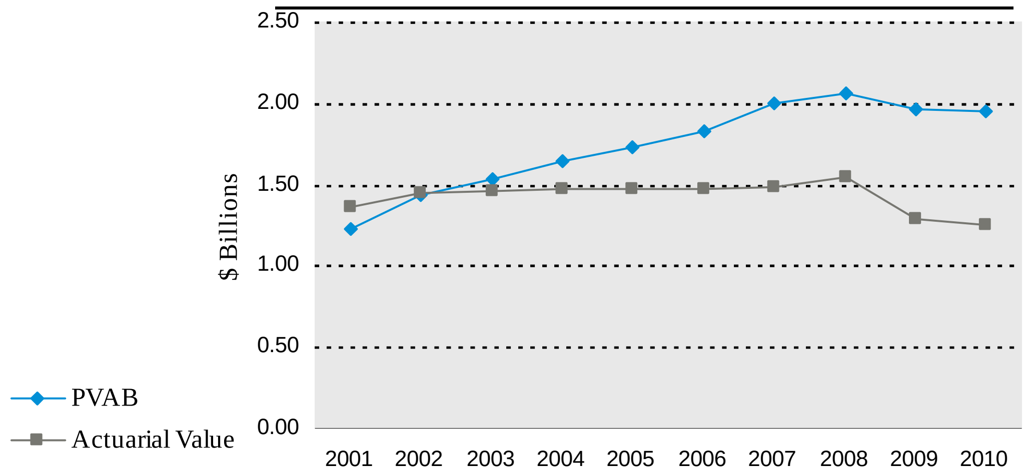
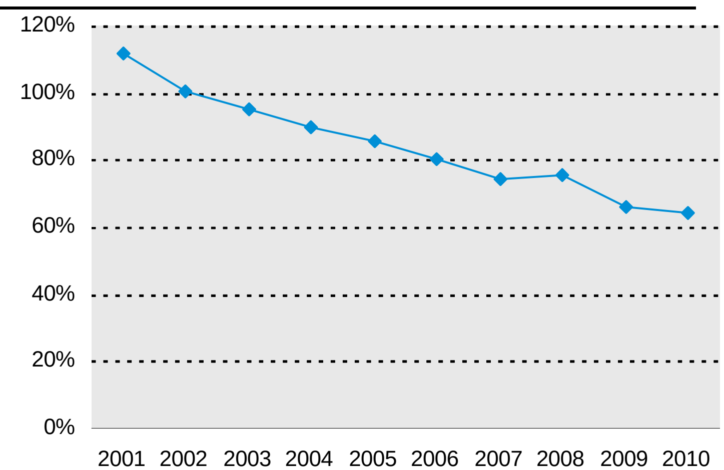


CHART 24

Actuarial Value of Assets as a Percentage of Present Value of Accumulated Plan Benefits as of January 1, 2001 - 2010



Annual Funding Notice

PPA'06 requires the annual funding notice to be provided to participants, employers, unions and government agencies. Beginning with the 2008 Plan Year, it must include much more information, and it must be sent by 120 days after the end of the plan year. The actuary's "best estimate" assumptions are the basis for the measurement of the funding notice percentage.

As shown in Chart 22, the value of plan benefits earned to date as of January 1, 2010 is $1,952,028,529 using the long-term funding interest rate of 7.25%. As the actuarial value of assets is $1,252,406,899, the Plan's funded percentage is 64.2%, compared to 66.0% in the prior year. The funded percentage is one measure of a plan's funded status. It is not indicative of how well funded a plan may be in the future, especially in the event of plan termination.

Although the annual funding notice was revised, ERISA still requires the disclosure by the actuary of the funding percentage based on "current liability" assumptions and the market value of assets, if it is less than 70%. As shown in Section 4, Exhibit V, the Plan's current liability as of January 1, 2010 is $2,734,843,932 using an interest rate of 4.58%. As the market value of assets is $1,215,966,615, this funded current liability percentage is 44.5%. This will be disclosed on the 2010 Schedule MB of IRS Form 5500.

The actuarial information to be provided in the annual funding notice is shown in Section 3, Exhibit D.

Disclosure of Any Recent Adverse Developments

As amended in 1980, ERISA requires the Plan's enrolled actuary to provide a statement for inclusion in the Plan's annual report disclosing any event or trend that the actuary has not taken into account, if, to the best of the actuary's knowledge, such an event or trend may require a material increase in plan costs or required contribution rates. If the Trustees are currently aware of any event that was not considered and that may materially increase the cost of the Plan, they must advise The Segal Company, so that we can evaluate it and take it into account.

I. WITHDRAWAL LIABILITY

As of December 31, 2009, the actuarial present value of vested plan benefits for withdrawal liability purposes is $2,355,524,780. This is not the same figure as determined for FASB ASC 960 purposes because the two calculations involve different benefit provisions and different actuarial assumptions. For purposes of determining the present value of vested benefits, we excluded some benefits that are not protected by IRC Section 411(d)(6), including pre-retirement death and disability benefits. Since the market value of assets as of the same date is $1,215,966,615, the unfunded present value of vested benefits for withdrawal liability purposes is $1,139,558,165.

The major assumptions used in the valuation of the current year's unfunded present value of vested benefits for withdrawal liability purposes are as follows:

- Interest: For liabilities up to market value of assets, 5.30% for 20 years and 5.01% beyond. For liabilities in excess of market value of assets, same as used for plan funding.
- Administrative expenses: Calculated as prescribed by PBGC formula (29 CFR Part 4044, Appendix C); not applicable to those liabilities determined using funding interest rates.
- Mortality: Same as used for plan funding
- Retirement rates: Same as used for plan funding

For purposes of withdrawal liability, these actuarial assumptions and methods are reasonable (taking into account the experience of the Plan and reasonable expectations) and, in combination, offer the actuary's best estimate of anticipated experience under the Plan.

In general, reductions in accrued benefits and/or contribution surcharges for a plan in critical status (*red zone*) are disregarded for determination of withdrawal liability.

A detailed report on withdrawal liability is available.

EXHIBIT A

Table of Plan Coverage

Category	Year Ended December 31 2009	2008	Change From Prior Year
Active participants in valuation:			
Number	4,687	5,661	-17.2%
Average age	45.0	44.2	N/A
Average years of Credited Service	12.2	11.5	N/A
Average contribution rate for coming year	$394.93	$381.89	3.4%
Number with unknown age	24	8	200.0%
Total active vested participants	3,671	4,139	-11.3%
Inactive participants with rights to a pension:			
Number	11,011	10,856	1.4%
Average age	51.8	51.6	N/A
Average monthly benefit	$812	$783	3.7%
Pensioners (including disableds):			
Number in pay status	8,796	8,568	2.7%
Average age	71.0	70.8	N/A
Average monthly benefit	$1,070	$1,039	3.0%
Number in suspended status	45	23	95.7%
Beneficiaries:			
Number in pay status	2,203	2,107	4.6%
Average age	74.0	73.7	N/A
Average monthly benefit	$339	$326	4.0%

EXHIBIT B

Summary Statement of Income and Expenses on an Actuarial Basis

	Year Ended December 31, 2009		Year Ended December 31, 2008	
Contribution income:				
Employer contributions	$22,744,958		$26,609,781	
Liquidated damages	41,369		68,329	
Withdrawal liability payments	5,128,397		9,634,101	
Less administrative expenses	-2,845,275		-2,942,352	
Net contribution income		$25,069,449		$33,369,859
Investment income:				
Interest and dividends	$35,353,651		$44,636,174	
Adjustment toward market value	30,648,145		-214,275,326	
Less investment fees	-5,029,283		-5,603,264	
Net investment income		60,972,513		-175,242,416
Total income available for benefits		$86,041,962		-$141,872,557
Less benefit payments		-123,299,506		-115,262,903
Change in reserve for future benefits		-$37,257,544		-$257,135,460

EXHIBIT C
Financial Information Table

	Year Ended December 31, 2009		Year Ended December 31, 2008	
Cash equivalents		$12,380,382		$12,669,869
Accounts receivable:				
Employer contributions	$1,735,000		$1,794,000	
Accrued investment income	8,223,805		8,903,410	
Other	0		25,710	
Total accounts receivable		9,958,805		10,723,120
Investments:				
Fixed income	$314,113,020		$341,102,809	
Equities	768,853,024		626,250,401	
Other investments	116,793,376		88,072,032	
Total investments at market value		1,199,759,420		1,055,425,242
Total assets		$1,222,098,607		$1,078,818,231
Less accounts payable		-$6,131,992		-$4,097,862
Net assets at market value		$1,215,966,615		$1,074,720,369
Net assets at actuarial value		$1,252,406,899		$1,289,664,443

EXHIBIT D

Annual Funding Notice for Plan Year Beginning January 1, 2010 and Ending December 31, 2010

	Funding Percentage		
	2010 Plan Year	**2009 Plan Year**	**2008 Plan Year**
Actuarial valuation date	January 1	January 1	January 1
Funded percentage	64.2%	66.0%	75.2%
Value of assets	$1,252,406,899	$1,289,664,443	$1,546,799,903
Value of liabilities	1,952,028,529	1,954,990,113	2,055,963,752

Fair value of assets as of December 31, 2010	Not available
Fair value of assets as of December 31, 2009	$1,215,966,615
Fair value of assets as of December 31, 2008	1,074,720,369

Critical or Endangered Status

The Plan was in critical status in the plan year for the following four reasons:

1. The plan had a projected funding deficiency within 4 years;
2. The plan was in critical status last year and had a projected funding deficiency within 10 years;
3. The plan had a funded percentage less than 65% and a projected funding deficiency within 5 years; and
4. The plan's inactive vested liability exceeded that for actives and the plan had a projected funding deficiency within 5 years and the plan's projected contributions fall short of the plan's normal cost plus interest on unfunded liability.

In an effort to improve the Plan's funding situation, the Trustees adopted a rehabilitation plan in April 2008 that called for the benefit cuts as summarized on 3-11 and for supplemental contribution increases beginning January 1, 2013. As a result of the Trustees' election under WRERA to freeze the zone status for 2009, the rehabilitation plan was not updated for 2009. The Trustees also elected under WRERA to extend the Rehabilitation Period from 10 to 13 years. Future updates to the rehabilitation plan will reflect the WRERA extension.

Events with Material Effect on Assets or Liabilities

For the Plan Year beginning on January 1, 2010 and ending December 31, 2010, no events known to us as of the date of preparation of this report are expected to have a material effect.

EXHIBIT E

Reorganization

Under the reorganization provisions of the IRC, the Minimum Contribution Requirement (MCR) is calculated as the amount that amortizes the unfunded liability for current pensioners over ten years and the unfunded vested liability for non-pensioners over 25 years. The MCR is applicable only if this amount is larger than the Funding Standard Account requirement before the application of the credit balance.

For the year beginning January 1, 2010, the MCR does not exceed the Funding Standard Account requirement before the application of the credit balance, and is therefore not applicable for the current year. If the MCR is applicable, the Plan is said to be "in reorganization." When a plan is in reorganization, contribution requirements are greater than the normal ERISA funding requirements, a plan must give notice to its participating employers and union(s) that it is in reorganization, cut-backs in recent benefit increases are permitted and any new benefit increases must be adequately funded. We are prepared to discuss the implications of reorganization status in more detail.

The Trustees should be aware that the recent adverse experience when fully reflected will increase the MCR more rapidly than the Funding Standard Account requirement and potentially place the Plan in reorganization. We will continue to monitor experience and review the applicability of the MCR to determine whether this may be avoided.

The funding requirements of ERISA and application of those rules are quite complicated. We can work with Legal Counsel to seek their advice as to the interpretation and applicability of the law and to determine how these issues apply to your Plan.

EXHIBIT F

Maximum Deductible Contribution

Employers that contribute to defined benefit pension plans are allowed a current deduction for payments to such plans. There are various measures of a plan's funded level that are considered in the development of the maximum deductible contribution amount.

One of the limits is the excess of 140% of "current liability" over assets. "Current liability" is one measure of the actuarial present value of all benefits earned by the participants as of the valuation date. This is the limit that applies to your Plan as shown below.

Contributions received by the Plan in excess of the maximum deductible amount are not prohibited; only the deductibility of these contributions is subject to challenge and may have to be deferred to a later year. In addition, if contributions are not fully deductible, an excise tax in an amount equal to 10% of the non-deductible contributions may be imposed. However, the plan sponsor may elect to exempt the non-deductible amount up to the ERISA full-funding limitation from the excise tax.

You should review with Fund Counsel the interpretation and applicability of all laws and regulations concerning any issues as to the deductibility of contribution amounts.

This chart presents the calculation of the maximum deductible contribution for the January 1, 2010 - December 31, 2010 year.

Maximum Deductible Contribution

1.	Normal cost, including administrative expenses	$7,302,876
2.	Amortization of unfunded actuarial accrued liability, fresh start as of January 1, 2010	94,842,141
3.	Preliminary maximum deductible contribution: (1) + (2), with interest to the end of the plan year	109,550,531
4.	Full-funding limitation (FFL)	1,216,020,348
5.	Preliminary maximum deductible contribution, adjusted for FFL: lesser of (3) and (4)	109,550,531
6.	Current liability, projected to the end of the plan year	2,691,078,067
7.	Actuarial value of assets, projected to the end of the plan year	1,205,949,913
8.	Excess of 140% of current liability over projected assets at end of plan year: [140% of (6)] - (7), not less than zero	2,561,559,381
9.	End of year minimum required contribution	8,485,591
10.	Maximum deductible contribution: greatest of (5), (8), and (9)	$2,561,559,381

EXHIBIT G

Section 415 Limitations

Section 415 of the Internal Revenue Code specifies the maximum benefits that may be paid to an individual from a defined benefit plan and the maximum amounts that may be allocated each year to an individual's account in a defined contribution plan. If an individual is covered solely by multiemployer plans, the plans do not have to be combined for any of the limits. If the individual is covered by a single-employer plan, all plans maintained by the same employer are combined in applying these tests. Multiemployer plan benefits do not need to be combined with single-employer plan benefits in testing against the pay-based limit.

A qualified pension plan may not pay benefits in excess of the Section 415 limits. The ultimate penalty for non-compliance is disqualification; the plan could lose its tax exemption, employers could lose their deductions and active participants could be taxed on their vested benefits.

In particular, Section 415(b) of the IRC as amended by the Economic Growth and Tax Relief Reconciliation Act of 2001 (EGTRRA) limits the maximum annual benefit payable at age 62 to a dollar limit of $160,000 indexed for inflation. The dollar limit indexed for inflation has remained unchanged at $195,000 for 2009 and 2010. These are the limits in simplified terms. They must be adjusted based on each participant's circumstances for such things as age at retirement and form of benefits chosen.

While the actual determination of the exact limits applicable to each participant's benefit can only be done when the individual retires and applies for benefits, the overall impact of the limits has been reflected in this valuation for plan funding purposes, based on our understanding of the requirements of IRC Sections 404, 412, and 415 and the data available to us.

Fund Counsel's review and interpretation of the law and regulations must be sought in this area as well.

EXHIBIT H

General Background

An outline of the major developments in connection with the Plan's background and position is given below:

Changes in Benefit Amounts and Average Contribution Rate since January 1, 1976:

Effective Date			Monthly Pension Amount		
Year	Month	Average Monthly Contribution Rate	Per Year of Past Service	Future Service (per $100 of Contributions)	Improvement to Existing Retirees
1976	January		$ 5.00	$2.75	
1980	January	$ 87.58	5.50	3.03	10%
1981	November	103.49			(1)
1984	September	126.33	6.05	3.33	10%
1986	January	139.13	6.96	3.83	15%
1989	January	153.00	7.27	4.00	4.5%
1990	January	163.60	7.71	4.24	6%
1991	December	180.00			(1)
1992	January	183.00	7.71	$4.45/$4.24 (2)	4.25%
1993	January	187.00		$4.50/$4.24 (3)	1%
1994	January	191.25		$4.50/$4.24 (4)	4% (1)
1995	January	200.67			
1996	January	220.37		$4.50/$4.24 (5)	
1997	January	195.75		$4.73/$4.24 (5)	2% (1)

Changes in Benefit Amounts and Average Contribution Rate since January 1, 1976 (continued):

Effective Date			Monthly Pension Amount		
Year	Month	Average Monthly Contribution Rate	Per Year of Past Service	Future Service (per $100 of Contributions)	Improvement to Existing Retirees
1998	January	$205.64		$4.90/$4.73[4]/$4.24[5]	1%[1]
1999	January	208.60	10.00	$5.00/$4.24[5]	2%[1]
2000	January	222.52			
2001	January	235.22			
2002	January	324.40			
2003	January	352.56			
2003	July			$5.00/$3.00[6]	
2004	January	365.78			
2005	January	390.04		$0.50/$1.00/$2.00[7]	
2006	January	393.84			
2007	January	404.09			
2008	January	395.33			
2008	July			$1.00[8]	
2009	January	381.89			
2010	January	394.93			

(1) Additional, one-time only, pension payment was granted.
(2) The lower factor applies to service after January 1, 1992.
(3) The lower factor applies to service after January 1, 1994.
(4) The lower factor applies to service after January 1, 2000.
(5) The lower factor applies to service after January 1, 2005.
(6) The lower factor applies to service after July 1, 2003.
(7) The first factor applies to the first $250 of monthly contributions, the second factor applies to the second $250 of monthly contributions, and the last factor applies to monthly contributions in excess of $500. All three factors apply to service after January 1, 2005.
(8) This factor applies to service after July 1, 2008.

Other Developments:

Date	Event
September 1, 1955:	Board of Trustees executed Trust Agreement.
	Pension Plan was adopted.
July 12, 1956:	Favorable determination letter from the Internal Revenue Service was received.
January 1, 1976:	Plan revised to satisfy ERISA.
	Funding Standard Account was established.
January 1, 1985:	Early Retirement reduction factor was lowered to 1/3 of 1% per month.
January 1, 1986:	Plan amended to satisfy REA.
	Partial vested-rights adopted for participants with at least 5 years of service.
	Early Retirement reduction was dropped for participants retiring at age 62 or later and lowered to 1/4 of 1% per month for ages between 55 and 62.
	Eligibility requirements for Early Retirement and Disability pensions were lowered to 5 years of service.
	Pre-retirement death benefits are payable on the basis of vested percentage.
January 1, 1997:	Full vesting adopted for participants with at least 5 years of service.
October 1, 1997:	Plan amended to provide Unreduced Rule of 85 Retirement.
October 1, 1999:	Joint and Survivor factors were increased and now reflect a simplified formula
January 1, 2002:	One-time IAP rollover allowed for all non-retired participants. Future rollovers at retirement will no longer be allowed.
January 1, 2003:	Eligibility requirements for Disability Pension amended to require receipt of a Social Security Disability award.

Other Developments (continued):

Date	Event
May 15, 2003:	Date of most recent favorable determination letter from the IRS.
March 4, 2008:	For collective bargaining agreements effective on or after March 4, 2008, the $700 per month cap on contribution rates was eliminated.
March 28, 2008:	Plan certified as being in "Critical" status under PPA '06. A Rehabilitation Plan was adopted that include supplemental off-benefit contributions beginning January 1, 2013 and the following benefit reductions: ➤ Early retirement and joint and survivor adjustment factors will be based on the plan's actuarial equivalence basis. ➤ The "Rule of 85" unreduced early retirement benefit will no longer be available. ➤ The Plan's disability benefit will no longer be available to new applicants. ➤ The 36-payment pre-retirement death benefit is eliminated. ➤ Payment forms, except for a life annuity or automatic joint and 50% survivor annuity, will no longer be available to new retirees.
March 5, 2009:	Board elects under WRERA to freeze 2009 plan status under PPA'06 and to extend Rehabilitation Period by three years.

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June 7, 2010

CERTIFICATE OF ACTUARIAL VALUATION

This is to certify that The Segal Company ("Segal") has prepared an actuarial valuation of the Automotive Industries Pension Plan as of January 1, 2010 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 requirements of federal government agencies. This valuation report 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 valuation 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); and changes in plan provisions or applicable law.

The valuation is based on the assumption that the Plan is qualified as a multiemployer plan for the year and on draft information supplied by the auditor with respect to contributions and assets and by the Plan Administrator with respect to the participant data. The Segal Company does not customarily audit the data provided. The accuracy and comprehensiveness of the data is the responsibility of those supplying the data. Segal, however, does review the data for reasonableness and consistency. Based on our review of the data, we have no reason to doubt the substantial accuracy of the information on which we have based this report and we have no reason to believe there are facts or circumstances that would affect the validity of these results. Adjustments for incomplete or apparently inconsistent data were made as described in the attached Exhibit VII.

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 valuation is complete and accurate, except as noted in Exhibit I. Each prescribed assumption for the determination of Current Liability was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

Theodore J. Shively, ASA, MAAA
Vice President & Actuary
Enrolled Actuary No. 08-03647

Certificate Contents

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EXHIBIT I

Summary of Actuarial Valuation Results

The valuation was made with respect to the following data supplied to us by the Plan Administrator:

1	Pensioners as of the valuation date (including 2,203 beneficiaries in pay status and 45 pensioners in suspended status)		11,044
2	Participants inactive during year ended December 31, 2009 with vested rights (including 3 participants with unknown age)		11,011
3	Participants active during the year ended December 31, 2009 (including 24 participants with unknown age)		4,687
	Fully vested	3,671	
	Not vested	1,016	

The actuarial factors as of the valuation date are as follows:

1	Normal cost, including administrative expenses[(1)(2)]		$7,302,876
2	Actuarial present value of projected benefits		2,019,978,148
3	Present value of future normal costs		28,521,811
4	Actuarial accrued liability[(1)]		1,991,456,337
	Pensioners and beneficiaries	$1,183,257,260	
	Inactive participants with vested rights	407,502,271	
	Active participants	400,696,806	
5	Actuarial value of assets ($1,215,966,615 at market value as reported by Lindquist LLP)		1,252,406,899
6	Unfunded actuarial accrued liability		739,049,438

(1) *Effective July 1, 2010, a plan amendment will be recognized that reduces the plan's actuarial liability by $32,806,931. The normal cost shown reflects the 6 months the Plan amendment is in effect during the 2010 Plan year. The reduction in liability is attributed to plan participants who become subject to the Rehabilitation Plan schedule in 2010.*

(2) *Estimated based on expected contributions. Actual normal cost will be based on actual contributions.*

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EXHIBIT II

Information on Plan Status as of January 1, 2010

1	Plan status (as certified on March 31, 2010, for the 2010 zone certification)	***Critical***
2	Actuarial value of assets for Funding Standard Account	$1,252,406,899
3	Accrued liability under unit credit cost method	1,952,028,529
4	Funded percentage for monitoring plan's status	64.2%

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EXHIBIT III

Participants in Active Service by Age and by Years of Credited Service
(Schedule MB, line 8b)

The participant data is for the year ended December 31, 2009.

		Years of Credited Service								
Age	**Total**	**1-4**	**5-9**	**10-14**	**15-19**	**20-24**	**25-29**	**30-34**	**35-39**	**40 & over**
Under 20	2	2	- -	- -	- -	- -	- -	- -	- -	- -
20 - 24	162	147	15	- -	- -	- -	- -	- -	- -	- -
25 - 29	333	191	132	10	- -	- -	- -	- -	- -	- -
30 - 34	449	166	198	79	6	- -	- -	- -	- -	- -
35 - 39	518	122	206	141	46	3	- -	- -	- -	- -
40 - 44	641	132	193	158	90	66	2	- -	- -	- -
45 - 49	853	85	220	166	166	134	74	8	- -	- -
50 - 54	852	89	148	126	139	136	118	93	3	- -
55 - 59	541	35	76	97	94	100	59	63	17	- -
60 - 64	273	19	47	47	31	61	23	21	12	12
65 - 69	35	2	8	7	10	2	4	1	- -	1
70 & over	4	2	- -	2	- -	- -	- -	- -	- -	- -
Unknown	24	24	- -	- -	- -	- -	- -	- -	- -	- -
Total	4,687	1,016	1,243	833	582	502	280	186	32	13

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EXHIBIT IV

Funding Standard Account

The table below presents the Funding Standard Account for the Plan Year ending December 31, 2010.

Charges			Credits		
1	Normal cost, including administrative expenses	$7,302,876	5	Prior year credit balance	$53,002,298
2	Amortization charges	157,337,021	6	Amortization credits	103,783,284
3	Interest on (1) and (2)	11,936,393	7	Interest on (5) and (6)	11,305,117
4	Total charges	$176,576,290	8	Full-funding limitation credit	0
			9	Total credits	$168,090,699
Minimum contribution with interest required to avoid a funding deficiency: (4) – (9), not less than zero					$8,485,591

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EXHIBIT IV (continued)

Funding Standard Account

Determination of Full-Funding Limitation Credit

	(A) ERISA Full-Funding Limit			(B) Current Liability Override	
1	Projected entry age normal accrued liability	$1,971,087,403	1	90% of projected current liability	$2,421,970,261
2	Lesser of projected market and actuarial values of assets	1,166,946,774	2	Projected actuarial value of assets	1,205,949,913
3	Credit balance, with interest to December 31, 2010	56,844,965	3	Credit balance, with interest to December 31, 2010	N/A
4	ERISA FFL: (1) – (2) + (3), not less than zero	860,985,594	4	Current Liability override: (1) – (2), not less than zero	1,216,020,348
5	Minimum required contribution for the year, disregarding the credit balance and any interest on the credit balance				$65,330,556
6	ERISA full-funding limitation credit: (5) – [greater of 4(A) and 4(B)], not less than zero				0

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EXHIBIT IV (continued)

Funding Standard Account

Schedule of Funding Standard Account Bases: Amortization Charges as of January 1, 2010 (Schedule MB, line 9c)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Combined Base	01/01/2006	$113,381,179	9.05	$787,024,459
Plan Amendment	01/01/2007	155,160	27	1,948,473
Experience Loss	01/01/2007	2,076,405	12	17,454,635
Change in Assumptions	01/01/2007	10,083,400	27	126,625,546
Experience Loss	01/01/2009	30,691,013	14	283,600,139
Experience Loss	01/01/2010	949,864	15	9,133,750
Total		$157,337,021		$1,225,787,002

EXHIBIT IV (continued)

Funding Standard Account

Schedule of Funding Standard Account Bases: Amortization Credits as of January 1, 2010 (Schedule MB, line 9h)

Type of Base	Date Established	Amortization Amount	Years Remaining	Outstanding Balance
Combined Base	01/01/2006	$83,230,379	3.43	$262,782,883
Plan Amendment	01/01/2008	151,218	13	1,336,450
Experience Gain	01/01/2008	2,100,314	13	18,562,426
Plan Amendment	07/01/2008	13,102,810	13.5	118,485,229
Plan Amendment	01/01/2009	1,952,427	14	18,041,391
Plan Amendment	07/01/2009	1,540,136	14.5	14,525,721
Plan Amendment	01/01/2010	121	15	1,166
Plan Amendment	07/01/2010	1,705,879	15	[1]
Total		$103,783,284		$433,735,266

[1] *Effective July 1, 2010, a plan amendment will be recognized that reduces the plan's actuarial liability by $32,806,931. The 15-year amortization payment for this amendment is $3,411,757. For the 2010 plan year, ½ of the amortization amount, or $1,705,879, was recognized in the Funding Standard Account.*

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EXHIBIT IV (continued)

Funding Standard Account

Balancing Equation

1	Net outstanding balance of bases	$792,051,736
2	Credit balance	53,002,298
3	Unfunded actuarial accrued liability: (1) - (2)	$739,049,438

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EXHIBIT V
Current Liability

The table below presents the current liability for the Plan Year beginning January 1, 2010.

Item		Amount[1]
1. Retired participants and beneficiaries receiving payments		$1,504,746,045
2. Inactive vested participants		652,511,624
3. Active participants		
a. Non-vested	$41,023,299	
b. Vested	536,562,964	
c. Total active		577,586,263
4. Total		$2,734,843,932
Expected increase in current liability due to benefits accruing during the plan year		$14,641,802
Expected release from current liability for the plan year		130,050,390
Expected plan disbursements for the plan year, including administrative expenses of $2,700,000		132,750,390
Current value of assets		1,215,966,615
Percentage funded for Schedule MB		44.46%

Note: The actuarial assumptions used to calculate these values are shown in Exhibit VII.

[1] *Does not reflect plan amendment, effective July 1, 2010, that reduces current liability by $48,155,918.*

EXHIBIT VI

Actuarial Present Value of Accumulated Plan Benefits

The actuarial present value of accumulated plan benefits is shown below as of January 1, 2010 and as of January 1, 2009.

	Benefit Information Date	
	January 1, 2010	**January 1, 2009**
Actuarial present value of vested accumulated plan benefits:		
Participants currently receiving payments	$1,183,257,260	$1,116,437,188
Other vested benefits	745,347,893	798,188,185
Total vested benefits	$1,928,605,153	$1,914,625,373
Actuarial present value of non-vested accumulated plan benefits	23,423,376	40,364,740
Total actuarial present value of accumulated plan benefits	$1,952,028,529	$1,954,990,113

The amounts shown above have been calculated in accordance with Actuarial Standard of Practice No. 4 promulgated by the Actuarial Standards Board for calculating such values. The actuarial assumptions used are shown in Exhibit VII.

EXHIBIT VI (continued)

Actuarial Present Value of Accumulated Plan Benefits

The factors that affected the change in the actuarial present value of accumulated plan benefits from the preceding to the current benefit information date are as follows:

Factors	Change in Actuarial Present Value of Accumulated Plan Benefits
Plan amendments	-$13,908,635
Benefits accumulated, net experience gain or loss, changes in data	-2,516,431
Benefits paid	-123,299,506
Interest	136,762,988
Total	-$2,961,584

Note: Does not include the plan amendment effective July 1, 2010. This amendment would reduce the actuarial present value of accumulated plan benefits by $30,629,334.

EXHIBIT VII

Statement of Actuarial Assumptions/Methods
(Schedule MB, line 6)

Mortality Rates:

Healthy: RP-2000 Combined Healthy Mortality Tables set back 1 year

Disabled: RP-2000 Combined Healthy Mortality Tables set forward 5 years.

Termination Rates before Retirement:

	Rate (%)			
	Mortality			
Age	Male	Female	Disability	Withdrawal*
20	0.03	0.02	0.05	21.20
25	0.04	0.02	0.06	15.80
30	0.04	0.02	0.08	11.60
35	0.07	0.04	0.11	8.40
40	0.10	0.06	0.17	6.20
45	0.14	0.10	0.27	4.20
50	0.20	0.16	0.45	2.60
55	0.32	0.24	0.76	1.00
60	0.59	0.44	1.22	0.00

* *Withdrawal rates under age 55 are increased by 6 percentage points for the first 5 years of service. Withdrawal rate are zero once retirement rates apply.*

Retirement Rates:

Non-Service Pensions		Rule of 85 Pensions	
Age	**Retirement Rates**	**Age**	**Retirement Rates**
55 – 60	5%	53	10%
61	15	54	35
62	35	55-58	15
63	25	59	25
64	25	60-61	20
65	50		
66	30		
67	100		

Description of Weighted Average Retirement Age: Age 60.8, determined as follows: The weighted average retirement age for each participant is calculated as the sum of the product of each potential retirement age times the retirement rate at that age, assuming no other decrements. The overall weighted retirement age is the average of the individual retirement ages, based on all the active participants included in this actuarial valuation.

Retirement Age for Inactive Vested Participants: 62

Future Benefit Accruals: Work-year of 11.2 months of contributions per active employee.

Unknown Data for Participants: Same as those exhibited by participants with similar known characteristics. If not specified, participants are assumed to be male.

Definition of Active Participants: Active participants are defined as those with at least five months in the most recent Plan Year, excluding those who have retired as of the valuation date.

Exclusion of Inactive Vesteds: Inactive participants over age 70 excluded from the valuation.

Percent Married: 85%

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Age of Spouse:	Females 4 years younger than males.
Benefit Election:	50% of all non-retired participants are assumed to elect the Joint and Survivor annuity (with 100% continuation, if available, otherwise 50% continuation) at time of retirement. The remaining 50% are assumed to elect the Life Option (with 36-month guaranteed, if available).
Net Investment Return:	7.25%
Annual Administrative Expenses:	$2,700,000, payable monthly (equivalent to $2,600,079 payable at the beginning of the year).
Actuarial Value of Assets:	The market value of assets less unrecognized returns in each of the last five years. Unrecognized return is equal to the difference between the actual market return and the expected return on the actuarial value, and is recognized over a five-year period. The actuarial value is further adjusted, if necessary, to be within 20% of the market value.
Actuarial Cost Method:	Entry Age Normal Actuarial Cost Method. Entry Age is the current age minus Credited Service. Normal Cost and Actuarial Accrued Liability are calculated on an individual basis and are allocated by service, with Normal Cost determined as if the current benefit accrual rates have always been in place. Normal Cost is adjusted by the ratio of the actual contributions credited for benefit accruals received during the plan year to the expected contribution. For year 2010, the expected contributions are $21,286,924.
Benefits Valued:	Unless otherwise indicated, includes all benefits summarized in Exhibit VIII.
Current Liability Assumptions:	
Interest	4.58%
Mortality	Mortality prescribed under IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1, using the static tables with separate tables for annuitants and nonannuitants (RP-2000 tables projected forward to the valuation year plus seven years for annuitants and 15 years for nonannuitants)

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Justification for Change in Actuarial Assumptions (Schedule MB, line 11):	Based on statutory requirements, the following actuarial assumptions were changed: For purposes of determining current liability, the current liability interest rate was changed due to a change in the permissible range and recognizing that any rate within the permissible range satisfies the requirements of IRC Section 431(c)(6)(E) and the mortality tables were changed in accordance with IRS Regulations 1.431(c)(6)-1 and 1.430(h)(3)-1.

Estimated Rate of Investment Return:

On actuarial value of assets (Schedule MB, line 6g):	4.9%, for the Plan Year ending December 31, 2009
On current (market) value of assets (Schedule MB, line 6h):	23.4%, for the Plan Year ending December 31, 2009

EXHIBIT VIII

Summary of Plan Provisions
(Schedule MB, line 6)

This exhibit summarizes the major provisions of the Plan included in the valuation. It is not intended to be, nor should it be interpreted as, a complete statement of all plan provisions.

Plan Year:	January 1 through December 31
Pension Credit Year:	January 1 through December 31
Plan Status:	Ongoing plan

Normal Pension:

Age and Service requirements	65 and 5 years of Credited Service (including 24 months of Future Service).
Amount	The monthly amount is the sum of (a), (b), (c), (d) and (e). a. $10.00 for each year of Past Service. b. $5.00 for each $100 of the contributions made on the participant's behalf from his Contribution Date through June 30, 2003. c. $3.00 for each $100 of the contributions made on the participant's behalf from July 1, 2003 through December 31, 2004. d. 0.5% for the first $250 of monthly contributions, 1.0% for the next $250 of monthly contributions, and 2.0% of monthly contributions in excess of $500 made on the participant’s behalf on or after January 1, 2005. e. 1.0% of monthly contributions made on the participant’s behalf on or after July 1, 2008.

Early Retirement Pension:	
Age and Service requirements	55 and 60 months of Credited Future Service.
Amount	Accrued Normal Pension amount to which the participant would be entitled, reduced by 1/4 of 1% for each month that the retiring employee is younger than 62 (no reduction is applied between ages 62 and 65 for the Unreduced Early Pension, or if participants age and service total at least 85 for the Unreduced Rule of 85 Pension). For participants subject to the Rehabilitation Plan benefit reductions, all Early Retirement Pensions are reduced from age 65, using the plan's actuarial equivalence basis.
Disability Pension:	
Age and Service requirements	Any age and 5 years of Credited Service (including 24 months of Future Service).
Other requirements	Eligible for a Social Security disability benefit.
Amount	Accrued Normal Pension amount to which the participant would be entitled (on his date of disability) without any reduction. For participants subject to the Rehabilitation Plan benefit reductions, the Disability Pension is not available and those who become disabled are eligible only for the Vested Benefit described below.
Vested Benefit:	
Age and Service requirements	Any age and 5 years of Credited Service (including 24 months of Future Service).
Amount	Accrued Normal Pension amount (using the benefit formula at the time of retirement), payable commencing at Normal Retirement Age or (on a reduced basis) as early as age 55.
Normal Retirement Age	The later of age 65 and the fifth anniversary of participation.
Spouse's Benefit:	
Age and Service requirements	Any age and 5 years of Credited Service (including 24 months of Future Service).
Amount	50% of the benefit that the participant would have received had he or she retired the day before death on a Joint and Survivor Annuity. If the participant was younger than 55 at the time of death, payments will be deferred to the date when the participant would have attained that age.

Pre-Retirement Death Benefit:	
Age and Service requirements	Any age and 5 years of Credited Service (including 24 months of Future Service).
Amount	Return of the total contributions made on account of the participant's employment or, if greater, the participant's unreduced pension at time of death payable for 36 months. This benefit is not payable if benefits are due under the Spouse's Benefit or for participants subject to the Rehabilitation Plan benefit reductions.
Joint and Survivor Annuity:	All retirements are paid in the form of a 50% joint and survivor annuity unless this form is rejected by the participant and spouse. The benefit amount otherwise payable is reduced to reflect the joint and survivor coverage. If the spouse predeceases the participant, the benefit "pops-up" to the amount is payable before the reduction. If this type of pension is rejected, benefits are payable for the life of the participant without reduction (with a minimum guarantee of 36 monthly payments) or in any other available optional form elected by the participant. For participants subject to the Rehabilitation Plan benefit reductions, the "pop-up" feature and the 36-month guarantee are not available, and the joint and survivor reduction factors are based on the plan's actuarial equivalence basis.
Optional Forms of Benefit Payment:	➤ 50% Joint and Survivor Option ("QJSA") ➤ 75% Joint and Survivor Option ("QOSA") ➤ Life with 36-Month Guarantee Option ➤ Life with 120-Month Guarantee Option ➤ Full 100% Joint and Survivor Option Aside from a life only annuity, QJSA and QOSA, these options are not available for participants subject to the Rehabilitation Plan benefit reductions.

Credited Service Schedule:	Commencing January 1, 1976 a year of Future Service is credited during any Plan Year in which the participant completes at least 5 months of covered service. (No fractional credit is granted.) Prior to January 1, 1976, Future Service was granted at the rate of one-twelfth of a year for each month of contribution payments. Past Service is credited for service prior to the Contribution Date up to a maximum of 20 years for members who became participants prior to January 1, 1975 and 10 years for members who entered the Plan after January 1, 1975. For participants who joined the Plan after 1978, the amount of Credited Past Service can not exceed the Credited Future Service earned under the Plan.
Break-in-Service Rules:	
One-Year Break	A participant incurs a One-Year Break in Service if he or she fails to complete five months of service or 501 hours of service in a Plan Year.
Permanent Break	A non-vested participant incurs a Permanent Break in Service if the number of consecutive One-Year Breaks in Service is at least 5 and it equals or exceeds the number of years of Credited Service which the employee had previously accumulated. At this time, the non-vested portion of the participant's service and benefits accrued are canceled.
Participation Rule:	An employee becomes a "Participant" the first day of the first month for which an employer contribution was made.
Contribution Rate:	The average contribution rate on January 1, 2010 was $394.93 per month.
Plan Amendments:	The level of benefits payable is directly proportional to the negotiated contribution rate recognized for benefit accruals; any change in this rate for continuing active employees results in an automatic benefit change and, therefore, in a plan amendment. The Trustees implemented a Rehabilitation Plan that reduced Plan benefits as described in this Exhibit. These benefits become effective for active participants as new collective bargaining agreements ("CBAs") are negotiated. Benefit reductions for members whose CBAs were negotiated through 2010 are recognized in this valuation.