

January 19, 2010

TO THE MEMBERS OF THE UNITED STATES CONGRESS:

The undersigned organizations, which provide retirement benefits to millions of workers, urge you to enact legislation as soon as possible to provide much needed relief for single-employer, multiemployer, and multiple-employer pension funds. Without funding relief, many jobs will be lost and the economic recovery will be significantly slowed.

In December, over 70 trade and labor organizations wrote a joint letter to the President emphasizing that defined benefit funding relief is directly related to improving the economy and employment. Unexpectedly large funding requirements will continue to require many employers to lay off workers, close plants, and postpone investments in order to fund their pension plans, which are long-term obligations. Several independent reports and studies have highlighted the direct link between unexpected funding obligations and the negative impact on employment.

Even with the relief provided by Worker, Retiree, and Employer Recovery Act of 2008 and the Treasury Department, minimum contributions requirements for 2010 and 2011 will still far exceed the minimum contribution requirements for 2008; in addition, many companies are not eligible for the relief and thus face daunting contribution obligations for 2009. To meet these short-term obligations, many employers will be forced to divert cash needed for current job retention and creation and investment in their organizations to their pension plans to fund long-term obligations.

Some have argued that plan sponsors can simply borrow the money to pay greatly increased pension plan contributions. However, access to credit remains limited. When the Association for Financial Professionals asked about actions taken since the start of the credit crisis, 75 percent reported freezing or reducing hiring, 67 percent reduced capital spending and 63 percent considered staff reductions and/or layoffs. Such actions will accelerate if plan sponsors are required to put much larger contributions into their pension plans.

Thank you in advance for your support for this important effort. We look forward to working with you and your staff to advance legislation that will promote our nation's economic recovery and reinvestment, while securing sound long-term pension plan funding.

Sincerely,

A. O. Smith Corporation
ABF Freight System, Inc.
AbitibiBowater
AGL Resources
Agricultural Retailers Association
Allegheny Energy
ALLETE/Minnesota Power
Alliance for Children and Families
Alliant Energy Corporation

Ameren Corporation
American Benefits Council
American Electric Power
American Federation of Musicians
American Federation of Musicians and Employers' Pension Fund
American Federation of Television and Radio Artists
American Fidelity Assurance Company
American Gas Association
American Hospital Association
American Institute of Certified Public Accountants
American Safety Razor Company
American Society of Association Executives
American Trucking Associations
ArcelorMittal
Archer, Byington, Glennon & Levine, LLP
Associated Benefits Corporation
Association for Financial Professionals (AFP)
ASPPA College of Pension Actuaries
Augusta Health
Avaya Inc.
Avista Corporation
BAE Systems, Inc.
Bakery, Confectionery, Tobacco Workers and Grain Millers International Union
Bakery & Confectionery Union & Industry International Pension Fund
Bechtel Construction Company
Bituminous Coal Operators' Association, Inc.
Black & Decker
Black Hills Corporation
Buck Consultants
Business Roundtable
Caraustar Industries
Carey Dubois Smithfield Foods
Central Pennsylvania Teamsters Pension Fund
Central Pension Fund of the International Union of Operating Engineers and Participating
Employers
Central Vermont Public Service Corporation
CH Energy Group Inc.
Chevron Corporation
CMS Energy
Cognis Corporation
Committee on Investment of Employee Benefit Assets
Connecticut Hospital Association
Consolidated Edison, Inc.
Con-way Inc
ConAgra Foods, Inc.
Constellation Energy

Construction Employers' Association of California
Construction Employers Association of CNY, Inc.
Construction Employers Labor Relations Association of New York State, Inc. (CELRA)
Crawford & Company
CUNA Mutual Group
Deseret Mutual Benefit Administrators
Direct Marketing Association (DMA)
Dominion
DTE Energy
Duke Energy
Duquesne Light Company
Easter Seals
Eastern Connecticut Health Network
Eastern Contractors Association, Inc.
Edison Electric Institute
Edison International
Eli Lilly and Company
Energy Future Holdings Corporation
Engineering and Utility Contractors Association (EUCA)
Entergy Corporation
Exelon Corporation
Financial Executives International Committee on Benefits Finance
Financial Services Roundtable
Finishing Contractors Association
FirstEnergy Corp.
FirstGroup America
Food Marketing Institute
Formica Corporation
Fox Entertainment Group
General Dynamics Corporation
Girl Scouts of the USA
Graphic Packaging International, Inc.
Great Lakes Fabricators & Erectors Association
Great Plains Energy
Greyhound Lines, Inc
Hagerstown Motor Carriers and Teamsters Pension Fund
Hallmark Cards, Inc.
Hawaiian Electric Company, Inc.
Hewitt Associates
Hillside Family of Agencies
Hooker & Holcombe, Inc.
Horizon Actuarial Services
Hospital & Healthsystem Association of Pennsylvania
Hospital for Special Surgery
Houghton Mifflin Harcourt
HR Policy Association

King Kullen Grocery Co., Inc.
Idaho Power
Indiana Manufacturers Association
Indianapolis Power & Light Company
Ingram Industries Inc.
Intelsat Corporation
International Association of Bridge, Structural, Ornamental and Reinforcing Iron Workers
International Association of Heat and Frost Insulators and Allied Workers
International Association of Machinists and Aerospace Workers
International Brotherhood of Boilermakers
International Brotherhood of Teamsters
International Council of Employers of Bricklayers and Allied Craftworkers
International Union of Bricklayers and Allied Craftworkers
International Union of Elevator Constructors
International Union of Operating Engineers
International Union of Painters and Allied Trades
Jewish Federations of North America
Jewish Senior Life
Johns Hopkins Institutions
Kaleida Health
Kansas City Power and Light
Keller Technology Corporation
Koppers Inc.
Land O' Lakes Inc.
Lockheed Martin Corporation
Machine & Welding Supply Co.
MassMutual Financial Group
MDU Resources Group
Mechanical Contractors Association of America (MCAA)
Mercer
MetLife
Michigan Education Association
Mirant Corporation
Moog Inc.
Motor & Equipment Manufacturers Association
Mutual of Omaha
National Association of Chain Drug Stores, Inc.
National Association of Manufacturers
National Association of Waterfront Employers
National Association of Wholesaler-Distributors
National Council of Chain Restaurants
National Council of Farmer Cooperatives
National Education Association
National Electrical Contractors Association
National Elevator Industry Pension Plan
National Federation of Independent Business

National Federation of Nurses
National Grid
National Gypsum Company
National Mining Association
National Retail Federation
National Rural Electric Cooperative Association
National Shopmen Pension Fund
Navistar, Inc.
NCCMP
NCR Corporation
New England Teamsters & Trucking Industry Pension Fund
Newell Rubbermaid
NewPage Corporation
Newspaper Association of America
NewYork-Presbyterian Hospital
New York State Nurses Association
NiSource Inc.
Northeast Utilities
Northrop Grumman Corporation
NorthShore-Long Island Jewish Health System
NorthWestern Energy Corporation
NSTAR
Nuclear Energy Institute
OGE Energy Corp.
Operative Plasterers' and Cement Masons' International Association of the United States and
Canada
Ormet Corporation
Otter Tail Corporation
Overlake Hospital Medical Center
Paul, Hastings, Janofsky & Walker LLP
Peabody Energy
Pepco Holdings, Inc.
PG&E Corporation
Pietzsch, Bonnett & Womack, PA
Pipe Fitters' Association Local Union 597
Portland General Electric
PNM Resources
PPG Industries
Prairie Farms Dairy, Inc.
Premier Health Partners
Principal Financial Group
Printing Industries of America
Progress Energy
Public Service Enterprise Group, Inc.
QBE the Americas
Qwest Communications International Incorporated

Raytheon Company
Rensselaer Polytechnic Institute
Rhodes-Joseph & Tobiason Advisors, LLC
Rockwell Collins
Rockwell Automation
RR Donnelley
RSM McGladrey, Inc
Ryder System, Inc.
Safeway Inc.
Saint Barnabas Health Care System
Saint Peter's College
Samsonite, LLC
Schnucks Markets, Inc.
Sears Holding Corporation
Sheet Metal Workers International Association
Sheet Metal Workers Local 7 Zone 3 Pension Fund
Sheet Metal Workers' Local Unions and Councils Pension Fund
Sheet Metal Workers' National Pension Fund
Sheet Metal/Air Conditioning Contractors' National Association
Smurfit Stone Container Corporation
Sony
Southern Company
Southern States
Spectra Energy
Spivak Lipton LLP
SUPERVALU
Swedish Health Services
Technitrol, Inc.
TECO Energy, Inc.
The American Public Power Association
The Associated General Contractors of America
The Associated Press
The Association of Union Constructors (TAUC)
The Brink's Company
The Business Council of New York State
The Dayton Power and Light Company
The Empire District Electric Company
The Epler Company
The ERISA Industry Committee
The Goodyear Tire & Rubber Company
The International Brotherhood of Electrical Workers
The Kroger Co.
The Pep Boys — Manny, Moe & Jack
The Segal Company
Toshiba America, Inc.
Towers Watson

United Association Plumber and Pipe Fitters for the United States and Canada (UA)
UA Plumbers and Pipefitters National Pension Fund
UniSource Energy Corporation
Unisys
United Illuminating Company
United Plan Administrators
United Technologies Corporation
UPS
U.S. Chamber of Commerce
Vectren Corporation
Venable LLP
Vigilant
Vought Aircraft Inc.
Westar Energy
Xcel Energy, Inc.
Xerox Corporation
YRC Worldwide