Sheet Metal Workers' National Pension Fund

Summary Plan Description

2008 Edition
SHEET METAL WORKERS’
National Pension Fund
Edward F. Carlough Plaza
601 N. Fairfax Street, Suite 500
Alexandria, Virginia 22314
Telephone: 703-739-7000
Toll-Free: 800-231-4622
Facsimile: 703-683-0932
info@smwnpf.org
Website: www.smwnpf.org

Employer Identification Number:  52 6112463 Plan Number:  001

BOARD OF TRUSTEES, PLAN ADMINISTRATOR AND PLAN SPONSOR AS OF JUNE 30, 2008

UNION TRUSTEES
Michael J. Sullivan
Kenneth D. Alexander
Paul W. Collins, Jr.
Marc A. Norberg

FUND ADMINISTRATOR
Marc LeBlanc
Sheet Metal Workers’
National Pension Fund
Edward F. Carlough Plaza
601 N. Fairfax Street, Suite 500
Alexandria, Virginia 22314
Telephone: 703-739-7000

ADMINISTRATIVE MANAGER
Associated Third Party Administrators
Edward F. Carlough Plaza
601 N. Fairfax Street, Suite 500
Alexandria, Virginia 22314

LEGAL COUNSEL
Marc LeBlanc, Esq.
Stephen M. Rosenblatt, Esq.
Sheet Metal Workers’ National Pension Fund
Edward F. Carlough Plaza
601 N. Fairfax Street, Suite 500

EMPLOYER TRUSTEES
Ronald Palmerick
Bruce Stockwell
Phil Meyers
Dean Steward
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Introduction</strong></td>
<td>3</td>
</tr>
<tr>
<td>Pension Protection Act and the Rehabilitation Plan</td>
<td>3</td>
</tr>
<tr>
<td>Summary of Benefits</td>
<td>7</td>
</tr>
<tr>
<td>Highlights</td>
<td>9</td>
</tr>
<tr>
<td><strong>While You Work</strong></td>
<td>16</td>
</tr>
<tr>
<td>Becoming a Participant</td>
<td>16</td>
</tr>
<tr>
<td>Earning Years of Service for Vesting</td>
<td>16</td>
</tr>
<tr>
<td>Earning Pension Credit</td>
<td>17</td>
</tr>
<tr>
<td>Owner-Member Participation</td>
<td>20</td>
</tr>
<tr>
<td><strong>Leaving Work</strong></td>
<td>22</td>
</tr>
<tr>
<td>Break in Service After Your Contribution Date</td>
<td>22</td>
</tr>
<tr>
<td>When Break in Service Rules Do Not Apply</td>
<td>24</td>
</tr>
<tr>
<td><strong>Getting Married or Divorced</strong></td>
<td>27</td>
</tr>
<tr>
<td>Marriage</td>
<td>27</td>
</tr>
<tr>
<td>Divorce</td>
<td>27</td>
</tr>
<tr>
<td><strong>Becoming Disabled</strong></td>
<td>29</td>
</tr>
<tr>
<td>Full Disability Benefit</td>
<td>29</td>
</tr>
<tr>
<td>Industry-Related Disability Benefit</td>
<td>30</td>
</tr>
<tr>
<td>Payment of Your Benefit</td>
<td>31</td>
</tr>
<tr>
<td>Continued Receipt of Disability Benefits</td>
<td>32</td>
</tr>
<tr>
<td><strong>Types of Pensions</strong></td>
<td>34</td>
</tr>
<tr>
<td>Normal Retirement Benefit</td>
<td>35</td>
</tr>
<tr>
<td>Early Retirement Pensions</td>
<td>49</td>
</tr>
<tr>
<td>Unsubsidized Early Retirement Pension</td>
<td>49</td>
</tr>
<tr>
<td>Standard Early Retirement Pension</td>
<td>51</td>
</tr>
<tr>
<td>Special Early Retirement Pension</td>
<td>53</td>
</tr>
<tr>
<td>55/30 Pension</td>
<td>55</td>
</tr>
<tr>
<td>Pro Rata Pension</td>
<td>55</td>
</tr>
<tr>
<td>Disability Benefits</td>
<td>56</td>
</tr>
<tr>
<td><strong>Forms of Benefit Payment</strong></td>
<td>57</td>
</tr>
<tr>
<td>Lifetime Pension</td>
<td>57</td>
</tr>
<tr>
<td>50% Husband-and-Wife Pension</td>
<td>57</td>
</tr>
<tr>
<td>100% Husband-and-Wife Pension</td>
<td>60</td>
</tr>
<tr>
<td>75% Husband-and-Wife Pension</td>
<td>61</td>
</tr>
<tr>
<td>120 Certain Payments Option</td>
<td>62</td>
</tr>
<tr>
<td>Level Income Option</td>
<td>63</td>
</tr>
<tr>
<td>Small Benefit Payment</td>
<td>64</td>
</tr>
<tr>
<td>Beginning Date of Benefits</td>
<td>65</td>
</tr>
<tr>
<td>Overpayments</td>
<td>65</td>
</tr>
</tbody>
</table>
SUMMARY PLAN DESCRIPTION

Applying for Your Benefit ........................................................................................................66
  When Your Benefits Begin .................................................................................................66
  If Your Application Is Denied ..........................................................................................68
  Review Procedure ............................................................................................................69

Work in Non-Signatory Employment ...................................................................................71
  Recovery of Previous Status .........................................................................................72

Returning To Work ................................................................................................................73
  Before Your Pension Payments Begin ...........................................................................73
  After Your Pension Payments Begin ...............................................................................73

In the Event of Death .............................................................................................................78
  If You Die Before Pension Payments Begin ....................................................................78
  If You Die After Pension Payments Begin .......................................................................79
  If Your Spouse or Beneficiary Dies ...............................................................................80

NPF COLA Benefit ................................................................................................................81
  COLA for Beneficiaries ....................................................................................................82

401(h) Medicare Benefit ........................................................................................................83

Administrative Information ....................................................................................................85
  General Information about the Fund ...............................................................................85
  You May Not Assign Your Benefits ...............................................................................89
  If the Fund Is Ended or Modified ....................................................................................89
  The PBGC Guarantees Pension Benefits .........................................................................90
  Your Rights Are Protected by ERISA .............................................................................92

Appendix A Merged Pension Funds ......................................................................................95

IMPORTANT NOTICE: This booklet is an overview of the Plan Document, the Rehabilitation Plan and Schedules as of June 1, 2008. Please keep this booklet in a safe place. If married, share it with your spouse.

This booklet supersedes and replaces any prior Summary Plan Description. It contains only highlights of certain features of the Sheet Metal Workers’ National Pension Fund. Full details are contained in the Plan Document, as amended, and the Rehabilitation Plan and Schedules, as amended. You must refer to the full text of the Plan Document, Rehabilitation Plan and Schedules to answer any specific questions. If there is a discrepancy between this Summary Plan Description, the Plan Document, Rehabilitation Plan and Schedules, the provisions of the Plan Document, Rehabilitation Plan and Schedules, as they may be amended from time to time, will govern.

The Trustees may amend, modify or terminate the Fund and plan of benefits at any time. In addition, the interpretation, construction and application of this Summary Plan Description, the Plan Document, the Rehabilitation Plan and Schedules rests solely with the Board of Trustees. To obtain a copy of the full text of the Plan Document, Rehabilitation Plan and Schedules, go to www.smwnpf.org or write the Fund Office at the address inside the front cover.
Introduction

THE PENSION PROTECTION ACT OF 2006, THE REHABILITATION PLAN AND SCHEDULES AFFECT YOUR BENEFITS

Multiemployer pension plans like the Sheet Metal Workers’ National Pension Fund are principally subject to two federal laws, the Employee Retirement Income Security Act of 1974, as amended (“ERISA”) and the Internal Revenue Code, as amended (“IRC”).

The Pension Protection Act of 2006 (“PPA”) amended these laws to impose additional funding rules for multiemployer plans, based on the actuarial status of the multiemployer pension plan. The new funding rules took effect in 2008 and apply to the Sheet Metal Workers’ National Pension Fund (“NPF” or “Fund”) because it is a multiemployer plan. Beginning with the 2008 Plan Year, the Fund’s actuary must annually certify to the Secretary of Treasury and NPF’s Plan Sponsor (the Board of Trustees) whether the Fund is in Endangered Status (“Yellow Zone”) or Critical Status (“Red Zone”) for that Plan Year. The term “Critical Status” is defined in federal law and it relates to the ability of the Fund to meet minimum funding requirements.

On February 1, 2008, the Fund’s actuary certified that the NPF is in Critical Status. On March 1, 2008, NPF sent all Participants a Notice of Critical Status. This March 1, 2008 date is important as further explained below.

As a result of the Critical Status certification, the PPA requires the Board of Trustees to adopt a Rehabilitation Plan. The Rehabilitation Plan must include one or more Schedules that the Local Unions and Employers adopt as part of their Collective Bargaining Agreements. At this writing (June 2008), the vast majority of Employers and Local Unions have adopted a schedule. To check on your Employer(s), contact your Local Union, e-mail info@smwnpf.org, or contact the Fund Office.

As outlined in earlier notices, other communications and the website, the Trustees have issued the 2008 Rehabilitation Plan. This Rehabilitation Plan is designed, through a combination of benefit adjustments and contribution increases, to improve funding so that NPF will emerge from Critical Status over a 10 to 12-year period.

The Rehabilitation Plan includes two Schedules for the 2008 Plan Year – a “2008 Default Schedule” and a “2008 Alternative Schedule.” The 2008 Default Schedule does not require contribution increases but it significantly reduces “adjustable benefits” (as described herein). The 2008 Alternative Schedule does require annual contribution increases, but it reduces “adjustable benefits”
to a lesser extent than the Default Schedule. These Schedules will be reviewed annually and are subject to change, to achieve the Rehabilitation Plan’s goals and to reflect the NPF’s actual experience over the preceding Plan Year (meaning such things as actual investment earnings, work levels, retirement rates, etc.). NPF will continue to keep Participants advised through mailings, articles and its website, www.smwnpf.org. If you would like a copy of the Rehabilitation Plan and 2008 Schedules, go to the Pension Protection Act section of the Fund’s website or write to the Fund Office.

Please note that the 2008 Schedules do not reduce adjustable benefits to the maximum extent that ERISA permits for pension funds in Critical Status. However, because the Rehabilitation Plan and the Schedules could change in the future, you should understand the extent to which adjustable benefits could be reduced.

ERISA defines three categories of adjustable benefits, which may be reduced even if they otherwise would be protected under ERISA’s anti-cutback rules:

1. Benefits, rights and features under the Fund’s Plan Document.
   These include post-retirement death benefits, the 60-month and 120-month guarantee options and Disability Benefits. Other examples of benefits that may be reduced or eliminated include the 401(h) Medicare Benefit which provides a partial reimbursement for Medicare wrap-around premium coverage, pre-retirement death benefits, other than the qualified pre-retirement survivor annuity required by ERISA, and the pop-up feature in the Husband-and-Wife Pension in the event a spouse should predecease a Retiree.

2. Any early retirement benefit or retirement-type subsidy and any payment option, other than a qualified joint and survivor (e.g., 50% Husband-and-Wife Pension).
   Examples of early retirement benefits or retirement-type subsidies in the Plan Document include the standard Early Retirement Pension, the Special Early Retirement Pension and the 55/30 Pension. Examples of payment options include the 100% Husband-and-Wife Pension, Level Income Option, Lump-Sum Option, and 120-month Certain Payments Option.

3. Benefit increases that would not be eligible for a guarantee under ERISA section 4022A on the first day of the critical year (January 1, 2008) because the increases were adopted (or, if later, took effect) less than 60 months before the first day of the critical year.
   When a pension fund becomes insolvent, the Pension Benefit Guaranty Corporation (“PBGC”) can cover some of the benefits that might otherwise be lost. But PBGC has limits on the benefits it covers. By law, PBGC does not cover increases that took effect within about 5 years of the time in which a
pension fund becomes insolvent. NPF is not insolvent, but because it is in Critical Status it can eliminate these kinds of benefit increases. Therefore, scheduled increases, including the NPF COLA Benefit increases, are rolled back for some and eliminated for others. More details follow.

With the exception of the NPF COLA Benefit increases, adjustable benefits do not include the Participant’s accrued benefit payable at Normal Retirement Age (“NRA”). Except for restrictions on lump sum payments as described herein, you will receive a Notice of Reduction in Adjustable Benefits at least 30 days before the adjustments occur.

WHO IS AFFECTED BY THE NOTICE OF CRITICAL STATUS AND THE FUND’S REHABILITATION PLAN?

A. Generally
The effect on a given Participant varies greatly depending upon the following:

- whether he is actively working;
- has left Covered Employment;
- is retired or separated; or
- the 2008 Schedule that applies to him/her.

Note that PPA generally allows pension funds to adjust benefits for anyone whose “benefit commencement date” is on or after the Notice of Critical Status. Unless the context suggests otherwise, all changes for Participants and retirees apply to Beneficiaries and alternate payees.

Under NPF’s 2008 Rehabilitation Plan, benefits may be adjusted for Participants whose Effective Date of Pension is on or after March 1, 2008 (the date of the Notice of Critical Status). Of course, future Schedules may provide differently, depending on the Fund’s actual experience.

In addition, for all Participants who retired or separated on or after January 1, 1991, the Schedules change COLA benefits.

B. Retiree or Beneficiary
1. If a Participant separated or retired before January 1, 1991, his/her benefits are not affected by the Fund’s 2008 Rehabilitation Plan.

2. If a Participant has received an NPF COLA Benefit increase, meaning his/her pension benefit started on or after January 1, 1991 (and he worked in Covered...
Employment during the period January 1991 through June 30, 1995), then he will see changes in the NPF COLA Benefit. NPF COLA Benefit payments will be rolled back and “frozen” to the level of the payment received in 2002 (the last NPF COLA Benefit payment made more than 60 months from January 1, 2008). This means there will be no NPF COLA Benefit if a retiree’s first increase under the NPF COLA Benefit was after 2002.

C. Participants not currently working in Covered Employment

The Rehabilitation Plan includes two Schedules that apply to active Participants, the 2008 Alternative and the 2008 Default Schedules. In formulating these Schedules, ERISA requires the Trustees to make an allowance for Participants “with respect to whom contributions are not currently required to be made.” Specifically, ERISA requires the Fund to reduce those Participants’ adjustable benefits “to the extent permitted by law and considered appropriate” based on the NPF’s current overall funding status. You may be a person for “whom contributions are not currently required to be made” if:

- You have not worked in Covered Employment (employment for which NPF contributions are due) during 2007 or 2008, as no contributions were received after 2006 for any work you performed in the Sheet Metal Industry.*

- It appears unlikely that you will return to Covered Employment and have NPF contributions made under either a Default Schedule or Alternative Schedule.

- Pensioners are also considered to be Participants “with respect to whom contributions are not currently required to be made”, but their “adjustable benefits” are not reduced to the same extent as described below.

You are not considered one of these Participants if you:

- stopped working in Covered Employment, but work in a non-covered position for a Contributing Employer and are not retired, or

- retired under another multiemployer pension plan that is signed to the International Reciprocal Agreement for Sheet Metal Workers’ Pension Funds and worked in Covered Employment in the year or preceding year that you retired with the Local Pension Fund provided you had not worked in Disqualifying Employment.

*It is important to note, that although you may currently be working in Covered Employment, in the future you may be classified in this category, if at the time
you retire with the NPF, you have not worked in Covered Employment in the year or preceding year of your retirement date, unless you meet any of the exceptions described above.

**D. Retirees who return to work**

If a Participant retired after August 31, 2007, and returns to work in Disqualifying Employment before receiving at least twelve consecutive monthly pension payments, when that Participant returns to retirement, his/her pension will be determined under the Schedule that is adopted by the Participant’s Local Union and Employer.

**E. Active Participants**

The effect on active Participants largely depends upon the Schedule the bargaining parties select, and when a Participant retires. Both Schedules preserve the pension payable at Normal Retirement Age (subject to the changes in the NPF COLA and certain payment options) but provide different early retirement pensions. At this writing (June 2008), the vast majority of Local Unions and Employers have adopted one of the 2008 Schedules.

If a person is an “alternate payee” (generally meaning he/she is divorced from a Participant), the alternate payee’s benefit may be affected by the provisions of the Schedule which apply to his/her former spouse (and as applicable, the provisions of a Qualified Domestic Relations Order).

**SUMMARY OF BENEFITS AND BENEFIT ESTIMATES**

The amount of your pension is based on the number of years you work for Employers that contribute to the Fund on your behalf and the amount of those contributions. Currently, the NPF offers:

- Pensions at various retirement ages,
- a number of payment options,
- a Full Disability Benefit, and
- a Pre-Retirement Death Benefit.

If you have filed a vesting application with the NPF, you are able to obtain pension estimates from the “ABOUT YOU” portion of our website found at www.smwnpf.org or by making a written request to the Fund Office. If you have not filed a vesting application you can also obtain one from our website or by contacting the Fund Office at 703-739-7000 or toll free at 800-231-4622.
Contact the Pension Benefit Department if you have any questions about your pension on our toll free number or through our website at info@smwnpf.org.

Please understand that any and all information given to you before your Effective Date of Pension is strictly informational. Such information is only an estimate and is not binding. If an error is made, you will be paid the corrected amount, even if less than any estimate and only under the options for which you qualify at retirement. In addition, if at any time the Fund determines that you or your Beneficiary or Alternate Payee is overpaid – for any reason – the Fund will recover the overpayment. If reimbursement is not received, the Fund will offset future payments to recoup any overpayment, or seek other legal means as deemed necessary.

Many Participants in the Sheet Metal Workers’ National Pension Fund are also covered by other pension and retirement plans. This booklet only applies to benefits, eligibility criteria, administrative information and other information for the Sheet Metal Workers’ National Pension Fund and no other benefit funds, plans or programs.

A Note on Examples: Throughout this booklet you will see examples intended to illustrate benefit eligibility, benefit amounts and other provisions of the Plan Document. Unless the example indicates otherwise, all benefit amounts are based on a Lifetime Pension before applying factors for joint and survivor annuities and other optional forms of benefits.
NATIONAL PENSION FUND HIGHLIGHTS

Becoming a Participant and Maintaining Participant Status

- You become a Participant on the earliest of January 1st or July 1st after you work 870 Hours of Work in Covered Employment in a 12-month period.
- If you leave Covered Employment before you become entitled to benefits, you cease to be a Fund Participant.
- If you work less than 435 Hours of Work in Covered Employment within a calendar year, before you become entitled to benefits, you cease to be a Participant.

Earning Credit

Years of Service

- Determine your eligibility for a benefit.
- Generally, you earn one Year of Service for each calendar year in which you work at least 870 Hours of Work in Covered Employment (which may include work in Non-Covered Employment that is continuous with your work in Covered Employment).

Pension Credit

- Used in calculating the amount of your benefit.
- Used in determining your eligibility for certain types of benefits.
- There are two types of Pension Credit available to a Participant – Future Service Credit and Past Service Credit.
- You earn Future Service Credit based on the number of hours you work in a calendar year in Covered Employment. Effective January 1, 2008, you earn one year of Future Service Credit (a maximum of 12 months of Future Service Credits) for each calendar year in which you complete at least 1,200 hours in Covered Employment. If you work less than 1,200 hours in Covered Employment you earn one month of Future Service Credit for every 100 hours you work in Covered Employment within a calendar year.
### Types of Pension Benefits

<table>
<thead>
<tr>
<th>Normal Retirement Pensions</th>
<th>are available if you are a Participant and:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Are at least 65, and</td>
</tr>
<tr>
<td></td>
<td>• Have at least:</td>
</tr>
<tr>
<td></td>
<td>▪ 5 Years of Service, or</td>
</tr>
<tr>
<td></td>
<td>▪ 10 years of Pension Credit, including at least 60 months of Future Service Credit, or</td>
</tr>
<tr>
<td></td>
<td>▪ 15 years of Pension Credit, including at least 12 months of Future Service Credit.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Early Retirement Pensions</th>
<th>are available if you are a Participant and:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Are at least age 55, and</td>
</tr>
<tr>
<td></td>
<td>• Have at least:</td>
</tr>
<tr>
<td></td>
<td>▪ 10 Years of Service, or</td>
</tr>
<tr>
<td></td>
<td>▪ 10 years of Pension Credit including at least 60 months of Future Service Credit, or</td>
</tr>
<tr>
<td></td>
<td>▪ 15 years of Pension Credit including at least 12 months of Future Service Credit.</td>
</tr>
</tbody>
</table>

Your pension benefit will be reduced for early retirement before age 65.

<table>
<thead>
<tr>
<th>Special Early Retirement Pensions</th>
<th>are available if you are age 55 and you meet the requirements for an Early Retirement Pension, and:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• You are covered by the 2008 Alternative Schedule or any subsequent schedule that provides for this form of benefit.</td>
</tr>
<tr>
<td></td>
<td>• If you perform Construction Work, you must also have at least 3,500 Hours of Work in Covered Employment within the five calendar years before the year you retire or begin to receive benefits. If you retired under another pension plan that is signed to the International Reciprocal Agreement for Sheet Metal Workers’ Pension Funds, and your benefit in that fund was unreduced for age, the 3,500 Hours may run from the date you retired under the other plan provided you have not worked in Disqualifying Employment since this date.</td>
</tr>
</tbody>
</table>

Your pension benefit will be reduced for early retirement before age 62 provided that your Local Union and Employers have adopted the 2008 Alternative Schedule.
**55/30 Pensions** are available if you are age 55, and:

- you are covered by the 2008 Alternative Schedule or subsequent amended schedule that provides for this form of benefit,
- your Employer contributes at the 55/30 Rate on your behalf,
- you have 30 years of Future Service Credit,
- you meet the requirements for a Special Early Retirement Pension,
- you have at least 3,500 Hours of Work in Covered Employment at the 55/30 rate within the five-years before you retire, and
- have at least 60 months out of the last 120 months of Future Service Credit in a position that is or becomes subject to the 55/30 Rate before your retirement.

Your pension benefit will not be reduced for early retirement if you are eligible for the 55/30 Pension provided that your Local Union and Employers have adopted the 2008 Alternative Schedule.

**Please note** — If you are a Participant with respect to whom Employer Contributions are not required to be made and you retire on or after March 1, 2008, your early retirement pension will be less than the amount specified in the NPF Plan Document (as in effect before March 1, 2008) and less than those found in the 2008 Alternative and Default Schedules.

**Pro Rata Pensions** are available if you:

- Have NPF Pension Credit and credit with another pension fund that has executed the International Reciprocal Agreement for Sheet Metal Workers’ Pension Funds, and
- Meet the requirements for a Pro Rata Pension under NPF (See Types of Pensions for details.).
If You Become Disabled

A Disability Benefit is not a pension benefit. As a result, it is not a “protected benefit” under federal law and may be terminated at any time. This being said, the Full Disability Benefit may be available if you have:

- Not reached Normal Retirement Age (65) (*for completed applications received before December 1, 2007*). For applications received on or after December 1, 2007 you have not reached Early Retirement Age (55).
- Been found totally and permanently disabled with the U.S. Social Security Administration and are receiving Social Security Disability Insurance benefits, and have,
- At least 10 years of Pension Credit including at least 60 months of Future Service Credit and have,
- Worked at least 435 Hours of Work in Covered Employment in the 24-month period before the date the U.S. Social Security Administration found you disabled, and
- Have not at any time after September 1, 1988 worked in the Sheet Metal Industry in a position that was not covered by a Union collective bargaining agreement.

- **Industry-Related Disability Benefits** are no longer available for applicants after November 30, 2007. If you are currently under age 55 and receiving this type of disability benefit you are not permitted to work in any Disqualifying Employment, and are limited to earning $35,000 per year in any other employment whatsoever. If you should exceed this limitation or work in Disqualifying Employment regardless of compensation, you will no longer be deemed disabled and the benefit will be terminated.

Choosing How Your Pension is Paid

- If you are not married, you will generally receive your benefit as a **Lifetime Pension**.
- If you are married, you will generally receive your benefit in the form of a **50% Husband-and-Wife Pension**, unless your spouse waives his or her right to this benefit. With your spouse’s written waiver, you may elect to receive your pension benefit in another form of payment.
- **If married**, you may choose your benefit in the form of a **75% Husband-and-Wife Pension** or a **100% Husband-and-Wife Pension** if you prefer to provide a monthly pension to your spouse that is 75% or 100% of the amount you were receiving before your death.
In the Event of
Death

• For a limited time, new retirees covered by the 2008 Alternative Schedule may choose to receive pensions in the form of a Lifetime Pension with 120 Certain Payments to provide a benefit for your beneficiary if you have not received 120 payments at the time of your death. This is not available for anyone with an Effective Date after December 31, 2008. It is not available for Effective Dates after May 31, 2008 for a Participant for whom contributions are not required to be made. For a Participant covered by the Default Schedule, it will not be available for retirements with an effective date after June 30, 2008.

• If the total actuarial present value of your benefit is $1,000 or less, your benefit will be paid in one lump sum payment. If the actuarial present value of your benefit is over $1,000 and does not exceed $5,000 you may choose to receive your benefit as either one lump sum payment or in monthly payments.

If Your Spouse Dies . . .

• Before your benefit payments begin, your benefit will be paid in the form you chose at retirement.

• After your benefit begins, it depends upon the form of benefit you elected at retirement. If you chose to receive your benefit in the form of a Husband-and-Wife Pension on or after March 1, 1999, your benefit will increase or “pop up” to the amount you would have received without the Husband-and-Wife Pension form of payment.

If You Die . . .

• Before payments begin and you are eligible for a pension:

  For deaths that occur on or after January 1, 2008

If at the time of your death you qualify for a pension with the NPF, your spouse will qualify for a monthly Pre-Retirement Surviving Spouse Annuity the month following your death.

If you are married, your beneficiary may be eligible to receive a Lump Sum Death Benefit in the amount of $5,000 provided, if at the time of your death, the following conditions are met:

  • You have attained Vested Status, and
  • You worked 435-hours in Covered Employment within the 24-month period preceding your death, and
In the Event of Death

- You have not been employed in non-signatory employment, and
- A Qualified Domestic Relations Order ("QDRO") has not been filed with the NPF assigning a portion of your pension to a former spouse or dependent(s).

In the event a Lump Sum Death Benefit is payable, this payment will be made to your children (to share equally), in the event you have no children, to your parents (to share equally), in the event you have no parents, to your siblings (to share equally). If none of these persons survive you, no benefit is payable.

- **For deaths that occur before January 1, 2008**

If a Participant was married, his/her spouse will be offered the option of either a Pre-Retirement Surviving Spouse Annuity or a Lump Sum Death Benefit. The opportunity to elect a Lump Sum Death Benefit will only be provided in the event the application is received by the Fund Office no later than December 31, 2008.

If a Participant died before January 1, 2008 and was not married, his/her designated beneficiary may be entitled to receive a Lump Sum Death Benefit generally representing 50% of contributions provided application for this benefit is received by the Fund Office no later than December 31, 2008.

- **After** pension payments begin, if you were receiving your pension in the form of a:
  - Husband-and-Wife Pension your spouse will receive 50%, 75%, or 100% of the amount you were receiving, depending on which form of payment you chose,
  - Lifetime Pension with 120 Certain Payments with an Effective Date before December 31, 2008, and you have not received a minimum of 120 Guaranteed Payments, the Fund will pay your beneficiary any of the remaining payments not paid to you. This option is not available for retirements after May 31, 2008 to Participants for whom contributions are not required to be made. For persons covered by the Default Schedule, it will not be available for retirements after June 30, 2008; or
  - Lifetime Pension, payments will end.
If at the time of your death, you have not received a minimum of **60 Guaranteed Payments**, the Fund will pay your beneficiary the balance, if you:

- Are retired on a Normal Retirement Pension, 55/30 Pension, Special Early Retirement Pension, or a Standard Early Retirement Pension,
- Received payment in the form of a regular Lifetime Pension,
- Had at least 15 years of Pension Credit, and
- Had not yet received at least 60 monthly payments.
While You Work

BECOMING A PARTICIPANT

You become an NPF Participant on the earliest January 1st or July 1st after you work at least 870 Hours of Work in Covered Employment in a consecutive 12-month period. If you leave Covered Employment before you have earned enough Pension Credit to qualify for an NPF pension, you will no longer be considered a Participant.

More specifically, if you do not have enough service to qualify for a pension and you work less than 435 Hours of Work in Covered Employment within a calendar year, you will no longer be considered a Participant. Working less than 435 hours in a calendar year is referred to as a One-Year Break in Service and is discussed further below.

You may again resume Participant status by returning to Covered Employment and earning at least 870 Hours of Work in Covered Employment in any calendar year. Note, however, that being a “Participant” does not mean that you are entitled to a pension.

EARNING YEARS OF SERVICE FOR VESTING

Year of Service
A Year of Service is at least 870 Hours of Work in Covered Employment within a calendar year. Your work in Non-Covered Employment with the same Contributing Employer may be counted for vesting purposes if it takes place just before or just after your work in Covered Employment.

Reaching Vested Status
Once you reach Vested Status, you generally are eligible to receive a pension at Normal Retirement Age. You will not lose your eligibility if you stop working in Covered Employment and do not work in Disqualifying Employment after retirement. Generally, you become vested in a pension once you have earned five (5) Years of Service. You may also become vested once you reach Normal Retirement Age and provided you meet other service requirements. If you have not worked in Covered Employment since December 31, 1996, contact the Pension Benefits Department for the Vested Status rules that apply to you.
EARNING PENSION CREDIT

You need a certain amount of Pension Credit for each type of pension and for a Disability Benefit. Your years of Pension Credit are also used in calculating your benefit amount. There are two types of Pension Credit, depending on whether your work was before or after an Employer began contributing to the Fund on your behalf.

Past Service Credit

You may earn Past Service Credit if you were working in a job classification with an Employer that later became obligated to contribute to NPF under a Collective Bargaining Agreement.

If your Employer first became obligated to contribute to NPF on or after January 1, 2000, you may earn one year of Past Service Credit for each full year of Future Service Credit you subsequently earn if:

- Your Employer’s initial Contribution Rate was at least 50¢ per hour, and
- You were employed by the Employer in Covered Employment:
  - On the Employer’s Contribution Date, or
  - Within the 24-month period before the Employer’s Contribution Date and you were working in Covered Employment on the Employer’s Contribution Date.

If you are eligible for Past Service Credit you will earn credit:

- For a maximum of 10 years, and
- Only for periods during which you were actively employed by the Employer in a job classification that is now covered with NPF (and not absent due to a variety of causes including but not limited to sick leave, jury duty, parental leave or similar circumstances).

If you believe you should receive Past Service Credit with an Employer whose Contribution Date is before January 2000, you should contact the Fund Office to verify the amount of Past Service Credit for which you may qualify. Note: If you work in Non-Signatory Employment on or after September 1, 1988, you may lose all of your Past Service Credit.

Your Contribution Date is the date your Employer began contributing to the Fund on your behalf.

Your Employer’s Contribution Date is the date your Employer became obligated by a Collective Bargaining Agreement or other agreement to contribute to the Fund.
You will not receive Past Service Credit for periods of work before a Break in Past Service. Generally, a Break in Past Service is incurred if you did not earn a full year of Past Service Credit in three consecutive calendar years.

**Future Service Credit for Construction Work**

You will receive months of Future Service Credit when you perform Construction Work in Covered Employment after your Contribution Date in accordance with the following schedule:

<table>
<thead>
<tr>
<th>Hours Worked During Calendar Years</th>
<th>On or After 1/1/95 through 12/31/2007</th>
<th>Before 1/1/95 and On or After 1/1/2008</th>
<th>Months of Future Service Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,400 and over</td>
<td>1,200 and over</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>1,276 – 1,399</td>
<td>1,100 – 1,199</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>1,160 – 1,275</td>
<td>1,000 – 1,099</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>1,044 – 1,159</td>
<td>900 – 999</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>928 – 1,043</td>
<td>800 – 899</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>812 – 927</td>
<td>700 – 799</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>696 – 811</td>
<td>600 – 699</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>580 – 695</td>
<td>500 – 599</td>
<td>5</td>
<td></td>
</tr>
<tr>
<td>464 – 579</td>
<td>400 – 499</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>348 – 463</td>
<td>300 – 399</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>232 – 347</td>
<td>200 – 299</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>116 – 231</td>
<td>100 – 199</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Less than 116 hours</td>
<td>Less than 100 hours</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>
Future Service Credit for Non-Construction Work

You will receive months of Future Service Credit when you perform Non-Construction Work in Covered Employment after your Contribution Date in accordance with the following schedule:

### MONTHS OF FUTURE SERVICE CREDIT FOR HOURS PERFORMED IN NON-CONSTRUCTION WORK

<table>
<thead>
<tr>
<th>Hours Worked During Calendar Years</th>
<th>On or After 1/1/2008</th>
<th>On or After 1/1/2000 through 12/31/2007</th>
<th>On or After 1/1/76 and through 12/31/1999</th>
<th>Before 1/1/1976</th>
<th>Future Service Credit Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,200 and over</td>
<td>1,400 and over</td>
<td>1,800 and over</td>
<td>1,800 and over</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>1,100 – 1,199</td>
<td>1,276 – 1,399</td>
<td>1,641 – 1,799</td>
<td>1,650 – 1,799</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>1,000 – 1,099</td>
<td>1,160 – 1,275</td>
<td>1,477 – 1,640</td>
<td>1,500 – 1,649</td>
<td>10</td>
<td></td>
</tr>
<tr>
<td>900 – 999</td>
<td>1,044 – 1,159</td>
<td>1,313 – 1,476</td>
<td>1,350 – 1,499</td>
<td>9</td>
<td></td>
</tr>
<tr>
<td>800 – 899</td>
<td>928 – 1,043</td>
<td>1,149 – 1,312</td>
<td>1,200 – 1,349</td>
<td>8</td>
<td></td>
</tr>
<tr>
<td>700 – 799</td>
<td>812 – 927</td>
<td>985 – 1,148</td>
<td>1,050 – 1,199</td>
<td>7</td>
<td></td>
</tr>
<tr>
<td>600 – 699</td>
<td>696 – 811</td>
<td>821 – 984</td>
<td>900 – 1,049</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>400 – 499</td>
<td>464 – 579</td>
<td>493 – 656</td>
<td>600 – 749</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>300 – 399</td>
<td>348 – 463</td>
<td>329 – 492</td>
<td>450 – 599</td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>100 – 199</td>
<td>116 – 231</td>
<td>100 – 164</td>
<td>150 – 299</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Less than 100 hours</td>
<td>Less than 116 hours</td>
<td>Less than 100 hours</td>
<td>Less than 150 hours</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

Limited Pension Credit during Special Work Situations

You may receive Pension Credit in the following limited special situations:

- You may receive Past Service Credit for employment before December 20, 1996 for your work under Sheet Metal Workers’ Local Union #22 collective bargaining agreement.

- If duly certified by the Sheet Metal Workers’ International Association (SMWIA), you may accrue Hours of Work for work as a bona fide Salted Organizer or Youth-to-Youth Apprentice. The maximum amount of Future Service Credit available for any single period of employment shall not exceed 12 months. Furthermore, no Pension Credit will be extended unless you return to Covered Employment.
You should check with the Fund Office for the amount of Pension Credit, if any, you may be eligible to receive in these situations.

OWNER – MEMBER PARTICIPATION

If you are the owner, officer or director of a Contributing Employer, then special rules govern your participation. An Owner-Member is any person who has an ownership interest in a Contributing Employer or is an officer or director of a Contributing Employer.

An Owner-Member may be a “Covered Employee” if:

1. a Contributing Employer is required to contribute to NPF on behalf of the Owner-Member pursuant to a Collective Bargaining Agreement; or

2. the Owner-Member is not included in a collective bargaining unit represented either by the Union but is permitted to be treated as so included pursuant to rules set forth in Department of Treasury Regulations and the Employer contributes to the Fund on behalf of the Owner-Member.

The rules governing the participation of Owner-Members changed in 2002. If you had contributions made on your behalf as an owner, officer, or director before 2002, be sure to file an application for vesting information to determine the status of Pension Credit, if any, for that period.

Employer Contributions for Owner – Members

If you are an Owner-Member, NPF contributions may be required under the terms of the Collective Bargaining Agreement under which your company makes contributions to the Fund, or contributions may have been made on your behalf before you became an Owner-Member and continued after you became an Owner-Member. In any event, your continued receipt of Pension Credit depends on your company’s timely payment of NPF contributions. Should an Employer fail to make contributions on behalf of any Covered Employee, including the Owner–Member, the Owner-Member shall no longer be employed in Covered Employment as of the first day of the month that follows the due date of the unpaid contributions. The Owner-Member will again return to Covered Employment after the Employer resumes making timely contributions to the Fund on behalf of all Covered Employees for one year.
EXAMPLE FOR OWNER-MEMBERS

Joe is the owner of XYZ Sheet Metal. Under the terms of the Collective Bargaining Agreement, his company is required to contribute to NPF for Owner-Members. XYZ sends contributions on behalf of Joe who is working in Covered Employment and all other Covered Employees. In February 2006, the Fund does not receive the January contributions from XYZ which were due by February 20th. This Employer is now delinquent. As a result, Joe is no longer working in Covered Employment as of March 2006, which represents the month following the due date of the January 2006 Contribution Hours.

Let’s say that XYZ Sheet Metal sends in the late contributions in March 2006 and continues to report timely for the next twelve months. Joe will return to Covered Employment on March 2007 and begin to earn Pension Credit. It is important to note that XYZ must continue to report on Joe’s behalf under the terms of the Collective Bargaining Agreement; however, as he is not working in Covered Employment, he will not earn Pension Credit or receive a benefit for contributions received for the period March 2006 through February 2007.
Leaving Work

BREAK IN SERVICE AFTER YOUR CONTRIBUTION DATE

NPF is designed to provide retirement benefits to Participants who have worked in Covered Employment continuously over a period of time. If you are vested and leave Covered Employment before you reach age 65, you continue to be eligible for a pension.

If you leave Covered Employment, before you become eligible for a pension, you may incur a Break in Service. There are two kinds of Breaks in Service:

- One-Year Break in Service, and
- Permanent Break in Service.

One-Year Break in Service

If you do not complete at least 435 Hours of Work in Covered Employment during any calendar year after 1975, you will have a One-Year Break in Service. You can avoid incurring a Break in Service, if you work for a Contributing Employer in non-covered employment that is continuous with work in Covered Employment with the same Employer.

If you are not vested, and incur a One-Year Break in Service you will no longer be considered an NPF Participant.

Permanent Break in Service

Generally, you have a Permanent Break in Service when you incur five consecutive One-Year Breaks in Service before you are vested. If you incur a Permanent Break in Service:

- All of your Years of Service and Pension Credit before the Permanent Break in Service will not be used in determining your eligibility or the amount of benefits.

If you return to Covered Employment after a Permanent Break in Service you are treated as a new Employee.

Permanent Break in Service

Generally, a Permanent Break in Service means you have five consecutive One-Year Breaks in Service. After you have a Permanent Break in Service, you lose all of your Years of Service and Pension Credit earned before the Permanent Break in Service unless you meet the requirements to have your Future Service Credit restored.
Once you incur a Permanent Break in Service, you may become a Participant again by meeting the participation requirements. Your Years of Service earned before the Permanent Break in Service will not be restored, but you may be eligible to have your Future Service Credit restored (see Restoration of Future Service Credit after Permanent Break in Service).

**EXAMPLE FOR BREAK IN SERVICE**

Kyle has a Contribution Date in 2000 and works the following hours in Covered Employment:

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Hours Earned</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>660</td>
</tr>
<tr>
<td>2001</td>
<td>1470</td>
</tr>
<tr>
<td>2002</td>
<td>975</td>
</tr>
<tr>
<td>2003</td>
<td>350</td>
</tr>
<tr>
<td>2004</td>
<td>0</td>
</tr>
<tr>
<td>2005</td>
<td>0</td>
</tr>
<tr>
<td>2006</td>
<td>415</td>
</tr>
<tr>
<td>2007</td>
<td>330</td>
</tr>
<tr>
<td>2008</td>
<td>1800</td>
</tr>
</tbody>
</table>

Kyle incurred a Permanent Break in Service at the end of 2007 because he had five consecutive One-Year Breaks in Service from 2003 through 2007.

Suppose, however, that Kyle had worked 435 or more hours in Covered Employment in 2007. In that case, he would not have incurred a Permanent Break in Service and all of the Years of Service and Pension Credit he earned since he began working in 2000 would not be lost.

If you left Covered Employment before January 1, 1985, Permanent Break(s) in Service were determined differently.

**After 1975 and Before 1985**

If you had less than four Years of Service, you incurred a Permanent Break in Service if you had at least three consecutive One-Year Breaks in Service, including at least one after 1975. If you had four or more Years of Service, you incurred a Permanent Break in Service when your consecutive One-Year Breaks in Service equaled or exceeded your Years of Service. However, no Permanent Break in Service was incurred in any three consecutive calendar year period if you earned at least six months of Future Service Credit in those three years.

**Before 1976**

If you did not earn at least six months of Future Service Credit in three consecutive calendar years, you incurred a Permanent Break in Service.
WHEN BREAK IN SERVICE RULES MAY NOT APPLY

The time you spend as qualified military service or during a maternity/paternity leave of absence or during a leave of absence under the Family and Medical Leave Act (“FMLA”) will be counted as Hours of Service in Covered Employment for purposes of preventing a Break in Service. As explained below, you also may receive Pension Credit for qualified military service.

Military Leave

You will not have a Break in Service if you leave Covered Employment to serve in any branch of the uniformed services of the United States and then return directly to Covered Employment within five years from the time you enter service, unless extended service is required as part of your initial period of obligation or your service is involuntarily extended, such as during a war. To be eligible to earn Years of Service and Pension Credit for your military service, you must:

- notify your Employer and the Fund Office in advance that you have been called to service, unless notice is provided by military necessity or otherwise, is impossible or unreasonable to give under the circumstances,
- leave service under honorable conditions (i.e. do not receive a dishonorable discharge), and
- report back to work or apply for reemployment and notify the Fund Office within the time frame required by law after you complete your active duty (or after recovery from a disability coming after release from duty) as outlined in the following table:

<table>
<thead>
<tr>
<th>Length of Military Service</th>
<th>Reemployment Deadline</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 31 days (or an absence due to a fitness exam)</td>
<td>Within 1 day after discharge (after an 8-hour break and time for travel back home)</td>
</tr>
<tr>
<td>31 through 180 days</td>
<td>Within 14 days after discharge</td>
</tr>
<tr>
<td>More than 180 days</td>
<td>Within 90 days after discharge</td>
</tr>
</tbody>
</table>

These limits may be extended under the law in particular circumstances.

Upon your return to work from military service, you will generally be credited with the number of years of Pension Credit (maximum of five years), and Hours of Work you would have earned during your period of service if you had continued working rather than serving in the uniformed services of the United States. If you qualify for Pension Credit during your period of military service, you will earn credit based on the average number of Hours of Work in Covered Employment worked in your Local Union during the time you served in the military.
**Maternity/Paternity Leave**
If during a calendar year after December 31, 1984, you are absent from work for maternity/paternity leave, you will be credited with up to 435 Hours of Work in that Plan Year or in the immediately following Plan Year to prevent a One-Year Break in Service. You will be credited with the number of Hours of Work you would normally have been credited with, or if this cannot be determined, eight Hours of Work per day of absence up to 435 hours. These hours are applied to prevent a One-Year Break in Service and do not count toward Years of Service or Pension Credit.

**Family and Medical Leave**
During a leave of up to 12 weeks, your absence will not count toward a One-Year Break in Service, provided the leave was granted by your Employer in accordance with the Family Medical Leave Act (FMLA). You must return to work in Covered Employment on or before the expiration date of the FMLA leave of absence. Your unpaid FMLA leave will not be treated as Pension Credit towards Years of Service, or in determining Participant Status with the Fund.

After January 28, 2008, FMLA leave also includes up to 26 weeks of unpaid leave during a 12-month period to care for a child, spouse, parent or next of kin who is a member of the Armed Forces who is undergoing medical treatment for a serious injury or illness sustained in the line of duty. To qualify as the “next of kin” you must be the servicemember’s “nearest blood relative.”

**Other Exceptions to the Break in Service Rules**
A Permanent Break in Service will not occur if the Break in Service resulted from the following:

- Service as a full-time elected or appointed officer or employee of the Union, or
- For years before January 1, 2000, you were a small business owner (limited to 10 years) and you employed no more than four people, including yourself, who were covered by a Collective Bargaining Agreement. You must have worked “inside” as a sheet metal worker (no outside erecting) and you subsequently returned to regular Covered Employment.

**Restoration of Future Service Credit after Permanent Break in Service**
If you have a Permanent Break in Service, it might be possible to restore lost
Future Service Credit, if you returned to Covered Employment before January 1, 2007. If you qualify, you could receive a month of Future Service Credit that you lost due to a Permanent Break in Service for each month of Future Service Credit that you completed after your return to Covered Employment. To be eligible for restoration of credit:

- You must have lost at least 48 months of Future Service Credit as a result of your most recent Permanent Break in Service, and
- You must reach Vested Status based on work in Covered Employment after your Permanent Break in Service, and
- You must perform at least one Hour of Work in Covered Employment on or after July 1, 2001 and before December 31, 2006.

You may use restoration only once. It is limited to Future Service Credit lost as a result of your most recent Permanent Break in Service. The value of the Future Service Credit is based on the total monthly pension amount that was lost through the Permanent Break in Service, determined under the plan in effect at the time you earned the credit.

If you are eligible to restore lost Future Service Credit, but cannot restore it in full, then the restored Future Service Credit is valued on a percentage basis, based on the number of months of Future Service Credit earned after your return to Covered Employment divided by the number of months of Future Service Credit lost through the Permanent Break in Service. The percentage can not be greater than 100%.

Any restored Future Service Credit is not used in determining a Lump Sum Death Benefit, to the extent one is payable.

**Example of Restored Future Service Credit**

David does not qualify for a pension when he leaves Covered Employment in June 1994 having earned 53 months of Future Service Credit and 4 Years Service. David incurs five One-Year Breaks in Service from 1995 through 1999 and incurs a Permanent Break in Service effective December 31, 1999. David later returns to Covered Employment in June 2005 and continues to work in Covered Employment earning 60 months of Future Service Credit, with 5 Years of Service. Because David incurred a Permanent Break in Service, his Years of Service before the break are not considered in determining his eligibility; however, his 53 months of Future Service Credit earned before the Break in Service will be restored and used in calculating the type and amount of his pension.
Getting Married or Divorced

MARRIAGE

Before Retirement
Generally, if you are married when you retire, you will receive your benefit in the form of a 50% Husband-and-Wife Pension. You may also elect to receive your pension in the form of a Lifetime Pension, but your spouse must submit a written, notarized waiver of the Husband-and-Wife Pension. If you die before beginning your pension benefit, your spouse will be eligible to receive a Pre-Retirement Surviving Spouse Annuity.

After Retirement
Your pension benefit is not affected if you marry after you have begun to receive a pension benefit. Once you begin to receive a benefit, you cannot change the form of payment you are receiving.

DIVORCE

Before Retirement
If you are divorced as of the date of your retirement, the Fund will treat you as being unmarried, however, a Qualified Domestic Relations Order (QDRO) may affect the way your benefits are paid even though you are single. A QDRO is a court order which requires the Fund to pay all or part of your benefit to your spouse, former spouse or dependent(s). To be a QDRO, a court order must meet certain legal requirements. The Fund determines whether the requirements are satisfied. NPF will not honor a court order unless it meets the requirements of a QDRO. If you die before you retire, a QDRO may require NPF to pay your former spouse the Pre-Retirement Surviving Spouse Annuity.

A QDRO may also affect the amount of your pension benefit because it may direct that your benefit be used to pay child or spousal support or to divide up marital property.

A Pre-Retirement Surviving Spouse Annuity will provide a benefit to your spouse if you die before you begin receiving a pension.

Qualified Domestic Relations Order (QDRO)
A QDRO is a court order that requires the Fund to pay all or a portion of your pension benefits to your spouse, former spouse or dependent(s).
After Retirement
If you are married when you retire and you later divorce, your form of pension benefit will not change. If your benefit is being paid as a Husband-and-Wife Pension, your former spouse will continue to be eligible for survivor benefits after your death.

A QDRO may affect your monthly benefit by giving a part or all of your monthly pension payment to your spouse, former spouse or dependent(s).

QDRO Procedures
The Fund has procedures to assist in drafting an order that meets the requirements of a QDRO. If you have questions about QDROs or need a copy of the Fund’s QDRO procedures, please contact the Fund Office or you can obtain this information on our website at www.smwnpf.org. QDRO Procedures are supplied free of charge.
**Becoming Disabled**

The NPF now offers one form of disability benefit, the Full Disability Benefit. Formerly, the Fund also provided an Industry-Related Disability Benefit. Disability Benefits are not pension benefits and are not subject to the same protections under federal law. Disability benefits are subject to modification or termination.

**FULL DISABILITY BENEFIT**

**Eligibility for a Full Disability Benefit**

You are eligible for a Full Disability Benefit if:

- For complete applications received in the Fund Office before December 1, 2007 — you have NOT reached Normal Retirement Age, or
- For complete applications received in the Fund Office on or after December 1, 2007 — you have NOT reached early retirement age (55), and
- You have been found totally and permanently disabled with the U.S. Social Security Administration and are receiving Social Security Disability Insurance benefits, and have
- At least 10 years of Pension Credit including at least 5 years of Future Service Credit, and
- Worked at least 435 Hours of Work in Covered Employment in the 24-month period before the date the U.S. Social Security Administration found you disabled, and
- You have not — at any time after September 1, 1988 — worked in the Sheet Metal Industry in employment not covered by a Union collective bargaining agreement, unless you:
  - Stopped working in this employment, and
  - Returned to Covered Employment and earned a number of months of Pension Credit equal to the number of months you were previously employed in the Sheet Metal Industry that was not covered by a Union collective bargaining agreement.

**Social Security Disability Benefits**

Contact the Social Security Office nearest you for an application for benefits or for more information about Social Security disability benefits. You may also visit the Social Security website at www.ssa.gov/disability/howtoapply.htm for information on disability benefits and an application form.
**Full Disability Benefit Amount**

For complete applications received in the Fund Office before December 1, 2007 — the amount of your Full Disability Benefit is the same amount as the Normal Retirement Pension that would have been payable if you had reached age 65 on the day you became disabled.

For complete applications received in the Fund Office on or after December 1, 2007 — the amount of your Full Disability Benefit is the same amount as the form of early retirement pension that you earned and would have been payable if you had reached age 55 on the day you became disabled.

**FORMER INDUSTRY-RELATED DISABILITY BENEFIT — DISCONTINUED AS OF DECEMBER 1, 2007**

**Eligibility for an Industry-Related Disability Benefit**

Prior to December 1, 2007, you might have been eligible for an Industry-Related Disability Benefit at any age before Normal Retirement Age if:

- NPF determined that you were totally and permanently unable to return to employment in the Sheet Metal Industry with a disability which occurred on or before November 30, 2007, even though you may be able to work in another field, and

- You had earned at least 10 years of Pension Credit including at least 60 months of Future Service Credit and

- You worked at least 435 Hours of Work in Covered Employment in the 24-month period before the date that you were found permanently unable to perform work in the Sheet Metal Industry, and

- You have not — at any time after September 1, 1988 — worked in the Sheet Metal Industry in employment not covered by a Union collective bargaining agreement (“non-signatory employment”), unless you:
  - Stopped working in this employment, and
  - Returned to Covered Employment and earned a number of months of Pension Credit equal to the number of months you were previously employed in non-signatory employment.

- The Fund Office received your application for this benefit before December 1, 2007.
If a Participant was age 55 or older on his/her Effective Date, the amount of the Industry-Related Disability Benefit was equal to 110% of the amount of the Early Retirement Pension, or Special Early Retirement Pension if he/she met the service requirements, based on Pension Credit earned up to the date of the disability. If the Participant were under age 55 on his/her Effective Date, the Industry-Related Disability Benefit was based on the Early Retirement Pension he/she would have been eligible to receive at age 55, not the Special Early Retirement Pension. In no event would the benefit be greater than the Normal Retirement Benefit he/she would have been eligible to receive as of the date of disability.

**PAYMENT OF YOUR BENEFIT**

Subject to any changes made by the Rehabilitation Plan, the Schedules and the Plan Document, the Full Disability Benefit and Industry-Related Disability Benefit are payable as long as you remain disabled, as defined by the type of disability benefit, in addition to other requirements as described below.

Your first monthly payment will be paid the _later_ of:

- The first day of the seventh (7th) month after the date upon which you became disabled as defined by the type of disability benefit, or
- The first day of the seventh (7th) month after the last month in which you worked in Covered Employment, or
- The first day of the month after a fully completed application is received by the Fund Office.

If you are receiving an Industry-Related Disability Benefit, you may elect to convert to a Full Disability Benefit if and _only_ if:

- The U.S. Social Security Administration awards you Social Security Disability Insurance benefits with a date of disability that coincides with the date on which you became totally and permanently unable to return to employment in the Sheet Metal Industry, and
- You have worked at least 435 Hours of Work in Covered Employment within the 24-month period before the date the U.S. Social Security Administration found you disabled, and
- You provide proof of approval for Social Security Disability Insurance benefits from the U.S. Social Security Administration to the Fund Office and request a conversion on or before December 31, 2009. Any requests received after this date will not qualify for a conversion to a Full Disability Benefit.
If your request for a conversion is approved, your Industry-Related Disability Benefit will convert to a Full Disability Benefit on the later of:

- The month following the month in which the Fund Office receives your proof of approval for Social Security Disability Insurance from the U.S. Social Security Administration, or
- The effective date on which the Social Security Disability Insurance benefits commence.

A disability under the Railroad Retirement Act may be substituted in lieu of Social Security Disability Insurance from the U.S. Social Security Administration (on or after January 1, 2007).

**CONTINUED RECEIPT OF DISABILITY BENEFITS**

If you are receiving a Full Disability Benefit, you will no longer qualify for this benefit if:

- You no longer receive Social Security Disability Insurance benefits from the U.S. Social Security Administration (or disability under the Railroad Retirement Act), or
- You work in Disqualifying Employment, or
- You work in the Sheet Metal Industry for an employer which is not signed to a Union collective bargaining agreement.

If you are receiving an Industry-Related Disability Benefit you will no longer qualify for this benefit if:

- You recover from your disability and are able to return to work in the Sheet Metal Industry, or
- You work in Disqualifying Employment, or
- You work in the Sheet Metal Industry for an employer which is not signed to a Union collective bargaining agreement, or
- If you are under age 55, and earn more than $35,000 in a calendar year in any employment whatsoever.

Report any earnings you have while receiving disability benefits.
IMPORTANT — If you are receiving a Full Disability Benefit or an Industry-Related Disability Benefit, you must notify the Fund Office in writing if any of these conditions listed above apply to you.

If you apply for or are receiving Disability Benefits you may be required to submit proof of your disability, and/or submit to an examination or periodic reexamination by doctors selected by the Trustees. Failure to do so may make you ineligible for this benefit.
Types of Pensions

There are different types of pensions available:

- Normal Retirement Pension,
- Early Retirement Pension,
- Special Early Retirement Pension,
- 55/30 Pension, and
- Pro Rata Pension.

This section summarizes the eligibility requirements and calculation of the various NPF pensions. Note that Disability Benefits are not pensions. For information about the Full Disability Benefit and the former Industry-Related Disability Benefits, refer to the section titled Becoming Disabled.

If you are married, your pension will be paid as a Husband-and-Wife Pension unless your spouse waives this form of payment in a duly-notarized document.

If you are eligible for more than one type of pension, you will be offered a choice of pension options. You can only elect and receive one type of NPF pension.

**Note that if you are overpaid for any reason, the overpayment should be repaid and your benefit amount may be adjusted to recoup any overpayment.**

As you read the following explanations, it may help to be familiar with the following terms and concepts.

- “Covered Employment” is work for which NPF contributions are due under the terms of a Collective Bargaining Agreement or other agreement requiring NPF contributions.

- “Contribution Hours” means the total number of hours for which Employer contributions are required to be made on a Participant’s behalf.

- “benefit factor” refers to the percentages or rate of accrual applied to the contributions an Employer is required to make on a Participant’s behalf during a calendar year to determine the amount of monthly benefit payable at NRA.
“Contribution Rate” means the hourly amount that an Employer is required to contribute to NPF for each hour you work. The hourly Contribution Rate payable for you over the years may have consisted of the following parts:

- **Benefit Rate** — A Participant’s “Benefit Rate” is the portion of the Contribution Rate that is used to determine the monthly NRB earned for Plan Years beginning after 2002. Specifically, for any period before December 1, 2007, the “Benefit Rate” is the Contribution Rate in effect on, or treated as in effect on, December 31, 2002, minus any portion of the Contribution Rate attributable to a 55/30 Rate, required contribution increases or Supplemental Contributions. For any period on or after December 1, 2007, the “Benefit Rate” is the Contribution Rate, minus any portion of the Contribution Rate attributable to a 55/30 Rate.

**NOTE:** If you work under a Contribution Rate that first becomes effective after 2003, because a Collective Bargaining Agreement did not previously cover the type of work performed, it is treated as if it were in effect on December 31, 2002.

- If applicable, a 55/30 Rate - the part of the Contribution Rate required to cover the cost of the 55/30 Pension. If you qualify for this benefit, your monthly benefit would not be subject to reduction for age should you retire before Normal Retirement Age.

**NOTE:** If your Local Union elected to participate in the 55/30 Pension, this part of your Contribution Rate was **not** used in determining the annual 10% required contribution increase under the Fund’s former recovery program.

- If applicable, Supplemental Contributions — is the part of a Contribution Rate, which was increased on or after December 31, 2002 and is not attributable to either the 55/30 Rate and/or any required contribution increases. There are no more Supplemental Contributions as of December 1, 2007.

### NORMAL RETIREMENT BENEFIT

The pension payable at Normal Retirement Age (“NRA”) is the starting point for other forms of early retirement and disability benefits. If a Participant elects to retire before age 65, or under a disability benefit, the amount of the Normal Retirement Benefit may be reduced.

Normal Retirement Age (“NRA”) means age 65 or the age you reach Vested Status, if later.
1. Eligibility for a Normal Retirement Pension

You can retire on a Normal Retirement Pension:

- If you are a Participant,
  
  - Have reached Normal Retirement Age, and you:
  
  - Have attained Vested Status section (See section titled While You Work), or
  
  - Have either:
    
    - 10 or more years of Pension Credit including at least 5 years of Future Service Credit, or
    
    - 15 or more years of Pension Credit including at least 1 year of Future Service Credit.

2. Determining the Amount of Your Pension Payable at Normal Retirement Age

Over the years, there have been many changes in the way a Normal Retirement Benefit (“NRB”) is calculated. To determine your NRB, the Fund Office will evaluate your work in Covered Employment and the Pension Credit earned for this work under the applicable Plan Document in effect when worked, or as amended. It is important to note, that no amendment to the Plan Document had the effect of lowering any NRB earned prior to the change. Also, the provisions of the Rehabilitation Plan and its Schedules may affect your final benefit.

In brief, the monthly amount of your NRB is determined by adding the following amounts:

A. The benefit earned for Pension Credit earned before 2000. For the rules regarding eligibility and calculation of Normal Retirement Benefits before January 1, 2000, contact the Fund Office,

B. The benefit earned for Contribution Hours earned on or after January 2000 and before the adoption of a Schedule,

C. The benefit earned for Past Service Credit earned on or after 2000,

D. The benefit earned under the Rehabilitation Plan Schedules.

3. How a Normal Retirement Benefit is Earned for work in Covered Employment beginning January 1, 2000
A. Understanding Benefit Formulas — Identifying the Benefit Rate

The amount of your Normal Retirement Benefit is generally a function of the contributions payable for a Participant’s work in Covered Employment. The Plan Document was revised effective January 1, 2000 so that for each Plan Year beginning after December 31, 1999, benefits accrue as a percentage of all or a portion of Employer contributions.

For most NPF Participants, the Normal Retirement Benefit you have earned has not been based on the entire Contribution Rate. To determine your monthly benefit amount, the Fund identifies the portion of the Contribution Rate with the “Benefit Rate” that is used to calculate your benefit. First, if someone worked under a Collective Bargaining Agreement that includes a 55/30 Rate, a portion of the Contribution Rate — referred to as the “55/30 Rate” — is not used to increase the NRB. The 55/30 Rate is applied to the cost of eliminating the age reduction factors that apply to other forms of early retirement. Of course, all forms of early retirement have certain service and eligibility requirements.

**BENEFIT RATE AND THE 55/30 RATE —**

**EXAMPLE FOR IDENTIFYING BENEFIT RATE**

Suppose under the terms of the Collective Bargaining Agreement an Employer is obligated to contribute $1.00 to the NPF and the Local Union elects to participate in the 55/30 Pension. In order to do so, the Plan Document required that the Contribution Rate increase by 25% - in this example that’s 25¢. The 25¢ is required to cover the cost of eliminating age reduction factors. The $1.00, which in this example is the “Benefit Rate”, continues to be used to determine the amount of the NRB.

B. Plan Years 2004 through 2007 — Required Contribution Increases

During the years 2004 through 2007, NPF sought annual 10% compounded contribution increases under the former recovery program. The recovery program sought these annual increases to improve funding. These increases are not used to determine the amount of the Normal Retirement Benefit (“NRB”). They were not included in the Benefit Rate. If however, the increases were made, then the benefit factor (or the percentage applied to contributions to determine the amount of the NRB) was doubled.

The 55/30 Rate was not considered when determining the amount of a required contribution increase for any Plan year. See the following example.
EXAMPLE OF REQUIRED CONTRIBUTION INCREASES

Continuing from the previous example, the Local Union chose the 55/30 Pension and its Contribution Rate became $1.25. NPF asked for ten percent contribution rate increases for the years 2004 through 2007 and the Local Union complied. During this time, the NPF Contribution Rate increased from $1.25 to $1.71, like this:

<table>
<thead>
<tr>
<th>Year</th>
<th>Increase</th>
<th>Contribution Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003</td>
<td>$1.25</td>
<td>Starting Rate</td>
</tr>
<tr>
<td>2004</td>
<td>+10¢</td>
<td>$1.35</td>
</tr>
<tr>
<td>2005</td>
<td>+11¢</td>
<td>$1.46</td>
</tr>
<tr>
<td>2006</td>
<td>+12¢</td>
<td>$1.58</td>
</tr>
<tr>
<td>2007</td>
<td>+13¢</td>
<td>$1.71</td>
</tr>
</tbody>
</table>

The 10% compounded increases were based on $1.00. The 25¢ for the 55/30 Rate was not included in the determination of the 10% increases. In this example, with the 55/30 increase and the annual 10% increases, the Local added 71¢ to its rate, but the Benefit Rate remained $1.00.

C. The benefit formula may differ depending upon the number of Contribution Hours worked within a Plan Year

The applicable percentage or “benefit factor” used to determine a Participant’s Normal Retirement Benefit (“NRB”) depends on the number of hours worked in Covered Employment and when that work is performed.

For all Contribution Hours worked January 1, 2000 through November 31, 2007, and for a Participant covered by the 2008 Alternative Schedule, a higher percentage is used to determine the benefits accrued for up to 1400 Contribution Hours (1200 Hours for work after December 31, 2007). A lower percentage applies to Contribution Hours over 1400 (or 1200 Hours beginning with the 2008 Plan Year).

Under the 2008 Default Schedule, the applicable percentage/benefit factor does not change regardless of the hours worked.

To determine your monthly NRB each year requires a series of calculations using your Contribution Hours, the Benefit Rate for those hours, and the applicable benefit factor.

From January 1, 2000 through November 30, 2007, you must determine the following:

- The total amount of contributions determined by multiplying the number of Contribution Hours worked in a Plan Year (up to 1,400 hours) by the Benefit Rate, and if applicable, Supplemental Contributions, by the factors provided below, plus

- The total amount contributed for you based on any Contribution Hours exceeding 1,400 hours in a Plan Year by the Benefit Rate, and if applicable Supplemental Contributions, by the benefit factors provided below.

<table>
<thead>
<tr>
<th>BENEFIT FACTOR TABLE FOR CONTRIBUTION HOURS WORKED THROUGH NOVEMBER 30, 2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calendar Year</td>
</tr>
<tr>
<td>2000</td>
</tr>
<tr>
<td>2001</td>
</tr>
<tr>
<td>2002</td>
</tr>
<tr>
<td>2003</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>2004</td>
</tr>
<tr>
<td>2005</td>
</tr>
<tr>
<td>2006</td>
</tr>
<tr>
<td>2007</td>
</tr>
</tbody>
</table>

Contribution Hours refers to the total number of hours for which contributions are required to be made on a Participant’s behalf.
**EXAMPLE OF NRB BEFORE 2003**

In 2002, Walt works 1850 Contribution Hours. Under the Collective Bargaining Agreement, his Employer contributes $2.20 per hour for each Hour of Work in Covered Employment. To calculate Walt’s Normal Retirement Benefit, determine the total contributions up to 1,400 hours and total contributions over 1,400 hours:

- 1,400 Contribution Hours x $2.20 (Benefit Rate) = $3,080.00
- 450 Contribution Hours x $2.20 (Benefit Rate) = $990.00

Once you have these numbers, multiply them by the applicable factor from the table above, as follows:

- $3,080 x 1.7142% = $52.79
- $990 x .6% = $5.94

Walt’s Normal Retirement Benefit for 2002 Contribution Hours = $58.73

Note that in the preceding example both the Contribution Rate and the Benefit Rate are the same. This is because during 2002, this Contribution Rate did not include a required increase, a 55/30 Rate or Supplemental Contributions.

**EXAMPLE OF CHANGE IN BENEFIT FACTORS IN 2003**

On to 2003 — This example illustrates the change in the benefit factors that took place on September 1, 2003.

Let’s say in 2003 Walt works 1,900 Contribution Hours at a Benefit Rate of $2.20 per hour. To calculate Walt’s Normal Retirement Benefit, you must determine the total contributions as described above; however, as you will note in 2003 the benefit factors change for hours worked before September 1, 2003 and those worked after. In this example, Walt has worked the following hours:

- Walt’s Contribution Hours earned before September 1, 2003 = 1,200 hours
- Walt’s Contribution Hours earned after September 1, 2003 = 700 hours

Walt’s Normal Retirement Benefit is determined as follows:

- Contribution Hours worked before September 1, 2003:
  - 1200 Contribution Hours x $2.20 (Benefit Rate) x 1.7142% = $45.25

- Contribution Hours worked after September 1, 2003:
  - 200 Contribution Hours x $2.20 (Benefit Rate) x .8571% = $3.77
  - 500 Contribution Hours x $2.20 (Benefit Rate) x .3% = $3.30

Walt’s Normal Retirement Benefit for 2003 Contribution Hours = $52.32
As the table above shows, the benefit factor decreased by one-half in September 2003. This decrease was part of the Fund’s recovery program.

As explained above, the recovery program required annual 10% contribution increases in calendar years 2004 through 2007. These 10% increases did not count in determining your NRB because they were used to improve NPF’s funded status. But, the recovery program also provided a way to restore the benefit amount to the level in effect before the benefit factor was cut in half. If your Employers made the required increases, your NRB on hours worked after September 1, 2003 would double. The benefit doubled, however, if and only if, the required contribution increase was made before the end of every Plan Year.

If, however, the required contribution increase was not made in any calendar year, then Contribution Hours worked in the following year would earn an NRB using the benefit factor 0.8571% for total contributions up to 1,400 hours plus 0.3% for total contributions for all hours over 1,400.

In our earlier example, Walt had worked Contribution Hours before and after September 1, 2003. Let’s say Walt’s Employer made the 2004 required annual increase. This means that his benefit would increase as follows in the next example:

**Example of NRB for 2003**

Walt’s 2003 Normal Retirement Benefit is determined as follows:

- 1200 Contribution Hours x $2.20 (Benefit Rate) x 1.7142% = $45.25

Contribution Hours worked after September 1, 2003

- 200 Contribution Hours x $2.20 (Benefit Rate) x 0.8571% x 2 = $ 7.54
- 500 Contribution Hours x $2.20 (Benefit Rate) x .3% x 2 = $ 6.60

Walt’s Normal Retirement Benefit for 2003 Contribution Hours $59.39

On to 2004: Walt’s Normal Retirement Benefit for Contribution Hours worked in 2004. This part illustrates all the different parts of a Contribution Rate — Benefit Rate, 55/30 Rate and Supplemental Contributions.

Walt works 1,800 Contribution Hours in 2004 at a Contribution Rate of $3.00. This Contribution Rate was increased from the previous year because his Local Union adopted the 55/30 Pension, and made required annual increases under the recovery program and added a little more money than was required. Walt’s Contribution Rate is now made up of the following parts:
As noted above, 55¢ of this rate is a 55/30 Rate and 22¢ is attributable to a required increase, so neither piece is reflected in Walt’s Benefit Rate.

**Example of NRB for 2004**

To determine the monthly Normal Retirement Pension that Walt earned in 2004, the following calculations are made:

- $2.20 = Benefit Rate
- $ .22 = Required contribution increase
- $ .55 = 55/30 Rate
- $ .03 = Supplemental Contributions

\[
\begin{align*}
1,400 \text{ Contribution Hours} \times \$2.20 (\text{Benefit Rate}) \times .8571\% &= \$26.39 \\
400 \text{ Contribution Hours} \times \$2.20 (\text{Benefit Rate}) \times .3\% &= \$2.64 \\
&= \$29.03
\end{align*}
\]

Because the Contribution Rate that Walt worked under was increased by the required annual increase, the NRB he earned as a result of the Contribution Hours worked under this Rate is doubled to $58.06.

**But there is one more calculation.** Walt’s Contribution Rate was $3.00. That means that an additional 3¢ was contributed that was not due to either the 55/30 Rate or to a required increase, therefore, this part of Walt’s Contribution Rate is a Supplemental Contribution. As this Contribution Rate includes a 55/30 Rate, the 3¢ is reduced by 20% to eliminate the cost associated with early retirement age reductions. In this example - 

\[
.03 \times 80\% = .024
\]

which is used to determine Walt’s NRB. Benefits on Supplemental Contributions accrue at double the benefit factor. In other words, for any calendar year in which Walt has Supplemental Contributions, he increases his Normal Retirement Benefit equal to 1.7142% of his Supplemental Contributions for up to 1,400 Contribution Hours, and 0.6% of his Supplemental Contributions for Contribution Hours in excess of 1,400. The additional benefit is determined as follows:

\[
\begin{align*}
1,400 \text{ Contribution Hours} \times .024 \times 1.7142\% &= 58\cent \\
400 \text{ Contribution Hours} \times .024 \times .6\% &= 6\cent \\
&= 64\cent
\end{align*}
\]

This 64¢ is added to the $58.06 determined in the previous step so that Walt’s final Normal Retirement Benefit for 2004 is $58.70.

**IMPORTANT:** If a required annual increase is not made in a calendar year, the part of the Contribution Rate used for Supplemental Contributions will be used to cover the amount of that required increase and there will be no accrual on this part of the Contribution Rate.
A. Reducing the Contribution Rate reduces the benefit factor

If a Contribution Rate is reduced for any reason the benefit factors are reduced too:

**REduced Contribution Benefit Factor Table**

<table>
<thead>
<tr>
<th>Calendar Year</th>
<th>Benefit Factor Up to 1,400 hours</th>
<th>Benefit Factor for hours over 1,400</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>.8571%</td>
<td>0</td>
</tr>
<tr>
<td>2001</td>
<td>.8571%</td>
<td>0</td>
</tr>
<tr>
<td>2002</td>
<td>.8571%</td>
<td>0</td>
</tr>
<tr>
<td>2003</td>
<td>.8571% for hours worked before 9/2003</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>.4286% for hours worked after 9/1/2003*</td>
<td></td>
</tr>
<tr>
<td>2004</td>
<td>.4286%</td>
<td>0</td>
</tr>
<tr>
<td>2005</td>
<td>.4286%</td>
<td>0</td>
</tr>
<tr>
<td>2006</td>
<td>.4286%</td>
<td>0</td>
</tr>
<tr>
<td>2007</td>
<td>.4286%</td>
<td>0</td>
</tr>
</tbody>
</table>

*Contribution Hours worked on or after September 2003 have a benefit factor at 50%, as described above.

**Example of NRB for a Reduced Contribution Rate**

This example illustrates what happens if the Contribution Rate is decreased.

Robert works 1,600 hours in 2007. His Employer and Local Union negotiates a reduction in the Contribution Rate from $3.00 to $2.75 per hour. The reduced Contribution Rate lowers Robert’s NRB for Contribution Hours worked after the reduction. As explained earlier, on or after January 2004 a Contribution Rate is made up of several parts.

After the reduction, Robert’s 2007 Contribution Rate consists of the following:
- \$ 2.03 = Benefit Rate
- \$ .51 = 55/30 Rate
- \$ .21 = Required Increase for 2004 with no increase in 2005

In this **example**, Robert earns a NRB based on a Benefit Rate of $2.03 as follows:

\[1,400 \text{ Contribution Hours} \times \$ 2.03 \times .4286\% = \$ 12.18\]

Robert **does not** earn any benefit on the remaining 200 hours.
5. The Benefit Formula for December 2007

Effective December 1, 2007, the Plan Document was amended to change the benefit factors for Contribution Hours worked in December 2007. The applicable benefit factor is based upon whether all required contribution increases were made during the 2004 through 2007 Plan Years.

If all of the required contribution increases were made, the Normal Retirement Benefit (“NRB”) for Contribution Hours worked in December 2007, is determined as follows:

1.5% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours for the month of December 2007.

If your Employer(s) did not make all of the required contribution increases, the benefit for this month is equivalent to

0.8571% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours for the month of December 2007.

And if the Contribution Rate was decreased, the benefit for this month is equal to

0.4286% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours for the month of December 2007, if the Participant had worked over 1400 hours by December 2007, then no benefit will accrue for this month.


Caution: This benefit formula may be directly affected by the Rehabilitation Plan Schedules adopted by the bargaining parties.

If all of the required contribution increases were made, the Normal Retirement Benefit (“NRB”) for Contribution Hours worked on or after January 1, 2008, is determined as follows:

- 1.5% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours (up to 1200) for such Plan Years; plus

- 0.7% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours (over 1200) for such Plan Year.
THESE BENEFIT FACTORS CONTINUE UNDER THE 2008 ALTERNATIVE SCHEDULE BUT DO NOT CONTINUE IN THE 2008 DEFAULT SCHEDULE.

If not all of the required contribution increases were made, then for each Plan Year beginning on or after January 1, 2008, the benefit factors are:

- 0.8571% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours (up to 1200) for such Plan Year, plus
- 0.3% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours (over 1200) for such Plan Year.

If the Contribution Rate was decreased for any reason, the factors are:

- 0.4286% of the amount determined by multiplying the Participant’s Benefit Rate by his Contribution Hours (up to 1200) for such Plan Year; and
- no accrual for Contribution Hours over 1200.

7. Benefit Formulas after adoption of a Rehabilitation Plan Schedule (For more information on the Rehabilitation Plan and Schedules, go back to the Introduction or go to the Fund’s website www.smwnpf.org and Click on the Pension Protection Act section.)

The percentage or benefit factors that apply to determine a Participant’s Normal Retirement Benefit (“NRB”), before the Rehabilitation Plan takes effect, depends upon whether or not a Participant worked under a Collective Bargaining Agreement that made prior required contribution increases. Going forward, the applicable percentage or benefit factor depends on 2008 Schedule under which a Participant works.

If you work in 2008 after your Local Union and Employer have adopted one of the Schedules under the 2008 Rehabilitation Plan, your benefit for Contribution Hours worked after the adoption will be determined as described in the Schedules, rather than the Plan Document.

A. Benefit factor under the 2008 Alternative Schedule

Under the 2008 Alternative Schedule, the applicable benefit factor is the highest benefit factor available under the NPF Plan Document as explained in Section 6. At present, the benefit factor is 1.5% of contributions on 1200 hours and 0.7% of contributions in excess of 1200 hours.
For Participants working under a Collective Bargaining Agreement which participates in the 55/30 Pension, this same benefit factor applies, but is based on 70% of the Contribution Rate. This adjustment to the Contribution Rate is applied to the cost of eliminating the age reduction factors that apply to other forms of early retirement.

**EXAMPLE OF NRB UNDER 2008 ALTERNATIVE SCHEDULE**

Let’s say in 2008 Mike works 1,600 Contribution Hours at a Contribution Rate of $1.00 per hour. In this example, this Contribution Rate does not include a 55/30 Rate. To calculate Mike’s NRB under the 2008 Alternative Schedule you must determine the total contributions as described below and apply the applicable benefit factors. In this example, Mike earns the following NRB:

\[
\begin{align*}
1200 \text{ hours} \times $1.00 \times 0.015 & = $18.00 \\
400 \text{ hours} \times $1.00 \times 0.007 & = $2.80 \\
\text{Total NRB} & = $20.80
\end{align*}
\]

However, what if this Contribution Rate contained the 55/30 Rate? Then, the benefit is determined as follows. First, the Contribution Rate is adjusted to 70%, or in this example, 70¢. Then calculate as follows:

\[
\begin{align*}
1200 \text{ hours} \times 70\text{¢} \times 0.015 & = $12.60 \\
400 \text{ hours} \times 70\text{¢} \times 0.007 & = $1.96 \\
\text{Total NRB} & = $14.56 \text{ per month on a 55/30 Pension*}
\end{align*}
\]

*This benefit is payable as early as age 55; however, it is only available under the Alternative Schedule and is offered only if the Participant meets all service and other eligibility criteria.

**B. Benefit factor under the 2008 Default Schedule**

**Under the 2008 Default Schedule**, your NRB will not accrue at the same rate as specified in the Fund’s Plan Document or the Alternative Schedule. Instead, the applicable percentage or benefit factor used to determine a Normal Retirement Benefit is 1% of all Contribution Hours worked during a Plan Year. **This benefit factor becomes effective the first of the month after the month in which the 2008 Default Schedule is adopted.**
EXAMPLE OF NRB UNDER 2008 DEFAULT SCHEDULE

Let’s say in 2008 Ray works 1,600 Contribution Hours at a Contribution Rate of $1.00 per hour. To calculate Ray’s NRB under the 2008 Default Schedule you must determine the total contributions and determine 1% of this amount.

1600 hours X $1.00 X .01 (1%) = $16.00 per month payable at NRA

Remember there are no 55/30 Rates under the 2008 Default Schedule

C. Benefit factors are reduced if no Schedule is adopted

The Trustees have encouraged all bargaining parties to adopt either the 2008 Alternative Schedule or the 2008 Default Schedule as soon as possible. At this writing (June 2008), only a few Employers have not adopted either Schedule. If a Local Union and Employer have not adopted one of the 2008 Schedules before September 1, 2008, the benefit factor used to determine a Normal Retirement Benefit will decrease to 0.5% of the contributions as a result of Contribution Hours worked on or after this date.

EXAMPLE OF REDUCED BENEFIT FACTOR

Let’s say that John works 1,600 hours at a Contribution Rate of $1.00 per hour. As of September 1, 2008, his Employer and Local Union had not adopted a Schedule. From September 2008 through December 2008, John worked 640 Contribution Hours. The NRB earned for Contribution Hours worked before September 1, 2008 will be determined as described in the Plan Document and in Section 6; however, for all Contribution Hours worked after this date and until a Schedule has been adopted, John’s NRB will be determined as follows:

640 hours X $1.00 X .005 (.5%) = $3.20 per month payable at NRA

Note that for those Employers and Local Unions that do not adopt one of the Schedules, the Default Schedule may be eventually imposed by operation of law. If after the current Collective Bargaining Agreement expires and no Schedule is adopted, the Default Schedule will be imposed if the bargaining parties reach impasse, or 180 days after the Collective Bargaining Agreement expires.
D. Past Service Credit can add to the Normal Retirement Benefit

As discussed earlier, Past Service Credit is Pension Credit for work performed before contributions started to be paid on a Participant’s behalf.

1. Past Service Credit on or after January 1, 2000

If your Employer first becomes obligated to contribute to the NPF on or after January 1, 2000 at a Contribution Rate of at least 50¢, you may be eligible to receive up to $10 for each year of your Past Service Credit, up to $100. You may be eligible for one year of Past Service Credit for each full year of Future Service Credit you subsequently earn if all requirements are met.

If Past Service Credit is extended you will earn credit as follows:

- A maximum of 10 years, and

- For periods during which you were actively employed by the Employer in a job classification that is now covered under NPF (and not absent due to sick leave, jury duty, parental leave or similar circumstances).

2. Additions to Your Pension for Pre-2000 Past Service

Your NRB may be increased for Past Service Credit that was not used in determining your Normal Retirement Pension as of December 31, 1999 provided that (1) as of December 31, 1999 you had less than 30 years of Future Service Credit, and (2) you later earn 30 or more years of Future Service Credit. Whether or not you receive an increase on this basis will be determined when you choose to begin receiving your pension.

The amount of the increase is 1% of the Pre-2000 Portion of your pension for each year of Past Service Credit that was not used in calculating the Pre-2000 portion of your Normal Retirement Benefit.

For Participants with less than 30 years of Future Service Credit as of December 31, 1999, the Fund takes into account only as much Past Service Credit as needed to total 25 years of Pension Credit, when added to the Future Service Credit earned as of December 31, 1999. Any Past Service Credit used for calculating the Pre-2000 Portion of your pension will not be included.
EXAMPLE OF PAST SERVICE CREDIT NOT USED IN DETERMINING NRB BEFORE 2000

Frank retires on January 1, 2008 with 30 years of Future Service Credit. Since Frank had 22 years of Future Service Credit and five years of Past Service Credit as of December 31, 1999, Frank’s NRB will include an additional amount for his Past Service Credit earned before January 1, 2000 that was not used in calculating his Normal Retirement Pension for Pension Credit earned before 2000.

Three of his years of Past Service Credit were used to calculate the amount of his pre-2000 portion of his pension amount of $1,700 (22 years of Future Service Credit + 3 years of Past Service Credit = 25 year maximum).

Since Frank has two years of Past Service Credit that were not used in calculating the Pre-2000 Portion of his pension amount, $34 (1% of $1,700 x 2, for each of his unused years of Past Service Credit) will be added to the Pre-2000 Portion of his pension, for a total Pre-2000 Portion amount of $1,734.

Remember, Frank’s total monthly Normal Retirement Benefit includes his Pre-2000 Portion amount and his Post-1999 Portion amount.

For the rules regarding eligibility and calculation of Normal Retirement Benefit before January 1, 2000, contact the Fund Office.

EARLY RETIREMENT PENSIONS

As noted throughout, if you, or anyone claiming through you, are overpaid for any reason, the amount of the overpayment should be repaid. The benefit amount may be adjusted to recoup any overpayment.

UNSUBSIDIZED EARLY RETIREMENT FOR PARTICIPANTS WITH RESPECT TO WHOM CONTRIBUTIONS ARE NOT REQUIRED TO BE MADE

As noted in the Introduction, the Fund’s 2008 Rehabilitation Plan makes an allowance “for persons with respect to whom contributions are not required to be made.” These participants have not worked in the two preceding Plan Years from their Effective Date of Pension.

If a Participant retires under NPF before Normal Retirement Age (“NRA”), his pension is actuarially reduced to take into account the fact that benefits will be paid for a longer period. For instance, a Participant who retires at 55 and lives until age 85 receives 30 years of monthly payments; a Participant that retires at 65 and lives to age 85 receives 20 years of monthly payments.
The NPF had been providing subsidized early retirement pensions and disability benefits, which means that these benefits were not fully reduced to take into account the commencement of the benefit at an earlier age. The difference between the full actuarial reduction and the actual reduction is an early retirement “subsidy.”

For a Participant with respect to whom contributions are not required to be made who retires before NRA and on or after March 1, 2008, there is no “subsidy” in his benefit. Therefore, the Participant’s early retirement pension will be less than the amount specified in the NPF Plan Document (as in effect before March 1, 2008) and less than those found in the 2008 Alternative and Default Schedules.

**TRUE ACTUARIAL EQUIVALENT EARLY RETIREMENT REDUCTION FACTORS (FROM NORMAL RETIREMENT AGE 65)**

<table>
<thead>
<tr>
<th>Age in Years</th>
<th>Factor</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>0.3659</td>
</tr>
<tr>
<td>56</td>
<td>0.4012</td>
</tr>
<tr>
<td>57</td>
<td>0.4407</td>
</tr>
<tr>
<td>58</td>
<td>0.4848</td>
</tr>
<tr>
<td>59</td>
<td>0.5343</td>
</tr>
<tr>
<td>60</td>
<td>0.5899</td>
</tr>
<tr>
<td>61</td>
<td>0.6526</td>
</tr>
<tr>
<td>62</td>
<td>0.7235</td>
</tr>
<tr>
<td>63</td>
<td>0.8039</td>
</tr>
<tr>
<td>64</td>
<td>0.8954</td>
</tr>
<tr>
<td>65</td>
<td>1.00</td>
</tr>
</tbody>
</table>
EXAMPLE OF UNSUBSIDIZED EARLY RETIREMENT

John decides to retire on an early retirement pension at age 57. Since he has not worked in the past couple of years, he is deemed a Participant for whom no contributions are due. In light of this, he is not entitled to any early retirement subsidies. John’s NRB is $2,000 per month. As he is age 57 he is entitled to .4407 of his NRB. To calculate John’s unsubsidized early retirement pension:

\[
\text{John's NRB} \times .4407 = 2,000 \times .4407 = 882.00^* 
\]

* Benefit amounts are rounded up to the next highest dollar.

STANDARD EARLY RETIREMENT PENSION

Eligibility for a Standard Early Retirement Pension

This is the only form of Early Retirement Pension available under the Default Schedule and is also available under the Alternative Schedule. You will receive an Early Retirement Pension if you have reached age 55 and you have:

- At least 15 years of Pension Credit and at least 12 months of Future Service Credit, or
- At least 10 years of Pension Credit (which includes at least 60 months of Future Service Credit) or
- At least 10 Years of Service.

Your early retirement date may be delayed by six months for each calendar quarter you work at least one hour in employment in the Sheet Metal Industry that is not covered by a Union collective bargaining agreement (“non-signatory employment”). The delay may be eliminated if you return to Covered Employment and earn Pension Credit equal to the period of time you worked in non-signatory employment. The ability to avoid the delay applies only to your first return to work after non-signatory employment. Contact the Fund Office if you have questions about delayed early retirement.

Standard Early Retirement Pension Amount for Effective Dates before March 1, 2008

Because your Early Retirement Pension will generally be paid over a longer period of time, the monthly benefit is reduced. Your Standard Early Retirement Pension is calculated like your Normal Retirement Benefit (“NRB”), and then
reduced by the following percentages, based on the number of years and months you are younger than age 65 when you retire:

- 1/4 of 1% (.0025) for each month (3% per year) from age 65 to age 62, and
- 1/2 of 1% (.005) for each month (6% per year) from age 62 to 55.

**EXAMPLE OF STANDARD EARLY RETIREMENT PENSION FOR EFFECTIVE DATES BEFORE FEBRUARY 29, 2008**

Bob is eligible for and decides to retire with an Early Retirement Pension at age 58, exactly seven years before age 65. Bob’s NRB is $720 per month. To calculate Bob’s Early Retirement Pension:

Bob’s NRB/ Pension at Normal Retirement Age $720.00

Subtract the following two amounts:

- 3% per year between age 65 and 62 or 9% of $720 - $64.80
- 6% per year between age 62 and 58 or 24% of 720 - $172.80

Early Retirement Pension $483.00*

* Benefit amounts are rounded up to the next highest dollar.

**Standard Early Retirement Pension Amount under the 2008 Default and Alternative Schedules**

For Participants with an Effective Date of March 1, 2008 or later, the amount of the standard Early Retirement Pension is reduced for Participants who worked under either Schedule. First, determine the amount of your NRB. Then, reduce that amount by 1/2 of 1% (.005) for each month you are younger than age 65 when you retire.

**EXAMPLE OF STANDARD EARLY RETIREMENT PENSION UNDER 2008 REHABILITATION PLAN**

Jane decides to retire on a Standard Early Retirement Pension at age 58, exactly seven years before age 65. Jane’s Normal Retirement Benefit is $720 per month. To calculate Jane’s Early Retirement Pension:

Jane’s NRB $720.00

Subtract the following:

- 6% per year between age 65 and 58 or 42% of $720 - $302.40

Early Retirement Pension under either the Alternative or Default Schedule $418.00*

* Benefit amounts are rounded up to the next highest dollar.
SPECIAL EARLY RETIREMENT PENSION

Eligibility for a Special Early Retirement Pension

You may receive a Special Early Retirement Pension as early as age 55 if you meet the following requirements:

- You meet the requirements for a Standard Early Retirement Pension
- You are a Non-Construction Employee, or if
- You are a Construction Employee and have 3,500 Hours of Work in Covered Employment in the five calendar year period immediately before:
  - The calendar year in which you apply for your pension, or
  - If earlier, the year in which you begin to receive pension benefits with no reduction for age from another multiemployer defined benefit pension fund that is signed to the International Reciprocal Agreement for Sheet Metal Workers’ Pension Funds.

Note: For Participants with an Effective Date March 1, 2008 or later this pension is only available if you are covered by the Alternative Schedule.

Your early retirement date for the Special Early Retirement Pension may be delayed for non-signatory employment under the same rules applicable to Early Retirement Pensions as discussed in the preceding section.

Special Early Retirement Pension Amount for Effective Dates before March 1, 2008

Your Special Early Retirement Pension will be reduced only if you are younger than age 62. Your Special Early Retirement Pension is calculated like your NRB and then reduced by:

- 1/4 of 1% (.0025) for each month (3% per year) from age 62 to 60, and
- 1/2 of 1% (.005) for each month (6% per year) from age 60 to 55.
**EXAMPLE OF SPECIAL EARLY RETIREMENT PENSION FOR EFFECTIVE DATES BEFORE FEBRUARY 29, 2008**

Sam decides to retire on a Special Early Retirement Pension at age 58 and 2 months. Sam’s Normal Retirement Benefit is $860 per month. To calculate Sam’s Special Early Retirement Pension:

- Sam’s NRB: $860.00
- Subtract the following amount:
  - $860 x 6% (1/4% x 24 months younger than age 62 but older than age 60) - $51.60
  - $860 x 11% (1/2% x 22 months younger than age 60) - $94.60
- Special Early Retirement Pension: $714.00*

*Benefit amounts are rounded up to the next highest dollar.

**Special Early Retirement Pension Amount for Effective Dates on or after March 1, 2008**

Even under the Alternative Schedule, your Special Early Retirement Pension will be reduced only if you are younger than age 62; however, the benefit amount payable under age 62 is less under the Alternative Schedule than the amount in the Plan Document. First, determine your Normal Retirement Benefit and then reduce that amount by: 1/2 of 1% (.005) for each month (6% per year) from age 62 to 55.

**EXAMPLE OF SPECIAL EARLY RETIREMENT PENSION UNDER 2008 ALTERNATIVE SCHEDULE**

Pat is eligible and decides to retire with a Special Early Retirement Pension at age 58 and 2 months. Pat’s NRB is $860 per month. To calculate Pat’s Special Early Retirement Pension:

- Pat’s NRB: $860.00
- Subtract the following amount:
  - Take 1/2 of 1% for each month Pat is younger than age 62 (or 23% of $860) - $197.80
- Special Early Retirement Pension under the Alternative Schedule: $663.00*

*Benefit amounts are rounded up to the next highest dollar.

(Note, there is no Special Early Retirement Pension in the Default Schedule)
55/30 PENSION

Eligibility for a 55/30 Pension (not available under the Default Schedule)
The 55/30 Pension provides an unreduced pension at age 55. If you retire on or after January 2006, you are eligible for a 55/30 Pension if you have reached age 55 and:

- Your Local Union adopted the 55/30 Pension no later than December 31, 2005,

- You are not covered by the Default Schedule,

- Have 3,500 Hours of Work under a Contribution Rate that includes the 55/30 Rate within the five calendar years immediately before the calendar year in which you apply for your pension, and

- Have at least 60 months out of the last 120 months of Future Service Credit in a position that is subject to the 55/30 Rate before your retirement.

- Meet the requirements for a Special Early Retirement Pension,

- Have 30 years (360 months) of Future Service Credit.

If you work at least one hour in employment in the Sheet Metal Industry that is not covered by a Union collective bargaining agreement at any time after your Contribution Date (‘non-signatory employment”), you will not be eligible for a 55/30 Pension. However, you may restore your eligibility if you return to Covered Employment and earn a number of months of Pension Credit that equals the number of months during which you were employed for at least one hour in non-signatory employment.

55/30 Pension Amount
The 55/30 Pension is equal to the amount of the Normal Retirement Benefit. It is not reduced for age if you retire before age 65. This continues to be the case if you are covered by the 2008 Alternative Schedule.

PRO RATA PENSION
NPF participates in the International Reciprocal Agreement for Sheet Metal Workers’ Pension Funds (“Reciprocal Agreement”). This agreement may enable you to meet the eligibility requirements for a pension in the event:

- You would otherwise lack sufficient credit to be eligible for any pension because your years of employment were divided between pension funds, or
You are eligible for a pension and your pension would be less because of the division of employment.

Under the Pro Rata part of the Agreement, you may be entitled to use Pension Credit earned under another pension plan that participates in the Reciprocal Agreement to determine if you have reached Vested Status or to qualify for an NPF pension. When you apply for pension benefits, you should let the Fund Office know that you have service under another pension fund. Of course, like all forms of benefits available under the Plan Document, the Pro Rata Pension is subject to the terms of the Rehabilitation Plan and Schedules.

In some instances, contributions made to one plan may be transferred to the other plan. Check with your Local Union or the Fund Office before you request a transfer of contributions.

**Eligibility for a Pro Rata Pension**
You are eligible for a Pro Rata Pension if you:

- Would be eligible for any type of pension under the Plan Document (other than a Pro Rata Pension) if your combined Pension Credit were treated as Pension Credit under this Fund,

- Have at least one year of Pension Credit under this Fund based on hours of employment for which NPF contributions were payable, and

- Are eligible for a Pro Rata Pension from NPF and at least one Related Plan.

**Pro Rata Pension Amount**
The amount of the Pro Rata Pension payable by each fund that has signed the Reciprocal Agreement will be based on the Pension Credit and benefit levels you earn under each plan.

**DISABILITY BENEFITS**
See the section Becoming Disabled for information about the Full Disability Benefit and the Industry-Related Disability Benefit that was formerly available. Disability Benefits are not pension benefits and are subject to modification or termination. If you are eligible for early retirement benefits, you will not be eligible for a Full Disability Benefit. If you are eligible, your benefit will be calculated as if you were eligible for an early retirement pension (under the various versions outlined above) but had not yet reached age 55.
Forms of Benefit Payment

How your benefit will be paid depends on your marital status when you retire. If you are unmarried when you retire, generally you will receive your benefits as a Lifetime Pension. Preceding examples reflected Lifetime Pension Amounts. If you are married when you retire, the standard form of benefit is a 50% Husband-and-Wife Pension.

You may be eligible, however, to elect an optional form of payment. If you are married and should elect a form of payment which does not provide a monthly lifetime benefit to your spouse after your death, your spouse will be required to complete a notarized Husband-and-Wife Rejection form before benefits can commence.

LIFETIME PENSION

The Lifetime Pension provides you with monthly pension payments for your lifetime, with no surviving spouse benefit. Your monthly pension amount is not reduced for this form of payment although it may be reduced for other reasons. Even a “Lifetime Pension” may be stopped or suspended if you work in Disqualifying Employment. It may be adjusted if you are overpaid or underpaid for any reason.

If you had 15 or more years of Pension Credit when you retired and you die before receiving 60 monthly payments, your beneficiary will receive the balance of the 60 payments. This does not apply if you retire under any form of Disability Benefit. If you retired before March 1, 2008 and chose the Level Income Option, this guarantee would not apply.

EXAMPLE OF 60 MONTHLY PAYMENTS GUARANTEE

Tony, who had more than 15 years of Pension Credit, is not married when he retires at age 65 and begins receiving a pension of $925 per month. Tony named his sister Mary as his beneficiary. Tony dies three years later after receiving 36 pension payments. Mary will receive 24 payments of $925 per month after Tony’s death.

50% HUSBAND-AND-WIFE PENSION (JOINT AND SURVIVOR ANNUITY)

The 50% Husband-and-Wife Pension provides a lifetime pension for you. At your death, your spouse will receive a lifetime pension of 50% of the amount you were receiving before your death. The amount of your benefit is reduced to provide for a lifetime benefit for your spouse. If you retired March 1, 1999 or later and your spouse dies before you, your pension will increase (or “pop-up”) to the amount...
that would have been paid as though you had waived the Husband-and-Wife Pension. It may also apply prior to March 1, 1999 if it was specifically elected at retirement. Note, however, no increase occurs if you are drawing a Full Disability Benefit or Industry-Related Disability Benefit paid in the Husband-and-Wife Pension form of payment. In the event your spouse should pre-decease you, you are required to send the NPF a certified death certificate verifying your spouse’s death before the monthly benefit can be adjusted.

If you are married and you receive the Normal, Early Retirement, Special Early Retirement or a 55/30 Pension in the form of a 50% Husband-and-Wife Pension and you had earned at least 15 years of Pension Credit, the Fund provides you with 60 guaranteed payments. The provision works this way. If you and your spouse die before 60 payments have been made either to you or your spouse before death, your designated beneficiary will receive the difference between payments received and 60 months.

Of course, like all forms of benefits, if you, your surviving spouse or Beneficiary is overpaid for any reason, the amount of the overpayment should be repaid. The amount of future benefits may be adjusted to recoup any overpayment.

**EXAMPLE OF 50% HUSBAND-AND-WIFE PENSION WITH 60 MONTH GUARANTEE**

John has earned more than 15 years of Pension Credit, and is married to Betty when he retires at age 65 on a 50% Husband-and-Wife Pension of $875 per month. John’s monthly pension before reduction for the Husband-and-Wife Pension form of payment was $950. John named his daughter Andrea as his beneficiary in the event of both his and his wife’s death.

John dies two years later after receiving 24 pension payments. Betty begins receiving payments of 50% of the amount John was receiving and dies after receiving 12 payments. Andrea will receive the balance of the payments not received by John and Betty. Andrea will receive monthly payments of $950 per month until she has received a total of $30,744 calculated as follows:

\[
\begin{align*}
60 \text{ payments} \times \text{pension amount without} \\
\text{the Husband-and-Wife election} (60 \times \$950) & \quad \$57,000 \\
\text{Minus pension payments received by John} (\$875 \times 24 \text{ payments}) & \quad - \quad \$21,000 \\
\text{Minus pension payments received by Betty} (\$438 \times 12 \text{ payments}) & \quad - \quad \$5,256 \\
\text{Total amount paid to Andrea as Beneficiary} & \quad \$30,744
\end{align*}
\]
To be eligible for the Husband-and-Wife Pension, you and your spouse must be married to each other on the Effective Date of your pension and the present value of your pension must exceed $1,000.

You and your spouse may reject this form of pension (or disability benefit) if you do so in writing. The Fund Office will provide you with the required forms to elect or reject the 50% Husband-and-Wife Pension at the time you apply for your pension. You may then elect any one of the optional forms of payment described in this booklet.

**It is important to note that once your pension becomes payable it will not increase if you and your spouse divorce.**

**50% Husband-and-Wife Pension Amount**

If your pension is paid as a 50% Husband-and-Wife Pension, the following reduction factors will be applied to the amount otherwise payable.

**Normal, Early, Special Early and 55/30 Pension(s)**

Multiply the amount of the Lifetime Pension, after applicable age reductions, by 90% plus 0.4% for each full year that your spouse’s age is greater than your age or minus 0.4% for each full year that your spouse’s age is younger than your age. The maximum factor to be used is 99%.

**Disability Benefit**

Multiply the Disability Benefit otherwise payable, by 82% plus 0.4% for each full year that your spouse’s age is greater than your age or minus 0.4% for each full year that your spouse’s age is younger than your age. The maximum factor to be used is 99%.

**Again, once your pension or disability benefit becomes payable it will not increase if you and your spouse divorce.**
EXAMPLE OF 50% HUSBAND-AND-WIFE PENSION

Mark retires at age 55 and his Lifetime Pension is $972 per month. Mark and his wife Sue decide that they wish to receive his pension as a 50% Husband-and-Wife Pension. Sue is 3 years younger than Mark. Mark’s 50% Husband-and-Wife Pension is calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifetime Pension</td>
<td>$972.00</td>
</tr>
<tr>
<td>90% minus 1.2% (3 x 0.4%) for the 3 years Sue is younger than Mark</td>
<td>88.8%</td>
</tr>
<tr>
<td>50% Husband-and-Wife Pension</td>
<td>$864.00*</td>
</tr>
</tbody>
</table>

If Mark were receiving a Full Disability Benefit, his 50% Husband-and-Wife Pension would be calculated as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lifetime Benefit</td>
<td>$972.00</td>
</tr>
<tr>
<td>82% minus 1.2% (3 x 0.4%) for the 3 years Sue is younger than Mark</td>
<td>80.8%</td>
</tr>
<tr>
<td>50% Husband-and-Wife Full Disability Benefit</td>
<td>$786.00*</td>
</tr>
</tbody>
</table>

*Benefit amounts are rounded up to the next highest dollar.

100% HUSBAND-AND-WIFE PENSION

The 100% Husband-and-Wife Pension provides a reduced lifetime pension for you. After your death, your spouse may receive a lifetime pension of 100% of the amount you received before your death. You may choose this form of payment if you retire on a Normal Retirement or Early Retirement. It is not available for Disability Benefits.

The amount of your benefit is reduced to provide this extra protection for your spouse. However, if your spouse dies before you, your pension will increase to the amount that would have been paid as though you had declined the Husband-and-Wife Pension provided that you retired March 1, 1999 or later. As always, once your pension becomes payable it will not increase if you and your spouse divorce.

The same eligibility rules apply to the 100% Husband-and-Wife Pension as apply to the 75% and 50% Husband-and-Wife Pension(s).

Please note that this type of pension does not provide for any guarantees after the death of you and your spouse.

100% Husband-and-Wife Pension Amount

If your pension is paid in the form of a 100% Husband-and-Wife Pension, the following reduction factors will be applied to the amount otherwise payable. To calculate the 100% Husband-and-Wife Pension, multiply the full amount...
of the pension otherwise payable by 84% plus 0.7% for each full year that your spouse's age is greater than your age or minus 0.7% for each full year that your spouse's age is younger than your age. The maximum factor to be used is 99%.

EXAMPLE OF 100% HUSBAND-AND-WIFE PENSION

Kevin retires at age 65 and his Normal Retirement Pension is $1,000 per month. Kevin and his wife Maureen decide that they wish to receive his pension as a 100% Husband-and-Wife Pension. Maureen is 4 years younger than Kevin. Kevin's 100% Husband-and-Wife Pension is calculated as follows:

<table>
<thead>
<tr>
<th>Normal Retirement Pension</th>
<th>$1,000</th>
</tr>
</thead>
<tbody>
<tr>
<td>84% minus 2.8% (4 x 0.7%) for the 4 years Maureen is younger than Kevin</td>
<td>x 81.2%</td>
</tr>
<tr>
<td>100% Husband-and-Wife Pension</td>
<td>$812</td>
</tr>
</tbody>
</table>

75% HUSBAND-AND-WIFE PENSION

The 75% Husband-and-Wife Pension provides a reduced lifetime pension for you. After your death, your spouse may receive a lifetime pension of 75% of the amount you received before your death. You may choose this form of payment if you retire on a Normal Retirement or Early Retirement. It is not available for Disability Benefits.

The amount of your benefit is reduced to provide this extra protection for your spouse. However, if your spouse dies before you, your pension will increase to the amount that would have been paid as though you had declined the Husband-and-Wife Pension. As always, once your pension becomes payable it will not increase if you and your spouse divorce.

The same eligibility rules apply to the 75% Husband-and-Wife Pension as apply to the 50% and 100% Husband-and-Wife Pension(s).

Please note that this type of pension does not provide for any guarantees after the death of you and your spouse.

75% Husband-and-Wife Pension Amount

If your pension is paid in the form of a 75% Husband-and-Wife Pension, the following reduction factors will be applied to the amount otherwise payable. To calculate the 75% Husband-and-Wife Pension, multiply the full amount of the pension otherwise payable by 85.5% plus 0.6% for each full year that your spouse's age is greater than your age or minus 0.6% for each full year that your spouse's age is younger. In the event that the difference in the spouse's age is equal to or greater than 16 years then this optional form would be further increased by .7% for every year thereafter with a maximum factor of 99%.
EXAMPLE OF 75% HUSBAND-AND-WIFE PENSION

Patrick retires at age 65 and his Normal Retirement Pension is $1,000 per month. Patrick and his wife Mary decide that they wish to receive his pension as a 75% Husband-and-Wife Pension. Mary is 1 year younger than Patrick. The 75% Husband-and-Wife Pension is calculated as follows:

\[
\begin{align*}
\text{Normal Retirement Pension} & \quad \$1,000 \\
85.5\% \text{ minus } .6\% \left(1 \times 0.6\%\right) \text{ for the 1 year Mary is younger than Patrick} & \quad \times 84.9\% \\
75\% \text{ Husband-and-Wife Pension} & \quad \$849.00 \\
\end{align*}
\]

*Benefit amounts are rounded up to the next highest dollar.

120 CERTAIN PAYMENTS OPTION

This option is eliminated under the 2008 Alternative and Default Schedules. You were eligible to elect the 120 Certain Payments Option if:

- You retire with the NPF before December 31, 2008 and before Notice is given that this benefit option has been eliminated, and
- You retire with at least 10 Years of Service or 10 years of Pension Credit, and
- You retire on a Normal Retirement or Early Retirement, and
- **You and your spouse reject the Husband-and-Wife form of payment.**

This form of payment provides that you will receive a reduced monthly benefit in return for the guarantee that if you die before receiving a total of 120 payments, your pension will continue to be paid to your designated beneficiary until a total of 120 monthly payments has been made.

Under this form of payment, benefits are paid to you for your lifetime. If you receive 120 or more payments during your lifetime, then nothing is payable to your beneficiary upon your death. However, if you die before you receive 120 monthly payments, your beneficiary will receive the balance of the payments.

You may not choose this form of payment in combination with any other form of benefit. If you choose this form of payment, the 60 guaranteed payments provision will not apply and you and your spouse must reject the Husband-and-Wife Pension payment form.
120 Certain Payments Option Amount

If you elect this form of payment, the pension which you would otherwise receive is reduced based on your age as shown in the following table:

<table>
<thead>
<tr>
<th>YOUR AGE ON THE EFFECTIVE DATE OF YOUR PENSION</th>
<th>FACTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>.9780</td>
</tr>
<tr>
<td>56</td>
<td>.9756</td>
</tr>
<tr>
<td>57</td>
<td>.9730</td>
</tr>
<tr>
<td>58</td>
<td>.9700</td>
</tr>
<tr>
<td>59</td>
<td>.9666</td>
</tr>
<tr>
<td>60</td>
<td>.9627</td>
</tr>
<tr>
<td>61</td>
<td>.9584</td>
</tr>
<tr>
<td>62</td>
<td>.9535</td>
</tr>
<tr>
<td>63</td>
<td>.9480</td>
</tr>
<tr>
<td>64</td>
<td>.9419</td>
</tr>
<tr>
<td>65</td>
<td>.9352</td>
</tr>
</tbody>
</table>

Example of 120 Certain Payment Option

David retires at age 65 and his Normal Retirement Pension is $1,000 per month. David is eligible for and chooses the 120 Certain Payments Option and names his brother John as his beneficiary. David's pension amount is calculated as follows:

- Normal Retirement Pension: $1,000
- Reduction factor for age 65: 0.9352
- David's 120 Certain Payments Option Monthly Pension: $936*

David dies after receiving 70 payments. David's brother John will receive 50 payments (120 payments less the 70 already received by David) in the same amount that David was receiving.

* Benefit amounts are rounded up to the next highest dollar.

Level Income Option

Eliminated February 29, 2008 pursuant to ERISA

If your Effective Date of Pension was before March 1, 2008, you could choose the Level Income Option form of payment if:

- You retire with at least 10 Years of Service or 10 years of Pension Credit,
• You chose a Standard Early Retirement, Special Early Retirement or 55/30 Pension, and

• You are younger than age 65 when you retire.

**Level Income Option Amount**

Under the former Level Income Option you could retire before age 65 and receive approximately the same monthly income for life based on estimated Social Security benefits you could receive either at age 62 or age 65. Note that your actual Social Security benefits could vary greatly from the estimate.

If you elected this form of payment, the monthly pension paid to you before age 62 or age 65 was increased by multiples of each $1.00 by which the monthly benefit will be reduced after age 62 or age 65. These multiples are reflected in the Plan Document. You were not eligible to elect this form of payment if the pension would be less than $15 per month when you reach age 62 or 65. Although the Summary Plan Description and Plan Document refer to Social Security benefits, NPF benefits under the Level Income Option are independent of the Social Security benefits provided by the federal government.

*For additional information, refer to the 2002 Summary Plan Description or the Plan Document.*

**SMALL BENEFIT PAYMENT**

If the actuarial present value of your monthly pension payment as of your Effective Date is $1,000 or less, it will be paid to you as a single lump sum. Once a lump sum payment is made, no additional benefits will be paid to you, your spouse or any other person claiming through you.

If the actuarial present value of your monthly pension benefit as of your Effective Date is greater than $1,000 and does not exceed $5,000, you may elect to have it paid in a single lump sum. This payment will be in place of any monthly benefit payments to you, your spouse or any other person claiming through you.

**Rollovers**

If you receive a small benefit payment that is eligible for a rollover, you may roll over all or part of it to an individual retirement account (IRA) or another qualified plan. If you do not choose to roll over the small benefit payment, federal law requires the Fund to withhold 20% of the total amount for federal income tax withholding.
BEGINNING DATE OF BENEFITS

If you are not working in Disqualifying Employment and elect to postpone your NPF pension beyond Normal Retirement (age 65 for most Participants) your benefit will be actuarially adjusted for each month the benefit is delayed. The adjustment is an increase of 1% of the Normal Retirement Pension for each month beginning the 60th day after the calendar year in which you attained age 65 and before age 70 at which time it increases to $1\frac{1}{2}$% for each month thereafter until your effective date of pension.

*Remember you must not be working in Disqualifying Employment in order to be eligible for this increase.*

Note that benefits can not begin any sooner than the month after you have filed your application and fulfilled all requirements for payment. However, if you reach age 70\(\frac{1}{2}\) in any calendar year after January 1, 1988, your pension payments must begin no later than April 1 of the year after the year in which you reach age 70\(\frac{1}{2}\) regardless of your continued work in Disqualifying Employment or whether you want to draw a benefit or not.

If you are unwilling to complete the required application and/or provide required information, the NPF will begin payments to you in the form of a 50% Husband-and-Wife Pension with a spouse three (3) years younger, regardless of your personal circumstances. If after benefits begin you submit an application and all required information, your pension will be adjusted the following month. There will be no adjustment in payments received prior to receipt of this information.

OVERPAYMENTS

A Participant, Beneficiary or alternate payee should only receive the amount and form of benefits described in the Plan Document, Rehabilitation Plan and Schedules, as they are amended from time to time. If you, any Beneficiary, or alternate payees receives an overpayment of benefits, and the overpayment is not repaid, the Fund will reduce or offset any future benefits in order to recoup the overpayment. Overpayments will be recovered regardless of whether the overpayment was caused by a mistake by the Fund, by you, or for any other reason.
Applying for Your Benefit

You must file a written application in advance of the first month for which you would like your benefits to begin. For example, if you want your payments to start on September 1, the NPF must receive your full and complete written application no later than August 31. It should be noted that the Fund Office cannot accept an application in advance of six (6) months of your expected retirement date.

To obtain an application, write the Fund Office or print one from our website at www.smwnpf.org. Your Local Union office may also have NPF applications on hand. You must submit proof of age with your application and provide any information required to process your application, including a list of employers for whom you have worked.

The Trustees will rely on the information you provide in your application to determine your eligibility and the amount of your benefits. If the Fund Office determines additional information is needed in order to determine your eligibility, your benefit amount, and/or required documentation to initiate pension payments you will be contacted. If at any time you, your representative or your Beneficiary provides inaccurate or incomplete information related to your claim your benefit may be denied, suspended or discontinued. If this were to occur the Trustees have the right to recover any benefit payments which relied on the inaccurate information.

Additionally, it is your responsibility to respond to all inquiries made by the Fund Office within 90-days of the request. If you do not respond within this timeframe your application will be cancelled and treated as if it had never been filed with the Fund. This means you must file a new application and that you will have a later Effective Date than the one which you had earlier requested.
You must submit your written application to:
Sheet Metal Workers’ National Pension Fund
ATTN: Pension Benefits Department
Edward F. Carlough Plaza
601 N. Fairfax Street, Suite 500
Alexandria, Virginia 22314

Do not file your application with either your Local Union or your Employer. If you do so, your benefit may be delayed. If additional information is needed, the Fund will notify you.

Generally, the Fund provides an explanation of the forms of payments and amount of those payments for which you are eligible within 30 to 90 days after you file your application. In some cases, additional time may be necessary.

Disability Benefit Applications
If your claim is for a Disability Benefit, you will receive written notice of a decision on your initial claim within 45 days of receipt of your claim. If additional time is required to make a determination on your claim (for good cause), you will be notified within this time. The Fund may extend this 45-day period up to an additional 60 days maximum. However, if a determination is not made within the first 75 days, you will be notified that an additional 30 days is necessary.

In some instances, the Fund may require additional information to process and make a determination on your claim for a Disability Benefit. If such information is required, the Fund will notify you within 45 days of receiving your request. You then have up to 45 days in which to submit the additional information. If you do not provide the information within this time, then your claim may be denied.

If you disagree with the Fund’s determination...
If you do not agree with any determination, it is your responsibility to provide necessary proof to substantiate your claim to additional Pension Credit, any form of Disability Benefit, and/or an increase in your benefit under the Plan Document, or the Rehabilitation Plan and Schedules. To protect your rights, you should contact the Fund Office if you have not received a response within 90 days after filing your application. See section below, “If your application is Denied.”

Please understand that all information given to you before application for retirement is strictly for informational purposes and is not binding; if a mistake...
is made, you or anyone claiming through you will be paid the corrected amount, even if less than the estimated amount. Also, if at any time the Fund determines that you, your Beneficiary, or alternate payee is overpaid for any reason, the Fund must be reimbursed. If reimbursement has not been received, the Fund will offset future payments to recoup any overpayment.

You may consider your claim to be denied if you do not receive a response to your application for benefits within 180 days of the date the Fund Office receives it. You then have the right to request a review.

If your application for a pension is denied, but you qualify for benefits at a later date, you should reapply for a pension. The Effective Date of your pension, once you meet all requirements, will be determined based on the date the Fund Office receives your reapplication.

**WHEN YOUR BENEFITS BEGIN**

All pensions are effective as of the first of the month. You may apply for your pension while you are still working and you may continue to work up until the Effective Date of your pension. A Disability Benefit will not be effective until the later of: the seventh month after the date of your disability onset, or your last day of work in Covered Employment, or the month that follows receipt of your application by the Fund Office. Please file your application early to avoid a delay in receiving payments.

However, the federal law and the Plan Document require that you start receiving your pension payments by April 1 of the calendar year following the calendar year in which you reach age 70\(\frac{1}{2}\).

**IF YOUR APPLICATION IS DENIED**

If your application is denied, the Fund will send you a written explanation of the decision. This notice of denial will include:

- The specific reason or reasons for the denial,
- Specific references to the applicable provisions of the Plan Document, Rehabilitation Plan and Schedules on which the denial is based,
- A description of any additional material or information you need to submit to perfect your claim and an explanation of why additional material or information is necessary,
- Appropriate information about the steps you must take to submit the claim for further review, and
• A statement of your rights, under ERISA, to bring a civil action.

In general, to receive further review, you must appeal the denial of your claim in writing and you must send your appeal to the Fund Office. If you wish to appeal a determination, it is your responsibility to provide necessary proof to substantiate your claim to additional Pension Credit, any form of Disability Benefit, and/or an increase in your benefit to which you believe you are due under the Plan Document, or the Rehabilitation Plan and Schedules. You should also submit any other information relevant to your claim. You must submit your request for review within 180 days of the date you receive the notice of denial. You or your authorized representative may review pertinent documents and may submit issues and comments with your written appeal. If you do not appeal within 180 days of the date you receive the notice of denial, you have waived your appeal rights. In that event, your only remedy is to initiate an action at law or in court within 90 days after the end of the 180 day appeal period.

It should be noted that any action is time-barred at 270 days after denial, and an action may be subject to dismissal for failure to exhaust your appeal rights as set forth here and in the Plan Document.

In addition, at this writing there may be appeals related to Participants who applied for the former Industry-Related Disability Benefit. If an appeal relates to this, the Participant may be entitled to additional information as described in the previous Summary Plan Description and Plan Document.

REVIEW PROCEDURE

If your application is denied, or you disagree with the benefit amount or the benefit option offered to you, you may ask the Appeals Committee of the Board of Trustees to review your claims. You must appeal in writing. You are responsible for providing all necessary proof, information, documentation and the like to the Appeals Committee substantiating your claim for benefits. The Appeals Committee meets quarterly. The Appeals Committee generally will decide on your request for review at its next regularly scheduled meeting. However, if the Fund Office receives your request for review less than 30 days before the meeting, the decision may be made at the second meeting following receipt of your request for review. If special circumstances require an extension, the decision may be made as late as the third meeting following receipt of your request. You will be given written notice of the extension before the date of the review.

Generally for Disability Benefit claims, a decision will be made within 45 days of submission of your written appeal and the Fund will notify you within five days after the decision is made. If special circumstances require an extension of time, a decision will be made no later than 90 days after the date the Fund
receives your request for review. However, the Fund may also make a decision at the next Appeals Committee meeting, unless your request is received within 30 days of that meeting in which case the appeal will be considered at the next following meeting.

The decision of the Appeals Committee is issued in writing. The decision will include the specific reasons for the decision and specific reference to the provisions of Plan Document, Rehabilitation Plan and Schedules on which the decision is based. In addition, you will receive a statement notifying you:

- That you have the right to request a free copy of all documents, records and information relevant to your claim,
- That you may bring a civil action suit under ERISA.

The Appeals Committee has the sole and absolute power, authority and discretion to:

- Interpret and apply the provisions of the Plan Document, Rehabilitation Plan and Schedules,
- Determine all questions of coverage and eligibility,
- Determine methods of providing or arranging for benefits, and
- Determine the standard of proof in any case.

The decision of the Appeals Committee will be accorded judicial deference in any court action or other proceeding you may bring after the decision on your appeal, unless the decision is found to be arbitrary or capricious.

The decision of the Appeals Committee is final and binding on all concerned. If you do not receive notice of a decision within the appeal period, the appeal is considered to be denied.

You must comply with the Fund’s procedures for review of your denied claim before you bring any action at court. No action in court may be brought against the Fund with respect to a claim more than 90 days after you receive the denial of your appeal. If you fail to file an appeal or follow these procedures, your court action or other action may be dismissed for failure to exhaust administrative remedies.

**Important — you must exhaust the Fund’s claims procedures before bringing any court action for benefits.**
Work in the Sheet Metal Industry that is not covered by a Union collective bargaining agreement (“non-signatory employment”)

Your potential benefit may be affected if you perform at least one hour of employment in the Sheet Metal Industry that is not covered by a collective bargaining agreement between the Union (SMWIA) and an employer on or after September 1, 1988. In brief, this is referred to as “non-signatory employment.” The Plan Document defines work in the Sheet Metal Industry as any and all types of work covered by collective bargaining agreements to which the Union and/or any Local are a party; or under the trade jurisdiction of the Union, as that trade jurisdiction is described in the Sheet Metal Workers’ International Association’s (SMWIA) constitution; or in a related building trade; or any other work to which a sheet metal worker has been assigned, referred, or can perform because of his skills and training as a sheet metal worker.

When you work non-signatory employment, you affect your benefits as follows:

- You will lose all Past Service Credit for the purpose of calculating your benefit; however, this loss will not decrease the NRB you had accrued as of August 31, 1988 or cause a loss of any vested benefit accrued before you performed non-signatory work.

- Any benefit you have earned based on Pension Credit earned on or after September 1, 1988 will not be used in determining your initial monthly pension if you elect any form of early retirement. This portion of your benefit will be delayed six months for each calendar quarter in which you performed one hour or more of this type of work. However, this benefit will not be delayed beyond Normal Retirement Age (65).

- In the event that you have been receiving benefits and you return to work in the Sheet Metal Industry with an employer that is not signed to a Union collective bargaining agreement, the resumption of your pension will be delayed six months for each calendar quarter in which you perform one hour or more of non-signatory work. This delay is in addition to any other delays imposed for a return to employment after retirement.

- You can not retire under a Disability Benefit or 55/30 Pension.

- In the event you die before retirement, no Lump Sum Death Benefit will be payable to your beneficiary.
You will be categorized as a “person with respect to whom contributions are not required to be made” (See section titled “Early Retirement Pensions.”)

RECOVERY OF PREVIOUS STATUS

If you performed work in the Sheet Metal Industry not covered by a Union collective bargaining agreement on or after September 1, 1988, the conditions listed above will apply. However, you can recover your previous status if you return to Covered Employment with the Fund and earn months of Future Service Credit that equal the number of calendar months in which you worked at least one hour of work in the Sheet Metal Industry that was not covered by a Union collective bargaining agreement. This opportunity to restore previous status is available only once.

EXAMPLE OF RESTORING PREVIOUS STATUS

James performed work in the Sheet Metal Industry that was not covered by a Union collective bargaining agreement from September 1, 2003 through July 1, 2004, which equals 11 months. James returns to Covered Employment and earns 11 months of Pension Credit. The conditions described above no longer apply to James. However, if James returned once again to non-signatory employment, these conditions will be applied after his second period of non-signatory employment and he will not have a second opportunity to recover his previous status.
Returning To Work

BEFORE YOUR PENSION PAYMENTS BEGIN
Your potential benefit can be affected when you leave Covered Employment and subsequently return to work. There are significant differences depending on whether or not you were vested when you left Covered Employment and how long you did not work in Covered Employment. If you were not vested before a Break in Service, refer to the Leaving Work section. The way your pension benefit is calculated may be different depending on when you incur a Break in Service, based on the applicable provisions in effect when you incurred your Break in Service.

If you are not vested and you return to work before you incur a Permanent Break in Service, you will be credited with additional Years of Service and Pension Credit upon completion of a Year of Service after your return.

AFTER YOUR PAYMENTS BEGIN
Once you retire and begin receiving monthly pension payments, you will receive them for your lifetime, provided you do not work in Disqualifying Employment. Disqualifying Employment is defined differently depending on your age and whether or not you are disabled. When you retire, the Fund will give you a summary of the rules governing suspension of benefits if you return to work.

If you are not sure whether particular employment would cause your pension to be suspended, you should submit a written request to the Fund Office for determination before you return to work. If the employment is the type which will cause your pension to be suspended and you decide to work anyway, you must notify the Fund Office immediately.

It is important to note that the Fund may conduct a periodic review of your employment after your retirement. This is being done to ensure that you are not engaged in Disqualifying Employment. The Fund may, for example, at a reasonable frequency, require that you provide it with an authorization to check your employment record maintained by the U.S. Social Security Administration.

If you fail to comply in a timely manner with the Fund’s review process, including returning the signed authorization, your benefits may be suspended. If the Fund determines that you are working in Disqualifying Employment while collecting benefits, your benefit will be suspended or terminated and you will be required to reimburse the Fund for any overpayment.
Note also that if you are receiving a Full Disability Benefit you should not be performing any employment whatsoever. If you are receiving an Industry-Related Disability Benefit, you should contact the Fund Office — before you start working — to see if the proposed work will affect your benefit.

**Disqualifying Employment**

*Disqualifying Employment before Normal Retirement Age*

If you have not yet reached Normal Retirement Age, Disqualifying Employment means work:

- with any Contributing Employer,
- with any employer in the same or related business as any Contributing Employer,
- in the Sheet Metal Industry for at least one hour that is not covered by a Union collective bargaining agreement (work in the Sheet Metal Industry includes any work to which a retiree can perform because of his/her skills and training as a sheet metal worker),
- in self-employment in the same or related business as any Contributing Employer, or
- in any business that is or may be under the trade jurisdiction of the SMWIA as described in the SMWIA Constitution and Ritual.

Disqualifying Employment does not include work of 40 hours or less per month for any of the following:

- The SMWIA,
- A joint apprenticeship training committee that is affiliated with the Union,
- For the Sheet Metal Workers’ National Pension Fund,
- As performed as a picketer for the Union, or
- For the SMWIA or any Local on elections for officials within the Union.

*If you are age 62 or older,* Disqualifying Employment does not include work in Covered Employment of 40 hours or less per month.
Disqualifying Employment at or after Normal Retirement Age

If you have reached Normal Retirement Age (age 65), Disqualifying Employment means work or self-employment:

- in an industry covered by the Fund when your pension payments began,
- in the geographic area covered by the Fund when your pension payments began, and
- in any trade or craft in which you worked at any time under the Fund.

Notification

You are required to report to the Fund Office in writing within 21 days of starting any work in Disqualifying Employment. It is your responsibility to notify the Fund Office in writing when you stop working in Disqualifying Employment. Your pension benefits will remain suspended until you file this written notice. If you are receiving a pension benefit and you work in Disqualifying Employment in any month after you reach Normal Retirement Age and have failed to give timely notice to the Fund Office of such employment, the Fund will presume that you worked more than 40 hours in such month and any subsequent month before you give notice that you have ceased Disqualifying Employment. In addition, if, after you retire, you work in Disqualifying Employment for any number of hours after Normal Retirement Age for a contractor at a building or construction site and fail to give timely notice to the Fund Office of such employment, the Fund will presume that you engaged in such work for as long as the contractor has been and remains actively engaged at that site. You may overcome these presumptions by establishing to the satisfaction of the Trustees that your work was not in fact an appropriate basis under the Plan for suspension of benefits.

Suspension of Pension Payments

If you are under Normal Retirement Age and you perform Disqualifying Employment, your monthly pension benefit will be suspended for the greater of:

- Three months, or
- The number of months you work in Disqualifying Employment.

Note: In addition to any other applicable suspension periods, your pension will be suspended for an additional six months for every calendar quarter in which you work one hour or more, in the Sheet Metal Industry for an employer that is not signed to a Union collective bargaining agreement.
If you are age 65 or older and you perform Disqualifying Employment, your monthly pension benefit will be suspended for any month or months in which you work or are paid for more than 40 hours in Disqualifying Employment.

If your benefits are suspended, the Fund Office will notify you in writing of the reasons for the suspension. You may file a written request for review of the suspension within 180 days of receipt of the notice.

Resuming Pension Payments
You must notify the Fund Office in writing when you stop working in Disqualifying Employment. Your benefits will then resume, subject to any additional months of suspension. Your monthly benefit amount will be recomputed based on your age at the time benefits resume, reduced by the number of months you previously received benefits.

You may have your original benefit increased by the amount of benefits you accrued during your period of reemployment if any were earned. However, if you had a One-Year Break in Service before you returned to Covered Employment, you must complete a Year of Service following your return to Covered Employment to receive the additional credit.

If you do not have a One-Year Break in Service between the date you retired and the date you returned to Covered Employment, you will accrue benefits based on your Contribution Hours following your return to work. When you resume benefits after the suspension of benefits, your original monthly benefit will be offset by the actuarial value of your additional pension benefits earned following your return to Covered Employment.

If you return to Covered Employment and earn at least five years of Future Service Credit, your benefit amount will be completely recomputed when you retire again, as though you had not previously received any benefits.

Effect of Suspension on Husband-and-Wife Pensions
If you were receiving a Husband-and-Wife Pension before the suspension of your benefits, it will remain effective if you die while your benefits are suspended. However, if your pension began before you reached Normal Retirement Age and if you are not married to the same spouse on the date of your death as you were when your pension began, the additional benefits you earned following your return to Covered Employment will be paid at your death:

- To your current spouse as a Pre-Retirement Surviving Spouse Annuity, or
- As a Lump Sum Death Benefit if you are not married at the time of your death.
If your pension \textbf{began before you reached Normal Retirement Age} and you complete five years of Future Service Credit upon your return to work, you will be given the opportunity to make a new election when you retire again.

If you do not earn five years of Future Service Credit and provided you earn a minimum of a Year of Service (870-hours in a calendar year) upon your return to work, your new elections are limited to the additional benefits you accrue between your return to work and your re-retirement as either a:

- Husband-and-Wife Pension if you are married, or
- Lifetime Pension if you are not married.

If your pension \textbf{began on or after Normal Retirement Age} and you then returned to work and earned five years of Future Service Credit, you will be offered a new election as to the form of pension payments when your benefits resume.
In the Event of Death

IF YOU DIE BEFORE PENSION PAYMENTS BEGIN

The payment of death benefits are now limited by ERISA and the Rehabilitation Plan Schedules.

UNMARRIED PARTICIPANTS

For deaths that occur on or after January 1, 2008

If you are not married, your beneficiary may be eligible to receive a Lump Sum Death Benefit in the amount of $5,000 provided, if at the time of your death, the following conditions are met:

- You have attained Vested Status; and
- You worked 435 hours in Covered Employment within the 24-month period preceding your death; and
- You have not been employed in non-signatory employment; and
- A QDRO has not been filed with the NPF assigning a portion of your pension to a former spouse or dependent(s).

In the event a Lump Sum Death Benefit is payable, this payment will be paid to your children (to share equally), in the event you have no children, to your parents (to share equally), in the event you have no parents, to your siblings (to share equally). If none of these persons survive the Participant no benefit is payable.

No beneficiary designation is required or accepted for the $5,000 Lump Sum Death Benefit payable for deaths occurring after December 31, 2007.

For deaths that occur before January 1, 2008

If a Participant was not married, his/her designated beneficiary may be entitled to receive a Lump Sum Death Benefit representing 50% of contributions provided application for this benefit is received by the Fund Office no later than December 31, 2008 and he/she met other service requirements. For additional information, please review the 2002 SPD or the Plan Document.
MARRIED PARTICIPANTS

Your spouse will be eligible for a Pre-Retirement Surviving Spouse Annuity if you are not retired at the time of your death and you have attained Vested Status. Upon your death, the NPF will offer your spouse a lifetime annuity equal to 50% of the monthly benefit you had accrued if you had left employment on the date of your death and chosen a 50% Husband-and-Wife Pension.

This benefit is effective the later of the month after your death or the month in which you would have reached your earliest retirement age with the Fund. However, your spouse may choose to receive the benefit later if he or she desires.

For deaths that occur on or after January 1, 2008

There is no lump sum death benefit payable to a surviving spouse. The spouse may elect to receive a Pre-Retirement Survivor’s annuity, which may be paid as early as the month after the Participant died. If a spouse elects this form of benefit, the benefit is subject to further reductions, because the benefit starts before the Participant would have reached age 55. Note however, the spouse can wait and elect to receive the benefit when the Participant would have reached the earliest retirement age under the Plan or to an even later date.

For deaths that occur before January 1, 2008

If, prior to January 1, 2008, a Lump Sum Death Benefit was payable, a spouse could waive the Pre-Retirement Surviving Spouse Annuity and receive the Lump Sum Death Benefit instead provided the application for this benefit is received in the Fund Office by December 31, 2008. The Lump Sum Death Benefit was the greater of:

- 50% of contributions, or
- Actuarial equivalent of the Pre-Retirement Spousal Benefit.

IF YOU DIE AFTER PENSION OR DISABILITY PAYMENTS BEGIN

When you apply for your benefit, you will be asked to designate your Beneficiary or beneficiaries who may receive any remaining benefits after you die. If benefits are payable after your death and you have not designated a Beneficiary, or your beneficiaries have died before you, the Fund will pay any remaining benefits to your estate.

Once you are receiving pension payments, you may change your beneficiaries at any time; however, you can not change the designation of your spouse under the Husband-and-Wife Pension. Remember, the form of pension you elect at retirement will determine whether any benefits are payable after your death.
If you die after pension payments begin and you were receiving your pension in the form of a:

- Husband-and-Wife Pension, your spouse will receive 50%, 75% or 100% of the amount you were receiving, depending on which form of payment you chose,

- 120 Certain Payments, your Beneficiary will receive the balance of the 120 payments that you did not receive if you died before receiving 120 payments, or

- Lifetime Pension, payments will end.

If you retired on a Normal Retirement, Early Retirement, Special Early Retirement or 55/30 Pension, in the form of a 50% Husband-and-Wife Pension or Lifetime Pension, with at least 15 years of Pension Credit and you (or your spouse if you elected the Husband-and-Wife Pension) had not yet received at least 60 monthly payments, the Fund will pay the balance of 60 Guaranteed Payments to your Beneficiary.

If you retired with less than 15 Years of Service and you die before receiving payments that equal the amount of the Lump Sum Death Benefit to which your beneficiary would have been entitled if you died before retirement, the difference will be paid to your Beneficiary if:

- You were receiving a Normal Retirement, Early Retirement, or Special Early Retirement, and

- You did not elect a 50%, 75%, or 100% Husband-and-Wife Pension, 120 Certain Payments Option or Level Income Option.

**IF YOUR SPOUSE OR BENEFICIARY DIES**

If your spouse or Beneficiary dies before or after your benefit begins, you should contact the Fund Office to update your beneficiary information. If you have already started receiving your pension benefits in one of the Husband-and-Wife Pension forms and your spouse dies, your benefit may be increased to the amount of the pension you would have received without the Husband-and-Wife Pension form of payment. However, this increase does not apply to a Full Disability Benefit or Industry-Related Disability Benefit paid in the Husband-and-Wife Pension form.
NPF COLA Benefit Increases

The Rehabilitation Plan and the 2008 Default and Alternative Schedules have made significant changes to the NPF COLA Benefit as explained in the introduction and in this section.

The NPF COLA Benefit is an annual increase to monthly pensions that is generally paid as a 13th check in December of each year. Only certain retirees qualify for the NPF COLA Benefit increases.

- If you became a Participant on or after July 1, 1995, you are not eligible for any NPF COLA Benefit.

- If you separated from the Fund before January 1, 1991, you are not eligible for an NPF COLA Benefit.

- If you last worked in Covered Employment with an Employer that did not increase its pension Contribution Rate by $0.01 for each $0.12 Increment in effect as of December 30, 1990, you are not eligible for an NPF COLA Benefit.

In accordance with the 2008 Rehabilitation Plan, future NPF COLA Benefits will be rolled back to levels paid in 2002. In other words, unless you retired from the NPF before December 1, 2001, you will not receive any COLA increases, even if you received increases in earlier years.

To receive an NPF COLA Benefit in 2008 and future years, you must have:

- worked in Covered Employment with an Employer that increased its pension Contribution Rate by $0.01 for each $0.12 Increment in effect as of December 30, 1990,

- separated and retired from Covered Employment on or after January 1, 1991 and before December 1, 2001,

- received pension benefits for the 12 consecutive months ending on any Allocation Date,

- been eligible to receive a pension benefit on the Allocation Date, and

- not at any time performed any work in the Sheet Metal Industry that is not covered by a Union collective bargaining agreement (although eligibility may be reinstated if you meet certain conditions).
Generally, the amount of the NPF COLA Benefit is equal to the following:

2% of the total monthly payments**
(other than the COLA benefit) paid to you for the 12 months immediately before the Allocation Date

\[ \times \]

The whole number of years* for which benefits have been received by you and your beneficiary (limited to the lesser of the years of retirement as of 2002 or 15 years)

*Your number of whole years is measured from the Effective Date of your pension to the Allocation Date. No years on retirement after 2002 are counted for this purpose.

**Only monthly benefits earned before July 1, 1995, are taken into account for the purpose of calculating the NPF COLA Benefit.

If you elected a Level Income Option at retirement, the NPF COLA Benefit is calculated based on the comparable Early Retirement Pension you were entitled to receive, had you not elected the Level Income Option.

The Rehabilitation Plan and Schedules limit COLA as follows:

1. NO NPF COLA Benefit will be paid in excess of the amount a retiree or Beneficiary received as a 13th check in 2002. A retiree who received an NPF COLA increase in 2002 and earlier years, will continue to receive an NPF COLA Benefit, reduced to the amount of the 2002 increase (i.e., the amount of the 13th check paid to the retiree or Beneficiary in 2002). It will remain fixed in that amount.

2. If a retiree was not retired by December 1, 2001, and, therefore, did not receive an increase in 2002, he will not receive any annual increase after 2007. This is so even if he received a COLA in the years 2003 through 2007.

3. If a Participant is not retired, he will not receive any NPF COLA Benefit.

**NPF COLA BENEFIT INCREASES FOR BENEFICIARIES**

If you are eligible for the NPF COLA Benefit described above and monthly payments will be made to your surviving spouse or beneficiary upon your death, your Beneficiary is also eligible for the NPF COLA Benefit if he or she:

- Has received pension benefits for the 12 consecutive months ending on the Allocation Date, and

- Is eligible to receive a pension benefit on the Allocation Date.

The amount of the NPF COLA Benefit is determined in the same manner as described above; however, the benefit is based on the amount of Beneficiary’s pension.
401(h) Medicare Benefit

This is not a pension benefit, a vested benefit, or otherwise a protected benefit. It may be modified or eliminated at any time.

Once you are retired and receiving monthly benefits, you may be eligible to receive a 401(h) Medicare Benefit. This benefit is not a pension benefit and is separate from your accrued pension benefit. The Fund will pay up to $31 per month for you and $31 per month for your spouse toward the cost of supplemental Medicare Benefit coverage that you obtain from an Eligible Provider.

To be eligible for this benefit you must meet all of the following conditions:

- You and/or your spouse must make an application for the 401(h) Medicare Benefit with the Fund Office. The earliest this benefit will begin is the month following receipt of the application.

- You (and/or your spouse) must be covered under Medicare Part A and Part B,

- You must be a member in continuous good standing with your local union from the later of your Effective Date of Pension or January 1, 2002. *

- Your last Employer while working in Covered Employment must be contributing to the NPF at a Contribution Rate as specified below:

<table>
<thead>
<tr>
<th>Effective Date</th>
<th>Construction Employee</th>
<th>Non-Construction Employee</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 1, 2002</td>
<td>$0.72 per hour</td>
<td>$0.36 per hour</td>
</tr>
<tr>
<td>September 1, 2004</td>
<td>$1.00 per hour</td>
<td>$0.50 per hour</td>
</tr>
<tr>
<td>September 1, 2005</td>
<td>$1.10 per hour</td>
<td>$0.55 per hour</td>
</tr>
<tr>
<td>September 1, 2006</td>
<td>$1.21 per hour</td>
<td>$0.61 per hour</td>
</tr>
<tr>
<td>September 1, 2007</td>
<td>$1.34 per hour</td>
<td>$0.67 per hour</td>
</tr>
<tr>
<td>September 1, 2008</td>
<td>$1.48 per hour</td>
<td>$0.74 per hour</td>
</tr>
<tr>
<td>September 1, 2009</td>
<td>$1.63 per hour</td>
<td>$0.82 per hour</td>
</tr>
<tr>
<td>September 1, 2010</td>
<td>$1.80 per hour</td>
<td>$0.90 per hour</td>
</tr>
</tbody>
</table>

* You must have worked 3,500 Hours of Work in Covered Employment in the five (5) calendar years before the year in which your pension is effective. The 3,500 hours must be in a job classification under a Collective Bargaining Agreement in which your Employer contributes at least the minimum Contribution Rates described above.
NOTE: If you or your spouse is already receiving the 401(h) Medicare Benefit, then the eligibility rules in effect at the time of the earlier application will be applied.

The Fund will make payment only to the supplemental Medicare provider with whom you have enrolled. The Fund must determine if the provider is an Eligible Provider under the Plan Document. Generally, this means your coverage must be provided by a Health Fund affiliated with a Local Union, SMWIA, or the Sheet Metal Workers’ National Health Fund. This is not a guaranteed pension benefit nor does the Fund actually pay the cost of any medical treatment or case. The Trustees, in their sole and absolute discretion, may amend the Plan Document to eliminate the benefit, or establish the amount of the 401(h) Benefit and the eligibility requirements for this benefit. You should contact the Fund Office to obtain information and enrollment forms for this benefit.
Administrative Information

GENERAL INFORMATION ABOUT THE FUND

Name
The Sheet Metal Workers’ National Pension Fund.

Plan Administrator and Fund Administrator
The Board of Trustees serves as the designated “Plan Administrator” under federal law. There are equal number of Union and Employer Trustees, at present, four of each. Union Trustees are appointed by the Sheet Metal Workers’ International Association. Employer Trustees are appointed by the Sheet Metal and Air Conditioning Contractor’s National Association. The Plan Administrator is responsible for the operation and administration of the Fund. The Plan Administrator has broad discretion to determine eligibility for benefits and to interpret the language of the Fund. The Plan Administrator’s decisions should receive judicial deference to the extent that they do not constitute an abuse of discretion. The Board of Trustees has appointed Marc E. LeBlanc as the Fund Administrator who supervises the day-to-day operations. If you wish to contact the Plan Administrator/Board of Trustees, you may use the address and the phone number below:

Board of Trustees
c/o Fund Administrator Marc E. LeBlanc
Sheet Metal Workers’ National Pension Fund
Edward F. Carlough Plaza
601 North Fairfax Street, Suite 500
Alexandria, Virginia 22314
703-739-7000, bot@smwnpf.org

Administrative Manager
The Fund has retained a third party administrator as the Administrative Manager. The Administrative Manager is responsible for the day-to-day operations of the Fund. Among other things, the employees of the Administrative Manager process pension contributions and pension benefits. If you wish to contact the Administrative Manager, you may use the address and phone number below:

Administrative Manager, c/o John Holback or Debra Elkins
Sheet Metal Workers’ National Pension Fund
Edward F. Carlough Plaza
601 North Fairfax Street, Suite 500
Alexandria, Virginia 22314
703-739-7000 (not toll free) or 1-800-231-4622
Agent for Service of Legal Process
Marc E. LeBlanc is the agent for service for legal process. If legal disputes involving the Fund arise, any legal documents should be served upon Marc E. LeBlanc or upon any individual Trustee at the addresses below:

Sheet Metal Workers’ National Pension Fund
Edward F. Carlough Plaza
601 North Fairfax Street, Suite 500
Alexandria, Virginia 22314

Trustees
As of June 30, 2008, the Trustees are:

Union Trustees
Michael J. Sullivan
Chairman
c/o Sheet Metal Workers’ International Association
1750 New York Avenue, NW
Washington, DC 20006

Kenneth D. Alexander
c/o Sheet Metal Workers’ Local 2
2902 Blue Ridge Blvd.
Kansas City, MO 64129

Paul W. Collins, Jr.
c/o Sheet Metal Workers’ Local 137
21-42 44th Drive
Long Island City, NY 11101

Marc A. Norberg
Sheet Metal Workers’ International Association
1750 New York Avenue, NW
Washington, DC 20006

Employer Trustees
Ronald Palmerick
Co-Chairman
c/o AABCO Sheet Metal
4740 Metropolitan Avenue
Ridgewood, NY 11385

Bruce Stockwell
c/o U.S. Sheet Metal, Inc.
3200 Enterprise Drive
Saginaw, MI 48603

Phil Meyers
c/o Bright Sheet Metal Co., Inc.
4212 W. 71st St. Suite A
Indianapolis, Indiana 46268-2274

Dean Steward
c/o Heating & Plumbing Engineers, Inc.
Post Office Box 7285
Colorado Springs, CO 80933
All correspondence for the Trustees should be mailed to:

Board of Trustees, c/o Marc LeBlanc
Sheet Metal Workers’ National Pension Fund
Edward F. Carlough Plaza
601 North Fairfax Street, Suite 500
Alexandria, Virginia 22314
703-739-7000 (not toll free) or 1-800-231-4622 or fax 703-683-0932 (not toll free)

**Funding**
The benefits described in this booklet are provided through Employer contributions to the Fund. Contributions are determined under the provisions of the Employer’s Collective Bargaining Agreement or other agreement. You are not required or permitted to contribute to the Fund.

The Trustees meet no less than annually with the enrolled actuary representing the Fund and other advisors, as the Trustees deem appropriate. At this meeting, they will review the anticipated Employer contributions for the forthcoming year, anticipated investment income, anticipated Fund benefit payments and anticipated Fund expenses in order to ensure that the financial operation of the Fund is on a sound basis, that benefits as outlined in the Plan Document, Rehabilitation and Schedules can be paid and the funding requirements of the Employee Retirement Income Security Act of 1974 (ERISA) are met. The Trustees reserve the right to make changes in benefits to ensure the ongoing operation of the Fund.

In addition, each year the Fund’s actuary will file a certification with the US Department of Treasury and the Board of Trustees concerning the Fund’s status under the Pension Protection Act. This certification requires, among other things, for the actuary to determine the Fund’s funded status.

**Contributing Employers and Participating Local Unions**
For a list of participating Employers and Local Unions, please contact the Fund Administrator at the address on the inside cover of this booklet. If you make a written request, the Fund Office will provide you with information as to whether a particular Employer is a Contributing Employer to the Fund and/or whether a particular Local Union represents employees that are Participants in the Fund.

**Trust Fund**
All assets are held in trust by the Trustees for the purpose of providing benefits to eligible Employees and their dependents and towards the cost of administration.
Rehabilitation Plan, Schedules and the Plan Document
This booklet summarizes the 2008 Rehabilitation Plan and 2008 Schedules issued there under. It also summarizes the official Plan Document. This edition of the Summary Plan Description replaces any prior Summary Plan Description and other summaries of the provisions of the Fund, but does not replace or supersede the Rehabilitation Plan and Schedules, and the official Plan Document.

This summary is intended to be written in clear, understandable and informal language. However, you should refer to the official Plan Document, Rehabilitation Plan and Schedules for more extensive information about your benefit. If there is a conflict between the information summarized in this booklet, the Rehabilitation Plan and Schedules and the official Plan Document, the Rehabilitation Plan and Schedules and Plan Document will govern over the terms of this booklet.

Other important documents governing the Plan are the Agreement and Declaration of Trust and Collective Bargaining Agreements. You may request copies of these documents from the Fund Office.

Type of Pension Plan and Benefits
The NPF is a defined benefit pension plan that provides retirement benefits to eligible Participants.

Benefits Subject to Reduction or Elimination
Any benefit that is not protected by the anti-cutback rule of ERISA may be eliminated, reduced or otherwise modified in the sole discretion of the Fund’s Board of Trustees. Such benefits are disability benefits, the 401(h) Medicare Benefit, and forms of lump sum payments. Note also that “adjustable benefits” as defined in ERISA may also be reduced or eliminated as explained in the Introduction and in various notices from the Fund.

Plan Year
Fund records are kept separately for each Plan Year. The Plan Year is the same as the calendar year that begins on January 1 and ends December 31.

Identification Numbers and Plan Number
The following identification numbers have been assigned to the Fund and its fiduciaries:
Employer Identification Number: 52-6112463  
Plan Number: 001
Maximum Pensions
The Internal Revenue Service has established a maximum monthly pension that anyone can receive from a Fund. While the maximum is quite high and will rarely apply, it is stated in the Plan’s legal document. You will be contacted if the maximum affects you.

Top Heavy Provisions
In the unlikely event that the Fund becomes “top heavy,” meaning that it benefits highly compensated employees more than non-highly compensated employees, you may reach Vested Status faster than under the rules outlined in this booklet. You will receive notice if the Fund becomes top heavy. For further details about the top heavy rules, you may refer to the Plan Document or contact the Fund Office.

Benefits May Not Be Assigned, QDRO’S And Recovery of Overpayments
The NPF pays benefits only to you or your eligible survivors. You may not assign your benefits to another person, use your benefits as collateral for a loan, or receive any part of your benefits before your earliest retirement date. Federal law does permit payment of all or part of your benefits to another person in the case of a Qualified Domestic Relations Order (“QDRO”) relating to child support, alimony, or marital property rights payment. The Fund must comply with a QDRO, provided the order does not require payment of a form of benefit not otherwise provided under the NPF, require increased benefits, or require the payment of benefits which are required to be paid to another individual under a previous QDRO. You have the right to request a copy of the Fund’s procedures for determining whether a domestic relations order is a QDRO at no charge to you.

The NPF is obligated to recover an overpayment or erroneous payment of benefits. This includes offsetting future payments to recoup overpayments or erroneous payments. The recoupment of previous payments does not constitute an assignment or alienation of your benefits.

If The Pension Fund Is Ended Or Modified
The Trustees expect to continue the Fund indefinitely. However, the Board of Trustees reserves the right to terminate, modify, suspend or amend the Plan Documents at any time, in whole or in part, under circumstances allowed by ERISA and the terms of the Trust Agreement. The Plan of Benefits in the Plan Document may also be adjusted from

Benefits at termination. The Trustees have the right to end this Fund and the plan of benefits. If there are not enough assets to pay benefits when the Fund ends, the PBGC provides insurance to help pay benefits up to certain limits.
time-to-time under the terms of the Fund’s Rehabilitation Plan and the Schedules issued there under. Generally, if the Pension Fund is terminated, and there are unfunded vested benefits, the Contributing Employers would be responsible for contributing some or the entire amount needed to fund the benefits. This obligation is referred to as Withdrawal Liability.

The Board may change the Plan Document by an amendment adopted by majority vote at a meeting of the Board of Trustees or upon unanimous written consent. Almost every year, the Fund sends a Summary of Material Modifications summarizing material changes that apply to you, if any. If there are no changes, or the Summary Plan Description is distributed in a given year, there will be no Summary of Material Modifications.

If the NPF terminates or ends, the money in the Fund, to the extent possible, will be used to provide the benefits that are due according to the priority required by law and stated in the Plan Document. Generally, the assets would first be used to provide the benefits of retired Participants and Participants with longer service, and then would be used to provide the benefits of shorter service Participants.

Benefits may be paid as soon as the termination has been approved by government agencies, or payment may be deferred to a later time. The Board of Trustees will determine when benefits are to be paid and will obtain government approval, if necessary.

THE PBGC GUARANTEES SOME PENSION BENEFITS

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

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

The maximum benefit that the PBGC guarantees is set by law. 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 benefits,
- Disability benefits if you become disabled before the Fund 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 that were adopted (or, if later, took effect) less than 60 months before the first day of the initial year the Fund is in Critical Status. The NPF COLA Benefit increases are these kinds of increases because they took effect within 60 months of January 1, 2008, the first year NPF is in Critical Status.
- Benefits based on Fund provisions that have been in place for fewer than five years at the earlier of:
  - The date the Fund terminates, or
  - The time the Fund 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 Fund becomes insolvent, and
- Non-pension benefits, including 401(h) Medicare Benefits, and such benefits like health insurance, life insurance, certain death benefits, vacation pay and severance pay.

For more information about the PBGC and the benefits it guarantees, contact the PBGC at PBGC, PO Box 151750, Alexandria, VA 22315-1750, 800.400.7242 or 202.326-4000 (not toll free). TTY/TDD users call the federal relay service toll-free at (800) 877-8339 and ask to be connected to (800) 400-7242. Additional information about the PBGC’s pension insurance program is available through the PBGC’s website at http://pbgc.gov/workers-retirees/.
STATEMENT OF ERISA RIGHTS - INFORMATION ON A PARTICIPANT RIGHTS AND REMEDIES

Federal law requires that this Notice contain information as to the rights and remedies of Participants and beneficiaries. As a Fund Participant, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA), as amended. ERISA provides that all Participants have certain rights, including the following —

*Receive Information about the Pension Fund and Benefits*

You have the right to:

- Examine, without charge, at the Fund Office all documents governing NPF. These include the Actuarial Certification of Plan Status under the Internal Revenue Code, the Rehabilitation Plan and Schedules, previous notices issued in connection with the Rehabilitation Plan, the Plan Document and Summary Plan Description, the Annual Funding Notice, periodic actuarial reports, a list of Contributing Employers and other financial information and summaries, Collective Bargaining Agreements, any application for extension of amortization periods to the Secretary of Treasury and the Secretary’s determination on that application, and a copy of the latest annual report (Form 5500 Series) filed by NPF with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA) of the U.S. Department of Labor, 200 Constitution Avenue, NW, Suite N-1513, Washington, DC 20210, 202.693.8673. The Fund’s address is listed on the inside cover of this booklet.

- Obtain, upon written request to the Board of Trustees, copies of documents governing the NPF’s operation. These include the Actuarial Certification of Plan Status under the Internal Revenue Code, the Rehabilitation Plan and Schedules, all previous notices issued in connection with the Rehabilitation Plan, the Plan Document and Summary Plan Description, the Annual Funding Notice, periodic actuarial reports, a list of Contributing Employers, and other financial reports, information and summaries, Collective Bargaining Agreements, the latest annual report (Form 5500 Series), any application for extension of amortization periods to the Secretary of Treasury and the Secretary’s determination on that application. There may be a reasonable charge for copies.

- Receive the Annual Funding Notice. This notice provides information regarding the Fund’s funding levels, assets and liabilities, number of participants and a description of the benefits eligible to be guaranteed by the PBGC and an explanation of the limits on the PBGC guarantee and other information.
• Obtain at no charge, a statement telling you whether you have a right to receive a pension at Normal Retirement Age and if so, an estimate of benefits at Normal Retirement Age if you stop working under NPF now. If you do not have a right to a pension, the statement will explain why that is. A written request for a statement must be made and the Fund need only provide one statement every 12 months.

• Obtain at least once every 3 years, a pension benefit statement showing your nonforfeitable accrued benefit provided that you are employed by the employer maintaining the Fund at the time the statement is to be furnished. You may also obtain such a statement upon written request.

Note also that if you have filed an application for vesting information with the Fund Office, you can get an estimate of your benefit at normal retirement age by going to the NPF website www.smwnpf.org and click on “About You” section.

For documents and statements, write to: Board of Trustees c/o Marc LeBlanc, Fund Administrator, Sheet Metal Workers’ National Pension Fund, 601 North Fairfax St., Suite 500, Alexandria, VA 22314.

Prudent Actions by Fund Fiduciaries

In addition to creating rights for participants, ERISA imposes duties upon the people who are responsible for the operation of the Pension Fund. The people who operate your plan, called “fiduciaries,” 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.

Enforce Your Rights

If you make a claim for a pension or disability benefit that 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 documents which you are entitled to receive and/or the latest annual report from the Fund and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the plan administrator (Board of Trustees) 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 administrator. If you have a claim for benefits, which 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 Fund’s decision or lack thereof concerning the qualified status of a domestic relations order or a medical child support 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 (DOL), or you may file suit in a federal court.

ERISA also prohibits coercion or discrimination against participants who exercise their rights under plans, like NPF, that are governed by the law.

If you wish to seek assistance from the DOL, you should contact the DOL’s Employee Benefits Security Administration (“EBSA”), which maintains regional and district offices covering your state or territory. You may obtain the contact information for the closest EBSA office (or receive other assistance) by calling their toll free Hotline at 1-866-444-EBSA [3272] (Text Telephone: 1-877-889-5627). You can also obtain information on the EBSA’s website at: www.askebsa.dol.gov. Additionally, your local telephone or government directory may list the EBSA office nearest to you. If you contact the DOL, it may be helpful if you have NPF’s Employee Identification Number 52 6112463 and its Plan Number 001.

If you choose to 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 have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

If you have any questions about NPF, please contact the Board of Trustees in care of the Fund Office.
## Appendix A

### MERGED PENSION FUNDS

The following pension funds have merged with the Sheet Metal Workers’ National Pension Fund. All Pension Credit you may have earned under these funds has been transferred to the Sheet Metal Workers’ National Pension Fund, which has assumed the obligation to pay your benefits.

<table>
<thead>
<tr>
<th>Name of Pension Fund</th>
<th>Location</th>
<th>Date Merged</th>
</tr>
</thead>
<tbody>
<tr>
<td>Atlantic City Roofers and Sheet Metal Workers Pension Fund</td>
<td>Atlantic City, NJ</td>
<td>1/77</td>
</tr>
<tr>
<td>Milwaukee Sheet Metal Workers Pension Fund</td>
<td>Milwaukee, WI</td>
<td>5/87</td>
</tr>
<tr>
<td>Mo-Kan Sheet Metal Workers Pension Fund</td>
<td>Kansas City &amp; St. Joseph, MO</td>
<td>11/74</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 1 Pension Fund</td>
<td>Peoria, IL</td>
<td>9/67</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 10 Pension Fund</td>
<td>Northern, NJ</td>
<td>12/87</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 11 Pension Fund</td>
<td>New Orleans, LA</td>
<td>1/1/90</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 12 Pension Fund</td>
<td>Pittsburgh, PA</td>
<td>9/89</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 13 Pension Fund</td>
<td>Hackensack, NJ</td>
<td>1/83</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 17 Pension Fund</td>
<td>Boston, MA</td>
<td>4/89</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 17 Pension Fund of Rhode Island</td>
<td>RI</td>
<td>4/1/90</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 20 Pension Fund</td>
<td>New Brunswick, NJ</td>
<td>10/87</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 28 Pension Fund</td>
<td>New York, NY</td>
<td>3/82</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 38 Pension Fund</td>
<td>Peekskill, NY</td>
<td>7/89</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 38-CT Pension Fund</td>
<td>Danbury, CT</td>
<td>1/99</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 48 Pension Fund</td>
<td>Birmingham, AL</td>
<td>7/82</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 49 Pension Fund</td>
<td>Albuquerque, NM</td>
<td>11/1/90</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 54 Pension Fund</td>
<td>Houston, TX</td>
<td>4/89</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 55 Pension Fund</td>
<td>Mineola, NY</td>
<td>1/84</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 57 Pension Fund</td>
<td>Tampa, FL</td>
<td>2/68</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 58 Pension Fund</td>
<td>Syracuse, NY</td>
<td>7/82</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 63 Pension Fund</td>
<td>Western MA</td>
<td>6/87</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 83 Pension Fund</td>
<td>Albany, NY</td>
<td>5/82</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 99 Pension Fund</td>
<td>Seattle, WA</td>
<td>4/72</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 100 Pension Fund</td>
<td>Richmond, VA</td>
<td>10/88</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 110 Pension Fund</td>
<td>Louisville, KY</td>
<td>3/88</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 115 Pension Fund</td>
<td>Chicago, IL</td>
<td>6/88</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 122 Pension Fund</td>
<td>Baltimore, MD</td>
<td>5/80</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 130 Pension Fund</td>
<td>W. Palm Beach, FL</td>
<td>1/69</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 133 Pension Fund</td>
<td>Decatur, IL</td>
<td>8/71</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 137 Pension Fund</td>
<td>New York, NY</td>
<td>7/89</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 141 Pension Fund</td>
<td>Cincinnati, OH</td>
<td>11/88</td>
</tr>
<tr>
<td>NAME OF PENSION FUND</td>
<td>LOCATION</td>
<td>DATE MERGED</td>
</tr>
<tr>
<td>----------------------------------------------------------</td>
<td>--------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 172 Pension Fund</td>
<td>Northern, NJ</td>
<td>4/86</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 238 Pension Fund</td>
<td>Charlotte, NC</td>
<td>4/74</td>
</tr>
<tr>
<td>Sheet Metal Workers Local Union No. 501 Pension Fund</td>
<td>New Bedford, MA</td>
<td>10/90</td>
</tr>
<tr>
<td>Trenton Roofers and Sheet Metal Workers Pension Fund</td>
<td>Trenton, NJ</td>
<td>5/80</td>
</tr>
<tr>
<td>Washington Sheet Metal Workers Pension Fund</td>
<td>Tacoma, WA</td>
<td>6/87</td>
</tr>
<tr>
<td>White Mop Wringer Pension for Local No. 417</td>
<td>Fultonville, NY</td>
<td>7/94</td>
</tr>
</tbody>
</table>