Sheet Metal Workers Local No. 20
Gary Area Pension Plan

2020 Summary Plan Description

Prepared by Segal Consulting
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Sheet Metal Workers Local No. 20
Gary Area Pension Plan

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This is a descriptive summary of the Sheet Metal Workers Local No. 20 Gary Area Pension Plan ("Pension Plan" or "Plan"). The Pension Plan is maintained by the Board of Trustees of the Sheet Metal Workers Local No. 20 Gary Area Pension Fund. The official Plan document describes the provisions of the Plan in more detail and is the final written authority with respect to your eligibility to participate and the benefits you will receive under the Plan. The Plan document is available for inspection at the Pension Plan Office.

INTRODUCTION

We are pleased to present you with this new, updated Summary Plan Description (SPD) of the benefits provided by the Sheet Metal Workers Local No. 20 Gary Area Pension Plan. This SPD describes the Plan benefits in effect as of July 1, 2020, and it replaces and supersedes any previous SPD.

The Plan has been designed to reward you for your years of service in the Sheet Metal Industry. We hope that you will share our pride in the Plan, which offers:

- Pensions at various retirement ages;
- Disability benefits; and
- Death benefits.

We believe that it is important that you and your family have a clear understanding of the Plan's benefits. That is why we have made every effort to explain the Plan within this SPD in a clear, straightforward manner. It replaces any prior booklets, and highlights the most important features of the Plan, including:

- How and when you become eligible to receive a pension;
- How you earn pension credits and years of vesting service;
- How your pension benefit is calculated;
- The benefit payment options that are available to you; and
- What you have to do in order to receive your benefit from the Plan.

This SPD also explains how your pension can be affected should you marry or divorce.

We recommend that you keep this booklet in a safe place. If you are married, share this booklet with your spouse.

If you have any questions about the Plan or your eligibility for benefits, contact the Pension Plan Office at 219-769-6944 or toll-free at 1-800-759-6944.

This booklet has been prepared for active Participants in the Sheet Metal Workers Local No. 20 Gary Area Pension Plan on or after July 1, 2020. If there is a discrepancy between this booklet and the legal Plan document that establishes the Plan, the legal Plan document will govern. The Board of Trustees has the sole authority to make final determinations regarding any application for benefits, the interpretation of the Plan, and any administrative rules adopted by the Board of Trustees. The Board of Trustees reserves the right to change, modify, or discontinue all or part of the benefits in this booklet at any time by action or amendment.

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PENSION PLAN HIGHLIGHTS

Becoming a Participant

You become a Participant on the earliest January 1 or July 1 that follows a 12-consecutive month period in which you completed at least 870 hours of Work in Covered Employment. The required hours may be hours of Work in other employment completed with an Employer if that other employment is Continuous Employment with your Covered Employment with that Employer. You will also become a Participant on the first day of the calendar year following a calendar year in which you complete at least 320 hours of Work in Covered Employment.

Earning Vesting and Pension Credits

Vesting Service

- Determines your right to a pension.
- Generally, you earn one year of vesting service if you work at least 870 hours in a calendar year.
- If you worked one or more hours in Covered Employment on or after January 1, 1998, you will earn vested status after you have earned five years of vesting service. When your pension rights are "vested," it means you have earned the right to a pension and you cannot lose this right.

Pension Credits

- Pension credits are used to calculate your pension benefit.
- Pension credits include contribution service pension credits, non-work pension credits, and past service pension credits, if applicable.
- Generally, you earn pension credits based on the number of hours you work. You earn one contribution service pension credit if you complete 1,600 or more hours of Work in Covered Employment in a calendar year. You may also earn partial pension credits.

Plan Credit Year:
In the Pension Plan, a calendar year is called a "Plan Credit Year."

Receiving a Pension When You Retire

- A **regular pension** is generally available for active participants at age 62. For a full list of eligibility requirements, see page 16.
- An **early retirement pension** is available as early as age 55 with 10 pension credits, as described on page 21.
- A **deferred pension** is generally available at Normal Retirement Age if you leave Covered Employment and you are vested. A deferred pension may be taken as early as age 55 if you have at least 10 pension credits, as described on page 22.
- A **regular disability** pension may be payable if you if you become **permanently and totally disabled** and cannot work in any job. Please see the full explanation of the disability pension on page 23.
- An **occupational disability pension** may be available if you become permanently and totally disabled and cannot work as a sheet metal worker. Please see the explanation of disability pensions beginning on page 23.

- A **pro rata pension** is available if your years of service are divided between the Plan and another pension plan that has reciprocity with the Plan, as described on page 24.
- The applicable benefit rate and your pension credits determine the amount of your pension benefit.
- There is no mandatory retirement age under the Plan.

Choosing How Your Pension Is Paid

- If you are not married, your pension is generally paid as a single life annuity. If you are married, your pension is generally paid as a 50% Joint and Survivor pension. However, you may elect a single life annuity with your spouse's consent, or either a 75% or a 100% Joint and Survivor pension or any other optional form of payment.

If the total value of your benefit is between $1,000 and $5,000, your benefit may be paid to you in one lump-sum payment, at your election. If the value of your benefit is $1,000 or less, the benefit will be paid to you in a lump sum.

In the Event of Your Death

- If you die before your pension payments begin, one of the following benefits may be available to your spouse, dependent child, or other designated Beneficiary:
  - Pre-retirement surviving spouse pension; or
  - Pre-retirement death benefit.
- If you die after your pension payments begin and you were receiving your pension in the form of a:
  - Single life annuity and you had not received 120 monthly payments before your death, your beneficiary, or if none, your spouse, or if none, your estate will receive the remainder of the 120 monthly payments. If at least 120 monthly payments were made before your death, no further benefits are payable. The 120-month guarantee applies only to the regular pension and the early retirement pension.
  - 50%, 75%, or 100% joint and survivor pension, your spouse will receive 50%, 75%, or 100% of the amount you were receiving, for the rest of his or her lifetime.
  - Lump-sum payment, no further benefits are payable.

PLAN PARTICIPATION

To be a Participant means that you meet the requirements for participation set forth in the Plan. In general, you become a Participant when you begin to earn pension credit and vesting service with which you can earn a right to benefits provided by the Pension Plan.

Hours of Work

Generally, an hour of Work is used to determine participation in the Plan, breaks in service and vesting service. Hours of Work also are counted for

> An hour of Work is each hour for which you are paid or entitled to be paid by a Contributing Employer for your performance of duties.

pension credit, but only if such hours of Work are in Covered Employment for which contributions are required to be paid to the Pension Plan.

In addition, if you work for a Contributing Employer in a job that is not covered by the Plan, and that non-Covered Employment is contiguous (performed immediately before or after your Covered Employment period with that same Employer), you will receive hours of Work for that employment.

Initial Participation

You become a Participant on the earliest January 1 or July 1 that follows the 12-consecutive month period in which you completed at least 870 hours of Work in Covered Employment during the Contribution Period. The required hours may be hours of Work in other employment completed with an Employer if that other employment is performed immediately before or after your Covered Employment with that Employer.

> **Example**: If you worked from April 1, 2018 through March 31, 2019, and you completed 870 hours of Work during the 12-consecutive-month period, you became a Participant on July 1, 2019.

You may also become a Participant in the Plan on the first day of a calendar year that follows a calendar year in which you complete at least 320 hours of Work in Covered Employment for which contributions were required to be paid to the Fund under an agreement.

Pension credits and vesting service based on Work performed before participation will be credited to you retroactively once you are a Participant.

> **Example**: If you worked at least 320 hours but less than 870 hours in 2018 for which contributions were required to be paid to the Pension Plan, you were eligible to become a Participant on January 1, 2019.

Termination of Participation

You are no longer a Participant in the Plan if you suffer a permanent break in service. Breaks in service are explained below.

- In a calendar year, if you fail to complete 320 hours of Work in Covered or contiguous non-Covered Employment, you will suffer a ***one-year break in service***. If you return to Covered Employment before you have a permanent break in service (see below), you will keep any previously earned pension credit and years of vesting service, even if you were not vested when you first had a break in service.
- You have five consecutive one-year breaks in service. This is considered a ***permanent break in service***. If you incur a permanent break in service before you are vested, you will lose your years of vesting service and pension credits.

Refer to page 9 for information on breaks in service.

Reinstatement of Participation

If you lose your status as a Participant in the Plan, you may become a Participant again by:

- Completing 870 hours of Work in Covered Employment in a consecutive 12-month period; or
- Working 320 hours in Covered Employment in a calendar year for which contributions were required to be paid to the Fund.

If you meet either of these requirements, you will be reinstated retroactively to the first day you are credited with an hour of Work following your last one-year break in service. Reinstatement of participation does not restore pension credits or vesting service that were lost as a result of a permanent break in service.

VESTING SERVICE AND PENSION CREDITS

This section explains how you earn vesting service and pension credits. The following summarizes the main differences between the two:

- Vesting service is used to determine your right to any benefit. Until you earn enough vesting service, you are not guaranteed a pension benefit. Pension credits, by contrast, are used to calculate the *amount* of your benefit, and to determine what kind of benefit (e.g. Early, Regular, or Deferred) you are eligible for.
- You may earn full years of vesting service only, unlike pension credit where you may earn fractions of credit.
- If you are eligible for a pension, your benefit amount is calculated based on the number of your pension credits, not on your years of vesting service.

You may qualify for a deferred pension based on your years of vesting service (see page 22). All other kinds of pensions require a specified number of pension credits.

Years of Vesting Service

You are credited with a year of vesting service if you complete 870 hours or more of Work in Covered Employment in a calendar year (also called a Plan Credit Year). If you work in non-Covered Employment and your employment is contiguous with Covered Employment, your hours of work in non-Covered Employment will be counted toward your vesting service.

If you worked in Covered Employment on or after January 1, 1998, you will have earned vested status after you earned five years of vesting service. Once you are vested, you cannot lose your right to a pension.

> Prior to March 1, 1985, the Plan Credit Year began on March 1 and ended on February 28. March 1, 1985, to December 31, 1985, was a short Plan Credit Year in which you would have been credited with one year of vesting service if you completed 725 hours of Work for which contributions were required to be made to the Pension Plan during that Plan Credit Year.

Periods of Accrual

A "Period of Accrual" is any period during which you earn pension credits for your work in Covered Employment. Your first Period of Accrual begins when you first earn pension credit under the Plan. A Period of Accrual will end on the first day of any period of three or more calendar years (Plan Credit Years) during which you fail to earn five-tenths (5/10) of a pension credit. Another Period of Accrual will begin in the next succeeding calendar year in which you again earn pension credit.

> A permanent break in service before you earn vested status will cancel all periods of accrual that existed prior to the permanent break in service. A new Period of Accrual will begin once you earn at least one pension credit.

If have more than one Period of Accrual, the pension credits earned during each Period of Accrual will be valued at retirement based on the benefit accrual rate in effect on the last day of each Period of Accrual.

Your final Period of Accrual ends the first day of the first month you receive pension benefits.

Pension Credits

You receive pension credit based on your hours of Work in Covered Employment before the Contribution Period began, during the Contribution Period, and for certain non-work periods.

Pension Credits Before the Contribution Period

If you worked in Covered Employment on or before June 23, 1963, you may be entitled to additional pension credits beyond what is described below. Please contact the Fund Office for additional information.

Pension Credits During the Contribution Period

During the Contribution Period, you will receive credit for Work in Covered Employment for which contributions are required to be paid to the Pension Plan in accordance with the following schedule:

If You Work this Number of Hours in Covered Employment during a Calendar Year	**You Will Earn This Amount of Pension Credit**
Less than 320	No Credit
320 – 479	Two Tenths (2/10)
480 – 639	Three Tenths (3/10)
640 – 799	Four Tenths (4/10)
800 – 959	Five Tenths (5/10)
960 – 1,119	Six Tenths (6/10)
1,120 – 1,279	Seven Tenths (7/10)
1,280 – 1,439	Eight Tenths (8/10)
1,440 – 1,599	Nine Tenths (9/10)
1,600 and over	One Credit (maximum per Plan Credit Year)

The following additional rules apply:

- ***For the Plan Credit Year beginning March 1, 1985 and ending December 31, 1985***, you will not receive pension credits in accordance with the above schedule. Rather, you will be credited with two-tenths (2/10) of a pension credit for 260 hours of Work in Covered Employment and an additional one-tenth (1/10) of a pension credit for each additional 130 hours of Work in Covered Employment, up to one full pension credit for 1,300 hours or more of Work in Covered Employment. You will not receive pension credit or partial credit for less than 260 hours of Work during that period.
- If you meet the requirements for a year of vesting service in a calendar year, but ***you have fewer than 800 hours of Work in Covered Employment***, you will accrue the greater of:
  - The amount of pension credit you earn for your hours of Work in Covered Employment, as shown in the prior table; or
  - The amount of pension credit that equals your hours of Work in Covered Employment when the hours are divided by 2,000.

Ratio of Contribution and Pension Credit Accrual

A Contributing Employer is obligated by a collective bargaining agreement or other written agreement to remit contributions to the Pension Plan on your behalf based on a specific hourly contribution rate. The contribution rate for a journeyperson sheet metal worker is considered to be the “A-level” contribution rate. If a contribution rate is lower than the “A-level” rate, it will be considered “B-level” or “C-level.”

Prior to July 1, 2005, all contributions rates are considered to be "A-level."

- On and after July 1, 2005, the minimum contribution rate for "A-level" pension credit is equal to the hourly rate obligated to be paid on behalf of a journeyperson sheet metal worker.
- On and after July 1, 2005, the minimum contribution rate for "B-level" pension credit is equal to 2/3 of the "A-level" hourly rate.
- On and after July 1, 2005, the minimum contribution rate for "C-level" pension credit is equal to 1/3 of the "A-level" hourly rate.

The following table shows the pension credit accrual applicable to each contribution rate level:

Level	**Ratio of Contribution made by the Employer during Plan Credit Year**	**Pension Credit Accrual**
A	3/3 of the minimum contribution rate required for a journeyperson sheet metal worker	3/3 of a pension credit earned based on hours worked
B	2/3 of the minimum contribution rate required for a journeyperson sheet metal worker	2/3 of a pension credit earned based on the hours worked
C	1/3 of the minimum contribution rate required for a journeyperson sheet metal worker	1/3 of a pension credit earned based on the hours worked

Pension Credit for Non-Work Periods

Temporary Total Disability: If you have prior pension credits, you will receive additional pension credits for periods in which you are absent from Covered Employment because of a temporary total disability. For instance:

- If you are disabled and you receive weekly accident and sickness benefits from the Sheet Metal Workers Local No. 20 Welfare and Benefit Fund or disability benefits under workers' compensation, you will be credited with 35 hours of Work for each full non-work week resulting from your disability.

You may be credited with 35 hours of Work for each full non-work week that you are disabled—up to a maximum of one pension credit earned during all your years of employment.

You may earn a maximum of one pension credit for time you are eligible for non-work credits over the entire time that you are a participant in the Pension Plan. Additionally, you will not be entitled to receive additional non-work pension credits for the same non-work period because Employer contributions are made on your behalf.

Youth-to-Youth Program: If you have prior pension credit, you may also receive credit for 35 hours of work for each week of participation in the Youth-to-Youth Program; provided, however, that no more than one such pension credit may be granted to you for this purpose over the full period of your participation in the Plan.

Your total pension credit—for Covered Employment and for non-work periods—may not exceed one pension credit for each Plan Credit Year.

Loss of Pension Credit Following Non-Covered Sheet Metal Employment

If, after January 1, 1987, you were not vested and you worked in any employment in the Sheet Metal Industry that is not covered by a collective bargaining agreement between the Union or the Sheet Metal Workers International Association, or an affiliated local union, you lost all pension credit granted for employment on or after January 1, 1987, that preceded the Contribution Period.

LEAVING WORK

The purpose of the Pension Plan is to provide retirement benefits to you if you have worked in Covered Employment more or less continuously. If your employment is interrupted before you are vested, you may lose your accumulated vesting service or pension credits. In general, you become vested when you earn five years of vesting credit, see page 5.

Once you are vested, you cannot lose any accumulated vesting service or pension credits. However, the break in service rules may affect the way your benefit is calculated.

Breaks in Service

There are two types of breaks in service:

- One-year break in service; and
- Permanent break in service.

One-Year Break in Service

A one-year break in service is temporary and can be repaired. A one-year break in service occurs in a calendar year (Plan Credit Year) in which you have less than 320 hours of Work in Covered Employment or contiguous non-Covered Employment.

To repair a one-year break in service and restore any previous years of vesting service and pension credit, you must work 320 hours in Covered Employment during a calendar year or complete 870 hours of Work in a 12-consecutive-month period.

Permanent Break in Service

If you incur a permanent break in service before you are vested, you will lose your years of vesting service and pension credits, and your Plan participation will be terminated.

You will have a permanent break in service when you have consecutive one-year breaks in service, including at least one after February 29, 1976, that equal or exceed the number of full years of vesting service or pension credits (whichever is greater) that you earned during the Contribution Period.

As of January 1, 1987, you will lose all pension credits and years of vesting service you earned while you were not vested if you incur five or more consecutive one-year breaks in service.

For Example: Andrew's work record looks like this:

Year	Hours of Work in Covered Employment	Years of Vesting Service	Pension Credits	One-Year Breaks
2011	1,800	1	1	0
2012	1,600	1	1	0
2013	1,650	1	1	0
2014	1,600	1	1	0
2015	310	0	0	1
2016	300	0	0	1
2017	200	0	0	1
2018	275	0	0	1
2019	100	0	0	1
Summary		**4 Years of Vesting Service**	**4 Pension Credits**	**5 One-Year Breaks**

Although Andrew had four years of vesting service and four pension credits through 2019, he also incurred five consecutive one-year breaks in 2015 through 2019. Because Andrew's breaks in service equal or exceed five, he has a permanent break in service. Andrew must work at least 320 hours in Covered Employment in 2020 in order to become a Participant in the Plan on January 1, 2021 — or he must work at least 870 hours in a consecutive 12-month period in order to be eligible on the earliest January 1 or July 1.

Permanent Break in Service Before March 1, 1976

You had a permanent break in service if, before March 1, 1976:

- You **had not** earned at least 5/10 of a pension credit in three consecutive Plan Credit Years; or
- You received a lump sum severance benefit.

Exceptions to Break in Service Rules

You must notify the Board of Trustees if you will be absent due to any of the non-work periods listed in this section.

Certain non-work periods may be considered as grace periods to avoid a break in service. Grace periods do not count for pension credits or years of vesting service, with the exception of USERRA leave. Most grace periods are merely periods that may be disregarded when determining whether a one-year break has occurred.

If you did not complete at least 320 hours of Work in a calendar year after February 29, 1976 (or earn 5/10 of a pension credit in 3 consecutive calendar years before March 1, 1976), due to the following reasons, you will not incur a break in service:

Disability

If you are totally disabled based on medical evidence, may have a disability grace period for up to three calendar years and will not incur a break in service during that time. In order to secure this benefit, you must provide written notice of your disability to the Board of Trustees. The grace period will begin on the date the disability occurred, but not more than one year before the date the written notice is received by the Board of Trustees, unless the Board of Trustees find that extenuating circumstances prevented a timely filing.

Parenting Leave

You will not incur a break in service if you were absent from work due to:

- Your pregnancy;
- Childbirth, or placement of a child in connection with an adoption; or
- Child care immediately following childbirth or placement.

You will be credited with the hours of Work that you would have otherwise earned if you were not absent from employment, up to a maximum of 501. The hours of Work will be credited only in the period when the absence begins or in the immediately following period in order to prevent a break in service. These hours of Work will be credited solely for the purpose of determining whether a one-year break in service has occurred.

Military Leave

Time spent in military service will be considered hours of Work to prevent a break in service and to earn pension credits. You may receive credit for up to 1,600 hours per calendar year for up to 5 years. You must be available for work in Covered Employment within 90 days after your active service ends, or within 90 days after recovering from a disability you incurred while in the military.

Employment by the International Union

If you are promoted to an employment category that is not covered by the collective bargaining agreement in effect between the Union and your Employer, or you accept full-time employment with the Sheet Metal Workers International Union, you must request a grace period for the time period that you are engaged in such employment. You must submit an application in writing to the Pension Plan Office within one year of leaving Covered Employment. This employment will be credited solely to determine whether a one-year break in service has occurred.

Employment with a Non-Employer

If you work for an employer who does not meet the definition of "Employer" as defined by the Plan, but who is party to a collective bargaining agreement with the Union, you may be granted a grace period for up to three years during any one consecutive period. This employment will be credited solely to determine whether a one-year break in service has occurred. See page 46 for the Plan's definition of Employer.

Family and Medical Leave Act (FMLA)

Any leave granted under the Family and Medical Leave Act (FMLA), for up to 12 weeks, will not be counted toward a break in service for the purposes of determining eligibility, vesting service, and pension credit.

GETTING MARRIED OR DIVORCED

Your pension benefits may be affected when you marry or divorce. These events may also affect benefits other than your pension benefits. Therefore, you should contact the Pension Plan Office to update your Plan records and to learn how marriage and divorce affect your total benefits package.

Marriage

Before Retirement

If you are married while you are working, your spouse becomes your Beneficiary for any Plan benefits you have earned. In order for your spouse to be eligible for benefits, you must be legally married to one another and, for some benefits, one year of marriage is required.

If you die before your pension benefit begins, your spouse may be eligible to receive a pre-retirement surviving spouse pension or a pre-retirement death benefit. See page 33 for more information about these benefits.

After Retirement

Your pension benefit is not affected when you marry after you have begun to receive a pension benefit. It is not affected because once you begin to receive a pension benefit, you cannot change the form of payment you are receiving. Your new spouse will not qualify for a benefit regardless of the form of payment you are receiving unless you have named your new spouse as your Beneficiary for purposes of receiving any remaining guaranteed payments to which you were entitled. See page 26 for more information regarding the single life annuity form of payment.

To be considered retired, you must:

1. Have separated from Covered Employment and not be engaged in disqualifying employment (see page 31); or
2. Have attained Normal Retirement Age and work less than 40 hours in any given month.

Divorce

If you divorce (whether before or after retirement), your former spouse may be entitled to receive a portion of your pension benefit in accordance with the terms of a Qualified Domestic Relations Order (QDRO). Under the terms of a QDRO, certain payments could be made from your benefits to pay alimony, child support, or marital property rights to your spouse, former spouse, or child. If you divorce, you must contact the Pension Plan Office to ensure your benefits are paid properly.

Qualified Domestic Relations Order (QDRO):
A court order entered in a domestic relations proceeding, such as a divorce, that requires payments from your benefits to your former spouse or dependent(s).

A QDRO may affect the amount of pension benefit you will receive or are receiving. A copy of the Pension Plan's procedures for handling QDROs will be provided to you, free of charge, upon request. If you have questions about QDROs, please contact the Pension Plan Office.

If you divorce after your annuity starting date and you selected the joint and survivor benefit, your ex-spouse's survivor benefit may not be revoked and restored to your pension unless you were married to your ex-spouse for less than a year.

PREPARING FOR RETIREMENT

Thinking About Retirement

Preparing for your retirement takes planning. Regardless of your retirement plans, you will want to be financially comfortable. To maintain your current standard of living during retirement, experts say you may need between 70% and 80% of your preretirement income if you have no debt and do not plan to engage in extensive travel or expensive hobbies.

> ***Example:***
>
> Maria plans to retire soon and currently earns $30,000 a year. According to experts, she will need about $22,500 a year (75% of $30,000) to maintain her current lifestyle after she retires.

Retirement income generally comes from three sources: Social Security, personal savings, and pension benefits. Understanding how all three of these sources work can help you plan for a financially secure retirement. Your personal savings supplement the amounts you will receive from Social Security and the Plan at retirement.

> **Retirement Checklist:**
> Consider the questions below to help you estimate expenses you may incur during retirement. During your retirement years...
>
> - Will you be responsible for paying for your child's education?
> - Do you plan to travel?
> - Will your home be paid for?
> - Will your household expenses be lower (children living on their own, smaller home, etc.)?
> - When do you plan to begin your Social Security benefit? How much will it be?
> - Will your hobbies require increased spending?
> - Will you be responsible for the care of your parents or spouse's parents?
> - Will you have sufficient health insurance to cover your entire medical and prescription drug expenses?

Your Social Security Benefit

There are a few facts about Social Security benefits that you should keep in mind:

- Social Security benefits will not change your pension benefits. Your pension benefit from the Plan is in addition to any benefits you may receive from Social Security.
- Social Security benefits replace a higher percentage of income for retiring Participants at lower pay levels. A retiring Participant with annual earnings of $35,000 could expect Social Security to replace approximately 33% of preretirement income. Reaching the 70% to 80% income replacement levels will require help from the Participant's pension benefits and personal savings.
- The government has gradually increased the "full retirement age" for people born after 1937. Full retirement age is the age at which you can collect full retirement benefits from Social Security without any reduction for early retirement. For example, if you were born in 1960 or later, full Social Security benefits will be payable to you at age 67 – not age 65. If you are planning to retire before your Social Security full retirement age, you will receive a reduced Social Security benefit (unless you wait to receive Social Security). Retirement benefits from Social Security are not payable before age 62.

Social Security Full Retirement Age	
Year of Birth	**Full Retirement Age**
1937 or Earlier	65
1938	65 + 2 months
1939	65 + 4 months
1940	65 + 6 months
1941	65 + 8 months
1942	65 + 10 months
1943 – 1954	66
1955	66 + 2 months
1956	66 + 4 months
1957	66 + 6 months
1958	66 + 8 months
1959	66 + 10 months
1960 or Later	67

Social Security Full Retirement Age: The age at which you can collect full retirement benefits from Social Security without any reduction for early retirement.

You can request an estimate of your Social Security benefits from the Social Security Administration by contacting the Social Security Administration directly by visiting www.ssa.gov. You should check the record of your earnings to be sure you receive the correct Social Security benefits in the future.

Applying for Your Pension Benefit

Three things need to happen before you are eligible to start your pension benefit:

- You must apply for your benefits;
- The Board of Trustees must approve your application; and
- You need to stop working in Covered Employment or disqualifying employment (See page 31).

You should file a completed application form and supporting documentation with the Pension Plan Office at least 90 days before you want your pension payments to begin. Your application for a pension must be in writing on a form provided by the Pension Plan Office. Your spouse or other Beneficiary must apply in the event of your death.

You must begin receiving a minimum required distribution by your required beginning date, which is the April 1 of the calendar year following the calendar year in which you reach age 72.

Your Social Security Benefits Estimate:
The Social Security Administration has developed retirement planning aids. To access the aids and/or receive an estimate of your Social Security benefits, contact the Social Security Administration at www.ssa.gov.

The Pension Plan Office must have your current address on file at all times. This helps ensure that you receive important correspondence and your pension checks on time. If you or your Beneficiary do not notify the Pension Plan Office if you move and a certified letter is returned, any payments due will be held without interest until a claim is made.

Notification of Eligibility for Benefits

Before your earliest retirement date, the Plan Administrator will send you a notice providing the date that you can retire, an explanation of your option to terminate your employment and begin receiving benefits or the date that you can receive benefits if you terminate now and defer payments. The notice will explain the Joint and Survivor pension and other forms of payment, the eligibility for each form, the relative values of the forms, and the financial effect of your choice of form of payment.

Receiving a Pension

To receive benefits, you should apply for your pension benefit at least 90 days before you want pension payments to begin. To receive an application form, contact the Pension Plan Office.

You may need to submit written documentation with your pension application, such as:

- Proof of your age and your spouse's age, if applicable;
- Your and your spouse's Social Security number;
- Your current address;
- Marriage certificate, if applicable;
- Death certificate, if applicable; and
- Divorce decree or QDRO, if applicable.

The Board of Trustees will rely on the information you provide.

Types of Pensions

There are five types of pensions available:

- Regular pension;
- Early retirement pension;
- Deferred pension;
- Disability pension; and
- Pro Rata pension.

> If you are receiving a regular or early retirement pension and you die before receiving 120 monthly pension payments, the payments will continue to be paid to your Beneficiary until 120 total payments have been made.
>
> Pension payments will be rounded to next higher multiple of $0.50.

If you or your surviving spouse are eligible for more than one type of pension from the Plan, you will receive the pension that provides you the greatest benefit. You may receive only one type of pension from the Plan (except that a disability pensioner who recovers may receive a non-disability pension upon his subsequent retirement).

> ***Normal Retirement Age*** *is generally age 65 or, if later, your age on your fifth anniversary of Plan participation.*

Regular Pension

Once you are vested, you can retire with a regular pension if you:

- Have reached age:
  - 62 and worked at least 870 hours in Covered Employment in the Plan year beginning January 1, 1997 or a later Plan year, or
  - age 65; and
- Have at least 10 pension credits.

Accrual Rates

The monthly amount of your regular pension is based on your number of pension credits, when they were earned, and the applicable accrual rate. The following tables show the accrual rates for level A, B, and C pension credits:

Period of Accrual Ending:	**Accrual Rate per "A-level" Pension Credit Earned During Period of Accrual**
Before June 1, 1977	$11.00
Between June 1, 1977 and May 31, 1978	$14.16
Between June 1, 1978 and December 31, 1979	$16.666
Between January 1, 1980 and December 31, 1980	$18.333
Between January 1, 1981 and December 31, 1981	$20.71
Between January 1, 1982 and December 31, 1984	$26.00
Between January 1, 1985 and December 31, 1985	$28.00
Between January 1, 1986 and December 31, 1986	$30.50
Between January 1, 1987 and December 31, 1987	$32.00
Between January 1, 1988 and December 31, 1988	$33.00
Between January 1, 1989 and December 31, 1989	$33.75
Between January 1, 1990 and December 31, 1990	$35.00
Between January 1, 1991, and December 31, 1991, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1990, or thereafter	$36.00 for pension credits earned before 1991; $37.00 for pension credits earned after 1990
Between January 1, 1992, and December 31, 1993, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1991, or thereafter	$39.00 for pension credits earned before 1991; $41.00 for pension credits earned after 1990
Between January 1, 1994, and June 30, 1996, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1993, or thereafter	$39.00 for pension credits earned before 1991; $44.00 for pension credits earned after 1990
Between July 1, 1996, and December 31, 1996, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1995, or thereafter	$42.00 for pension credits earned before 1991; $44.00 for pension credits earned after 1990
Between January 1, 1997, and December 31, 1998, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1996, or thereafter	$44.00
Between January 1,1999, and December 31, 1999, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1998, or thereafter	$49.00
Between January 1, 2000, and December 31, 2000, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 1999, or thereafter	$53.00

Between January 1, 2001, and December 31, 2015, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2000, or thereafter	$60.00
Between January 1, 2016, and December 31, 2016, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 20105, or thereafter	$61.00
Between January 1, 2017, and December 31, 2018, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2016, or thereafter	$63.00
On or after January 1, 2019, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2018, or thereafter	$66.00
On or after January 1, 2020, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2019, or thereafter	$69.00

Prior to July 1, 2005, all contribution rates are considered to be "A-level." The accrual rates for "B-level" and "C-level" pension credits are shown in the following table:

Period of Accrual Ending:	**Accrual Rate per "B-level" Pension Credit Earned During Period of Accrual**	**Accrual Rate per "C-level" Pension Credit Earned During Period of Accrual**
Between July 1, 2005, and December 31, 2015, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2005, or thereafter	$40.00	$20.00
Between January 1, 2016, and December 31, 2016, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2015, or thereafter	$40.67	$20.33
Between January 1, 2017, and December 31, 2018 with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2016, or thereafter	$42.00	$21.00
On or after January 1, 2019, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2018, or thereafter	$44.00	$22.00

Period of Accrual Ending:	**Accrual Rate per "B-level" Pension Credit Earned During Period of Accrual**	**Accrual Rate per "C-level" Pension Credit Earned During Period of Accrual**
On or after January 1, 2020, with 870 hours of Work in Covered Employment in a Plan Credit Year beginning January 1, 2019, or thereafter	$46.00	$23.00

Maximum Pension Credit

In certain circumstance, the Plan applies a maximum to the number of pension credits that can be used to calculate a Participant's pension amount. In the event that you have more than the maximum number of pension credits, those pension credits that would produce the highest benefit amount will be used.

- There is no maximum number of pension credits for periods of accrual that end on or after December 31, 1999, provided that you worked 870 hours in Covered Employment in a calendar year beginning January 1, 1999 or thereafter.
- If you do not work at least 870 hours in Covered Employment in a calendar year beginning on or after January 1, 1999, the maximum pension credits you can earn for periods of accrual that end prior to December 31, 1999, but on or after January 1, 1981, is 35.
- The maximum number of pension credits is 30 for periods of accrual that ended before January 1, 1981.

Regular Pension Amount

To calculate your monthly regular pension, multiply your pension credits earned by the accrual rate (or rates) that are appropriate to your period or periods of accrual. Then add up the totals.

Remember, a Period of Accrual ends on the first day of a three-year period when you have not earned at least 5/10 of a pension credit in a period of three consecutive calendar years. Generally, if you work continuously until retirement, you will have one Period of Accrual ending on the date of your retirement and all of your pension credits will earn the accrual rate in effect at that time.

Regular Pension Example 1:

Nate has 30 pension credits, all of which were earned during a single Period of Accrual ending January 1, 2019. Of the total 30 pension credits, 17-5/10 pension credits were earned before July 1, 2005 and 12-5/10 pension credits were earned after July 1, 2005. Having attained age 65, Nate may retire on a regular pension. Assuming that the credits Nate earned after July 1, 2005 accrued at the B-level contribution rate, Nate's monthly benefit is calculated as follows:

***Step 1**: 17-5/10 x $66.00 = $1,155.00 (A-level pension credit)*

***Step 2**: 12-5/10 x $ 44.00 = $550.00 (B-level pension credit)*

***Step 3**: $1,155.00 + $550.00= $1,705.00*

Nate's total monthly regular pension, payable as a single life annuity, is $1,705.00 per month. Depending on the form of payment, Nate is eligible for and elects, his benefit may be reduced.

Regular Pension Example 2:

Oscar has 40 pension credits, all of which were earned during a single Period of Accrual ending January 1, 2019. Oscar is 62 and meets the requirements for a regular pension. His pension credit earned after January 1, 2005, is A-level because he is a journeyperson sheet metal worker. His monthly benefit is calculated as follows: 40 x $66.00 = $2,640.00

Oscar's total monthly regular pension, payable as a single life annuity, is $2,640.00 per month. Depending on the form of payment, Oscar is eligible for and elects, his benefit may be reduced.

Early Retirement Pension

If you are vested, you may qualify for an early retirement pension if you:

- Are at least age 55, but are under Normal Retirement Age; and
- Have at least 10 pension credits; and
- Earned at least 5/10 of a pension credit for Work in Covered Employment during three consecutive Plan Credit Years after you attained age 51.

If you worked in Non-Covered Sheet Metal Employment after January 1, 1987, the pension credits you earned after that date will not be counted in determining eligibility for or the amount of your early retirement pension. However, the value of those pension credits will be payable to you as of the first of the month following the date you reach age 65.

Early Retirement Pension Amount

The early retirement pension is calculated like a regular pension, but it is reduced by 1/6 of one percent for each month your pension begins before you reach age 62.

To determine the amount of your early retirement pension, first calculate the amount of the regular pension you would receive if you were age 62 when your pension started. Then, to determine how much your pension will be reduced, multiply the amount of your regular pension by the percentage appropriate to your age on the date your first pension payment is to begin. The resulting amount, if not an exact multiple of $0.50, is rounded to the next higher $0.50 amount.

Early Retirement Pension Example:

George retires from Covered Employment on the day he reaches age 58, with 25 pension credits, all of which were earned during a single Period of Accrual ending January 1, 2019. Of the total 25 pension credits, 12-5/10 pension credits were earned before July 1, 2005 and 12-5/10 pension credits were earned after July 1, 2005. Assuming that the credits George earned after July 1, 2005 accrued at the B-level contribution rate, George's monthly early retirement benefit is calculated as follows:

***Step 1**: 12-5/10 x $66.00 = $825.00 (A-level pension credit)*

***Step 2**: 12-5/10 x $44.00 = $550.00 (B-level pension credit)*

***Step 3**: $825.00 + $550.00 =$1,375.00*

George's total monthly regular pension, payable as a single life annuity, would be $1,375.00 per month.

***Step 4:** Reduction is 1/6% per month prior to age 62 (1/6 x 1 % x 48 months = 8%)*

$1,375.00 x .08 = $110.00

***Step 5:** $1,375.00 – $110.00 = $1,265.00*

George's monthly early retirement pension beginning at age 58 is $1,265.00.

Level Income Option

Once the Level Income Option is elected and payments begin, it cannot be revoked.

If you are eligible to retire on an early retirement pension, you may elect to have your benefit adjusted so that you receive a higher pension payment amount before Social Security and lower benefits after Social Security benefits start. The purpose of the benefit is to enable you to receive an approximately level monthly income during your retirement years. The adjustment is designed to provide an increased monthly benefit from the Plan until you begin receiving your Social Security benefit (at age 62 or 65, whichever you choose). Upon attaining age 62 or 65, your initial increased monthly benefit from the Plan will be reduced.

The amount of the increase and decrease in the monthly benefit is determined by option factors in effect when you retire. These factors vary according to your age at retirement and are actuarially determined.

If you die while receiving payments under the Level Income Option and you elected the 50%, 75%, or 100% Joint and Survivor Pension, your surviving spouse will receive a pension for the remainder of his or her life equal to the amount specified in the option you selected before adjustment for the Level Income Option.

If you die while receiving the single life annuity, your Beneficiary will receive the payments until 120 total payments have been made.

Level Income Option Example:

John wants his early retirement benefit of $1,950.00 paid in the form of a Level Income Option. He is 59 years old when he starts to receive his early retirement benefit from the Plan and he is not married. John wants to apply for Social Security when he reaches age 62. Here's how John's monthly benefit will be calculated (not including any reduction to the amount for the form of payment elected):

Step 1: *To determine John's benefit under the Level Income Option, the Pension Plan will refer to the appropriate Social Security adjustment option factor that is based on John's age when he plans to start receiving Social Security (age 62) and his age at retirement under the Plan (age 59).*

Step 2: *When John decides to retire at age 59, he asks for an estimate of his benefit at age 62 from the Social Security Administration. For purposes of this example, the Social Security Administration estimates John's monthly Social Security benefit at age 62 will be $1,100.00.*

Step 3: *The Pension Plan will multiply the factor (0.8099* in this case) by the estimated Social Security benefit (0.8099 x $1,100.00 = $890.89).*

Step 4: *The Pension Plan will add the resulting amount of $890.89 to John's $1,950.00 monthly early retirement benefit to determine the amount payable by the Plan to John until he turns age 62. The amount ($890.89 + $1,950.00 = $2,840.89) is rounded to $2,841.00.*

Step 5: *When John reaches age 62, the monthly benefit he receives from the Plan will be reduced by the amount of the estimated monthly benefit provided by the Social Security Administration. In this case, the Pension Plan will subtract $1,100.00 from $2,841.00 ($2,841.00 - $1,100.00 = $1,741.00). The monthly benefit payable from the Plan for the remainder of John's life (starting at age 62) will be $1,741.00.*

John's monthly retirement income after age 62 will be his pension benefit from the Plan of $1,740.00 plus his Social Security benefit of $1,100.00, for a total of $2,841.00. This is the same amount John received from his pension alone under the Level Income Option before reaching age 62. Remember, the adjustment for the Level Income Option is based on the estimated Social Security benefit at a given age (62 or 65, your choice). If your actual Social Security benefit is different from the estimated amount, or if your Social Security starting age is not the age used in the calculation, your Plan benefit will not be adjusted to match the actual Social Security amount or starting date.

**The factor 0.8099 used in this example applies for individuals who retire in 2019. Factors can change each year, so you should contact the Pension Plan Office for an estimate of your benefits under this option.*

If it is determined that, at any time, the Level Income Option pension amount that you would receive after attaining age 62 or age 65 would be less than $15.00 a month, you cannot elect this option.

Deferred Pension

If you leave Covered Employment, you may be eligible for a deferred pension. The Plan offers this type of benefit so that you can leave Covered Employment and begin receiving pension payments later when you retire.

You are entitled to a deferred pension if you are vested. When you retire, the deferred pension will be payable either:

- The month following the month that you reach age 65; or
- After you reach age 55 and have at least 10 pension credits; and
- Have at least five years of vesting service.

If you worked in Non-Covered Sheet Metal Employment after January 1, 1987, the pension credits you earned after that date will not be counted when determining your eligibility or the amount of a deferred pension that is payable prior to Normal Retirement Age. However, the value of those pension credits will become payable to you as of the first day of the month that follows the month in which you turn age 65.

Deferred Pension Amount

If you last earned pension credit on or after March 1, 1976, the monthly amount of your deferred pension will be calculated as a regular pension, as described on page 19.

If you are eligible for early retirement and start your pension early, your deferred pension will be reduced in the same manner as an early retirement pension, as described on page 21, if you worked at least 870 hours in Covered Employment in any calendar year after January 1, 1997. If you did not work at least 870 hours in Covered Employment in any calendar year after January 1, 1997, your deferred pension will be reduced by 1/6 of 1% for each month your retirement payments begin before age 65.

Disability Pensions

The Plan offers a disability pension if you become totally and permanently disabled. Once you apply for a disability pension, you may be required to submit to an examination or examinations by a physician or physicians selected by the Board of Trustees. The Board of Trustees may also accept a determination by the Social Security Administration that you are entitled to a Social Security disability benefit as proof of disability.

Regular Disability Pension

You are eligible for a **regular disability pension** if you:

- Are unable to engage in any substantial gainful activity due to a medically determined physical or mental impairment that can result in death, or has or can be expected to last for at least 12 continuous months, as determined by the Board of Trustees;
- Have five years of vesting service;
- Have five or more pension credits; and
- Earned at least 5/10th of a pension credit within a period of three consecutive Plan Credit Years before the Plan Credit Year that you became totally and permanently disabled.

Occupational Disability Pension

You are eligible for an **occupational disability pension** if you:

- Are unable to perform a substantial portion of your regular job activity due to a medically determined physical or mental impairment that has or can be expected to last for at least 12 continuous months, as determined by the Board of Trustees;
- Have at least 10 pension credits; and
- Earned at least 5/10th of a pension credit within a period of three consecutive Plan Credit Years before the Plan Credit Year that you became occupationally disabled.

If you worked in Non-Covered Sheet Metal Employment after January 1, 1987, the pension credits you earned after January 1, 1987, will not be counted when determining your eligibility or the amount of a regular disability pension or occupational disability pension. However, the value of those pension credits will become payable to you as of the first day of the month that follows the month in which you turn age 65.

When Disability Pension Payments Begin

If you satisfy the eligibility requirements, disability pension payments begin the first day of the month following your application to the Plan for this benefit, but no earlier than the seventh month following the month in which your disability begins. Payments will continue for your life, as long as you remain disabled.

> Disability pension payments will continue for your life, as long as you remain disabled.

If your disability ends, you may apply for a regular, early retirement, or deferred pension, provided you fulfill the requirements of such a benefit. The benefit will begin the month immediately following the month your disability pension ends.

If you satisfied the eligibility requirements for a regular disability pension or an occupational disability pension, but you did not apply to the Plan for a disability benefit in time for your pension to begin at the earliest possible time (the seventh month following the month in which your disability began), you may be eligible for supplemental disability benefits. The supplemental disability benefit is, in effect, a retroactive payment of the benefit you would have received had you applied earlier. Supplemental disability benefits will be paid for each month from the seventh month following the month in which your disability began until the effective date of your disability pension, limited to a maximum of 18 months.

Disability Pension Amount

The amount of a monthly regular disability pension is the same as a regular pension, as described on page 19.

The monthly amount of an occupational disability benefit is 80% of the amount of a regular pension benefit that you would receive once you reach Normal Retirement Age.

> ***Disability Pension Example:***
>
> *Dave became occupationally disabled in January 2019. He had 26 pension credits earned during a single Period of Accrual and he worked at least 870 hours in 2018. His monthly occupational disability benefit is $1,373.00 (26 x $66.00 x 80% = $1,372.80, rounded to nearest $.50). Since Dave's disability began in January, his benefit is effective August 1, 2019.*

If you die while receiving disability benefits, your surviving spouse, or if you are unmarried, your surviving dependent child (or children), shall be eligible to receive a disability pension death benefit. The disability pension death benefit shall not be payable if the disability pension was paid to you in the Joint and Survivor form of payment.

The amount of a disability pension death benefit shall be equal to fifty percent (50%) of the amount of contributions paid to the Fund on your behalf up to a maximum of $10,000.00, less any disability benefit payments made to you before your death.

Pro Rata Pension

If you have pension credit under the Plan and under another pension plan that has agreed to participate in the International Reciprocal Agreement for Sheet Metal Workers' Pension Funds, you may be eligible for a pro rata pension. To determine eligibility for a pro rata pension, your pension credit in the Plan and the reciprocal plan is combined. No more than one combined pension credit will be counted for any Plan Credit Year.

You must waive your right to receive any other pension under the Plan in order to receive a pro rata pension.

Pension credit earned under a reciprocal plan is "related pension credit." The total of your pension credit under the Plan and your related pension credit is your "combined pension credit." You are eligible for a pro rata pension if you:

- Would be eligible for any type of pension under the Plan (other than a pro rata pension) if your combined pension credit were treated as pension credit under the Plan;
- Have at least one year of pension credit based on hours of employment for which contributions were payable to the Plan; and
- Are eligible for a pro rata pension from the Plan and at least one reciprocal plan.

While work under a reciprocal plan is not considered Covered Employment under the Plan, a period in which you earned related pension credit will not be counted toward a break in service under the Plan.

Pro Rata Pension Amount

The Plan calculates a pro rata pension as if your combined pension credits were earned under the Plan. If your combined pension credits would qualify you for a regular pension, then your pro rata pension is a pro rata regular pension. You can also qualify for a pro rata early pension, deferred pension or disability pension. The procedure for calculating the pro rata pension is below.

First, the Plan calculates your period or periods of accrual based on your *combined* pension credit;

Second, if your Combined Pension Credit exceeds the maximum pension credits (see page 19), your pension credit earned under the plan will be reduced on a pro rata basis;

Third, your pension credit earned *under the Plan only* is multiplied by the accrual rate calculated using your combined pension credit;

Fourth, if applicable, your pension is reduced according to the rules for early payment.

CHOOSING A PAYMENT OPTION

Forms of Payment

Your payment options are based on your marital status before your pension payments start:

- If you are not married, the normal form of payment is a single life annuity. A 120-month guarantee applies if the pension is a regular pension or early retirement pension.
- If you are married, the normal form of payment is a 50% joint and survivor pension (with pop-up feature).
- If you are married, you may elect a 75% joint and survivor pension (with pop-up feature).
- If you are married, you may elect a 100% joint and survivor pension (with pop-up feature).
- If you are married, you may elect a single life annuity with the 120-month guarantee, but only if your spouse consents to your election.

If the present value of your benefit is $5,000 or less, you may elect to receive your benefit as a lump-sum payment (see page 29). If the present value of your benefit is $1,000 or less, your benefit will automatically be paid as a lump-sum payment.

Single Life Annuity

A single life annuity provides you with monthly pension payments for your lifetime. If you receive a Regular Pension or an Early Retirement Pension as a single life annuity, a 120-month guarantee applies. If you die before you receive 120 monthly payments, your designated Beneficiary will receive the same benefit payment for the balance of the 120 guaranteed monthly payments. If you die after you have received 120 monthly payments, no benefits are paid to your designated Beneficiary.

If you have not designated a Beneficiary or if the Beneficiary is not living at the time of your death, your Beneficiary will be your spouse or, if none, your estate. You may also name a contingent Beneficiary to receive benefits in the event of your Beneficiary's death. If your Beneficiary dies before the 120 guaranteed payments have been exhausted and there is no contingent Beneficiary, the remaining payments will be paid to your Beneficiary's estate. The Trustees may in their sole discretion make the remaining payments as an actuarially equivalent lump sum.

Joint and Survivor Pension

To be eligible for a joint and survivor pension form of payment, you must have been legally married for at least one year before you begin receiving benefits. Also, if required by a Qualified Domestic Relations Order, your former spouse may be considered a qualified spouse under the Plan.

If you are married and elect a single life annuity, you need your spouse's written consent, witnessed by a notary public or a Plan representative.

If you have not been married for one year as of the effective date of your pension, your spouse is provisionally considered to be a qualified spouse and the pension will be paid in the joint and survivor pension form (unless you elect otherwise and your spouse consents). However, your spouse will not become entitled to a survivor benefit unless you are still living and still married on your first anniversary.

50% Joint and Survivor Pension

The 50% joint and survivor pension provides you with monthly pension payments for your lifetime. After you die, your surviving spouse receives 50% of your monthly pension for the rest of his or her life. If your spouse predeceases you, your benefit will "pop-up" and you will receive your pension as a single life annuity.

For the 50% joint and survivor pension, your pension will be reduced based on your and your spouse's age to provide for benefits your spouse will receive after your death.

> If you are married when you retire, the normal form of payment is a 50% joint and survivor pension. However, you may elect the 75% or 100% joint and survivor pension, or the single life pension if you make such an election before pension payments begin.

For a **non-disability pension**, the reduction factor is 94.0%:

- Increased by 0.5% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.5% times the number of full years your spouse is younger than you are.

For a **disability pension**, the reduction factor is 77.5%:

- Increased by 0.4% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.4% times the number of full years your spouse is younger than you are.

50% Joint and Survivor Pension Example (non-disability):

Jim retires at age 65 and is eligible for a $1,800.00 monthly normal retirement pension. His wife is age 60 – five years younger than he is. The example below shows how Jim's 50% joint and survivor pension is calculated.

Jim's monthly normal retirement pension payable at age 65 as a single life annuity	*$1,800.00*
Reduction factor [94.0% - (0.5% x 5 years)]	*91.5%*
Jim's monthly pension payable at age 65 as a joint and survivor pension ($1,800.00 x .915)	*$1,647.00*
Percent paid to Jim's spouse in the event of his death	*50%*
Jim's surviving spouse's monthly benefit ($1,647 x .50)	*$823.50*

75% Joint and Survivor Pension

The 75% joint and survivor pension provides you with monthly pension payments for your lifetime. After you die, your surviving spouse receives 75% of your monthly pension for the rest of his or her life. If your spouse predeceases you,, your benefit will "pop-up" and you will receive your pension as a single life annuity.

For the 75% joint and survivor pension, your pension will be reduced based on your and your spouse's age to provide for benefits your spouse will receive after your death.

For a **non-disability pension**, the reduction factor is 89.5%:

- Increased by 0.5% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.5% times the number of full years your spouse is younger than you are.

For a **disability pension**, the reduction factor is 70.0%:

- Increased by 0.5% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.5% times the number of full years your spouse is younger than you are.

75% Joint and Survivor Pension Example (non-disability):	
Jim retires at age 65 and is eligible for a $2,000.00 monthly normal retirement pension. His wife is age 60 – five years younger than he is. The example below shows how Jim's 75% joint and survivor pension is calculated.	
Jim's monthly normal retirement pension payable at age 65 as a single life annuity	*$2,000.00*
Reduction factor [89.5% - (0.5% x 5 years)]	*87.0%*
Jim's monthly pension payable at age 65 as a joint and survivor pension ($2,000 x .87)	*$1,740.00*
Percent paid to Jim's spouse in the event of his death	*x 75%*
Jim's surviving spouse's monthly benefit ($1,740.00 x .75)	*$1,305.00*

100% Joint and Survivor Pension

The 100% joint and survivor pension provides you with monthly pension payments for your lifetime. After you die, your surviving spouse receives 100% of your monthly pension for the rest of his or her life. If your spouse predeceases you,, your benefit will "pop-up" and you will receive your pension as a single life annuity.

For the 100% joint and survivor pension, your pension will be reduced based on your and your spouse's age to provide for benefits your spouse will receive after your death.

For a **non-disability pension**, the reduction factor is 85.0%:

- Increased by 0.6% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.6% times the number of full years your spouse is younger than you are.

For a **disability pension**, the reduction factor is 63.0%:

- Increased by 0.6% times the number of full years your spouse is older than you are (not to exceed 100%); or
- Decreased by 0.6% times the number of full years your spouse is younger than you are.

100% Joint and Survivor Pension Example (non-disability):	
Ken retires at age 65 and is eligible for a $2,100.00 monthly normal retirement pension. His wife is age 61 – four years younger than he is. The example below shows how Ken's 100% joint and survivor pension is calculated.	
Ken's monthly normal retirement pension payable at age 65 as a single life annuity	*$2,100.00*
Reduction factor [85.0% - (0.6% x 4 years)]	*82.6%*
Ken's monthly pension payable at age 65 as a joint and survivor pension ($2,100.00 x .82.6)	*$1,734.60*
Percent paid to Jim's spouse in the event of his death	*x100%*
Jim's surviving spouse's monthly benefit rounded to next highest $0.50 ($1,734.60 x 100%)	*$1,735.00*

Electing a Payment Option

At retirement, you will receive a notice that explains the joint and survivor forms of payment in detail if you are married. To elect the single life annuity in lieu of joint and survivor pension, you must apply in writing no earlier than 180 days or later than 30 days before your pension begins, with your spouse's consent, witnessed by a notary public. To elect the 75% or 100% joint and survivor pension, you do not need your spouse's consent. You may rescind your election and go back to the 50% joint and survivor pension and back again any number of times as long as the final election is prior to the first pension payment. After your payments begin, your form of payment cannot be changed.

Lump-Sum Payment

If the actuarial present value of your pension benefit is $1,000 or less at the time you are eligible to receive payment, your benefit will automatically be paid to you in the form of a lump-sum payment.

If the actuarial present value of your pension benefit is more than $1,000, but does not exceed $5,000, your benefit will be paid to you in the form of a lump-sum payment, but only upon **your** written request (if you are married, with your spouse's consent).

With the lump-sum payment option, your entire pension benefit is paid to you in one payment. Once a lump-sum payment is made, no additional benefits will be payable from the Plan.

Lump-Sum Payment:
If the value of your pension benefit is $1,000 or less, you will automatically receive your benefit in the form of a lump-sum payment. If the value of your pension benefit is more than $1,000 but does not exceed $5,000, you will receive your benefit in the form of a lump-sum payment, if you so request.

Direct Rollover

If you become eligible for a lump-sum payment from the Plan, you may defer payment by rolling your distribution over to an eligible retirement plan (if that plan accepts rollovers).

To be considered an eligible retirement plan, a plan must be:

- A traditional IRA or a Roth IRA (not a SIMPLE IRA or Coverdell Education Savings Account, formerly known as an education IRA); or
- An eligible employer plan, which includes a plan qualified under: section 408(a) of the Internal Revenue Code, including an individual retirement annuity described in sections 408(b), a Roth IRA described in section 408A of the Internal Revenue Code; section 401(a) of the Internal Revenue Code, including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan,

You can roll over your distribution into a Roth IRA if you pay tax on the distribution first. You must determine if you are eligible to make this direct rollover.

money purchase plan; section 403(a) of the Internal Revenue Code, including a section 403(b) tax-sheltered annuity; and eligible section 457(b) plan maintained by a governmental Employer.

The above also applies to a surviving spouse, spouse, or former spouse who is an alternate payee under a Qualified Domestic Relations Order.

You cannot roll over a payment if it is part of a series of equal (or almost equal) payments that are made periodically and that will last for:

- Your lifetime (or your life expectancy);
- Your lifetime and your Beneficiary's lifetime (or life expectancies); or
- A period of ten or more years.

Beginning in the year you reach age 70½, a certain portion of your payment cannot be rolled over because it is a required minimum distribution that must be paid to you.

SUSPENSION OF BENEFITS

Once you begin receiving pension payments, the Board of Trustees will notify you of circumstances that could cause your benefit payments to be suspended.

Disqualifying Employment After Retirement

> **"Industry covered by the Plan"** means the construction industry and any other industry in which Employees covered by the Plan were employed when their pension began or would have begun.

To receive monthly pension payments, you must be retired. Your monthly benefit will be suspended for any month that you are employed in disqualifying employment, as follows:

- Before you reach age 65, you are not entitled to receive a pension for any month in which you engage in:
  - Employment with any Contributing Employer; or
  - Employment with any employer in the same or related business as any Contributing Employer; or
  - Self-employment in the same or related business as any Contributing Employer; or
  - Employment or self-employment in any business that is or may be under the jurisdiction of the Union; and
  - Any employment, at any time after January 1, 1987, that is Non-Covered Sheet Metal Employment.

  There is no geographic limit to the disqualifying employment described above.

  Notwithstanding the above, if you have reached aged 62, you may work in Covered Employment for up to but not including 40 hours a month without your benefit being suspended.

- Once you reach age 65, your monthly benefit will be suspended for any month that you work in or are entitled to be paid for 40 or more hours in employment or self-employment that is:
  - In an industry and geographic area that was covered by the Plan at the time of your retirement; and
  - In any trade or craft you worked in while you were in Covered Employment.

Note: You may request a ruling from the Board of Trustees on whether a particular type of contemplated employment is "disqualifying employment" under the rules described above.

Because you must be retired to receive a pension, no pension benefits are payable for any month for which you receive weekly disability or loss of time benefits from the Sheet Metal Workers Local No. 20 Welfare and Benefit Fund, temporary total disability payments under any workers' compensation law or law of similar import, or unemployment compensation benefits. The limitation in this paragraph does not apply after Normal Retirement Age.

Suspension of Benefits

> **"Suspension of benefits"** for a month means non-entitlement to benefits for the month.

If you take a job considered to be disqualifying employment under the terms of the Plan, your pension benefit will be suspended for any calendar month during which you are so employed. Your pension benefits will become payable again after you stop working except that, if the disqualifying employment was Non-Covered Sheet Metal

Employment and you retired prior to your Normal Retirement Age, pension benefits will not resume before your Normal Retirement Age.

If pension benefits are suspended, the Plan will provide you with a notice and a full description of the reasons for the suspension and the Plan's procedures for requesting a review of the suspension. The notice shall be given by personal delivery or first class mail during the first calendar month in which your benefits are withheld.

If you decide to take a job that might be considered to be disqualifying employment under the terms of the Pension Plan, you must notify the Pension Plan Office within 15 days after you start work.

It is important to understand that if you work in disqualifying employment while you are receiving a pension, you are obligated to repay the pension amounts received during the months of disqualifying employment. The Pension Plan has the right to recover pension payments from you that are improperly received during a period of disqualifying employment. The Plan may also offset such improper payments against your future benefit payments whether it is paid to you or your surviving spouse following your death.

If the Board of Trustees learns that you have worked in disqualifying employment without providing proper notice to the Pension Plan Office, the Board of Trustees will presume that you have been working at least 40 hours per month for as long as the contractor for whom you work has been engaged at the construction site. Keep in mind that this may affect the amount of the benefit when you again retire. You will have the right to overcome this presumption if you can establish that your work was not an appropriate basis for suspension of your benefits.

Review of a Suspension of Benefits

You are entitled to a review of any determination suspending your benefits. A written request for review must be filed with the Board of Trustees within 60 days of the notice of suspension. The review will be conducted under the Appeal Procedure described beginning on page 37.

Benefit Payments Following Suspension

When you terminate work in disqualifying employment and want to again receive your pension payments, you must notify the Pension Plan Office in writing before you want payments to begin. Monthly retirement payments after suspension will be recalculated under the following circumstances:

- If you returned to Covered Employment and earned at least one year of vesting service, the amount will be adjusted for any additional pension credits.
- If your original retirement date was before Normal Retirement Age, your pension will be actuarially adjusted to take into account benefit payments received before your return to disqualifying employment. This provision does not apply to disability benefits.
- If you returned to Covered Employment and earned at least one year of vesting service, and if your election of a form of benefit at your initial retirement was made before your Normal Retirement Age, you will be entitled to a new election of the joint and survivor pension or any other optional form of benefit. The election will apply to your total benefit, including the benefit earned before your initial retirement.

IN THE EVENT OF DEATH

If Your Spouse Dies

A designated Beneficiary must supply a written application to the Board of Trustees within 12 months of the date of your death in order to receive the pre-retirement surviving spouse pension.

If your spouse dies before or after your pension begins, you should contact the Pension Plan Office to update your Plan records. If you are receiving a 50%, 75%, or 100% joint and survivor pension when your spouse dies, your pension benefit will, after your spouse's death, increase to the amount that would have been paid had you elected a single life annuity.

If You Die Before Your Pension Begins

Pre-Retirement Surviving Spouse Pension

If you die after you are vested, your spouse may receive a pre-retirement surviving spouse pension or a pre-retirement death benefit.

Your surviving spouse is eligible for a pre-retirement surviving spouse pension if, prior to your death, you:

- Reached vested status;
- Completed at least one hour of Work after January 1, 1976;
- Had not received any pension benefit; and
- Were married throughout the one-year period before you died, or you were divorced from your spouse after being married for at least one year and your former spouse is required to be treated as a surviving spouse under a QDRO.

The pre-retirement surviving spouse pension is paid as follows:

- **If you die at or after age 55,** your surviving spouse will receive a monthly lifetime pension under the 50% joint and survivor pension, beginning the month following the month in which you die, which will be reduced for the 50% joint and survivor form of payment and further reduced for early payment if benefits commence before you would have reached age 65.
- **If you die before reaching age 55**, your surviving spouse will receive a monthly lifetime pension beginning the month following the month in which you would have reached age 55, had you lived. The amount of the monthly benefit will be determined as if you had left Covered Employment on either the date you last worked in Covered Employment or the date of your death, whichever is earlier, and that you had retired on a 50% joint and survivor pension upon reaching age 55, and died on the last day of the month in which you reached age 55.

If the actuarial present value of the benefit is $5,000 or less, your spouse may elect that the benefits be paid in a lump sum payment (see page 29). If the actuarial present value is $1,000 or less, it will automatically be paid in a lump sum payment.

Deferring Payment

Your surviving spouse may elect in writing, before pension payments begin, to defer pre-retirement surviving spouse pension payments up until the month in which you would have reached Normal Retirement Age. The amount payable at that time will be determined as described above, except that the early commencement reduction, if any, will be calculated as if you had retired with a 50% joint and survivor pension on the day before your surviving qualified spouse's payments are to begin, and you died the next day.

Pre-Retirement Death Benefit

If you die before your pension begins and no pre-retirement surviving spouse pension is payable, a death benefit is payable to your designated Beneficiary, surviving spouse, surviving dependent children, or if none, your estate.

The pre-retirement death benefit is payable provided:

- You have at least four pension credits earned based on employment during the Contribution Period; and
- If you had not attained vested status, you had not incurred two consecutive one-year breaks in service; and
- You did not work at any time after January 1, 1987 in Non-Covered Sheet Metal Employment.

The amount of the death benefit is equal to 50% of the Employer contributions paid to the Pension Plan on your behalf, up to a maximum of $10,000.

If You Die While Receiving a Disability Pension

If you die while receiving a disability pension as a single life annuity, your Beneficiary will be eligible to receive a disability pension death benefit. (If you elected a joint and survivor option, the ordinary survivor benefit will be payable to your surviving spouse.)

The disability pension death benefit is not payable if your disability benefit was paid as a joint and survivor pension.

The disability pension death benefit will be paid to your surviving spouse or, if none, to your surviving dependent child(ren). If your spouse is not living at the time of your death and there are no surviving dependent children, the disability pension death benefit is not payable to anyone.

Dependent child or children: *Any natural or adopted children who are unmarried and under age 23, and who were dependent on you for their support on the date of your death. The term "dependent child" will also include any unmarried child of any age who on the date of your death was incapable of self-sustaining employment by reason of mental or physical disability.*

Disability Pension Death Benefit Amount

The amount of the disability pension death benefit will be equal to 50% of the amount of Employer contributions paid to the Pension Plan on your behalf, up to a maximum of $10,000, less any benefits previously paid to you as a disability pension.

In this section, the term “disability pension” includes both the occupational disability pension and the regular disability pension.

Designating a Beneficiary

You must designate a Beneficiary in writing on a form provided by the Pension Plan Office. Your designation of a Beneficiary or revocation of your designation will not be effective unless and until it is actually received by the Pension Plan Office during your lifetime.

If you are married, you may not designate a Beneficiary other than your spouse unless your spouse consents in writing to your designation. Your spouse’s consent must acknowledge the designated Beneficiary and the effect of that designation, and must be witnessed by a notary public or a Plan representative. If you can establish that consent cannot be obtained because your spouse cannot be located, the consent will not be required. You may revoke your designation consented to by your spouse in writing at any time without the consent of your spouse, as long as you do not designate another non-spousal Beneficiary without the consent of your spouse.

Any new designation must comply with these requirements. Your former spouse's consent will not be binding on a subsequent spouse.

You also have the right to designate a successor Beneficiary or beneficiaries to receive payments in the event that your designated Beneficiary or spouse dies before 120 monthly benefit payments have been made, including the payments to you. Successor Beneficiary designations must satisfy the requirements of this section.

Incompetence or Incapacity of a Pensioner or Beneficiary

If it is determined to the satisfaction of the Board of Trustees that you or your Beneficiary are unable to care for your affairs because of mental or physical incapacity, any payment due may be:

- Applied to the maintenance and support of you or your Beneficiary, or
- Made to other such persons the Board of Trustees find to be appropriate to receive such payments on your or your Beneficiary's behalf unless, prior to such payment, claims had been made for such payment by a legally-appointed guardian, committee, or other legal representative.

Non-Duplication of Pension

If you are eligible for more than one type of pension from the Plan, you will receive the pension that provides you the greatest benefit. You may only receive one type of pension from the Plan.

Claims Procedures

Claims Administrator

"Claims Administrator" means Stewart C. Miller & Co., Inc., which has been designated by the Trustees to receive and process benefit claims. You may contact the Claims Administrator at the Pension Plan Office.

Initial Claim for Benefits

The Claims Administrator will generally respond to your claim within 90 days after receiving it (45 days for a disability pension). The Claims Administrator may extend this period for an additional 90 days (two separate 30-day periods for a disability pension) by giving you written notice of the extension, the reason why the extension is necessary, and the date a decision is expected. If additional information is needed to make a determination on a disability pension, you will have 45 days to provide the information requested. This will not count towards the 90-day period (45-day period for a disability pension) the Claims Administrator has to make a decision on your claim.

Notice of Benefit Determination on Initial Claim

The Claims Administrator will provide you with a written decision on the claim. If the claim is approved, you will receive written notice of the approval. If the claim is denied in whole or in part, the Claims Administrator will explain why, with specific reference to any Plan provisions. The denial will include:

- A reference to the specific Plan provision(s) on which the denial is based;
- A description of any additional information needed and an explanation of why the information is necessary;
- An explanation of the Plan's appeal procedure, along with time limits for filing an appeal;
- A statement that you have the right to bring a civil action under section 502(a) of ERISA following an appeal;
- If the claim was for a disability pension, the specific reason or reasons for the denial, including an explanation for disagreeing with or not following (as applicable): (1) the views presented by the claimant to the Plan of health care and vocational professionals who treated or evaluated the claimant; (2) the views of medical or vocation experts obtained on behalf of the Plan in connection with the adverse benefit determination; and (3) disability determination by the Social Security Administration the claimant presented to the Plan;
- If the denial of a disability pension was based on an internal rule, guideline, protocol, or similar criteria, a statement that the rule guideline, protocol, or criteria will be provided, free of charge, upon request;
- If the denial of a disability pension was based on a medical or clinical judgment, a statement that the judgment will be provided free of charge, upon request; and
- If the claim is denied, a statement that you or your authorized representative may request a review (appeal) of the decision.

If your application for benefits is denied, you or your authorized representative may examine any Plan documents related to your application or submit additional proof of entitlement to benefits.

Appeal Procedure

You may appeal the denial of your pension application or benefit amount. You should send your written appeal to the Claims Administrator at the Pension Plan Office.

If your claim is denied and you want your claim to be reviewed, you or your authorized representative must file a written appeal.

To challenge the denial of a claim, you must, within 60 days (180 days for a disability claim) after receiving the denial letter, file a written appeal with the Claims Administrator. The written appeal should describe why you believe the claim denial was in error, and should include copies of any documents you want considered in support of the appeal. The appeal will be decided based on the information submitted.

The appeal will be decided by the Board of Trustees. The Trustees meet four times per year. If your appeal is filed more than 30 days prior to a regular meeting of the Trustees, your appeal will be decided at the first quarterly meeting following the date your appeal was filed unless special circumstances require an extension of time for processing, in which case a decision will be made on your appeal at the next following meeting of the Trustees. If your appeal is filed within the 30-day period immediately preceding the regular quarterly meeting of the Trustees, the appeal will not be decided at that meeting but will be decided at the second quarterly meeting following the date your appeal was filed, unless special circumstances require an extension of time for processing your appeal. In that case, a decision will be made on your appeal at the third quarterly meeting following the date your appeal was filed. The Claims Administrator will provide you with written notice of any extension applied under this paragraph, describing the special circumstances and the date the benefit determination will be made, before the extension begins.

You may review and obtain copies of all documents that were considered or relied on in deciding the claim. These copies will be provided to you free of charge. A document, record or other information is relevant to the claim if it was:

- Relied upon in making the decision;
- Submitted, considered, or generated in the course of making the decision, without regard to whether it was relied upon or not;
- Demonstrates compliance with administrative processes and safeguards required by the applicable labor regulations; or
- For a disability claim, constitutes the Plan’s policy or guidance with respect to the denied benefit (whether or not it was relied upon).

When reviewing an appeal on a disability pension that is based in whole or in part on a medical judgment, the Board of Trustees will consult with a health care professional with appropriate training and experience in the field of medicine. The health care professional providing the consultation will not be the same individual consulted for the initial claim determination, or a subordinate of that individual.

Written Notice of Appeal Decision

The Claims Administrator or another person designated by the Trustees will mail you a written notice of the decision as soon as administratively possible after the benefit determination has been made. If the appeal is denied in whole or in part, the notice will:

- Contain the reason(s) for the decision;
- Refer to specific Plan provisions on which the decision is based;
- If the claim was for a disability pension, an explanation for disagreeing with or not following (as applicable): (1) the views presented by the claimant to the Plan of health care and vocational

professionals who treated or evaluated the claimant; (2) the views of medical or vocational experts obtain on behalf of the Plan in connection with the adverse benefit determination; and (3) a disability determination by the Social Security Administration that the claimant presented to the Plan;

- If the denial of a disability pension was based on an internal rule, guideline, protocol, or similar criteria, contains a statement that the rule, guideline, protocol, or criteria will be provided, free of charge, upon request;
- If the denial of a disability pension was based on a medical or clinical judgment, a statement that the judgment will be provided, free of charge, upon request;
- Notify you of your right to access and copy (free of charge) all documents, records and other information relevant to your application; and
- Notify you of your right to bring a civil action under Section 502(a) of ERISA.

Before the Trustees may issue a denial on appeal for a disability claim, you must be provided free of charge, with (1) any new or additional evidence considered, relied upon, or generated by the Trustees; and (2) any new or additional rationale for the denial, if such rationale is a basis for the denial on appeal. The evidence or rationale will be provided as soon as possible and sufficiently in advance of the deadline for issuing a decision on appeal so that you have a reasonable opportunity to respond prior to that deadline. If the additional information is provided to you within 30 days of the next quarterly meeting of the Trustees, then the appeal determination will be postponed until the next following Board meeting.

The decision of the Board of Trustees will be final and binding upon all parties, including you and any person claiming through or on your behalf.

Subsequent Legal Action

If your appeal is denied in whole or in part, you have the right to file a lawsuit challenging the denial.

The claims procedures previously described are required by federal law and are designed to ensure that disputes regarding the Plan are decided by the Board of Trustees, which is the entity responsible for administering the Plan. Therefore, courts generally require that a claimant exhaust a Plan's claims procedures before filing suit (both filing the initial claim and appealing a denied claim). If you fail to do so, the court will likely dismiss your lawsuit.

In a lawsuit, the court generally will review the decision of the Board of Trustees based on the evidence and arguments that were presented to the Board of Trustees. Except in rare circumstances, the court will not allow you to introduce new evidence or arguments to support your claim. Thus, you should make sure that everything that you believe supports your position is submitted to the Board of Trustees during the claims process.

Deadline for Legal Action

Any lawsuit challenging a claim denial must be filed no later than three years after you first receive information that constitutes a clear repudiation of the rights you are seeking to assert. If your claim for a benefit has been approved, a lawsuit challenging the claim must be filed within three years from the date the benefit is first paid.

Administrative Information

Plan Name

Sheet Metal Workers Local No. 20 Gary Area Pension Plan

Identification Numbers

The number assigned to the Plan by the Board of Trustees pursuant to instructions of the Internal Revenue Service is 001.

The Employer Identification Number (EIN) assigned to the Board of Trustees by the Internal Revenue Service is 35-6057213.

Plan Credit Year

The financial records of the Plan are kept separately for each Plan Credit Year. The Plan Credit Year is a calendar year that begins on January 1 and ends on December 31. Pension credits, years of vesting service, and breaks in service are also determined on a Plan Credit Year basis.

Type of Plan

The Pension Plan is designed to provide income for you after you retire or become disabled, or for your survivors after you die. The Plan is a defined benefit plan, which means a formula is used to calculate the amount of your benefit. The Plan is qualified under Section 401(a) of the Internal Revenue Code.

Plan Document

This booklet highlights the provisions of the official Plan Document governing the Pension Plan. All of your rights and benefits are governed by the official Plan Document, as are all final decisions. If there is a discrepancy between the information provided in this booklet and the official Plan Document, the official Plan Document will govern. If you wish, you may examine the Plan Document at the Pension Plan Office, or obtain a copy for yourself from the Plan Administrator for a reasonable copying charge.

Plan Sponsor and Plan Administrator

A Board of Trustees consisting of Employer and Union representatives sponsors the Plan and is the Plan Sponsor and Plan Administrator. If you wish to contact the Board of Trustees, you may use the address and phone number below:

Board of Trustees
Sheet Metal Workers Local No. 20
Gary Area Pension Plan
c/o Stewart C. Miller & Co., Inc.
2111 West Lincoln Highway
Merrillville, Indiana 46410
(219) 769-6944
(800) 759-6944

The Trustees of the Plan are:

Agent for Service of Legal Process

CT Corporation System, 251 East Ohio Street, Suite 1100, Indianapolis, Indiana 46204, is the agent for service of legal process concerning the Plan. Legal process may also be served on any member of the Board of Trustees at the address of the Pension Plan previously shown.

Funding of Plan

Participating Employers pay for the entire cost of the Plan by making contributions to the Sheet Metal Workers Local No. 20 Gary Area Pension Fund. Contributions are based on Covered Employment as described in the collective bargaining agreement between your Employer and your Union. The contributions are invested by the Board of Trustees and investment managers chosen by the Board of Trustees. Pension Plan assets, including any investment earnings, are used to pay benefits and administrative expenses. No Participant contributions are allowed.

Collective Bargaining Agreements

The Plan is maintained pursuant to collective bargaining agreements. On written request to the Plan Administrator at the Pension Plan Office, you may obtain a copy of the collective bargaining agreement under which you are covered and you can receive information as to whether a particular Employer participates in the Plan. Your collective bargaining agreement and other documents under which the Plan is maintained are available for inspection at the Pension Plan Office.

Pension Trust's Assets and Reserves

All assets are held in a trust by the Board of Trustees and invested by the Board of Trustees and professional investment managers chosen by the Board of Trustees.

Assignment of Benefits

The Plan is intended to pay benefits only to you or your eligible survivors. Your benefits cannot be used as collateral for loans or assigned in any way, except in accordance with a Qualified Domestic Relations Order (QDRO) issued by a court of law or any applicable law or regulation.

Maximum Pensions

The Internal Revenue Service has established a maximum monthly pension that anyone can receive from a plan. While the maximum is quite high and will rarely apply, it is stated in the Plan Document. You will be informed if the maximum affects you.

Eligibility and Benefits

The types of benefits provided and the Plan's requirements with respect to eligibility, as well as circumstances that may result in disqualification, ineligibility, denial, or loss of any benefits, are described in this booklet. Your coverage by the Plan does not constitute a guarantee of your continued employment.

Plan Amendment and Termination

The Board of Trustees intends to continue the Pension Plan indefinitely, although it reserves the right to change or end the Plan at any time. Any change to the Plan will be made in writing and you will be informed of the change in writing. The Plan will end automatically if every Employer withdraws from the Pension Plan or as defined by law. Any remaining benefits will be paid as described in the Plan Document.

If an Employer withdraws from the Pension Plan, you will be notified of how you may be affected. For more information, contact the Pension Plan Office.

Sole Determination by Board of Trustees

Only the Board of Trustees has the authority and discretion to determine your eligibility for benefits and your right to participate in the Pension Plan. The Board's decisions will not be changed by a judge unless the Board of Trustees is found to have abused its discretion. The Board of Trustees has the authority, in its sole discretion, to exercise all the other powers specified in the Plan. The Board of Trustees may, in its sole discretion, change or end the Plan in any manner or at any time permitted by the provisions of the Trust Agreement. If the Board of Trustees change or end the Plan, you will be notified in writing.

Rights and Responsibilities

As someone who is or may be eligible for benefits from the Plan, you should be aware that the benefits are paid in accordance with Plan provisions from a trust fund that is used solely for that purpose. If you have any questions about or problems with benefit payments, you have the right to contact the Board of Trustees.

No person other than the Board of Trustees of the Pension Plan will have any right, title or interest in any of the income or property of any funds received or held by or for the account of the Pension Plan; and no person will have any right to benefits provided by the Pension Plan except as expressly provided in the Plan documents.

Interpreting the Plan

Only the Board of Trustees is authorized to interpret the Plan described in this booklet. No Employer, Union, or other representative is authorized to interpret the Plan, speak for, or commit the Board of Trustees on any matter relating to the Pension Plan.

Any information you request about the Plan will be provided to you in writing and signed by the Board of Trustees or a person authorized to act for the Board of Trustees. Under the Trust Agreement, the Board of Trustees (or persons acting for them, such as an appeal committee) have sole authority and discretion to make final decisions regarding any pension applications, any interpretation of Plan benefits, the Trust Agreement and any other regulations, procedures, or administrative rules they adopt.

Decisions of the Board of Trustees (or of those acting for the Board of Trustees) are final and binding on all persons dealing with the Plan or claiming a benefit from the Plan. If a decision of the Board of Trustees or those acting for the Board of Trustees is challenged in court, it is the intention of the parties to the Trust that such decision is to be upheld unless it is determined to be arbitrary or capricious.

All benefits under the Plan are conditional and subject to the Board of Trustees' authority under the Trust Agreement to change them. The Board of Trustees has authority to increase or decrease benefits, or change eligibility rules or other provisions of the Plan as they determine to be in the best interests of the Plan members, and in accordance with any applicable law. Benefits will be paid only when the Board of Trustees or persons delegated by them to make such decisions, decide, in their sole discretion, that the participant or beneficiary is entitled to benefits under the terms of the Plan."

YOUR ERISA RIGHTS

As a Participant in the Sheet Metal Workers Local No. 20 Gary Area Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan Participants are entitled to certain rights, as outlined in the following information.

Receive Information About Your Plan and Benefits

You have the right to:

- Examine, without charge, at the Pension Plan Office and at other specified locations, such as worksites and Union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA);
- Obtain, upon written request to the Pension Plan Office, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description (the Plan Administrator may make a reasonable charge for the copies);
- Receive the Plan's annual funding notice, which the Plan is required by law to furnish each Plan Participant with a copy of the annual funding notice; and
- Obtain a statement telling you whether you have a right to receive a pension at Normal Retirement Age (generally age 65) and if so, what your benefits would be at Normal Retirement Age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to earn a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

Prudent Actions by Plan Fiduciaries

In addition to creating rights for Plan Participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your Plan, called fiduciaries of the Plan, have a duty to do so prudently and in the interest of you and other Plan Participants and beneficiaries. No one, including your employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a pension benefit or exercising your rights under ERISA.

Enforcing Your Rights

If your claim for a pension benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan document or the latest annual report from the Plan and do not receive it within 30 days, you may file suit in a federal court. In such a case, the court may require the Plan Administrator to provide the materials and pay you up to $110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you sued to pay the court costs and fees.

Assistance With Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the Employee Benefits Security Administration (EBSA), U.S. Department of Labor, listed in your telephone directory or:

National Office:
Division of Technical Assistance and Inquiries
Employee Benefits Security Administration
U.S. Department of Labor
200 Constitution Ave. NW
Washington, D.C. 20210
(866) 444-3272

Regional Office:
Employee Benefits Security Administration
Chicago Regional Office
John C. Kluczynski Federal Building
230 S. Dearborn Street, Suite 2160
Chicago, IL 60604
(312) 353-0900

For more information about your rights and responsibilities under ERISA:

- Call (866) 444-3272; or
- Visit http://www.dol.gov/ebsa.

PROTECTING YOUR PENSION

Your pension benefits under this multiemployer plan are insured by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency. A multiemployer plan is a collectively bargained pension arrangement involving two or more unrelated Employers, usually in a common industry.

Under the multiemployer plan program, the PBGC provides financial assistance through loans to plans that are insolvent. A multiemployer plan is considered insolvent if the plan is unable to pay benefits (at least equal to the PBGC's guaranteed benefit limit) when due.

Law sets the maximum benefit that the PBGC guarantees. Under the multiemployer program, the PBGC guarantee equals a Participant's years of service multiplied by (1) 100% of the first $11 of the monthly benefit accrual rate and (2) 75% of the next $33. The PBGC's maximum guarantee limit is $35.75 per month times a Participant's years of service. For example, the maximum annual guarantee for a retiree with 30 years of service would be $12,870.

The PBGC guarantee generally covers:

- normal and early retirement pensions;
- disability benefits if you become disabled before the Plan becomes insolvent; and
- certain benefits for your survivors.

The PBGC guarantee generally does not cover:

- benefits greater than the maximum guaranteed amount set by law;
- benefit increases and new benefits based on Plan provisions that have been in place for fewer than 60 months at the earlier of the:
  - date the Plan terminates; or
  - time the Plan becomes insolvent;
- benefits that are not vested because you have not worked long enough;
- benefits for which you have not met all of the requirements at the time the Plan becomes insolvent; and
- non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

For more information about the PBGC and the benefits that it guarantees, ask your Plan Administrator or contact:

Pension Benefit Guaranty Corporation
Technical Assistance Division
1200 K Street N.W., Suite 930
Washington, D.C. 20005-4026

You may also call the PBGC at (202) 326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to (202) 326-4000. Additional information about the PBGC's pension insurance program is available through the PBGC's website on the Internet at http://www.pbgc.gov.

DEFINITIONS

The following are general definitions of terms used in explaining the Pension Plan.

Actuarial Present Value
The value of an amount or series of amounts payable at various times, determined as of a given date by the application of a particular set of actuarial assumptions such as interest rate and rate of mortality.

Beneficiary
"Beneficiary" means a person (other than a Pensioner) who is receiving benefits under the Plan because of his or her designation for such benefits by a Participant or by provisions of the Plan.

Code
"Code" means the Internal Revenue Code of 1986, including amendments thereto.

Collective Bargaining Agreement or Agreement
"Collective Bargaining Agreement" or "Agreement" means a written agreement between the Union and an Employer, which requires contributions to the Pension Plan.

Continuous Employment
"Continuous Employment" means any periods of Work (as defined below) not separated by quit, discharge, or other termination of employment between the periods.

Contributing Employer or Employer
"Contributing Employer" or "Employer" means any member-employer of an association, individual, partnership, or corporation, which has a Collective Bargaining Agreement with the Union requiring contributions to the Fund, or any Employer not presently a party to such Collective Bargaining Agreement but who satisfies the participation requirements established by the Board of Trustees and who agrees to be bound by the Trust Agreement, provided:

(a) the Employer has been accepted as a Contributing Employer by the Board of Trustees, and

(b) the Employer makes payments to the Trust Fund at the times and at the rate of payment equal to that made by any other Employer who is a party to the Trust Agreement.

"Employer" will also include the Union, the Sheet Metal Workers Local No. 20 Welfare and Benefit Fund, the GESB Federal Credit Union and the Sheet Metal Workers Local 20 Gary Area Joint Apprenticeship and Training Fund, provided that such entity makes the required contributions to the Fund.

For the purpose of this Pension Plan only, the Sheet Metal Workers Local No. 20 Gary Area Pension Plan will be considered an Employer with respect to its Employees.

An Employer will not be deemed a Contributing Employer simply because it is part of a controlled group of corporations or of a trade or business under common control, some other part of which is a Contributing Employer.

Contribution Period
"Contribution Period" means, with respect to a unit or classification of employment, the period during which the Employer is a Contributing Employer with respect to the unit or classification of employment.

Covered Employment
"Covered Employment" means employment of an Employee by an Employer for which Employer Contributions are required to be paid to the Fund by reason of such Employee's employment pursuant to an Agreement, including such employment prior to the Contribution Period which if performed during the Contribution Period would have resulted in contributions required to be paid to the Fund.

Employee
"Employee" means a person who is an Employee of an Employer and who is covered by a Collective Bargaining Agreement or any written agreement requiring Employer contributions on his behalf. If the Union, the Pension Plan, the Sheet Metal Workers Local No. 20 Welfare and Benefit Fund, the GESB Federal Credit Union, or the Sheet Metal Workers Local 20 Gary Area Joint Apprenticeship and Training Fund is a Contributing Employer, the full-time Employees with respect to whom such Employer participates in the Plan are to be deemed Employees.

The term "Employee" includes a leased Employee of an Employer, within the meaning of 414(n) of the Code, who otherwise meets the conditions for participation, vesting, and/or benefit accrual under the Pension Plan.

The term "Employee" will not include any self-employed person or sole proprietor or partner of a business organization, which is a Contributing Employer.

Gender
Except as the context may specifically require otherwise, use of the masculine gender will be understood to include both masculine and feminine genders.

Non-Covered Sheet Metal Employment
"Non-Covered Sheet Metal Employment" means any employment in the Sheet Metal Industry that is not covered by a collective bargaining agreement entered into by the Union or the Sheet Metal Workers International Association, or a local union affiliated with said Association.

Normal Retirement Age
"Normal Retirement Age" means age 65 or, if later, the age of the Participant on the fifth anniversary of his participation. For a Participant who did not complete one or more hours of Work after December 31, 1987, "Normal Retirement Age" means age 65 or, if later, the age of the Participant on the tenth anniversary of his participation. In calculating the fifth or tenth anniversary of participation, participation before a Permanent Break in Service will not be counted.

Participant
"Participant" means a Pensioner or an Employee who meets the requirements for participation in the Plan, or a former Employee who has acquired a right to a pension under the Plan.

Pension Fund or Trust Fund or Fund
"Pension Fund," "Trust Fund" or "Fund" means the Sheet Metal Workers Local No. 20 Gary Area Pension Fund established under the Trust Agreement.

Pension Plan or Plan
“Pension Plan” or “Plan” means the Sheet Metal Workers Local No. 20 Gary Area Pension Plan adopted by the Trustees pursuant to the Trust Agreement and as thereafter amended by the Trustees.

Pensioner
"Pensioner" means a person to whom a pension under the Plan is being paid or to whom a pension would be paid but for time for administrative processing.

Period of Accrual
"Period of Accrual" means any Plan Credit Year or number of consecutive Plan Credit Years during the Contribution Period during which an Employee earns Pension Credit based on his Work in Covered Employment. A Period of Accrual will be considered as ended on:

(a) the first day of any period of three or more Plan Credit Years during which an Employee failed to earn at least five-tenths (5/10) of a Pension Credit;

(b) the effective date of a change in the Contribution Rate Level applicable to a Participant; or

(c) the date the Participant's pension started under the Plan.

The next succeeding Period of Accrual will begin in the next succeeding Plan Credit Year in which the Employee earns Pension Credit. An Employee who returns to Covered Employment following a Permanent Break in Service will begin a new Period of Accrual. A Pensioner who returns to Covered Employment following the start date of his pension will begin a new Period of Accrual.

Plan Credit Year
A "Plan Credit Year" is a period of time designated by the Board of Trustees for the purposes of determining the rights of an Employee in accordance with the Pension Plan.

For purposes of ERISA regulations, the Plan Credit Year will serve as the vesting computation period, the benefit accrual computation period, and after the initial period of employment or of reemployment following a break in service, the computation period for eligibility to participate in the Plan.

Prior to March 1, 1985, a Plan Credit Year means a consecutive twelve-month period from March 1 through the last day of the following February. Beginning January 1, 1986**,** a Plan Credit Year means a consecutive twelve-month period from January 1 through the last day of the following December. The ten-month period beginning March 1, 1985 and ending December 31, 1985 will also be considered a Plan Credit Year.

Sheet Metal Industry
"Sheet Metal Industry" means any and all types of work covered by collective bargaining agreements to which the Union, the Sheet Metal Workers International Association (the "International Union"), or any local union affiliated with the International Union is a party; or any and all types of work under the trade jurisdiction of the International Union, as that trade jurisdiction is described in the International Union's Constitution; or any other work to which a sheet metal worker has been assigned, referred, or can perform because of his skill and training as a sheet metal worker. For purposes of the definition of Non-Covered Sheet Metal Employment, the term "Sheet Metal Industry" will not include employment in sheet metal or a related building trade that is on referral by and authorized by the Union or the International Union.

Spouse
“Spouse” means the individual to whom you are married in accordance with state law in the jurisdiction where the marriage was performed. A former Spouse may be treated as a Spouse if required by the terms of a QDRO.

Trust Agreement
“Trust Agreement" means the Restated Agreement and Declaration of Trust creating the Sheet Metal Workers Local No. 20 Gary Area Pension Fund, dated as of November 11, 1977, originally adopted as the Restated Agreement and Declaration of Trust creating the Sheet Metal Workers Local 303 Pension Fund, and as amended from time to time thereafter.

Trustees
“Trustees" means the Board of Trustees as established and constituted from time to time in accordance with the Trust Agreement.

Union
"Union" means Local No. 20 of the Sheet Metal Workers International Association.

Work
"Work" means:

(a) each hour for which an Employee is paid, or entitled to payment, by an Employer for services performed. These hours will be credited to the Employee for the computation period or periods in which the duties are performed; and

(b) each hour for which back pay, irrespective of mitigation of damage, has been either awarded or agreed to by the Employer. These hours will be credited to the Employee for the computation period or periods to which the award or agreement pertains rather than the computation period in which the award, agreement, or payment was made.

Year of Participation
For purposes of compliance with Regulation 2530 of the Department of Labor, a "Year of Participation" means a Plan Credit Year during the Contribution Period in which a Participant has completed 2,000 hours of work in Covered Employment.

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