

EXHIBIT B

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

CHICAGO REGIONAL COUNCIL OF)
CARPENTERS PENSION FUND, CHICAGO)
REGIONAL COUNCIL OF CARPENTERS)
WELFARE FUND, the CHICAGO AND)
NORTHEAST ILLINOIS REGIONAL COUNCIL)
OF CARPENTERS APPRENTICE AND TRAINEE)
PROGRAM FUND, and)

CASE NO. 08CV6639

MARTIN C. UMLAUF, JEFFREY ISAACSON,)
FRANK T. LIBBY, JOSEPH PASTERINO,)
KEITH JUTKINS, RICHARD A. BAGGIO,)
BENJAMIN A. JOHNSTON, J. DAVID PEPPER,)
THOMAS S. RAKOW, and PAUL R. HELLERMAN)
as Trustees of the CHICAGO REGIONAL COUNCIL)
OF CARPENTERS PENSION AND WELFARE FUND,)

JUDGE LINDBERG

MARTIN C. UMLAUF, JEFFREY ISAACSON,)
BRUCE A. NELSON, FRANK T. LIBBY, C. DAVID)
PEPPER, RICHARD A. BAGGIO, WILLIAM E.)
O'NEIL AND ROBERT J. CORRIGAN, as Trustees)
of the CHICAGO REGIONAL COUNCIL OF)
CARPENTERS APPRENTICE & TRAINEE)
PROGRAM,)

Plaintiffs,)

vs.)

PHD CORP. and PH DRYWALL, INC.)

Defendants.)

DECLARATION OF JOHN LIBBY

Pursuant to U.S.C. § 1746, I, John Libby, do declare under penalty of perjury that the following is true and correct:

1. I am the Audit Supervisor of the Employer Contributions Department for the Chicago Regional Council of Carpenters Pension Fund and the Chicago Regional Council of Carpenters Welfare Fund (collectively, the "Trust Funds"), and in such capacity I am authorized to make this Declaration on behalf of the Trust Funds.

2. The Defendant executed an Agreement with the Chicago Regional Council of Carpenters ("Union") whereby it agreed to be bound by the provisions of a Collective Bargaining Agreement and to all Collective Bargaining Agreements subsequently negotiated.

3. Pursuant to the provisions of the Agreement and the Collective Bargaining Agreements, the Defendant agreed to be bound by the provisions of the Agreements and Declarations of Trust, which created the Plaintiffs' Trust Funds.


4. The Plaintiffs audited the books and records of the Defendant, PHD CORP., to verify that all contributions were submitted. The audit revealed that the Defendant breached the provisions of the Collective Bargaining Agreement by underpaying contributions that are owed to the Trust funds based upon the hours worked by employees and/or measured by the hours worked by subcontractors during the period of June 2005 through December 2006. The contributions owed to the Trust Funds as a consequence of this breach are \$142,898.57.

5. The Defendant owes liquidated damages on the unpaid ERISA contributions in the amount of \$28,579.69 for the period June 2005 through December 2006 pursuant to the Collective Bargaining Agreements, the Trust Agreements and 29 U.S.C. §1132(g)(2)(C)(ii).

6. Because of Defendant's failure to pay contributions in a timely manner, interest is owed on the recently paid contributions. The interest calculation is based on the ERISA Section awarding such interest, 29 U.S.C. § 1132(g)(2) and because the relevant Trust Agreements do not specify the rate of interest, the calculations were done pursuant to Section 6621 of the Internal Revenue Code. The amount of interest owed is \$25,023.35.

I declare under penalty of perjury under the laws of the United States of America that the foregoing information contained in this Declaration is true and correct.

Date: January 23, 2009



John Libby, Audit and Collections Supervisor

Computation of Interest
For The Reporting Period(s) Specified Below
Computed Through December 5, 2008

Employer Information

File Number 24030
Name P H D CORPORATION
Address 539 OLD OAK DRIVE UNIT 4
City, State BOURBONNAIS, IL. 60914-0000
Telephone

Page Number 3 of 3
Reference Number: 8-68
Date Computed: 12/05/2008

| Reporting Period | Contributions Due | Computation Base | -- Delinquent Period -- | | | Computed Interest (3) | Total Interest For Reporting Period |
|------------------|----------------------|------------------|-------------------------|--------------|-------|-----------------------|-------------------------------------|
| | | | From | To | Days | | |
| August, 2005 | \$ 231.42 | \$ 231.42 | 09/21/2005 | - 12/05/2008 | 1,172 | \$ 59.67 | \$ 59.67 |
| September, 2005 | 297.54 | 297.54 | 10/21/2005 | - 12/05/2008 | 1,142 | 74.68 | 74.68 |
| October, 2005 | 15,364.99 | 15,364.99 | 11/21/2005 | - 12/05/2008 | 1,111 | 3,742.66 | 3,742.66 |
| November, 2005 | 1,077.80 | 1,077.80 | 12/21/2005 | - 12/05/2008 | 1,081 | 254.87 | 254.87 |
| December, 2005 | 1,106.33 | 1,106.33 | 01/21/2006 | - 12/05/2008 | 1,050 | 253.53 | 253.53 |
| January, 2006 | 1,058.78 | 1,058.78 | 02/21/2006 | - 12/05/2008 | 1,019 | 234.93 | 234.93 |
| February, 2006 | 3,588.44 | 3,588.44 | 03/21/2006 | - 12/05/2008 | 991 | 772.83 | 772.83 |
| March, 2006 | 4,438.00 | 4,438.00 | 04/21/2006 | - 12/05/2008 | 960 | 923.91 | 923.91 |
| April, 2006 | 3,464.81 | 3,464.81 | 05/21/2006 | - 12/05/2008 | 930 | 697.36 | 697.36 |
| May, 2006 | 5,553.84 | 5,553.84 | 06/21/2006 | - 12/05/2008 | 899 | 1,078.38 | 1,078.38 |
| June, 2006 | 5,582.37 | 5,582.37 | 07/21/2006 | - 12/05/2008 | 869 | 1,042.18 | 1,042.18 |
| July, 2006 | 6,695.04 | 6,695.04 | 08/21/2006 | - 12/05/2008 | 838 | 1,196.28 | 1,196.28 |
| August, 2006 | 6,758.44 | 6,758.44 | 09/21/2006 | - 12/05/2008 | 807 | 1,153.83 | 1,153.83 |
| September, 2006 | 31,234.01 | 31,234.01 | 10/21/2006 | - 12/05/2008 | 777 | 5,093.52 | 5,093.52 |
| October, 2006 | 27,150.00 | 27,150.00 | 11/21/2006 | - 12/05/2008 | 746 | 4,214.33 | 4,214.33 |
| November, 2006 | 16,894.54 | 16,894.54 | 12/21/2006 | - 12/05/2008 | 716 | 2,494.94 | 2,494.94 |
| December, 2006 | 12,402.12 | 12,402.12 | 01/21/2007 | - 12/05/2008 | 685 | 1,735.43 | 1,735.43 |
| Total | \$ 142,898.47 | | | | | | \$ 25,023.35 |