

SHEET METAL WORKERS' LOCAL NO. 33 CLEVELAND DISTRICT PENSION PLAN SUMMARY PLAN DESCRIPTION

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Dear Participants and Beneficiaries:

We are pleased to distribute this new booklet describing the benefits provided under your Pension Plan, the Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan ("Pension Plan" or "Plan"). The Pension Plan is maintained by the Board of Trustees of the Plan.

This booklet will give you an overview of the Pension Plan and help you make decisions regarding your retirement. This booklet summarizes the eligibility rules for participation in the Plan, the benefits provided to those who are eligible, and the procedures which must be followed when applying for a benefit. This booklet only describes the Pension Plan as currently in effect. It applies only to plan participants who continue to work and accrue benefits after September 1, 2021 or begin to receive pension or other benefits on or after September 1, 2021. Except as otherwise specifically provided, the pension or other benefits of participants and beneficiaries that began to receive benefits prior to September 1, 2021, as well as the deferred vested benefits of participants who separated from covered employment prior to September 1, 2021, are determined under the terms of the Pension Plan in effect at the time of the most recent separation from covered employment.

A number of changes have occurred in the Plan since the last booklet was printed. As a result, you should **READ THIS BOOKLET CAREFULLY** so that you are up to date on the financial protection now provided to you by this Plan.

From time to time, other changes and improvements in the Plan will be made. Of course, we will keep you fully informed about such developments.

If you are married, make sure you share this booklet with your Spouse. Keep this booklet in a safe place for future reference. If at any time you have questions about your Pension Plan, do not hesitate to call or write the Fund Office for assistance.

This Summary Plan Description is not the complete, official Pension Plan document, which provides more detailed and controlling terms and conditions regarding benefits and related matters under the Pension Plan and is used by the Board of Trustees to determine any issues or disputes that may arise concerning such matters. The official Plan Document and Fund Trust Agreement describe the provisions of the Plan in more detail and are the final written authority with respect to your eligibility to participate and the benefits you will receive under the Plan.

Sincerely,

THE BOARD OF TRUSTEES

ARTICLE I: INTRODUCTION

A. Summary Of Benefits

Your pension benefit can be a significant part of your retirement income. The amount of your pension benefit is generally based on the number of years you work for an employer that makes contributions to the Plan on your behalf. Generally, the longer you work for a contributing employer, the greater your pension. The Plan offers:

1. Different types of pensions at various retirement ages;
2. Different ways in which your pension can be paid;
3. Disability benefits; and
4. Death benefits.

The provisions described in this booklet apply only to persons who begin to receive pensions or other benefits on and after September 1, 2021. Except as otherwise provided, pensions or benefits that began before September 1, 2021, as well as deferred vested benefits of former employees who incurred a separation from covered employment before September 1, 2021, are determined in accordance with the provisions of the Plan in effect at the time of the most recent separation from covered employment. You pay nothing toward your pension benefit. Your employer pays the full cost of your pension benefit.

B. Pension Plan Highlights

<i>Becoming A Participant</i>	You become a participant on the first day of employment covered under a collective bargaining agreement for which contributions are received on your behalf by the Plan.
<i>Earning Vesting and Credited Service</i>	<p><i>Vesting Service</i> Determines your right to a pension.</p> <ol style="list-style-type: none">1. Generally, you earn one hour of vesting service for each Plan Year (May 1 – April 30) in which you complete at least 350 hours of service in covered employment.2. You become vested once you complete five years of vesting service. <p><i>Credited Service</i> Credited service is used to calculate your pension benefit. Credited service is earned as follows:</p> <ul style="list-style-type: none">• Generally, you earn current service based on the number of hours you work. You earn one year of current service if you complete 350 or more hours of service in covered employment.

<p>Receiving A Pension When You Retire</p>	<ol style="list-style-type: none"> 1. A normal retirement pension is available as early as age 65. 2. A 55/30 retirement pension is available as early as age 55 as long as you meet all the requirements for the 55/30 pension. 3. An early retirement pension is generally available as early as age 55. 4. A special early retirement pension is generally available as early as age 55. 5. A deferred vested pension is generally available at age 65 if you leave covered employment and you are vested. An actuarially reduced deferred vested pension may be taken as early as age 55. 6. If you become disabled, you may qualify for either a total and permanent retirement benefit or an industry-related disability retirement benefit if you have at least 10 years of credited service. 7. Contributions received on your behalf and your credited service together determine the amount of your pension benefit as described in Article IV: Receiving a Pension.
<p>Choosing How Your Pension Is Paid</p>	<p>If you are not married, your pension is generally paid as a life annuity. If you are married, your pension is generally paid as a 75% Spousal Pension. However, a 50% Spousal Pension and a 100% Spousal Pension with and without a pop-up (a “pop-up” is an option that reverts your pension back to a life annuity if your Spouse predeceases you) are also available. Depending on the payment option you choose, you may need your Spouse’s consent.</p> <p>If the total value of your benefit is \$1,000 or less, your benefit will automatically be paid to you in one lump-sum payment. If the total value of your benefit is more than \$1,000 but not more than \$5,000, you may elect in writing to receive a lump-sum payment as long as the Plan is not currently certified in critical status.</p>
<p>In The Event Of Your Death</p>	<p>If you die before your pension payments begin, one of the following benefits may be available to your Spouse or beneficiary:</p> <ol style="list-style-type: none"> 1. Pre-retirement surviving Spouse pension; or 2. Pre-retirement death benefit. <p>If you die after your pension payments begin and you were receiving (or received) your pension in the form of a:</p> <ol style="list-style-type: none"> 1. 75% Spousal Pension, 50% Spousal Pension, or 100% Spousal Pension, your Spouse will receive 75%, 50% or 100% (as applicable) of the amount you were receiving for the rest of his or her lifetime. A lump-sum death benefit may also be payable as long as the plan is not currently certified in critical status; 2. Life annuity, your beneficiary may receive a lump-sum payment (or beneficiary life annuity if the plan is currently certified in critical status) equal to the actuarial equivalent of the difference between the amount in total pension payments you would have received and the amount of total contributions made on your behalf. 3. Lump-sum payment, no further benefits are payable.

ARTICLE II: BEGINNING WORK

A. Becoming A Participant

You become a participant on the first day of employment covered under a collective bargaining agreement for which contributions are received by the Plan on your behalf. No enrollment is necessary to become a participant in the Plan.

1. Example

Michael begins covered employment on July 1, 2021. His employer makes contributions to the Plan on his behalf as of August 15, 2021. Michael begins participation in the Plan as of his first day of employment on July 1, 2016.

2. Covered Employment: Covered Employment includes employment as a(n):

- a. Journeyman, which is employment covered by a collective bargaining agreement or other written agreement between an employer and the International Association of Sheet Metal, Air, Rail and Transportation Workers Local No. 33 Cleveland District (hereinafter referred to simply as the “Union”), that is effective in Ashtabula, Cuyahoga, Geauga, or Lake County of Ohio; and
- b. Elected full-time employee of the Union; and
- c. Journeyman working within the jurisdiction of the Union, provided you were a member of the Plan on April 30, 1998, and continue to be a member of the Plan; and
- d. employment as an instructor at a Joint Apprentice Training Center sponsored by, or otherwise affiliated with, the Union and in accordance with a Participation Agreement executed between the JATC and the Trustees.

3. Hours of Service

Your hours of service count toward earning vesting service and credited service. An hour of service is each hour that you are:

- a. Paid or entitled to payment by an employer who makes contributions to the Plan for work in Covered Employment, or for the performance of duties for non-covered employment immediately before or after employment as an employee in Covered Employment. This includes periods in which no duties are performed including vacation, holiday, illness, incapacity (including disability), layoff, jury duty, military duty, or leave of absence (up to a maximum of 350 hours for these periods); or

- b. Awarded (your employer has agreed to) back pay by your employer.

B. Earning Vesting Service

You earn a right to a pension benefit once you are “vested” in the Plan. You become vested once you complete **five years of vesting service (or reach age 65, if earlier)**. Generally, you earn one year of vesting service for each Plan year in which you complete at least **350** hours of service. The Plan year is May 1st through April 30th.

C. Earning Credited Service

1. **Credited Service**: Credited service is used to calculate the amount of your pension benefit. Generally, you earn current service based on the number of hours you work. You earn one year of current service if you complete 350 or more hours of service in a Plan year.
 - a. **Example**: Bruce works 500 hours of service in Covered Employment during the 2021 plan year. He will be credited with one (1) year of current service for the 2021 plan year.

D. Military Service

In addition to your hours of service, you may also receive vesting service and credited service for qualified military service under the Uniformed Services Employment and Reemployment Rights Act (USERRA) of 1994. If you reenter covered employment after qualified military service, you will be credited with hours of service during your service in the Uniformed Services based on the average hours you worked during the 36 consecutive months before you entered military service. Any additional credited service will be granted as required by federal law. You must notify your employer and the Plan before you enter the military and after you return from service. Contact your employer or the Fund Office for additional information. To receive vesting service and credited service for your time in military service, the service must be qualified military service (as defined by the Plan) and you must meet all requirements of USERRA, including honorable discharge, and reemployment or availability for employment within the USERRA specified time limits. If the service was:

1. Less than 31 days, you must be reemployed (or available for employment) within one day after discharge;
2. 31 days or more but less than 180 days, you must be reemployed (or available for employment) within 14 days after discharge; or
3. 180 days or more, you must be reemployed (or available for employment) within 90 days after discharge.

You will not receive vesting service or credited service for your military service if separation from the Uniformed Services was under dishonorable conditions.

E. Disability

If you are disabled, you will be credited with up to 350 hours of service toward earning vesting service and credited service for each continuous period of disability. You will have to provide any information requested to establish that your absence is due to a qualified disability under the Plan.

ARTICLE III: LEAVING WORK

A. Introduction

If your employment is interrupted before you are vested, you may lose your accumulated vesting service and credited service. However, once you are vested, you will not lose your accumulated vesting service and credited service. Certain interruptions may not result in a break in service. Some breaks in service do not result in a loss of vesting service and credited service but do impact how your benefits are calculated.

Usually, you incur a break in service when you work less than **350** hours of service in covered employment during a Plan year. There are exceptions to this rule, which are listed in Section C of this Article, below.

B. Break In Service And Vesting Rules

There are two types of breaks in service:

1. **One-Year Break In Service:** A one-year break in service is temporary and can be repaired. A one-year break in service occurs in a Plan year in which you have less than 350 hours of service in covered employment. To repair a one-year break in service and restore any previous years of vesting service and credited service, you must work at least 350 hours of service in covered employment before incurring a permanent break in service.
2. **Permanent Break In Service:** You incur a permanent break in service when you incur the lesser of (1) five consecutive one year breaks in service or (2) the number of consecutive one year Breaks in Service that equals the aggregate number of years of credited service you earned prior to such break in service. If you incur a permanent break in service before you are vested, you will lose your years of vesting service and credited service. Once you incur a permanent break in service, you must reestablish participation under the Plan as if you were never a prior participant.
3. **Example of Permanent Break in Service Rules**

James began working in covered employment on May 1, 2021. James worked at least 350 hours in each year for two (2) years following his start date. That means

James has earned two (2) years of vesting service and two (2) years of credited service. However, after earning two (2) years of service, James leaves his employer to work in another unrelated industry. He works with this employer for three (3) years before returning to covered employment. Because James had two consecutive, one-year breaks in service and his consecutive breaks in service equaled the aggregate years of credited service he had earned prior to the break in service (i.e., his two years of service), he has a permanent break in service. Therefore, James has lost his two (2) years of vesting service and two (2) years of credited service earned before the break.

C. Exceptions To Break In Service Rules

Certain non-work periods may be considered as covered employment to avoid a break in service. In addition, some of these periods may count toward vesting service or credited service. **You must notify the Trustees if you will be absent due to any of the non-work periods listed in this section.**

1. Maternity, Paternity, or FMLA Leave

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

- a. Your pregnancy;
- b. Childbirth, adoption, or temporary placement before an adoption; or
- c. Childcare immediately following childbirth or placement.

You will be credited with the hours of service that you would otherwise earn if you were not absent from employment, up to a maximum of 350 hours of service. The hours of service will be credited only in the Plan year when the absence begins or in the year immediately following Plan year to prevent a break in service.

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

2. Military Leave

Time spent in qualified military service will be considered hours of service to prevent a break in service. See Article II, Section D for more information regarding military service.

3. Disability

If you are disabled, you will not incur a break in service as a result of that disability if you are:

- a. Unable to work as a result of an injury that occurred while working in covered employment; and
- b. Receiving workers' compensation benefits.

You may be eligible for a disability pension if you meet service requirements for a disability pension when you become disabled.

D. Deferred Vested Pension

If you have five (5) or more years of vesting service when you leave covered employment, you may be eligible for a deferred vested pension. For information about this benefit, refer to Article VI, Section G.

ARTICLE IV: GETTING MARRIED OR DIVORCED

A. Introduction

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

B. Marriage

1. Qualified Spouse

“Qualified Spouse” or “Spouse” means, with respect to any Participant, that person, if any, who—

- A. is recognized as legally married to the Participant by a domestic or foreign jurisdiction whose laws authorized the marriage at the time the Participant and such person entered into the marital relationship; and
- B. has not been declared legally separated from the Participant by any judicial order.

The term “Qualified Spouse” or “Spouse” may include a person of the opposite or same gender as the Participant. The former Spouse of a Participant shall be treated as a “Spouse” under the Plan only if and to the extent required under a Qualified Domestic Relations Order, as described in this Plan.

2. Marriage Before Retirement

If you are married while you are working, your Qualified Spouse becomes your beneficiary for any Plan benefits you have earned. If you do not wish to have your Spouse as your beneficiary, you must complete a form to change your beneficiary and your Spouse must consent, in writing, to the designation of another beneficiary. Your Spouse's signature waiving your Spouse's rights and consenting to another beneficiary must also be either notarized or witnessed by a Plan representative.

For your Spouse to be eligible for benefits, you must have been married for at least one (1) year on the date you retire or, if earlier, on the date of your death. If you die before your pension benefit begins, your Spouse may be eligible to receive a pre-retirement surviving Spouse pension or a pre-retirement death benefit. See Article IX for more details about these benefits.

3. After Retirement

Your pension benefit is not affected when you marry *after* you have begun to receive a pension benefit. It is not affected because once you begin to receive a pension benefit, you cannot change the form of payment you are receiving.

C. **Divorce**

If you divorce (whether before or after retirement), your Spouse may be entitled to receive a portion of your pension benefit in accordance with the terms of a Qualified Domestic Relations Order (QDRO). A QDRO is a court order entered in a domestic relation proceeding such as a divorce that requires payments from your benefits to your former Spouse or dependent(s). Under the terms of a QDRO, certain payments could be made from your benefits to pay alimony, child support, or marital property rights of your former Spouse, child, or other dependent. If you divorce, you must contact the Fund Office to ensure your benefits are paid properly.

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

ARTICLE V: PREPARING FOR RETIREMENT

A. Thinking About Retirement

Preparing for your retirement takes planning. Regardless of your retirement plans, you will want to be financially comfortable. To maintain your current standard of living during retirement, *experts say you may need between 70% and 80% of your preretirement income.*

1. Example

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

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

The information in this section is designed to help you think about what you may need during retirement.

B. Your Social Security Benefit

1. Social Security: There are a few facts about Social Security benefits that you should keep in mind:
 - a. Social Security benefits will not change your pension benefits. Your pension benefit from this Plan and any other plans from which you may receive a pension benefit are *in addition* to any benefits you or your Spouse may receive from Social Security.
 - b. Social Security benefits replace a higher percentage of income for retiring participants at lower pay levels and most likely will not cover all necessary expenses during retirement. Reaching the 70% to 80% income replacement levels will require help from the participant's pension benefits and personal savings.
 - c. The government has gradually increased the "full retirement age" for people born after 1937. Full retirement age is the age at which you can collect full retirement benefits from Social Security without any reduction for early retirement. For example, if you were born in 1960 or later, full Social Security benefits will be payable to you at age 67. If you are planning to retire before your Social Security full retirement age, you will receive a reduced Social Security benefit (unless you wait to receive Social Security). Retirement benefits from Social Security are not payable before age 62.
2. Retirement Checklist: Consider the questions below to help you estimate expenses you may incur during retirement. During your retirement years...
 - a. Will you be responsible for paying for your child's education?
 - b. Do you plan to travel?
 - c. Will your home be paid for?

- d. Will your household expenses be lower (children living on their own, smaller home, etc.)?
- e. When do you plan to begin your Social Security benefit? How much will it be?
- f. Will your hobbies require increased spending?
- g. Will you be responsible for the care of your parents or Spouse's parents?
- h. Will you have sufficient health insurance to cover your entire medical and prescription drug expenses?

3. Social Security Benefits:

You may receive an estimate of your Social Security benefits from the Social Security Administration each year or you can obtain an estimate by contacting the Social Security Administration. You should check your earnings record to be sure you receive the correct Social Security benefits in the future. The Social Security Administration has also developed retirement planning aids that you may access at www.ssa.gov.

C. Applying For Your Pension Benefit

- 1. There are three things that need to happen before you are eligible to start your pension benefit:
 - a. You must apply for your benefits **at least 30 days, but not more than 90 days**, before you want pension payments to begin; and
 - b. The Trustees must approve your application; and
 - c. You need to stop working in Covered Employment; and
 - d. You must not engage in Disqualifying Employment.

You should file a completed application form and supporting documentation with the Fund Office before you want your pension payments to begin. Your application for a pension must be in writing on a form provided by the Fund Office. Your Spouse or other beneficiary must apply in the event of your death.

- 2. You must begin receiving pension benefits by your required beginning date, which is the later of April 1st of the calendar year following the calendar year in which you:
 - a. Reach age 70½ or 72; or

- b. Stop working in covered employment.

The starting age (i.e., age 70 ½ or 72) was changed in 2019 under the Setting Every Community Up for Retirement Enhancement Act of 2019 (“SECURE Act”). According to those changes, if you were age 70 ½ or older on December 31, 2019, then your benefit must begin by April 1st of the year after you reach age 70 ½ (or when you stop working, if later). If you were younger than 70 ½ on December 31, 2019, then your benefit can be delayed until you reach age 72 (or when you stop working, if later).

3. The Fund Office must have your current address on file at all times. This helps ensure that you receive important correspondence and your pension checks on time.
4. Whenever administratively possible, you will receive a decision from the Board of Trustees on your claim for benefits within 90 days (45 days for a disability pension), unless special circumstances require an extension of time for processing. If an extension is required, you will receive written notice of the extension within the initial determination period. The extension notice will include the reasons for the extension and the date by which a decision will be made. The extension of time will not exceed 90 days (45 days for a disability pension) after your application is received.
5. In general, your pension (excluding a disability pension) will begin no later than 60 days after the last of the following dates:
 - a. The end of the Plan year in which you reach normal retirement age (generally age 65);
 - b. The fifth anniversary of the date you began participation in the Plan; or
 - c. The date you terminate employment.
6. You may need to submit written documentation with your pension application, such as:
 - a. Proof of your age and your Spouse’s age, if applicable;
 - b. Your and your Spouse’s Social Security numbers;
 - c. Your current address;
 - d. Marriage certificate, if applicable;
 - e. Death certificate, if applicable; and

f. Divorce decree, if applicable.

The Trustees shall rely upon the records of the Plan (“Official Plan Records”) in determining you or your beneficiary’s eligibility for benefits. In the event of a discrepancy between the Official Plan Records and the records or other evidence supporting the claim asserted by you or your beneficiary, the Trustees shall rely on the Official Plan Records unless shown to their satisfaction that the additional or other records/evidence are valid and that the Trustees should rely upon those records/evidence.

D. Non-Disability Claim Appeal Procedure

1. Notice of Approval or Denial

In the event your application is approved, you will be informed of the approval and the amount and duration of the Benefits granted together with all restrictions, conditions and limitations upon your receipt of Benefits, if any. In the event of denial, your notice will state specifically the reasons for rejecting your application and will indicate those specific portions of the Plan and/or rules and regulations upon which the decision is based. Further, any denial or restricted acceptance will be accompanied by an explanation of your rights to and procedure for appealing the decision to the Board of Trustees. Any non-approval shall be accompanied by a statement regarding your right to bring a civil action under ERISA §502(a) following an adverse benefit determination on appeal. The decision shall be final and binding upon you unless that decision is appealed as hereinafter set forth. In the event your claim for benefits was not approved because the Administrative Manager was unable to make the decision as opposed to being denied, your appeal will be automatically forwarded to the Board of Trustees.

2. Appeal Procedure

You may appeal a decision of the Board of Trustees by written notice received by the Board of Trustees within sixty (60) days of receipt of the notice of initial adverse decision. The written notice only needs to state your name, address, and the fact that you are appealing from the decision of the Board of Trustees, giving the date of the decision from which you are appealing.

The Trustees shall consider the appeal no later than its next regular quarterly meeting which immediately follows the receipt of the notice of appeal, unless such notice was filed within thirty (30) days prior to the next regular quarterly meeting, then the Board of Trustees may consider the appeal at the second regular quarterly meeting following the receipt of the notice of appeal. If special circumstances require an extension of time for processing, then the Board of Trustees may consider the appeal no later than the third meeting following the receipt of the notice of appeal.

After consideration of the appeal as above, the Board of Trustees shall advise you of its decision in writing within five (5) days following the meeting at which the appeal was

considered. The decision of the Board of Trustees shall state the specific reason or reasons for the determination and refer to the specific plan provisions on which the benefit determination is based. Any non-approval shall be accompanied by: (i) a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; (ii) a statement apprising you that “You or your plan may have other voluntary dispute resolution option, such as mediation. One way to find out what may be available is to contact your local U.S. Department of Labor Office and your state insurance regulatory agency;” and (iii) a statement of your right to bring a civil action under Section 502(a) of ERISA.

E. Disability Claim Appeal Procedure

1. Notice of Determination

In the event your claim for benefits due to Total and Permanent Disability is denied, you will be notified in writing by the Administrative Manager the reasons why your claim was denied. Notification of an adverse decision shall occur within forty-five (45) days of the receipt of your approved claim form by the Administrative Manager. If the Administrative Manager determines that more time is needed to process the claim due to matters beyond his/her control, the Administrative Manager will notify you of a thirty (30) day extension. If a second extension is necessary due to matters beyond his/her control, the Administrative Manager will notify you of a final thirty (30) day extension. No further extensions shall occur. Any notice of an extension shall include the standards on which an entitlement to benefits due to Total and Permanent Disability is based, the unresolved issues preventing a decision and any additional information that is needed to resolve the claim.

All claims and appeals for disability benefits will be adjudicated in a manner designed to ensure the independence and impartiality of the persons involved in making the decision. Accordingly, decisions regarding hiring, compensation, termination, promotion, or other similar matters with respect to any individual (such as a claims adjudicator or medical or vocational expert) will not be made based on the likelihood that the individual will support a denial of benefits.

In the event of non-approval in whole or in part of your Disability claim, notice to you shall provide you all of the following information in the written decision:

- a. the specific reasons for rejecting the application; and
- b. the specific provisions of the Plan or rules and regulations on which the determination is based; and
- c. a description of any additional material or information necessary for you to perfect your claim and an explanation of why such material or information is necessary; and
- d. an explanation of the Appeals Procedure; and

- e. a statement regarding your right to bring a civil action under ERISA §502(a) following an adverse benefit determination on appeal; and
- f. the specific internal rules, guidelines, protocols, standards or other similar criteria of the plan relied upon in making the decision or, alternatively a statement that such rules, guidelines, protocols, standards or similar criteria of the plan do not exist; and
- g. a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records or other information relevant to your claim for benefits

In addition, in the event the determination disagrees with the views of (1) a health care professional treating you; (2) vocational professionals who have evaluated you; (3) a medical or vocational expert whose advice was obtained on behalf of the Plan in connection with your claim; or (4) a disability determination regarding you made by the Social Security Administration; then the decision to deny shall set forth an explanation of the basis for disagreeing with those views or opinions. If the decision to deny was based on a medical necessity, experimental treatment or similar exclusion or limit, the decision will set forth either (1) an explanation of the scientific or clinical judgment for the determination, applying the terms of the plan to your medical circumstances, or (2) a statement that such explanation will be provided free of charge upon request.

The decision shall be final and binding upon you unless that decision is appealed as hereinafter set forth below.

2. Disability Appeal Procedure

In the event your claim for benefits due to Total and Permanent Disability is denied, you may, by written notice received by the Administrative Manager within one hundred and eighty (180) days of your receipt of the notice denying your claim for Benefits due to Total and Permanent Disability, appeal the decision. The written notice should state your name, address and the reasons why you are appealing from the decision of the Administrative Manager, giving the date of the decision from which you are appealing.

The review of your appeal will not afford deference to the initial adverse benefit determination and will be conducted by an appropriate named fiduciary of the Plan who is neither the individual who made the adverse benefit determination that is subject of the appeal nor a subordinate of such individual. If the appeal of a decision based in whole or in part on medical judgment, the appropriate named fiduciary shall consult with a health care professional who has appropriate training and experience in the field of medicine involved in the medical judgment. Such health care professional shall be an individual who is neither an individual who was consulted in connection with the adverse benefit determination that is the subject of the appeal, nor the subordinate of any such individual. The reviewer will also identify medical or vocational experts whose advice was obtained

on behalf of the plan in connection with the initial adverse benefit determination, without regard to whether the advice was relied upon by the initial determination.

Prior to making a decision to deny an appeal, you will be provided, free of charge, with any additional evidence considered, relied upon, or generated by the Plan, the disability insurer, or other person making the benefit determination in connection with the claim. Such evidence will be provided as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is provided so as to give you a reasonable opportunity to respond prior to that date. If the determination is based on new or additional rationale, the plan administrator shall provide you, free of charge, with the rationale as soon as possible and sufficiently in advance of the date on which the notice of adverse benefit determination on review is provided so as to give you a reasonable opportunity to respond prior to that date.

The Trustees shall consider your appeal no later than its next regularly scheduled meeting, which immediately follows the receipt of the notice of appeal unless such notice was filed within thirty (30) days prior to the next regularly scheduled meeting, then the Board of Trustees may consider the appeal at the second meeting following the receipt of the notice of appeal. If special circumstances require an extension of time for processing, then the Board of Trustees may consider the appeal no later than the third meeting following the receipt of the notice of appeal. If such extension is required, you will be provided with written notice of the extension, describing the special circumstances and the date as of which the benefit determination will be made prior to commencement of the extension.

After consideration of the appeal as above, the Board of Trustees shall advise you of its decision in writing within five (5) days after the benefit determination is made. If the determination is adverse to you, the written decision shall state all of the following information:

- a. the specific reasons for rejecting the appeal; and
- b. the specific provisions of the Plan or on which the determination is based; and
- c. a statement that you are entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information relevant to your claim for benefits; and
- d. a statement of your right to bring an action under Section 502(a) of ERISA; and
- e. the applicable contractual limitations period that applies to your right to bring such an action under Section 502(a) of ERISA, including the calendar date on which the contractual limitations period expires for the claim; and

- f. either the specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse benefit determination, or, alternatively a statement that such rules, guidelines, protocols, standards or other similar criteria of the plan do not exist; and
- g. a discussion of the decision including an explanation for disagreeing with or not following any of the following:
 - (1) the views of health care professionals treating the claimant; or
 - (2) the views of vocational professionals who evaluated the claimant; or
 - (3) the views of medical or vocational experts whose advice was obtained on behalf of the Plan in connection with the appeal, without regard to whether the advice was relied upon in making the benefit determination; or
 - (4) a disability determination made by the Social Security Administration.

If the adverse benefit determination is based on medical necessity, experimental treatment or a similar exclusion or limit, you will be provided either with an explanation of the scientific or clinical judgment for the determination applying the terms of the plan to your medical circumstances or a statement that such explanation will be provided free of charge upon request.

F. All Benefit Determinations and Deadline to Seek Judicial Review

No legal action regarding or relating to a claim for benefits under the Plan may be commenced or filed against the Board of Trustees or the Plan more than two (2) years after the mailing of a final decision of the Board of Trustees on appeal of a denial of a claim for benefits under the Plan. The Trustees shall have full discretionary authority to interpret the provisions of this Plan and determine eligibility for benefits; and it is within the sole and absolute discretion of the Trustees to determine if you are entitled to receive a benefit and the amount of the benefit. Judicial review of the Trustees' interpretations and determinations on eligibility for benefits shall be limited to the extent that the Trustees' determinations shall not be overturned unless they are arbitrary and capricious. The decision shall be final and binding upon you. All notices to you shall be made in a culturally and linguistically appropriate manner.

The Plan will provide oral language services such as a telephone customer assistance hotline that include answering questions in any “applicable non-English language” and providing assistance with filing claims and appeals in “any applicable non-English language.” In addition, the Plan will provide, upon request, a notice in any “applicable non-English language” and will include in the English version of all notices a statement prominently displayed in any applicable non-English language clearly indicating how to access the language services provided by the Plan. “Applicable non-English languages” include, with respect to an address in any United States county to which

a notice is sent, a non-English language in which ten percent or more of the population residing in the county is literate only in that language.

The Trustees shall have full authority to interpret the provisions of this Plan and it is within the sole and absolute discretion of the Trustees to determine if you are entitled to receive a benefit and the amount of the benefit. The decision shall be final and binding upon you.

G. Benefit Payment to An Incompetent Person or Minor Beneficiary

If benefit payments under the Plan are due to an incompetent or physically or mentally disabled person, the Trustees may make payments directly to any legal representative appointed for that individual. If the Trustees are not aware of any legal representative, the Trustees may make payment to the institution responsible for that individual or to the Spouse, child(ren), or any other person whom the Trustees reasonably determine is caring for or otherwise providing support and maintenance for the individual.

Distributions to Beneficiaries who are minors may be made by the Board of Trustees to (1) the Beneficiary's parent or legal guardian as custodian for the Beneficiary under the Ohio Transfers to Minors Act or similar Transfers to Minors Act of the state of the residence of the minor; and/or (2) to any institution maintaining the individual; and/or (3) to any person whom the Trustees reasonably determine is caring for the individual or otherwise providing support and maintenance. The Board of Trustees is not required to see to the application of any distributions so made to any minor, and the receipt of the distribution by the persons set forth above shall be a full discharge to the Board of Trustees and the Plan.

ARTICLE VI: RECEIVING A PENSION

A. Introduction.

There are six types of pensions available:

1. Normal retirement pension;
2. 55/30 retirement pension;
3. Early retirement pension;
4. Special early retirement pension;
5. Disability pension (either Industry-Related or Total and Permanent Disability); and
6. Deferred vested pension.

If you are eligible for more than one type of pension from the Plan, you will receive the pension that provides you the greatest benefit. You may receive only one type of pension from the Plan. Please note that if you are receiving a Normal retirement pension, 55/30 retirement pension, Early retirement pension, Special early retirement pension, Disability pension, or Deferred Vested pension, you cannot engage in Disqualifying Employment after you begin receiving pension payments. Please see Article VIII, Section C below for a more detailed discussion on Disqualifying Employment and its effect on your pension benefit.

B. Normal Retirement Pension

Once you are vested, you can retire with a normal retirement pension when you reach your normal retirement age, which is generally age 65. Your normal retirement age can be after age 65 if you have not had five years of credited service under the Plan by the time you reach age 65. If you have not had five years of credited service under the Plan by the time you reach age 65, then your normal retirement age will be when you reach your fifth year of Plan participation.

Your monthly normal retirement pension benefit will be your current service benefit. Your current service benefit is calculated differently depending on when you performed work. Your total current service benefit is thus calculated by the adding up each of the current service benefits for each of the time periods set forth below:

- **Work Prior To September 1, 2010.** For hours worked prior to September 1, 2010, your current service benefit is calculated by multiplying the total contributions made on your behalf by 3.6%. However, no hourly contributions in excess of \$2.60 per hour that are received by the Plan for such work will be counted in this calculation.
- **Work from September 1, 2010 through May 30, 2013.** For hours worked on or after September 1, 2010 but before June 1, 2013, your current service benefit is calculated by multiplying the total contributions made on your behalf during that time period by 1.3%. There is no cap on the hourly contribution received during that time period and all contributions (even those in excess of \$2.60 per hour) are used in calculating this portion of your benefit.
- **Work from June 1, 2013 through April 30, 2020.** For hours worked on or after June 1, 2013 but before May 1, 2020, your current service benefit is calculated by multiplying the total contributions made on your behalf during that time period by 1.2%, and all contributions (even those in excess of \$2.60 per hour) are used in calculating this portion your current service benefit.
- **Work on or after May 1, 2020.** For hours worked on or after May 1, 2020, your current service benefit is calculated by multiplying the total contributions made on your behalf during that time period by 1.1%, and all contributions (even those in excess of \$2.60 per hour) are used in calculating this portion your current service benefit.

1. Example of Calculation of Current Service Benefit

Assume that when you retire, you have worked thirty years, and your employer has contributed a total of \$78,000 on your behalf of hourly contributions (not including any contributions in excess of \$2.60 per hour) for hours worked prior to September 1, 2010; another \$25,000 of contributions for hours worked after September 1, 2010 but prior to June 1, 2013; another \$10,000 of contributions for hours worked after June 1, 2013 but prior to May 1, 2020; and another \$20,000 of contributions for hours worked on or after May 1, 2020. Your monthly benefit would be calculated as follows:

Pre 9/1/10 hour contributions limited to \$2.60 per hour:	
\$78,000 multiplied by 3.6% =	\$2,808.00
Post 9/1/10 but Prior to 6/1/13 contributions (no hourly limit):	
\$25,000 multiplied by 1.3% =	\$325.00
Post 6/1/13 but Prior to 5/1/20 contributions (no hourly limit):	
\$10,000 multiplied by 1.2% =	\$120.00
Post 5/1/20 contributions (no hourly limit):	
\$20,000 multiplied by 1.1% =	<u>\$220.00</u>
TOTAL:	\$3,473.00

C. 55/30 Retirement Pension

The 55/30 retirement pension is calculated just like a normal retirement pension (see Section B of this Article, above). You may qualify for a 55/30 retirement pension on or after May 1, 2013 if you:

1. Are at least age 55;
2. Have 30 separate years of service in covered employment (participation under Sheet Metal Workers Local Union No. 33, Cleveland District collective bargaining agreements, and before January 1, 1988, Sheet Metal Workers Local Union No. 65 collective bargaining agreements);
3. Have at least 46,000 hours of contributions paid to the Plan;
4. Have 3,500 hours of contributions paid to the Plan during the five (5) years immediately before you retire (certain exceptions to this requirement may apply if working for the International Union as set forth in the Plan Document); and
5. Have worked for a period of not less than twenty-four (24) full calendar months either (a) after September 1, 2010 or (b) under a collective bargaining agreement

which previously provided for the supplemental contribution rate to be paid to the Plan as determined by the Board of Trustees.

D. Early Retirement Pension

a. Early Retirement Pension Eligibility

You may qualify for an early retirement pension if you:

- a. Are at least age 55; and
- b. Have at least five (5) years of vesting service.

b. Calculating the Early Retirement Pension Benefit

The early retirement pension is calculated like a normal retirement pension, and then reduced $\frac{1}{2}\%$ (0.5%) for each month payment begins before age 65.

However, if you retired under the plan prior to September 1, 2010, different reductions apply. See the plan document or contact the Fund Office for those reduction percentages.

c. Example

Phil is vested and retires from covered employment on his birthday at age 63. Phil has not worked in the sheet metal industry in the last five years (60 months). Based on the contributions received by the plan on Phil's behalf, his normal retirement benefit would be \$2,000.00 per month.

To calculate his early retirement, the Plan will multiply his normal retirement pension by the early retirement pension reduction percentage. In this case, Phil is retiring two full years (or 24 months) before he reaches age 65. This means his normal retirement pension is reduced by 12% ($\frac{1}{2}\% \times 24$ months). Phil will receive 88% of his normal retirement pension or \$1,760.00 per month (\$2,000.00 multiplied by 0.88) payable as a life annuity. Depending on the form of payment Phil is eligible for and elects, his benefit may be further reduced (for example, Phil is married and elects a survivor annuity for his Spouse).

E. Special Early Retirement Pension

1. Special Early Retirement Pension Eligibility

You may qualify for a *special* early retirement pension if you:

- a. Are at least age 55;

- b. Have at least two years of vesting service (or, for individuals who first became participants on or after May 1, 2007, five years of vesting service); and
- c. Have worked at least 3,500 hours in the 60 months before your early retirement date.

2. **Calculating the Special Early Retirement Pension Benefit**

The special early retirement pension is calculated like a normal retirement pension, and then reduced $\frac{1}{4}\%$ (0.25%) for the first 48 months payments begin before normal retirement age, further reduced by $\frac{5}{12}\%$ (0.4167%) for each of the next 12 months payments begin before normal retirement age, and further reduced by $\frac{1}{2}\%$ (0.5%) for each of the next 60 months payments begin before normal retirement age.

However, if you retired under the plan prior to September 1, 2010, different reductions apply. See the plan document or contact the fund office for those reduction percentages.

3. **Example**

Mike is vested and retires from covered employment on his birthday at age 58. Mike has worked at least 3,500 hours in covered employment over the 60 months prior to his retirement date. Based on the contributions received by the plan on Mike's behalf, his normal retirement benefit would be \$2,000.00 per month.

In order to calculate Mike's special early retirement, the plan will multiply his normal retirement pension by the special early retirement pension reduction percentage. In this case, Mike is retiring seven full years (or 84 months) before he reaches age 65. This means his normal retirement pension is reduced by 12% ($\frac{1}{4}\% \times 48$ months) for the first 48 months (4 years) retired prior to age 65 and further reduced by 5% ($\frac{5}{12}\% \times 12$ months) for the next 12 months retired prior to age 65 and finally further reduced by 12% ($\frac{1}{2}\% \times 24$ months) (a total of 29% reduction [$12\% + 5\% + 12\%$]). Mike will receive 71% (100% minus 29%) of his normal retirement pension or \$1,420.00 per month (\$2,000.00 multiplied by 0.71) payable as a life annuity. Depending on the form of payment Mike is eligible for and elects, his benefit may be further reduced.

F. Disability Pension

1. **General Information**

The Plan offers two types of disability pensions:

- a. A total and permanent disability pension; and

- b. An industry-related disability pension.

Disability pension payments begin the first day of the month following the date your disability begins or the first day of the month following the date you apply for a disability pension, whichever is later.

Once you begin to receive disability pension payments, they will continue for the rest of your life or until you recover from your disability, whichever occurs first. If you qualify for an industry-related disability and then subsequently meet the qualifications for a total and permanent disability, you may convert to a total and permanent disability benefit if the Trustees determine that you suffer from a total and permanent disability as defined below.

If you are married, the disability pension will be paid as a 75% Spousal Pension. If you are not married, the disability pension will be paid as a life annuity. Before your disability pension payments begin, you may elect an optional form of payment as described in Article VII.

The determination of total and permanent disability or industry-related disability is solely at the discretion of the Trustees. The Trustees may require you to have a physical examination by a physician selected by the Trustees, up to twice a year (at no cost to you).

2. Total and Permanent Disability Pension

- a. *Eligibility.* You are eligible for a total and permanent disability pension if you:

- i. Have at least 10 years of credited service;
 - ii. Have worked at least 350 hours in covered employment in the 24-month period prior to the date the disability began;
 - iii. Have sustained Total and Permanent Disability; and
 - iv. Have been awarded a Social Security Disability Benefit.

- b. *Total and Permanent Disability*

To be eligible for a total and permanent disability pension, you must be totally and permanently disabled. *Total and permanent disability* means personal disablement resulting from bodily or mental injury or disease that results in you being eligible for and receiving Social Security Disability benefits by the Social Security Administration. However disabilities that result from the following are excluded from coverage:

- i. Engaging in criminal activity;

- ii. Habitual drunkenness or addiction to narcotics; or
- iii. Intentionally self-inflicted injury.

c. *Total and Permanent Disability Pension Amount*

The amount of a total and permanent disability pension is the same amount as your normal retirement pension (See Article VI, Section B);

3. Industry-Related Disability Pension

a. *Eligibility*

You are eligible for an industry-related disability pension if you:

- i. Sustain an industry-related disability, as determined by the Board of Trustees based on the medical evidence; and
- ii. Are unable to return to employment in the Sheet Metal Industry, but are capable of performing employment in another field; and
- iii. Have at least 10 years of credited service; and
- iv. Have worked at least 350 hours in covered employment in the 24 month period prior to the date the disability began.

b. Industry-Related Disability

To be eligible for an industry-related disability pension, you must have an industry-related disability. *Industry-related disability* means personal disablement resulting from bodily or mental injury or disease which will permanently, continuously and wholly prevent you from returning to employment in the Sheet Metal Industry but not prevent you from returning to employment in another field for which you are qualified by education, training or experience. However, disabilities that result from the following are excluded from coverage:

- i. Engaging in criminal activity;
- ii. Habitual drunkenness or addiction to narcotics; or
- iii. Intentionally self-inflicted injury.

c. **Industry-Related Disability Pension Amount**

The amount of an Industry-related disability pension is the early retirement pension you would be entitled to receive if you were at early retirement age when your industry-related disability pension begins. See Section D of this Article for information on how to calculate an early retirement pension. If your benefit begins after you reach age 55, the monthly amount is equal to your early retirement pension or any other type of pension benefit you are eligible to receive as listed in this Article (i.e., special early retirement pension, 55/30 retirement pension, etc.).

G. Deferred Vested Pension

If you are vested but leave covered employment, you may be eligible for a deferred vested pension. The Plan offers this type of benefit so that you can leave covered employment and begin receiving pension payments later when you retire. This is called a deferral of benefit payments. Payments generally begin when you reach age 65; however, they may begin as early as age 55, but benefits will be reduced for early retirement.

In general, the amount of your deferred vested pension is calculated in the same way as your normal retirement pension (see Section B of this Article) or early retirement pension (see Section D of this Article). The pension benefit will be based on the provisions in effect when you left covered employment unless such benefits have been reduced subject to a rehabilitation plan entered into by the Plan.

ARTICLE VII: CHOOSING A PAYMENT OPTION

A. Introduction

1. Your payment options are based on your marital status when you retire:
 - a. If you **are not married** when you retire, the normal form of payment is a life annuity.
 - b. If you **are married** when you retire, the normal form of payment is a 75% Spousal Pension.

However, the Plan also offers, with your Spouse's written consent, a:

- i. 100% Spousal Pension;
- ii. 100% Spousal Pension with pop-up; or
- iii. 50% Spousal Pension; or

iv. 50% Spousal Pension with a pop-up.

If you choose one of these optional forms of benefit, your monthly pension is adjusted to account for the increased or decreased benefit for your Spouse. The amount of the adjustment is based on the age of you and your Spouse.

The Plan also offers a social security level income option whereby you may increase your monthly benefit prior to social security retirement age and reduce your monthly benefit after social security retirement age in order to have a level combined income from your pension and social security for your life.

2. If the present value of your benefit is \$1,000 or less, you will receive your benefit as a lump-sum payment (see Section B(3) of this Article). If the value of your benefit is more than \$1,000 but \$5,000 or less, payment may be made as a lump sum payment after your written request is received (without spousal consent) as long as the Plan is not currently certified in critical status.
3. Note: The payments listed in this section are effective for retirements on or after September 1, 2021. If you left covered employment before September 1, 2021, the payment options available to you may be different. Contact the Fund Office for more information.
4. To be eligible for a Spousal Pension form of payment, your Spouse must be a qualified Spouse. A qualified Spouse is someone who is legally married to you for at least one (1) year at retirement or, if later, on the date of your death. However, in accordance with the terms of a Qualified Domestic Relations Order, your former Spouse may also be considered a qualified Spouse under the Plan. If you are married and elect a payment option other than the 75% Spousal Pension, you need your Spouse's written consent witnessed by a notary public or Plan representative.

B. Normal Forms of Payment

1. Life Annuity

A life annuity provides you with monthly pension payments for your lifetime. After your death, your beneficiary may be eligible to receive a lump-sum equal to the contributions made to the Fund on your behalf minus any pension payments you received before death. However, if the Plan is currently certified in critical status, the law will not permit the Plan to pay out such a lump sum, and the beneficiary will instead receive a life annuity equal to the actuarial equivalent of the difference between the amount in total pension payments you have received before death and the amount of total contributions made on your behalf.

2. 75% Spousal Pension

The 75% Spousal Pension provides you with monthly pension payments for your lifetime. Your benefit will be reduced to the actuarial equivalent of a single life annuity based on the contributions received by the Plan on your behalf to account for the survivorship benefits that will be paid to your Spouse if you predecease him or her. After you die, your surviving Spouse receives 75% of your monthly pension amount for the rest of his or her life. In the event of your death before your Spouse, your Spouse may also be eligible for a lump-sum payment equal to the contributions made to the Fund on your behalf minus any pension payments you received before your death. However, if the Plan is currently certified in critical status, the law will not permit the plan to pay out such a lump sum, and your Spouse may receive a life annuity instead of a lump-sum payment in this circumstance. If your Spouse dies before you, your benefit will not change because this benefit is not reduced for this form of payment.

3. Lump-Sum Payment

If the actuarial present value of your pension benefit is \$1,000 or less at the time you are eligible to receive payment, your benefit will be paid to you in a lump-sum payment. If the value of your benefit is more than \$1,000 but \$5,000 or less, payment will be made in a lump-sum payment after your written request is received (without spousal consent). However, no such lump sum payment may be made if the Plan is currently certified to be in critical status under the law.

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

In addition, if your pension amount is less than \$50 per month, you may elect, in writing, to have your benefit made in one lump-sum payment as long as the Plan is not currently certified to be in critical status.

C. Optional Forms of Payment

1. 100% Spousal Pension

The 100% Spousal Pension provides you with monthly pension payments for your lifetime. After you die, your surviving Spouse receives 100% of your monthly pension for the rest of his or her life.

If you choose this option, your monthly pension is reduced to provide a benefit for your Spouse. The amount of reduction is based on the age of you and your Spouse.

2. 100% Spousal Pension With Pop-Up

The 100% Spousal Pension with pop-up provides you with monthly pension payments for your lifetime. After you die, your surviving Spouse receives 100% of your monthly pension for the rest of his or her life. If your Spouse dies before you, your monthly pension will “pop up” (or revert) to the amount you would have received had you elected the single life annuity.

If you choose this option, your monthly pension is reduced to provide these extra benefits for your Spouse. The amount of reduction is based on the age of you and your Spouse.

If you elect the 100% Spousal Pension with pop-up, you must notify the Fund Office and provide any required documentation of your Spouse’s death to have your pension amount revert to the amount you would have received as a life annuity.

3. 100% Spousal Pension And 100% Spousal Pension With Pop-Up Example

Jim retires at age 65 and is eligible for a \$1,800 monthly normal retirement pension. His wife is age 60 – five years younger than he is. The example below shows how Jim’s 100% Spousal Pension and 100% Spousal Pension with pop-up are calculated:

	100% Spousal Pension	100% Spousal Pension with Pop-Up
Jim’s monthly normal retirement pension payable at age 65 as a life annuity	\$1,800.00	\$1,800.00
Reduction factor	.9531	.9477
Jim’s monthly pension payable at age 65 as a Spousal Pension*	\$1,715.58	\$1,705.86
Percent paid to Jim’s Spouse in the event of his death	100%	100%
Jim’s surviving Spouse’s monthly benefit	\$1,715.58	\$1,705.86
Jim’s monthly pension payable in the event his Spouse dies before him	\$1,715.58	\$1,800.00

*For the 100% Spousal Pensions with pop-up, the factors are determined based on Jim’s and his wife’s age when he applies for and receives his benefit

4. 50% Spousal Pension

The 50% Spousal Pension provides you with monthly pension payments for your lifetime. After you die, your surviving Spouse receives 50% of your monthly pension for the rest of his or her life.

If you choose this option, your monthly pension is adjusted to provide a benefit for your Spouse. The amount of the adjustment is based on the age of you and your Spouse.

5. 50% Spousal Pension with Pop-up

The 50% Spousal Pension with pop-up provides you with monthly pension payments for your lifetime. After you die, your surviving Spouse receives 50% of your monthly pension for the rest of his or her life. If your Spouse dies before you, your monthly pension will “pop up” (or revert) to the amount you would have received had you elected the single life annuity.

If you choose this option, your monthly pension is reduced to provide these extra benefits for your Spouse. The amount of reduction is based on the age of you and your Spouse.

If you elect the 50% Spousal Pension with pop-up, you must notify the Fund Office and provide any required documentation of your Spouse’s death to have your pension amount revert to the amount you would have received as a life annuity.

6. Social Security Level Income Option

If you are retiring on an Early Retirement Pension, Special Early Retirement Pension or 55/30 Retirement Pension, you may elect to have your Pension increased until the age at which you expect to receive your Social Security Retirement benefit and then correspondingly reduced thereafter in order to approximate a total pension before your Social Security Retirement age as nearly equal as possible to your combined total pension (Social Security plus pension under this Plan) after that age. The amount of the adjustment shall be calculated on the basis of actuarial equivalence.

To elect this option, you must fill out the form prescribed by the Plan and file it with the Fund Office in advance of the first month for which benefits are payable. You must also provide the Fund Office with the amount of Social Security benefit to which you will become entitled.

Once elected, the Social Security Level Income Option may not be revoked.

D. Electing A Payment Option

At least 30, but not later than 90 days, before your pension benefits begin, you will receive a written notice that describes the payment options available to you and the effect of your election on your pension amount. You and your Spouse may consent in writing, for payments to begin before the end of the 30-day period. However, payments cannot begin sooner than the eighth day. Unless a waiver is made, you must wait at least 30 days following the date you receive written explanation of your payment options before payments can begin.

If you or your Spouse request additional information, payments will not begin until at least 90 days after you receive the additional information unless you request payments to begin sooner.

If you elect an optional form of payment, your election must be made in writing. The election can be changed at any time before payments begin. In addition, if you are married and elect a form of payment other than the 75% Spousal Pension, you must have your Spouse's written, notarized consent to this election and to any change of election. After payments begin, your election cannot be changed.

E. Direct Rollover

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

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

1. A traditional IRA; or
2. An eligible employer plan, which includes a plan qualified under section 408(a) of the Internal Revenue Code, an individual retirement annuity described in sections 408(b) or 401(a) of the Internal Revenue Code (including a 401(k) plan, profit-sharing plan, defined benefit plan, stock bonus plan, money purchase plan, section 403(a) annuity plan, section 403(b) tax-sheltered annuity, and eligible section 457(b) plan maintained by a governmental employer).

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

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

1. Your lifetime (or your life expectancy);
2. Your lifetime and your beneficiary's lifetime (or life expectancies); or
3. A period of 10 or more years.

Beginning April 1st of the year following the date you reach age 70½ (if you reached 70 ½ on or before December 31, 2019) or age 72 (if you reached 72 on or after January 1, 2020), a certain portion of your payment cannot be rolled over because it is a required minimum payment that must be paid to you.

F. Actuarial Present Value

For lump-sum payments, except those related to a Qualified Domestic Relations Order (unless otherwise specified in the Plan), the actuarial equivalent lump-sum present value is based on the interest rate and mortality table described in IRS Revenue Ruling 95-6.

ARTICLE VIII: BENEFIT SUSPENSION OR DELAY AND RETURNING TO WORK

Working outside the jurisdiction of the Plan can affect your eligibility for pension benefits. The effect of working outside the jurisdiction of the Plan varies depending on the circumstances, including the type of work you are performing and when you engage in such work, whether before or after your pension benefits begin or before or after you reach normal retirement age of 65. The different circumstances and the corresponding effect on your pension benefits are described below.

A. Disqualifying Employment

If you work in Disqualifying Employment, your pension benefits will be suspended or delayed from starting in the first place. Disqualifying Employment affects your benefit differently depending on whether the employment is before or after normal retirement age and whether the employment occurs before your pension benefits begin.

“Disqualifying Employment” includes any employment in the Sheet Metal Industry for an entity unrelated to the Union or Contributing Employers to the Plan. “Disqualifying Employment” does not include the following employment in the Sheet Metal Industry:

- (a) Employment with the Union; or
- (b) Employment as an instructor with an affiliated apprenticeship program with the Union; or
- (c) Employment covered by a collective bargaining agreement with the Union.
- (d) Employment as a “salted” organizer; or
- (e) Employment in a related building trade; provided, however, that such employment is on referral, and authorized, by the Union; or
- (f) Employment covered by a Collective Bargaining Agreement or stipulation of agreement between a union, other than the Union, and an Employer or Employers, and where such employment occurs outside the jurisdiction of the Union; or
- (g) Employment as an instructor teaching sheet metal work for a secondary vocational school or high school; or
- (h) Employment as a former owner and consultant for companies transitioning to new owners.

Please refer to the Plan Document for more information on what constitutes “Disqualifying Employment.”

B. Working Before Your Pension Payments Begin

How your pension benefit is affected when you leave covered employment and subsequently return to covered employment depends on whether or not you were vested when you left covered employment and how long you were not working in covered employment. If you were not vested before a break in service, refer to Article III: Leaving Work, which explains the break in service rules.

If you were vested and left covered employment and subsequently return, your pension amount for each period of benefit service before or after a break year may be calculated differently, based on the Plan provisions at the end of each period.

Moreover, if you engage in Disqualifying Employment as defined in Section A, above, you may delay your eligibility for early retirement benefits. For each calendar quarter you work at least one hour in Disqualifying Employment, your retirement date will be delayed six months, but no later than the date you reach normal retirement age (generally age 65).

C. Working After Your Pension Payments Begin

Once you begin receiving pension payments, you must notify the Board of Trustees within 15 days after you begin any type of work. If you do not notify the Board of Trustees, your benefits will be suspended. In addition, the Trustees will presume that you have been working at the job site as long as your employer has been performing work at the site.

Before you begin any work, you may request a determination from the Board of Trustees as to whether or not the type of work is considered Covered Employment or Disqualifying Employment which will result in a suspension of your pension benefits. Covered Employment includes any work covered by a collective bargaining agreement with the Union or work for the Union or an affiliated apprenticeship program. You have the right to appeal a benefit suspension under the Plan's appeal process, as described in Article V, above.

1. Before Age 65

If you perform any work in the Sheet Metal Industry anywhere in the United States or supervise such work before you reach age 65, your pension benefits will be suspended if in pay status. However, if you are at least 62 years old, you may work in Covered Employment after retirement for 40 hours per month or less, but you will not receive any credit for contributions made to the Plan on your behalf for such work. Moreover, your benefit will not be suspended if you work for the International Union of Sheet Metal, Air, Rail and Transportation Workers or an apprenticeship fund associated with the Union.

The suspension will be effective the first day of the month in which you work the Sheet Metal Industry anywhere in the United States or supervise such work and will continue until you stop working in the Sheet Metal Industry or reach your normal retirement age. Moreover, your pension will be suspended for six consecutive

months for every calendar quarter in which you work at least one hour in Disqualifying Employment.

If you die while your benefits are suspended, any benefits payable to your beneficiary will be based on the form of payment you were receiving before your benefits were suspended, reduced by any benefits you received when benefits should have been suspended due to work in Disqualifying Employment.

2. After Age 65

After age 65, your benefits will be suspended if you work more than 40 hours per month in:

- a. Work in the Sheet Metal Industry in Ohio or within any Standard Metropolitan Statistical Area that falls, in part, within the state of Ohio; or
- b. Supervisory work in the sheet metal industry in Ohio within the state of Ohio, or within any Standard Metropolitan Statistical Area that falls, in part, within the state of Ohio.

The suspension will be effective the first day of the month in which you work in employment described above.

If you die while your benefits are suspended, any benefits payable to your beneficiary will be based on the form of payment you were receiving before your benefits were suspended, reduced by any benefits you received when benefits should have been suspended due to work in Disqualifying Employment.

If you are an active employee and die while your benefits are suspended, any benefits payable to your beneficiary will be paid as if you died after you reached normal retirement age, but before you retired, as described in Article IX.

3. Resuming Benefit Payments

After you stop working in employment that triggers a suspension of benefits as described above, benefit payments will begin as of the earliest of the following:

- 1) The first day of the seventh month following the month in which benefits are no longer suspended; or
- 2) Your normal retirement age (generally age 65).

To resume benefit payments, you must file an application and the Board of Trustees must approve your application. The Trustees may require you to provide information to certify that you are no longer working in Disqualifying Employment.

The initial benefit payment will include a payment for the month in which your payments begin, plus any back payments, minus any overpayments for months you worked in Disqualifying Employment as defined above.

After your early retirement pension resumes, the benefit will be the actuarial equivalent of the early retirement pension that was suspended but reduced by any reductions required by any other provisions of the Plan. If the future service accrual rate is increased while your benefits are suspended, the increase will apply only to service earned after the suspension, unless the Board of Trustees provides otherwise.

4. **Benefit Offset**

After pension payments resume, the Plan will deduct amounts for months you worked in Disqualifying Employment while still receiving your pension. The Plan may reduce your first monthly payment by up to 100% and thereafter by 25% per month until any benefit payments that should not have been paid are recovered.

ARTICLE IX: IN THE EVENT OF DEATH

A. Beneficiary Designation

When you become a Member, you are required to file a designation of Beneficiary form with the Trustees. This form serves as a directive to the Trustees to pay the death benefit in the manner indicated on the form. As a Member, you may from time to time change your designation of Beneficiary form. Each designation shall revoke all prior designations made by you and shall become effective when placed on file with the Plan or its Administrative Manager. You may not designate a Beneficiary other than your Spouse unless your Spouse consents in writing to the designation and such consent is witnessed by a Plan representative or signed by a notary public. If you fail to designate a Beneficiary, a benefit to be paid to a Beneficiary, if any, shall be paid in the following order:

- (a) your Spouse, or
- (b) if no Spouse is living at the time of death, to your Child or Children in equal shares, or
- (c) if no Spouse or Children are living at the time of death, to your Parent or Parents in equal shares, or
- (d) if no Spouse, Children, or Parents are living at the time of death, to your Siblings in equal shares, or

- (e) if no Spouse, Children, Parents, or Siblings are living at the time of death, to your estate.

B. If Your Spouse Dies

If your Spouse dies before or after your pension begins, you should contact the Fund Office to update your Fund records. If you are receiving a 75% Spousal Pension, 100% Spousal Pension, or 50% Spousal Pension with pop-up when your Spouse dies, your pension benefit will revert to the amount you would have received had you elected a life annuity, effective the first day of the month following the month of your Spouse's death.

C. If You Die

1. Before You Are Eligible to Begin A Pension

In the event of your death after you are vested but before you reach early retirement age, your Spouse or beneficiary may be entitled to a benefit depending on whether you were single or married prior to your death.

- a. *Single Participants:* If you are single or have not been married for the previous 12 months prior to your death and you are vested, your beneficiary shall be entitled to a Pre-Retirement Death Benefit.

- 1. *Pre-Retirement Death Benefit:* A Pre-Retirement Death Benefit is either:

- i. a cash distribution of the aggregate contributions made to the Plan on your behalf; or
 - ii. if the Plan is currently certified in critical status under the Pension Protection Act, a life annuity with monthly payment amounts equal to the actuarial equivalent of the aggregate contributions made on your behalf to the Plan.

- b. *Married Participants:* If you are married throughout the 12 month period prior to your death and you are vested, then your Spouse is entitled to a Pre-Retirement Surviving Spouse Pension.

- 1. *Pre-Retirement Surviving Spouse Pension:* A Pre-Retirement Surviving Spouse Pension permits the surviving Spouse to elect one of the following forms of benefits:

- i. A monthly pension payable during your Spouse's lifetime beginning the first day of the month following the date you would have been eligible for an Early Retirement Pension equal to the amount your Spouse would have been entitled

to receive if you retired on the day preceding your death and had elected immediate commencement of the 75% Spousal Pension; or

- ii. A lump sum payment actuarially equivalent to the present value of the benefit set forth above in subsection (i). However, if the Plan is currently certified in critical status under the Pension Protection Act, your Spouse shall not be entitled to make an election under this paragraph (ii) until the Plan emerges from critical status, at which time your Spouse may elect to receive be entitled to a lump sum actuarially equivalent to the present value of the benefit set forth above in subsection (i) less any and all payments made pursuant to that provision in the form of single life annuity made while the Plan was operating during an Adoption and/or Rehabilitation Period, or
- iii. A cash distribution equal to the aggregate contributions made to the Plan on your behalf. However, if the Plan is currently certified in critical status under the Pension Protection Act, then your Spouse will instead receive a life annuity with monthly payment amounts equal to the actuarial equivalent of the aggregate contributions made on your behalf to the Plan. If the Plan emerges from critical status, your Spouse can then elect to receive a cash distribution equal to the aggregate contributions made to the Plan minus any payments received previously under a life annuity payment while the Plan was in critical status.

c. *Non-Spouse Beneficiaries.* If you have designated someone other than your Spouse, with your Spouse's consent, as the beneficiary for the refund of contributions made on your behalf, your beneficiary will receive a lump-sum payment of the total contributions made on your behalf; however, if the Plan is currently certified in critical status under the Pension Protection Act, then your beneficiary would receive a life annuity equal to the actuarial equivalent of the aggregate contributions made on your behalf to the Plan. In addition, your surviving Spouse may be entitled to receive a monthly pension, which is based on the amount of the:

- 1) Life annuity that could have been provided if you retired and elected the 75% Spousal Pension on the day before your death; minus

d. Life annuity that could have been provided to your Spouse based on total contributions made to the Fund on your behalf.

2. After You Are Eligible To Begin A Pension

If you die after you reach early retirement age, your eligible Spouse and, in some cases, your beneficiary may receive a benefit, depending on the form of payment you were receiving and whether you were currently receiving a retirement benefit.

- a. *Death Before You Are Receiving A Pension Benefit:* If you have reached early retirement age prior to your death but are not receiving a pension, your spouse may elect to receive a Pre-Retirement Surviving Spouse Pension described above. In addition, as long as the Plan is not currently certified in critical status under the Pension Protection Act, your spouse may instead elect to receive a lump-sum payment equal to the total contributions made to the Fund on your behalf plus a monthly pension, which is based on the amount of the:
 - 1) Life annuity that could have been provided if you retired and elected the 75% Spousal Pension on the day before your death, minus
 - 2) Life annuity that could have been provided to your spouse based on total contributions made to the Fund on your behalf.
- b. *Death After Your Pension Begins:* If you die after your pension has begun, your Spouse or your designated beneficiary may receive a death benefit. The type of benefit your Spouse or beneficiary may receive will depend on the type of pension you had elected. If your pension is paid as a:
 - 1) **Life Annuity**, your beneficiary may receive a lump-sum payment equal to the contributions made to the Plan on your behalf minus any pension payments you received before your death as long as the Plan is not currently certified in critical status under the Pension Protection Act. If the Plan is currently certified in critical status, then your beneficiary may instead receive a life annuity equal to the actuarial equivalent of the total amount of contributions made on your behalf minus any pension payments you received before your death.
 - 2) **75% Spousal Pension (with or without pop-up)**, your surviving Spouse receives 75% of your monthly pension for the rest of his or her life. In addition, if the aggregate contributions made to the Plan on your behalf exceed the aggregate of pension payments you would have received if your pension had been paid as a single life annuity, your surviving Spouse shall be entitled to a lump sum payment (or straight life annuity equal to such lump sum payment if the plan is in critical status) equal to the difference between such two amounts.

- 3) **50% Spousal Pension (with or without pop-up)**, your surviving Spouse receives 50% of your monthly pension for the rest of his or her life. In addition, if the aggregate contributions made to the Plan on your behalf exceed the aggregate of pension payments you would have received if your pension had been paid as a single life annuity, your surviving Spouse shall be entitled to a lump sum payment (or straight life annuity equal to such lump sum payment if the plan is in critical status) equal to the difference between such two amounts.
- 4) **100% Spousal Pension (with or without pop-up)**, your surviving Spouse receives 100% of your monthly pension for the rest of his or her life. In addition, if the aggregate contributions made to the Plan on your behalf exceed the aggregate of pension payments you would have received if your pension had been paid as a single life annuity, your surviving Spouse shall be entitled to a lump sum payment (or straight life annuity equal to such lump sum payment if the plan is in critical status) equal to the difference between such two amounts.
- 5) **Social Security Level Income Option**, your surviving Spouse will receive a lifetime monthly benefit equal to the amount elected as a Spousal Pension. In addition, if the aggregate contributions made to the Plan on your behalf exceed the greater of (a) the aggregate of pension payments you would have received if your pension had been paid as a single life annuity or (b) the aggregate of pension payments made to you under the Social Security Level Income Option, your surviving Spouse shall be entitled to a lump sum payment (or straight life annuity equal to such lump sum payment if the plan is in critical status) equal to the difference between the aggregate contributions received and the greater of (a) or (b), above.

3. Disqualifying Employment

If you work at least one hour in Disqualifying Employment, your beneficiary or surviving Spouse will not be entitled to receive contributions made to the Plan on your behalf, or that portion of the death benefit attributable to the contributions as set forth above. However, if you stop working in Disqualifying Employment, begin working in covered employment, and die before you retire, your Spouse may be entitled to receive the contributions made to the Plan on your behalf after you stopped working in Disqualifying Employment. For Disqualifying Employment exclusions, see Article VIII.

ARTICLE X: ADMINISTRATIVE INFORMATION

A. Plan Name

Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan

B. Plan Number

001

C. Employer Identification Number

34-6514741

D. Plan Year and Fiscal Year

May 1 – April 30

E. Type of Plan

The Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan is a defined benefit retirement plan designed to provide income for you after you retire or become disabled, or for your survivors after you die. The Plan is a defined benefit plan, which means a formula is used to calculate the amount of your benefit.

F. Legal Plan Document

This booklet highlights the provisions of the official legal Plan Document governing the Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan. *All of your rights and benefits are governed by the official legal Plan Document, as are all final decisions.* If there is a discrepancy between the information provided in this booklet and the official, legal Plan Document, the official, legal Plan Document will govern. If you wish, you may examine the legal Plan Document at the Fund Office or obtain a copy for yourself from the Plan Administrator for a reasonable copying charge.

G. Plan Sponsor

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

Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan
12515 Corporate Dr.
Parma, Ohio 44130
(216)267-3344

The Trustees of the Plan currently are:

Union Trustees

Timothy Miller, Chairman
Todd Alishusky, Trustee
Dan Findley, Trustee

Employer Trustees

Thomas E. Martin, Secretary/Treasurer
John E. Sickle Jr., Trustee
John Sindyla, Trustee

H. Plan Administrator

The Board of Trustees is also the Plan Administrator and has delegated administrative responsibility to BeneSys, Inc., as Administrative Manager. It is the Administrative Manager's responsibility to see that your questions are answered, that service and contribution records are maintained, that benefits are properly figured and paid promptly, and that the Plan is operated in accordance with the legal documents governing it. You may write to the Plan Administrator at the address shown at the front of this booklet.

I. Agent for Service of Legal Process

The Board of Trustees is the agent for service of legal process concerning the Plan. Legal process may be served on the Plan Administrator or any member of the Board of Trustees at the address of the Pension Plan that is listed at the beginning of this booklet.

J. Funding of Plan

Participating employers pay for the entire cost of the Plan by making contributions to the Sheet Metal Workers' Local No. 33 Cleveland District Pension Plan. Contributions are based on covered employment as described in the collective bargaining agreement between your employer and your Union. The contributions are invested by the Board of Trustees and investment managers chosen by the Trustees. Pension Plan assets, including any investment earnings, are used to pay benefits and administrative expenses.

K. Collective Bargaining Agreements

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

L. Pension Trust's Assets and Reserves

All assets are held in a trust by the Board of Trustees to provide benefits to eligible participants. Employer contributions are held in trust and invested by the Board of Trustees and professional investment managers chosen by the Trustees.

M. Assignment of Benefits

This Plan is intended to pay benefits only to you or your eligible survivors. Your benefits cannot be used as collateral for loans or assigned in any other way, except in connection with a Qualified Domestic Relations Order (QDRO) issued by a court of law. See Article IV, Section C for more information about QDROs.

N. Maximum Pensions

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

O. Eligibility and Benefits

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

P. Plan Amendment and Termination

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

Q. Sole Determination by Trustees

Only the Board of Trustees has the authority and discretion to determine your eligibility for benefits and your right to participate in the Pension Plan. The Board's decisions will not be changed by a judge unless the Trustees are found to have abused their discretion. The Trustees have the authority, in their sole discretion, to exercise all the other powers specified in the Plan.

The Trustees may, in their sole discretion, change or end the Plan in any manner or at any time permitted by the provisions of the Trust Agreement. If the Trustees change or end the Plan, you will be notified in writing.

R. Rights and Responsibilities

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

S. Interpreting the Plan

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

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

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

All benefits under the Plan are conditional and subject to the Trustees' authority under the Trust Agreement to change them. The Trustees have the authority to increase or decrease benefits or change eligibility rules or other provisions of the Plan as they determine to be in the best interests of the Plan members in accordance with any applicable law.

T. Right to Recover Overpayments

The Trustees shall have the right to recover any benefit payments made in reliance on any willful, false or fraudulent statement, information or proof submitted by an applicant for benefits. The Trustees shall also have the right to recover or adjust any benefit payment made in error, including, but not limited to, an overpayment attributable to the following:

- (A) a mathematical or system error;
- (B) a mistake or deficiency in the Plan's service or contribution records;
- (C) an error in the personal information supplied by a Participant or Beneficiary;
- (D) a mistake of law or a mistake of fact; or
- (E) a determination by the Plan Administrator that because of a mistake or miscalculation by the Plan Administrator, the benefit to which the Participant or Beneficiary is entitled under the Plan's terms is different from the amount that the Participant or Beneficiary is receiving.

The Plan shall take appropriate action to collect any benefit overpayment that a Participant or Beneficiary has received, plus appropriate interest, because of dishonesty or error. Upon receipt of any overpayment due to dishonesty or error, the participant or beneficiary receiving such

overpayment shall be deemed to hold such overpayment in constructive trust for the benefit of the Plan. A “constructive trust” shall mean a trust in which any amount, compensation and/or money a participant or beneficiary receives in excess as to what is provided for in this Plan shall be deemed to be held for the Plan’s exclusive benefit and not commingled with other funds. Any such Constructive Trust shall be subject to an equitable lien by the Plan and any other equitable remedies available to the Plan under ERISA Section 502(a)(3) for the purpose of preserving the Plan’s right to restitution for benefits overpaid.

In lieu of collecting the overpayment and appropriate interest from the Participant or Beneficiary, the Plan may offset the overpayment plus interest against future benefits that are due and owing to the Participant or Beneficiary under the Plan’s terms. Any such offset shall be applied in accordance with the requirements of the Internal Revenue Service’s Employee Plan Compliance Resolution System. A constructive trust shall be deemed to be placed on all benefit overpayments distributed to the Participant or Beneficiary and any interest associated with such overpayments.

ARTICLE XI: YOUR ERISA RIGHTS

As a participant in the Sheet Metal Workers’ Local No. 33 Cleveland District Pension Plan, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to certain rights, as outlined in the following information.

A. Receive Information About Your Plan and Benefits

You have the right to:

1. Examine, without charge, at the Plan Administrator’s office and at other specified locations, such as worksites and Union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration (EBSA);
2. Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description (the Plan Administrator may make a reasonable charge for the copies);
3. Receive a summary of the Plan’s annual financial report, which the Plan Administrator is required by law to furnish each participant; and
4. Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have

a right to a pension, the statement will tell you how many more years you have to work to earn a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

B. Prudent Actions By Plan Fiduciaries

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

C. Enforce Your Rights

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan Documents or the latest annual report from the Plan 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 to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Plan Administrator.

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

D. Assistance With Your Questions

If you have any questions about your Plan, you should contact the Plan Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Plan Administrator, you should contact the nearest office of the EBSA, U.S. Department of Labor, listed in your telephone directory or the National Office: Division of Technical Assistance and Inquiries of the Employee Benefits Security Administration at the following address:

U.S. Department of Labor
200 Constitution Ave. NW
Washington, D.C. 20210
(866) 444-3272

Cincinnati Regional Office:
1885 Dixie Highway, Suite 210
Ft. Wright, KY 41011-2664
(859) 578-4680

For more information about your rights and responsibilities under ERISA:

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

E. Protecting Your Pension

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

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

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

The PBGC guarantee generally covers:

1. Normal and early retirement pensions;
2. Disability benefits if you become disabled before the Plan becomes insolvent; and
3. Certain benefits for your survivors.

The PBGC guarantee generally does not cover:

1. Benefits greater than the maximum guaranteed amount set by law;
2. Benefits based on Plan provisions that have been in place for fewer than five years at the earlier of the:

- a. Date the Plan terminates; or
 - b. Time the Plan becomes insolvent;
3. Benefits that are not vested because you have not worked long enough;
4. Benefits for which you have not met all of the requirements at the time the Plan becomes insolvent; and
5. Non-pension benefits, such as health insurance, life insurance, certain death benefits, vacation pay, and severance pay.

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

PBGC's Technical Assistance Division
1200 K Street N.W., Suite 930
Washington, D.C. 20005-4026

You may also call the PBGC at (202) 326-4000 (not a toll-free number). TTY/TDD users may call the federal relay service toll-free at 1-800-877-8339 and ask to be connected to (202) 326-4000.

Additional information about the PBGC's pension insurance program is available through the PBGC's Web site on the Internet at www.pbgc.gov.

BOARD OF TRUSTEES

SHEET METAL WORKERS' LOCAL NO. 33 CLEVELAND DISTRICT PENSION PLAN