

SMART, SHEET METAL WORKERS LOCAL NO. 104
SUPPLEMENTAL PENSION PLAN



Summary Plan Description

January 2021

◆KEEP THIS BOOK FOR FUTURE REFERENCE◆

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TRUST FUND OFFICE

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c/o BeneSys Administrators
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(925) 208-9994 or (800) 548-1771

The Trustees have hired BeneSys Administrators to perform the routine, day-to-day administrative tasks of the Plan.

Dear Participant:

This booklet summarizes the retirement benefits provided by the SMART, Sheet Metal Workers Local No. 104 Supplemental Pension Plan. It explains how you earn benefits, when you become eligible for payment, and the choices available to you concerning the way your benefit will be paid. Please destroy any printed material dated prior to January 2021 as it may be misleading or incorrect.

This booklet includes many important changes and improvements. You should read it carefully so that you will understand your rights and obligations. If you are married or have a registered Domestic Partner, you should discuss the Plan benefits and options with your spouse or partner because you may each have an interest in the Plan.

This Plan is amended from time to time. You will receive written notice of any changes to the Plan. Please read all Plan communications and keep them with this booklet. Please notify the Trust Fund Office immediately if you change your address.

This booklet contains a brief, general summary of the Plan rules. It does not, however, take the place of the Plan. In the event of any conflict between the summary portion of this booklet and the Plan, the Plan will govern. A copy of the current Plan document, as restated January 1, 2021, is available upon request from the Trust Fund Office.

Only the full Board of Trustees is authorized to interpret the Plan and to make factual findings. The Board has discretion to decide all questions about the Plan. No individual trustee, employer, union representative or other person has authority to interpret this Plan on behalf of the Board or to act as an agent of the Board.

The Board has authorized the Trust Fund Office to respond in writing to your written questions. If you have a question about your benefits, you should write to the Trust Fund Office for a definitive answer. To obtain an accurate answer, you will need to provide complete and accurate information about your situation.

As a courtesy to you, the Trust Fund Office also may respond informally to oral questions. Oral information and answers are not binding upon the Board and cannot be relied on in any dispute concerning your benefits.

You will receive periodic statements showing your accumulated benefits. From time to time such statements may reflect a data error, which may be corrected based on a subsequent audit or review. The Board of Trustees reserves the right to make appropriate corrections whenever any such error is discovered.

This Plan can help provide financial security to you and your family upon retirement or in the event of your death. To be sure benefits are paid in the manner best suited to your needs, please keep your beneficiary designation up to date and carefully analyze your benefit options before you retire. You may wish to consult your tax advisor concerning the tax consequences of your decisions.

If you have questions about the Plan or need further information, please contact the Trust Fund Office at (925) 208-9994 or (800) 548-1771.

Sincerely,

Board of Trustees



If your claim for benefits is denied you may appeal to the Board of Trustees. If your appeal is denied by the Board of Trustees, you may file a civil action under ERISA Section 502(a). No lawsuit may be filed without first exhausting the Plan's review procedure. In any such lawsuit, the decision of the Board of Trustees will be subject to judicial review only for abuse of discretion. No legal action may be commenced or maintained against the Trust or Plan more than two (2) years after the claim has been denied.

Please refer to the Section 7 of the Plan Document for the Plan's complete Claims and Appeal Procedures.

SECTION 1. HOW YOU EARN BENEFITS

Your benefits are funded by employer contributions and elective deferrals made on your behalf under a collective bargaining agreement between your employer and SMART, Sheet Metal Workers Local Union No. 104. You earn a specified employer contribution for every hour you work; you may also elect to defer additional 401(k) elective deferrals for every hour you work under the terms of the collective bargaining agreement. The contributions you earn are credited to a benefit account in your name. Your account also includes any monies rolled into the Plan on your behalf. Your account is also credited with investment earnings, minus Plan expenses.

Your benefits under this Plan are equal to the amount in your account (also referred to as your "Individual Account"). The size of your benefit will depend on the total amount of contributions you earn and the net investment earnings credited to your account.

In general, the more hours you work under a collective bargaining agreement, the larger benefit you will receive.

If you left covered employment to serve in the U.S. military and promptly returned to covered employment after your period of active duty, you may be entitled to additional benefits. Contributions and benefits for qualified military service are calculated as if you continued working in covered employment the same average hours that you worked during the previous 12 months. If you think you are eligible for additional credit under this rule, please send a copy of your military service record to the Trust Fund Office.

SECTION 2. ADMINISTRATION OF THE PLAN/INVESTMENTS

The Plan is administered by a Board of Trustees consisting of twenty-two (22) Trustees. Eleven (11) Trustees, called "Employer Trustees," are selected by Bay Area Association of Sheet Metal and Air Conditioning Contractors National Association ("SMACNA"), Sacramento Valley Chapter, SMACNA, Northern San Joaquin Valley Chapter, SMACNA, and Central Valley Chapter, SMACNA. Eleven (11) Trustees, called "Union Trustees," are selected by SMART, Sheet Metal Workers Local Union No. 104.

The Trustees have authority to adopt rules to guide them in administering the Plan, interpreting Plan provisions and rules, amending the Plan, deciding questions of policy, investing and safeguarding Plan assets and appointing advisors and consultants, such as an auditor, legal counsel, an investment manager and an investment advisor.

There are three general categories of Plan assets: 1) those which are managed according to an investment policy established and maintained by the Trustees (referred to as the "Balanced Pooled Account"), 2) those which are directly invested by participants in one or more mutual funds designated by the Trustees, and three (3) diversified asset allocation models (all referred to as the "Participant Allocated Investment Program"), and 3) those which are invested in Target Funds, which are designed around a specific retirement date (referred to as the "Target Date Funds").

Regardless of the investment programs in which you participate, your Individual Account is combined for investment purposes with amounts in all other Individual Accounts participating in that program.

For more information about the investment options offered under the Plan, please see Section 5. Investment Options.

An independent accountant audits **all** assets of the Trust every year.

The Trustees have adopted specific eligibility requirements for the “Participant Allocated Investment Program.” The most current requirements are available from the Trust Fund Office.

The portion of the Plan allocated to the Participant Allocated Investment program is intended to comply with Section 404(c) of the Employee Retirement Income Security Act of 1974 (ERISA). This means that the fiduciaries of the Plan may be relieved of liability for any losses which are the direct and necessary result of investment instructions given by you with respect to that portion of your Individual Account, which is allocated to the Participant Allocated Investment program.

SECTION 3. PARTICIPATION AND VESTING

If your employer is required by a collective bargaining agreement with SMART, Sheet Metal Workers Local Union 104 to make contributions to the Trust on your behalf, you will become a participant if you perform one (1) hour of covered employment. You are 100% vested at all times in your Individual Account. You may also participate if you are employed by Local 104 or the Sheet Metal Workers’ Local 104 and Bay Area Industry Training Fund, provided your employer is required to pay contributions to the Plan under a written participation agreement.

Owner-Members whose businesses are incorporated may participate to the extent that contributions are required to be made on their behalf by the collective bargaining agreement and such contributions may be made only with respect to income earned from performing work covered by the collective bargaining agreement.

Owner-Member Defined:

You are an Owner-Member if you meet all of the following requirements:

- (a) You (and/or your spouse) own stock in an incorporated business;
- (b) Your business has a collective bargaining agreement with Local 104;
- (c) You are employed by the business and performing collective bargaining work;
- (d) You are a union member; and
- (e) You complete a registration statement and/or such other forms as are required by the Plan and the Plan approves your participation. (The Plan may rely upon the registration statement filed with the Sheet Metal Workers Pension Plan of Northern California.)

Contributions will be at the rate set forth in the bargaining agreement.

SECTION 4. VALUATION OF INDIVIDUAL ACCOUNTS

The Annual Valuation date of the Plan is June 30 of each year. In addition to this Annual Valuation, all accounts are valued daily for purposes of allocating investment earnings and losses, employer contributions and distributions, and loans.

The Plan credits employer contributions and 401(k) contributions to each participant's Individual Account when those contributions are received by the Plan. The value of your account will be determined by the amount of the employer contributions required to be made on your behalf, the amount of 401(k) elective deferrals, and the Plan's investment return. Investment return is the total earnings or losses, less expenses, experienced by the investment program(s) in which you participate (the "Balanced Pooled Account," the "Participant Allocated Investment Program," or the "Target Date Funds"). If you have a loan from the Plan, your loan repayments will be credited to your Individual Account and will, thereafter, affect your investment return.

You will receive quarterly statements showing the activity and balance in your account. Please contact the Trust Fund Office within thirty (30) days of receipt of your statement if you notice any errors or you have any questions.

The Plan does not guarantee that a certain or fixed dollar amount will be available in your account at retirement. This is because actual results and account balances will be determined by individual account performance and Plan level expenses. While the Plan makes every attempt to control Plan level expense, investment performance will depend on ongoing market and economic conditions and each participant's individual investment allocations. Beginning in December 2020, starting with 4th year apprentices, there is a quarterly fee of \$12.50 deducted from your account to offset Plan level expenses. This administrative fee is separate from the investment fees that are charged by each investment option.

SECTION 5. INVESTMENT OPTIONS

The "Balanced Pooled Account" is managed by the Plan's Investment Consultant at the direction of the Board of Trustees. These assets are maintained in the custody of a bank. For contributions received by the Plan before September 1, 2015, the "Balanced Pooled Account" was the Plan's Qualified Default Investment Option. Unless you directed your Individual Account to be invested in the "Participant Allocated Investment Program" your entire account and contributions were invested in this option. The "Balanced Pooled Account" is designed for investors seeking a balance between capital growth, current income and preservation of principal. The asset allocation for the "Balanced Pooled Account" is at the sole discretion of the Board of Trustees and is subject to change at any time.

The "Participant Allocated Investment Program" allows you to designate the mutual funds in which your Individual Account is invested. The Board of Trustees, with the advice and guidance from the Plan's Investment Consultant, select and monitor the mutual funds allowed in the program. You may invest your Individual Account through the "Participant Allocated

Investment Program” once you have satisfied the educational requirements established by the Plan. For the current educational requirements, please contact the Trust Fund Office.

Effective for all new contributions beginning September 1, 2015, Target Date Funds will be the Plan’s Qualified Default Investment Option. Target Date Funds are designed to take an investor through their working career and continue throughout their retirement. For younger participants, this will mean more exposure to stocks and as they age, these portfolios automatically become more conservative. Target Date portfolios are designed around a specific retirement date. For example, a Target Date 2025 fund will assume a participant will retire around the year 2025; a Target Date 2040 fund will assume a participant will retire around the year 2040. As such, the 2040 fund will be more aggressive today than the 2025 fund. To decide what Target Date Fund the Plan will invest your contributions in the Plan will assume all participants will retire at approximately age 55 (your actual retirement age may be different). Therefore, all future contributions will be invested as follows:

<u>Investment for Future Contributions</u>	<u>Participant Year of Birth</u>
American Funds Target Date 2010	1940 - 1957
American Funds Target Date 2015	1958 – 1962
American Funds Target Date 2020	1963 - 1967
American Funds Target Date 2025	1968 – 1972
American Funds Target Date 2030	1973 – 1977
American Funds Target Date 2035	1978 – 1982
American Funds Target Date 2040	1983 – 1987
American Funds Target Date 2045	1988 – 1992
American Funds Target Date 2050	1993 – 1997
American Funds Target Date 2055	1998 – 2002
American Funds Target Date 2060	2003 –

You may change the way your current balance and future contributions are invested at any time, provided you’ve met the Plan’s educational requirement. You can make such changes by using the Plan’s website at www.kandg.com, or using the toll-free automated voice number (800) 293-1170, or by submitting a Participant Directed Allocation Form (also known as the “Election and Allocation Form”) available through Northwest Plan Services, Inc. at (800) 767-1170. There are no transaction fees for electing one of the other investment options available.

For additional information about the investment options that are available under the Plan and associated fees, please contact the Plan’s Investment Consultant, Mammini Company, 9750 Miramar Road, Suite 300, San Diego, CA 92126, by telephone: (888) 547-6972 or you can e-mail them at info@mammini.com. Additional information, including prospectuses, can be obtained at www.kandg.com.

SECTION 6. CONTRIBUTIONS

Your Employer will contribute to your Individual Account as required under the collective bargaining agreement and applicable wage and fringe schedule. You may elect to have additional amounts deferred from your wages, provided you complete the required 401(k) election form. Please contact the Local 104 Main Administration Office and request the 401(k) election form if you wish to make a change to your 401(k) elective deferral election. You are permitted to change your election once in a 12 month rolling period. Your Individual Account includes your separately maintained 401(k) account, money purchase account (Employer contributions for hours worked prior to January 1, 2015), profit sharing nonelective employer contribution account (Employer contributions for hours worked on or after January 1, 2015), and rollover account.

SECTION 7. ROLLOVER ACCOUNT

You may elect, at the time and in the manner prescribed by the Trust Fund Office, to have any portion of an eligible rollover distribution from another retirement plan paid to the Plan in a direct rollover. An eligible rollover distribution is a distribution from a retirement plan that does not include: a required minimum distribution, hardship distribution, distributions of excess contributions and related earnings, one of a series of substantially equal payments, or distributions to pay for accident, health or life insurance. This rollover will be maintained in your Individual Account and will be included in your loanable amount. The rollover will be paid out of the Plan with the remainder of the benefits in your Individual Account in accordance with your benefit election. For more information about rollovers, please see Sections 3.12 and 5.13 of the Plan Document.

Under the circumstances described in Section 5.19 of the Plan Document, the Trustees may allow the transfer of your Individual Account to another defined contribution plan affiliated with a SMART, International Association of Sheet Metal, Air, Rail and Transportation Workers. The Plan may also accept a direct trustee-to-trustee transfer of your account from another defined contribution plan affiliated with a SMART, International Association of Sheet Metal, Air, Rail and Transportation Workers.

SECTION 8. APPLICATION AND ELIGIBILITY FOR BENEFITS

An application for benefits under the Plan must be in writing in a form and manner prescribed by the Board of Trustees. Applications are available from and should be submitted to the Trust Fund Office, BeneSys Administrators, 3240B Constitution Drive, Livermore, California 94551.

To be eligible to receive benefits, you must file an application for benefits and satisfy one of the following requirements:

(a) Normal Retirement

You have attained age 65 and completed five (5) years of participation in the Plan, no employer contributions or 401(k) contributions have been made to your Individual Account for at least three (3) consecutive months, and you file a written certification that you are retiring and do not intend to work in the Sheet Metal Industry.

(b) Early Retirement

You have attained age 55 (age 59½ for an Owner/Member), no employer contributions or 401(k) contributions have been made to your Individual Account for at least three (3) consecutive months, and you file a written certification that you are retiring and do not intend to work in the Sheet Metal Industry.

(c) Left the Industry

Your account balance is \$10,000 or less of employer contributions (not including interest), no employer contributions or 401(k) contributions have been made to your Individual Account for at least eighteen (18) consecutive months, and you have not worked in the Sheet Metal Industry within the state of California during the eighteen (18) month period. Any return to covered employment or employment in the Sheet Metal Industry prior to the expiration of the eighteen (18) month period shall cause a new eighteen (18) month period to commence. You must file a written confirmation that you are retiring and do not intend to work in the Sheet Metal Industry.

(d) Retirement Under Sheet Metal Plans

You are receiving a pension from the Sheet Metal Workers National Pension Fund or the Sheet Metal Workers Pension Plan of Northern California, including a disability pension.

(e) Temporary Disability

At the onset of disability you must be actively employed in or available for covered employment (signed on the out-of-work list), disabled at least 60 days and receiving SDI or WCI benefits.

(f) Total and Permanent Disability

You are entitled to a Social Security Disability Benefit effective within 48 months from the date you worked or were available for employment or you are receiving a disability pension from the Sheet Metal Workers National Pension Fund or the Sheet Metal Workers Pension Plan of Northern California.

You will not be considered retired or out of the industry during any period in which you receive Supplemental Unemployment Benefits and/or Supplemental Health Care benefits.

Upon the happening of any one of the above listed (a)-(f) events calling for the payment of any benefit, the amount to be paid is your Accumulated Share as determined on the date the benefit payment is deducted from your account. Your Accumulated Share consist of all employer contributions, 401(k) contributions, rollover contributions and investment earnings to that date, less any investment losses, plan expenses and previous benefit payments. Your Accumulated Share is valued daily on every day the investment markets are open.

Benefits earned by a participant who has engaged in noncovered sheet metal service which are attributable to service on or after July 1, 1994, are payable solely under the conditions specified in paragraphs (a) and (c) of this Section. Noncovered sheet metal service means sheet metal

work within the State of California on or after July 1, 1994, for an employer which does not have, or self-employment which is not covered by, a collective bargaining agreement with a SMART, Sheet Metal Workers' Union requiring contributions to this Plan or a related pension or health plan.

Please Note: Pursuant to IRS requirements, self-employed individuals and partners who participated in the Plan prior to January 1, 1991, and who subsequently incorporated, will not be entitled to the funds which accumulated prior to January 1, 1991 until they attain age 59½.

SECTION 9. PAYMENT OF BENEFITS

A. Normal Benefit for Married Participants — 50%, 75% or 100% Joint Pension

The normal benefit for a married participant is a Qualified Joint and Survivor Annuity ("Joint Pension"), unless the Individual Account balance is \$5,000 or less. The Joint Pension provides a reduced lifetime pension for a married pensioner, and after his or her death, a lifetime pension for the surviving spouse equal to 50%, 75% or 100% of the monthly pension amount paid to the pensioner, depending upon your Joint Pension election, based on actuarial calculations. A married participant and his or her lawful spouse may waive the Joint Pension and select one of the other benefit options.

A married participant and spouse's election not to take a Joint Pension is effective only if the participant's lawful spouse consents to such election, and such consent is witnessed by a Plan representative or notary public. A married participant is not allowed to designate a beneficiary other than his or her lawful spouse without the spouse's written consent. If a married participant subsequently desires to revoke the beneficiary designation and to choose another non-spouse beneficiary, his or her lawful spouse must consent to the revocation and alternative beneficiary selection.

Please note: Effective June 26, 2013, a spouse includes the same-sex spouse of a Participant; as long as the marriage was validly entered into in a state whose laws authorize the marriage of two individuals of the same sex.

The following benefit options require consent from your spouse:

- B. Life Annuity.** If you are a single participant, the normal benefit is a life annuity.
- C. Lump Sum Payment.** A lump sum benefit equal to your account balance.
- D. Fixed Periodic Payments.** An equal monthly benefit amount selected by you until your account is exhausted, subject to a monthly minimum as required by law. If you die before receiving your entire account, the balance will be paid to your beneficiary.
- E. Partial Lump Sum.** A lump sum payment which is less than the entire account balance. You may elect this form of benefit once every calendar year and may also elect to receive the remaining account balance at a future date in accordance with any other payment option offered at that time.
- F. Transfer Of Monthly Benefit Payments To An Individual Retirement Account ("IRA") At SMW Local 104 Federal Credit Union.** You may have your monthly benefit payment from this Plan paid directly to an IRA at the SMW Local 104 Federal Credit Union. Transfers are made on the last working day of the month. The amount of the monthly

payments to an IRA under this option may be changed at any time by submitting a written application to the Plan prior to the fifteenth (15th) day of the month. Amounts on deposit in an IRA may be transferred tax free to another IRA with different investment options. Caution: Withdrawals from an IRA before age 59 ½ are subject to a 10% tax penalty. This penalty does not apply to plan benefits paid directly to you after age 55.

- G. Remaining Account Balance.** If you are receiving payment under D, E, or F, you may receive the remaining account balance in one lump sum.
- H. Payments for specified period.** A monthly or periodic annuity for 10, 15 or 20 years certain.
- I. Mandatory Lump Sum Distributions.** Between January 1, 2021 and June 30, 2021, if you have left the industry and have an account balance of less than \$5,000, you will be offered a lump sum distribution. If you do not affirmatively elect a lump sum distribution, your account will be rolled over into an Individual Retirement Account with an Individual Retirement Account provider selected by the Board of Trustees. If your account is rolled over into an Individual Retirement Account it will be invested in an investment product designed to preserve principal and provide a reasonable rate of return and liquidity. Upon rollover, the provider will deduct monthly maintenance fees from your account. Other transaction fees (e.g., a distribution fee) may be applied by the provider.

YOU SHOULD CONSULT YOUR TAX ADVISOR BEFORE SELECTING A PAYMENT OPTION.

Limitations

If you have engaged in noncovered sheet metal service any benefits you earned, which are attributable to service on or after July 1, 1994, are payable solely in the forms described in paragraphs A, B, and H above. Noncovered sheet metal service means sheet metal work within the State of California on or after July 1, 1994, for an employer which does not have, or self-employment which is not covered by, a collective bargaining agreement with a SMART, Sheet Metal Workers' Union requiring contributions to this Plan or a related pension or health plan.

If part of your Individual Account is invested in mutual funds under the Participant Allocated Investment Program and you choose one of the benefit options above other than Lump Sum Payment, then any partial or periodic payments will be taken from all of your investment choices in proportion to your balance(s) at the time of payment.

**SECTION 10.
DISTRIBUTIONS**

- A. Required Distributions.** Distributions must commence no later than April 1st following the calendar year in which you retire or attain age 70½, whichever is later. Distributions to 5% owners must commence no later than April 1st following the year in which the participant attains age 70½, without regard to the participant's actual date of retirement.

Effective January 1, 2020, for individuals with a date of birth on or after July 1, 1949, distributions must commence no later than April 1st following the calendar year in which you retire or attain age 72, whichever is later. Distributions to 5% owners must commence no later than April 1st following the year in which the participant attains age 72, without regard to the participant's actual date of retirement.

- B. Compliance with Certain Domestic Relations Orders.** The Trustees are required by law to comply with certain court orders concerning division of community property, child and/or spousal support payments if the order qualifies as a qualified domestic relations order ("QDRO"). A QDRO is an order that creates or recognizes the right of a spouse, former spouse or child (or other alternate payee) to receive all or a portion of the benefits otherwise payable to a participant. Such payment may commence at any time after the Participant becomes eligible for distribution of his or her entire account balance, whether or not the Participant elects to begin receiving benefits. Please refer to page 21 of this booklet for further information.

The Plan has adopted procedures for handling domestic relations orders, which a participant or beneficiary may receive upon request.

SECTION 11. DISTRIBUTION ON DISABILITY

A. Temporary Disability

The term Temporary Disability means a medical condition which prevents you from performing work anywhere in the Sheet Metal Industry in the classification within the Collective Bargaining Agreement under which you were employed, which is medically determined temporary with recovery to be expected, for which you are eligible for and receive California State Disability Insurance or Workers' Compensation Insurance benefits, and which is first diagnosed while you are actively employed or available for employment in the Sheet Metal Industry under a collective bargaining agreement with a Sheet Metal Local Union. To be "available for employment," you must have been signed on the out-of-work list maintained by the Union.

No benefits are payable for the first sixty (60) days of Temporary Disability. If you are continuously disabled for more than 60 days, you are entitled to receive level benefit payments for each calendar month or portion of a calendar month of continued Temporary Disability following the initial 60 day qualifying period. The amount of the level benefit payments may be any multiple of \$50 up to a maximum of \$3,850 per payment. You must specify the benefit amount in the initial application. The amount may not be changed after payment has begun.

To receive Temporary Disability Benefits, you must submit a written application no later than ninety (90) days following the date on which your disability ceases.

If Temporary Disability Benefits are paid for more than six months, you may be required to submit medical evidence of continued disability.

Benefits paid pursuant to this provision shall cease upon the earliest of the following events:

- 1) The end of the month in which you cease to be disabled;
- 2) Exhaustion of your account;
- 3) An award of permanent and total disability benefits pursuant to Section 5.7 of the Plan Document;
- 4) Your death.

B. Total and Permanent Disability

In the event you become totally and permanently disabled before your normal retirement date, while actively employed in or available for covered work (signed on the out-of-work-list maintained by the Local Union) or if you receive a Social Security Disability Award within 48 months from the date you last worked or were available for work, you are entitled to a disability benefit in an amount equal to your individual account. You are considered totally and permanently disabled if you are receiving a disability pension from the Sheet Metal Workers National Pension Plan or the Sheet Metal Workers Pension Plan of Northern California or if you are entitled to a Social Security Disability Award. You must provide proof of your disability satisfactory to the Trustees.

**SECTION 12.
DEATH BENEFITS/PRERETIREMENT
SURVIVOR BENEFITS**

If you have not begun receiving your benefits and you are married or in a registered Domestic Partnership at the time of your death, your surviving spouse or registered Domestic Partner will receive a death benefit in the form of a Pre-retirement Survivor Annuity, unless your Individual Account Balance is \$5,000 or less or your spouse or registered Domestic Partner waives the Pre-retirement Survivor Annuity. The annuity is based on the amount in your Individual Account at the time of your death, plus any required adjustments. If you do not have a spouse or Domestic Partner or if your spouse or Domestic Partner waives the Pre-retirement Survivor Annuity, the benefits will be paid in any form allowed by the Plan. If your Individual Account balance is less than \$5,000, your benefit will be paid in a lump sum. Your Domestic Partner will only be eligible for this benefit if you designate her/him as a beneficiary on your beneficiary designation card.

If you are married at the time of your death, benefits may be deferred by your surviving spouse until April 1 of the year following the year in which you would have turned 70 1/2. If you are not married at the time of your death, benefit payments must commence to your designated beneficiary, including any registered Domestic Partner, who is a designated beneficiary, by December 31 of the calendar year following the calendar year in which you die. If there is no designated beneficiary as of the September 30th following the calendar year in which you die, your Individual Account balance must be paid no later than December 31 of the calendar year, which contains the 5th anniversary of your death.

If you die while performing qualified military service on or after January 1, 2007, your survivors are entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) provided under the Plan had you resumed employment and then terminated employment on account of death.

Death benefits will be paid promptly. If the beneficiary cannot be located within 5 years after the Plan receives notice of the participant's death, the benefit will be forfeited.

SECTION 13.
DESIGNATION OF BENEFICIARY

Every participant should provide the Board of Trustees with the name of his or her beneficiary. You may change your beneficiary at any time. If you are married your spouse must consent to any alternative beneficiary designation. Each designation of beneficiary or beneficiaries must be in writing, signed, in a form acceptable to the Trustees and filed with the Trustees during your lifetime. If you have not designated a beneficiary or no designated beneficiary has survived you, the balance in your account shall be paid to the first eligible survivor(s) on the following list:

- (1) Your spouse;
- (2) Your children, including legally adopted children;
- (3) The beneficiary you designated under the Sheet Metal Workers Local 104 Health Care Plan;
- (4) Your parents;
- (5) Your brothers and sisters; or
- (6) Executors or administrators, appointed by the court within one year of your death.

NOTE: Your Domestic Partner will only be eligible for any death benefits available under this Plan if you designate him or her as your beneficiary.

If you divorce or dissolve your Domestic Partnership, any previous designation of your former spouse or Domestic Partner as your beneficiary is automatically revoked.

SECTION 14.
LOANS TO PARTICIPANTS

- A. General Requirements for Loans:** Loans granted shall be (a) adequately secured, (b) bear a reasonable rate of interest, and (c) be offered to participants on a reasonably equivalent basis and in accordance with the Plan and Rules and Regulations for Handling Loans adopted by the Board of Trustees.
- B. Eligibility for Loans:** Plan loans shall be available to current Plan Participants who are parties in interest with respect to the Plan or eligible retired Participants, or Participants working for the SMART, Sheet Metal Workers International Association, Sheet Metal Workers Local 104 and Bay Area Industry Training Trust Fund, for certain government entities, or Participants who have a Temporary Disability. To be considered a party in interest you must have worked as an Employee during the twelve (12) month period preceding the loan or be currently dispatched by the International Association of Sheet Metal, Air, Rail and Transportation Workers Sheet Metal Workers Local Union No. 104 (SM104) under a collective bargaining agreement. Additionally, you must provide satisfactory evidence that you will continue to be available for work as an employee or continue to be dispatched by the SM104 throughout the term of the loan. A retiree who is receiving benefits from the Sheet Metal Workers Pension Plan of Northern California may initiate or continue a loan from the Plan, any distribution from the Plan is limited by the outstanding loan balance. Pursuant to applicable regulations, loans are not available to individuals who are not parties in interest with respect to the Plan, such as individuals who have separated from service with

vested benefits or individuals who engage in noncovered work in the Sheet Metal Industry. You must also comply with requirements of the provider administering the loan program.

C. Procedure to Apply for Loans: You should obtain a loan application from the provider administering the loan program, Northwest Plan Services, Inc.. If you are married, you must obtain consent from your spouse in order to apply for a loan.

D. Basis on Which Loans Will Be Approved or Denied: The provider is charged with the responsibility for determining whether a loan request will be approved or denied. An applicant seeking a loan shall have his or her loan application reviewed in the same manner and under similar conditions as other loan applicants. Factors considered shall include but not be limited to: the participant's income, assets, outstanding loans or other debt, past reliability on loan repayments, current or past judgments, lawsuits, foreclosures, bankruptcy and related or similar problems. If a participant is in a bankruptcy action, federal bankruptcy regulations must be complied with before incurring new debt.

If you default on a Participant loan, you will not be eligible for another loan for two years from the date of the default.

If your loan is denied by the provider, you may appeal to the Board of Trustees for consideration. Please refer to Section 18 for appeal procedures.

E. Reasonable Rate of Interest: The annual rate of interest charged to the participant-borrower shall be at the discretion of the Board of Trustees and shall be at a reasonable rate fixed for the term of the loan and may use the interest rate used by the institution in granting similar or related loans. In determining the interest rate, Trustees may take into consideration the prevailing rates being charged by commercial lenders in the local business community for similar loans.

The Trustees shall not discriminate among Participants in the matter of interest rates; however, loans granted at different times may bear different rates as justified by a change in the rates charged by financial lending institutions and changes in the general economic conditions.

F. Terms of Loans: All loans must be fully amortized in equal monthly payments, with no final "balloon" payment that exceeds an amount equal to the sum of any two (2) regular installments, exclusive of any later charges and/or collection costs. The minimum loan term is six (6) months. The maximum term is five (5) years, except that if the loan is to acquire a dwelling unit to serve as the participant's principal residence, the maximum term is ten (10) years. To qualify for a loan term in excess of five (5) years, the participant must provide satisfactory evidence that the purpose of the loan is to acquire a principal residence.

The Trustees have sole and absolute discretion to determine the term of a loan, after considering the participant's preference as indicated in the loan application form and what the Trustees or their designate deem prudent and reasonable under all the surrounding circumstances.

Upon your death, your estate or your beneficiary is required to make payments on the loan until the account has been distributed. At the time of distribution of your Individual Account your loan will be deemed paid and no further payments will be required.

The Trustees shall have sole and absolute discretion to approve or disapprove a request to accelerate payment of a loan.

If you are engaged in active military service, your obligation to repay a loan is suspended, and you will not be in default.

G. Spousal Consent: No application for a loan by a married participant will be approved unless co-signed by the participant's lawful spouse. Spousal consent must be given before a loan could be granted. The Trustees may establish rules and regulations for determining whether a person is married or whether a lawful spouse cannot be located to provide consent.

H. Loans to Participants Working for the SMART, Sheet Metal Workers International Association or for Certain Government Entities.

If you are employed full time by a governmental entity under a collective bargaining agreement between the entity and the Union, you may initiate or continue a loan, whether or not the collective bargaining agreement provides so.

If you are employed full time by the Sheet Metal Workers International Association, you may initiate or continue a loan, whether or not the Association is obligated to pay contributions.

I. Limit on Number of Loans: Only two (2) loans may be outstanding at any one time.

J. Maximum and Minimum Loan Amounts/Valuation Date: You may apply for a loan of up to fifty percent (50%) of the amount in your Individual Account, or \$50,000, whichever is less. The \$50,000 limit is reduced by the highest outstanding loan balance during the twelve (12) month period preceding the date of the new loan amount, the amount of any defaulted loan charged to your account and any accrued interest on a defaulted loan. The value of your Individual Account shall be determined as of the daily valuation date immediately prior to the date on which the loan application is approved or denied by the provider. Loans are deemed submitted on the same day they are approved or denied. No loan shall be granted for less than \$1,000. To be eligible for a loan, you must have an Individual Account Balance of at least \$6,000.

If part of your Individual Account is invested in mutual funds under the Participant Allocated Investment Program, then your loan will be taken from all of your investment choices in proportion to your balance(s) at the time the loan is granted. However, if your loan would cause your total account balance to fall below \$5,000, all of your investment choices other than your Individual Account in the Balanced Pooled Account will be liquidated prior to the funding of the loan.

K. Types of Collateral: The Trustees, or their designate, shall determine the proper collateral for each loan. Each loan shall be made only if adequate security is pledged as collateral, including, without limitation, the assignment of the borrower-participant's entire right and interest in his or her individual account. The borrower-participant shall be required to sign a promissory note for the amount of the loan, including interest, payable to the Plan.

L. Due Date for Payments: All payments must be received by the due date, which is the fifteenth (15th) of each month, or on other such dates as established by the Trustees or their designate. All payments, whether mailed on or before the due date, will be considered late if the payment is not received by the due date.

M. Delinquency Fees: If your monthly payment is not paid in full by the fifth day following the due date (15th of the month), a delinquency fee will be deducted from your account. The delinquency fee may be changed from time to time.

N. Loan in Default: The Trustees shall have the discretion to declare that any loan payment is in default. The participant's Individual Account will then be charged with the balance of the loan. By law, the Trustees must notify the IRS of any such default which will result in taxes and penalties being assessed against the defaulter. The participant will be notified in advance and given the opportunity to pay in full when the Plan determines that the loan will be in default. The Plan will inform the defaulter which collateral will be foreclosed upon. A loan shall be immediately due and payable if:

- (1) A participant/borrower is sixty (60) days delinquent on any single installment payment. A loan made for a term of more than five (5) years may become immediately due and payable in accordance with the provisions of paragraph F, or
- (2) The participant ceases to be available to work in covered employment.

Once a loan is declared in default, the Plan will not accept payments on that loan.

O. Account Balance reaches zero due to temporary disability benefits while paying off a loan: If you are concurrently receiving temporary disability benefits and paying off a loan with the Plan, and if your account reaches zero, your temporary disability benefits will stop immediately on the date your account balance is zero (excluding the posting of loan principal and interest payments). However, you may continue to make loan payments.

P. Fees: You will be charged a one-time loan application fee when your application is received. The fee will be deducted from your Individual Account. Additionally, if your loan is approved, every month you will be charged a monthly fee at a rate to be determined by the Board of Trustees. The monthly fee will be deducted from your Individual Account. Current fees amounts can be requested from the loan provider.

Q. Changes: The terms and conditions of the Plan's Participant Loan program as set forth herein may be changed by the Board of Trustees without formal Plan Amendment.

R. Credit Reporting Agency: At the Trustees' discretion, a negative credit report reflecting on a participant's credit may be submitted to a credit reporting agency if a participant fails to fulfill the terms of his or her credit obligations.

S. Termination/Suspension: The Trustees may terminate or temporarily suspend the loan program at any time in their sole discretion.

T. Loan Program Service Provider: The Trustees have hired Northwest Plan Services, Inc. to administer the loan program. Northwest Plan Services, Inc. can be contacted by phone at 1-844-447-1170, by fax at 1-408-298-1180, or by email at 104loans@kandg.com.

SECTION 15. POTENTIAL LOSS OF BENEFITS

You or your beneficiary could lose contributions made on your behalf, the earnings thereto, to some or all of your Individual Account balance under the Plan, or have payments delayed as follows:

1. You are not a participant until you work at least one hour in covered employment for which contributions are required to be made to the Plan.
2. Investment losses.
3. Your share of Plan expenses exceeds your contributions and earnings in a Plan year.
4. You fail to provide information or give false information to verify disability, age, beneficiary information, marital status or other vital information.
5. You fail to file a completed application or other forms required by the Trust Fund Office before the date you want your benefits.
6. You or your beneficiary cannot be located despite reasonable efforts by the Trust Fund Office.
7. The Trust Fund Office is unable to locate you for five years, despite reasonable efforts, and neither you nor any Beneficiary submits an application for benefits before the end of the legal period after which you are presumed to be dead, and the Plan subsequently closes your Account.
8. All or a portion of your Individual Account is assigned by a Qualified Domestic Relations Order to your spouse, former spouse, children or other dependent.
9. You are employed in sheet metal work within the State of California on or after July 1, 1994, for an employer which does not have, or self-employment which is not covered by, a collective bargaining agreement with a SMART, Sheet Metal Workers' Union requiring contributions to this Plan or a related pension or health plan (Noncovered Sheet Metal employment).

SECTION 16.
TAXES ON CONTRIBUTIONS TO YOUR ACCOUNT

You pay no taxes when your employer makes a contribution to the Plan on your behalf, and you do not pay income tax on any 401(k) elective deferrals made to the Plan on your behalf. However, you will pay employment taxes on 401(k) elective deferrals. These employment taxes include Social Security, Medicare, SDI and other state taxes.

SECTION 17.
TAXES ON DISTRIBUTIONS FROM YOUR ACCOUNT

One significant benefit of this Plan is that contributions to your Individual Account are allowed to accumulate non-taxed earnings for your retirement. You pay taxes when you withdraw monies from your account in the form of benefits. When taxes become payable, how much tax is payable will depend on when and how you have the money paid to you and on the tax laws in effect at the time.

A 10% penalty applies to distributions prior to age 59½, except for distributions on account of disability, death or a Plan provision allowing distributions at age 55 and separation from service, among other reasons. Thus, if you receive a distribution of your Plan interest prior to age 55 and separation from service, the IRS will assess a 10% penalty in addition to the ordinary tax you

pay, unless you qualify for one of the exceptions to the penalty. The penalty applies if you fail to repay a loan or receive disability benefits but are not totally and permanently disabled as defined in the Internal Revenue Code.

A distribution of all or any portion of your Individual Account (other than a distribution in the form of a life annuity, an annuity for the joint lives of you and your designated beneficiary or for a specified period of 10 years or more) paid to you or your beneficiary or alternate payee under a QDRO can be rolled over to an IRA, another qualified Plan, a Code Section 403(b) annuity contract, a Code Section 457 (b) plan maintained by a state government or agency, or, if certain criteria are met, a Roth IRA. Benefits which are not rolled over are subject to mandatory 20% withholding for Federal income tax.

SECTION 18. CLAIMS AND APPEALS PROCEDURES

The Plan includes claims and appeals procedures that must be followed. Be sure to read it carefully before filing a claim or a lawsuit involving the Plan, the Board of Trustees or the Trust Fund. The purpose of the claims procedure is to make it possible for claims and disputes to be resolved fairly and efficiently without costly litigation.

Initial Claim for Benefits Other than Disability Benefits:

Under the procedure, if your claim for a pension benefit is denied in whole or in part, you will receive a written explanation no later than 90 days after receipt of your application or claim. If the Trust Fund Office determines that additional time is necessary to process your claim, you will be given notice prior to the expiration of the 90-day period. The Trust Fund Office will have an additional 90 days to decide your claim.

Initial Claim for Disability Benefits:

Under the procedure, if your claim for a disability benefit is denied in whole or in part, you will receive a written explanation no later than 45 days after receipt of your application or claim. If the Trust Fund Office determines that additional time is necessary to process your claim, you will be given notice prior to the expiration of the 45-day period. The Trust Fund Office will have an additional 30 days to decide your claim. If the Trust Fund Office determines that a second extension of time is needed due to circumstances beyond its control, you will be notified of an extension of up to 30 days, or a maximum of 105 days after the initial receipt of your application. Before the end of the first 30-day extension period, the Trust Fund Office will notify you, in writing, of the circumstances requiring the extension and will give you a new date by which a determination will be made.

Notice of Claim Denial

If your claim is denied, the written notice of denial shall include: (1) the specific reason(s) for the denial; (2) specific reference to the pertinent Plan provision(s) on which the denial is based; (3) 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 (4) a description of the Plan's review procedures and the time limits applicable to such procedures, including a statement

of your right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review. If your claim is for disability benefits, if an internal rule, guideline, protocol or other similar criterion was relied upon in making the adverse determination, a statement that such rule, guideline, protocol or other similar criterion was relied upon and that a copy of that document will be provided to you free of charge upon request.

Right to Appeal

You then have the right to have the Board of Trustees review and reconsider your claim. To have your claim reviewed, you must file a written appeal with the Trust Fund Office within 60 days (180 days in the case of disability benefits) after you receive the initial denial of your claim. Your appeal must state in clear and concise terms the specific reasons why you believe the denial of the claim was in error. You may submit supporting documents or records and have the right to representation throughout the review procedure. You or your representative may review the Plan documents and submit written comments to the Trust Fund Office, but shall have no right to appear personally before the reviewing group unless that group concludes that such an appearance would be of value in enabling it to perform its obligations hereunder.

Review of Appeal

Once the Board of Trustees, or a committee appointed by the Board of Trustees, has received your appeal, it will review your appeal and make a decision at the next succeeding regular Board of Trustees meeting following your request for review. All appeals reviewed by the appointed committee between regularly scheduled Board of Trustees meetings are subject to ratification by the Board of Trustees at the next regularly scheduled Board of Trustees meeting. If your request for review is not received at least 30 days before the next regularly scheduled meeting, the Board of Trustees has until the second meeting following receipt of your request to make a decision. If special circumstances require a further extension of time, a decision will be made no later than the third meeting following receipt of your request for review. You will be notified in advance of such special circumstances and the date as of which the decision will be made.

You will be advised of the decision in writing, within five days after the benefit determination is made. Any notice of an adverse determination will include the specific reasons for the decision with specific references to pertinent policy provisions on which the decision is based, a statement that you are entitled to receive reasonable access to and copies of documents and records and information relevant to your claim, and a statement that upon exhausting these procedures, if you are still not satisfied, you may file a lawsuit in federal court. You may not use any evidence in court unless you first submitted it to the Trustees prior to the decision on your appeal. The decision of the Trustees shall be final.

Where there are claims against the Plan arising from marital disputes, support obligations or community property interests of a participant, court costs and attorneys' fees incurred by the Trust may be assessed against the individual participant's interest in the Fund.

The Board of Trustees has full discretion to interpret all plan documents and to decide all factual questions concerning your claim. The decision of the Board is final and binding and subject to judicial review only for abuse of discretion. No legal action may be commenced or maintained against the Trust or the Plan more than two (2) years after a claim has been denied.

By participating in the Plan, Participants waive, to the fullest extent permitted by law, whether or not in court, any right to commence, be a party in any way, or be an actual or putative class

member of any class, collective, or representative action arising out of or relating to any dispute, claim or controversy relating to the Plan, and Participants agree that any dispute, claim or controversy may only be initiated or maintained and decided on an individual basis.

Please refer to the Section 7 of the Plan for further details.

SECTION 19. QUESTIONS AND ANSWERS

A. Who is covered by the Plan?

Employees who work under a Local 104 collective bargaining agreement which requires contributions to this Plan and owner/members who perform work pursuant to the collective bargaining agreement. An employee becomes a participant after earning at least one hour of covered employment.

B. Can I use my benefits as security or give my rights to someone else?

No. As a general matter, the law will not allow you to assign, sell or otherwise dispose of your rights, nor can anyone else obtain your rights. A major exception is that a court may order that all or a portion of your benefit payments under this Plan be used to satisfy child or spousal support obligations.

C. What do I need to do?

Be sure that your name and social security number are correct with each employer for whom you work. Inform the Trust Fund Office of your correct address, who your beneficiary is and any change that occurs to the above. If you think your employer might not be paying your contribution in full, contact the Trust Fund Office immediately. Carefully review your periodic statements and report any discrepancies to the Trust Fund Office immediately.

D. Can I lose any contributions made to my account?

Any time money is invested for potential profit, there is the chance of a loss. It is difficult to predict, for example, whether there will be a depression or some other catastrophe which might affect the Plan assets and investments. Your Plan Trustees are required by law to make prudent investments on your behalf. Furthermore, the Plan regularly purchases fiduciary insurance which offers some protection against losses caused by imprudence on the part of one or more of your Trustees. However, it is impossible to fully insure Plan assets against all types of investment losses.

If part of your Individual Account is invested in mutual funds under the Participant Allocated Investment program, that part will not share in the investment gains or losses of the Plan's pooled asset fund, but only in the dividends, gains and/or losses experienced by the mutual funds you selected. You are responsible for your investment choices of the mutual funds you selected.

You could lose part or all of your account if the Plan administrator is unable to locate you when it comes time to make payments to you. It is important that you (or your beneficiary) keep an up-to-date mailing address on file with the Trust Fund Office at all times.

E. What is the difference between the money purchase contributions, profit sharing contributions and 401(k) elective deferral contributions?

The Plan is defined contribution plan. The different terms used to describe the types of contributions made to the Plan at different times relate to the various rules under the Internal Revenue Code. To ensure the Plan's compliance with the various Internal Revenue Code rules the Plan must separately account for the different types of contributions. Before January 1, 2015, this Plan was a money purchase plan. All contributions were employer contributions. On and after January 1, 2015, the Plan became a profit sharing plan with a 401(k) feature. Your employer is required to contribute nonelective profit sharing contributions on your behalf for every hour worked. The nonelective profit sharing contributions are based on the collective bargaining agreement and applicable wage and fringe schedule. In addition to the nonelective profit sharing contributions, you may make 401(k) elective deferrals to your account. You select what amount you would like to be deferred from your wages for each hour worked. All contributions made on your behalf are credited to your Individual Account.

F. Is the 401(k) a safe harbor 401(k)?

Yes, the Plan is currently a safe harbor 401(k) plan. This means that the Plan is exempt from certain testing requirements under the Internal Revenue Code. In order to be considered a safe harbor plan employers must make contributions on your behalf, the nonelective profit sharing contributions. Each year you will receive a 401(k) Safe Harbor Notice with details about what your employer is required to contribute for each hour of covered employment.

G. How can I make sure that contributions are being made on my behalf?

It is important that you check to make sure you are being credited with the contributions you are due based on your hours of covered employment. Please retain all pay check stubs so you can cross check against the contributions to the Plan. You can see what contributions have been made on your behalf by checking the monthly status slip from the Trust Fund Office. You can also review contributions to your account at www.kandg.com. If you notice a discrepancy, please contact the Trust Fund Office as soon as possible.

H. What is a Qualified Default Investment Alternative? What is the Plan’s Qualified Default Investment Alternative?

A Qualified Default Investment Alternative (“QDIA”) is the Plan’s default investment option. Unless you direct otherwise, all contributions will be invested in the Plan’s QDIA. Effective for contributions received by the Plan on or after September 1, 2015, the Plan’s QDIA is the “Target Date Funds.” If you would like to change the way your current account and future contributions are invested, you may do so. Please see Section 5. Investment Options above for detail about changing your investment options.

I. What is the “Target Date Funds”?

The “Target Date Funds” are different Target Funds with asset allocations that are designed around a specific retirement date. It is intended that the asset allocation will be adjusted as you age and near retirement. For example, a Target Date 2020 fund will assume a participant will retire around the year 2020, a Target Date 2040 fund will assume a participant will retire around the year 2040. As such, the 2040 fund will be more aggressive today than the 2020 fund. The Plan assumes that participants will retire at approximately age 55.

J. Who runs my Plan?

Only the Board of Trustees of the Plan is authorized to administer your Plan and to interpret the Plan benefits described herein. No employer, union, nor any other person is authorized to interpret the Plan.

K. Where can I get information concerning the Plan?

This explanation of your Plan is no more than a brief description and a general statement. Copies of the Plan and Trust documents, reports filed with the Internal Revenue Service and U.S. Department of Labor and annual audit reports are available for your inspection at the Trust Fund Office during normal working hours. You may obtain copies of these documents by written request and upon payment of a reasonable copying charge. You should call the Trust Fund Office to determine the amount of the charges.

L. Can I take a loan?

Yes. If all requirements are met, you are allowed to borrow a portion of your account balance. You may borrow up to 50% of the amount in your Individual Account or \$50,000, whichever is less. The maximum term of the loan is five (5) years, unless you use the loan to purchase your principal residence, in which case the maximum term of the loan is ten (10) years. All loans will be adequately secured, bear a reasonable rate of interest, and offered to participants on a reasonably equivalent basis in accordance with Plan rules. For more information about the loan rules and requirements see Section 14 of this Summary Plan Description and Section 4 of the Plan document.

M. Can I take a hardship distribution?

No. The Plan does not currently provide for hardship distributions.

N. What should be done upon retirement, disability or death?

You or your representative should contact the Trust Fund Office in the event you are disabled, you intend to retire in the near future, or upon your death. Full information will then be given to you or your representative as to your rights, different methods of receiving

your benefits, the amount of your benefits and any documents that need to be completed in order to receive benefits.

O. What should be done upon divorce?

Pension benefits earned during marriage are considered community property which can be divided if the marriage ends. If you and your spouse decide to divide the benefits under this Plan, you must follow the Plan procedures for obtaining a QDRO. You or your attorney may obtain further details and assistance by writing to the Trust Fund Office.

P. What's a QDRO?

A Qualified Domestic Relations Order. This is a court order that you and your ex-wife/husband need to obtain if one spouse is supposed to receive part of the other spouse's pension.

Q. Do I have to give him/her half?

No. In your marital property settlement you could each waive your right to the other's pension. You may also trade other marital property for the pension benefits earned during marriage. For example: the house, a mobile home or some land you own together.

R. When can my ex-spouse start collecting on his/her share of the pension?

Not until you reach the earliest retirement age set by the plan.

S. When do you get a QDRO?

Whenever you're in a divorce situation or a legal separation and are trying to divide pension benefits as part of a marital property settlement.

T. Do I have to let my ex-spouse know I have a pension plan?

Both spouses have a legal duty to disclose all community assets. If you don't disclose your pension benefits and your ex-spouse finds out later, payment of your pension could be delayed. If your property settlement is silent about your pension, your ex-spouse might claim later on that this asset was omitted from your settlement and demand a 50% share.

U. Where can I get more QDRO information?

The Trust Fund Office can provide you with a copy of the plan's QDRO procedures and a sample order.

V. I was divorced some years ago, and I don't remember talking about pension benefits. Do I have a problem?

That depends on what your divorce papers say. To be sure, send a copy of your divorce papers, including your Marital Property Settlement, to the Administrative Office. If there is a problem affecting your pension the Administrative Office will let you know how to resolve it. Don't wait until you are ready to retire, because uncertainty about your ex-spouse's rights could delay your benefits. If your ex-spouse is entitled to part of your benefits under a QDRO, be sure that his/her share isn't mistakenly paid to you. If this happens, your pension could be interrupted for months or years while the mistaken payments are recovered.

W. If I divorce, will my former spouse be allowed to participate in the Participant Allocated Investment program?

Yes. Prior to any alternate payee being allowed to participate in the program, a final, approved QDRO must be on file with the Plan. There will be an administrative delay before the alternate payee can participate in the program.

**SECTION 20.
ADDITIONAL INFORMATION**

A. Name of Plan:

SMART, Sheet Metal Workers Local No. 104 Supplemental Pension Plan.

B. Type of Plan:

The Plan is a profit-sharing, Defined Contribution Plan with a 401(k) feature, which is exempt from income tax under Section 401(a) of the Internal Revenue code.

C. Plan Administrator:

The Board of Trustees of the SMART, Sheet Metal Workers Local No. 104 Supplemental Pension Plan is the Plan Administrator of the Plan. The Board of Trustees is responsible for ensuring that information regarding the Plan is reported to governmental agencies and disclosed to Plan participants and beneficiaries in accordance with the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Board of Trustees has engaged a professional administrator, BeneSys Administrators, to assist in providing administrative services to the Plan, who can be contacted at the address listed on page 21 of this booklet.

D. Agent for the Service of Legal Process:

George M. Kraw/Lisa Schwantz
Kraw Law Group, APC
605 Ellis Street, Suite 200 Mountain View, CA 94043

Legal process also may be served on a Plan Trustee, the Board of Trustees, or the Professional Plan Administrator at the addresses noted in this booklet.

E. Plan Year:

The Plan Year commences on July 1 and ends on the following June 30.

F. Employer Identification Number:

The Internal Revenue Service Employer Identification Number for this Trust is 94-6560138. The Plan Number is 001.

G. Funding Contributions and Collective Bargaining Agreements:

Employer contributions are made according to the terms of the collective bargaining agreements and applicable wage and fringe schedule between the local union and employers on a cents-per-hour basis (or in some cases, other types of written agreements between employers and the Trustees). Employer contributions made on or before December 31, 2014 are money purchase contributions, while contributions made on or after January 1, 2015 are nonelective employer contributions. Effective January 1, 2015, Employees may elect to defer from their wages an additional amount consistent with the limitations provided by the Internal Revenue Code, and any regulations or additional guidance thereon.

Copies of these agreements are available at the Trust Fund Office. The Trust Fund Office also will give you information as to whether a particular employer or local union is participating in the Plan, and the address of a particular employer or local union. Information is also available at the offices of Local 104.

The Plan also accepts rollover distributions.

H. Fund Medium:

Assets of the Plan are held in Trust, and benefits are funded through this Trust Fund. Plan assets are held by a bank, and invested as advised by Mammini and Associates, the Plan's Investment Advisor.

I. Termination or Merger of Plan:

The Board of Trustees has the right to discontinue or terminate the Trust and Plan in whole or in part, subject to the applicable collective bargaining agreements. In addition, the Employers and the Union, acting jointly, have the right to terminate the Trust and Plan in whole or in part. There is no guarantee that the Plan will last forever.

In the event of termination or partial termination of the Plan, the assets then remaining, after providing for the expenses of the Plan and for the payment of any benefits previously approved, could be distributed among participants. Each participant would be 100% vested in his or her accrued benefits and would receive that part of the total remaining assets in the same ratio as his or her Individual Account bears to the aggregate amount of the Accumulated Shares of all participants. The assets are not returned to any Employer.

In the event of a merger or consolidation of the Plan with, or transfer in whole or in part, of the assets or liabilities of the Plan to any other Pension Plan, each participant shall be entitled to a benefit immediately after the merger, consolidation or transfer which is at least equal to the benefit such participant had been entitled to before such merger, consolidation or transfer.

J. ERISA/PBGC:

The Plan is governed by the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). It is not insured under the Pension Benefit Guaranty Corporation of Title IV of ERISA, as this is an individual account Plan under which contributions and earnings are set aside in your name. (Only defined benefit pension plans are insured under that Title.)

STATEMENT OF ERISA RIGHTS

As a participant in the Local No. 104 Supplemental 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 shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the Trust Fund Office, and at other specified locations such as worksites and union halls, all documents governing the Plan, including insurance contracts and 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.
- Obtain, upon written request to the Plan Administrator, copies of documents governing the operation of the Plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The Plan Administrator may make a reasonable charge for the copies.
- Receive a summary of the Plan's annual financial report. The Plan Administrator is required by law to furnish each participant with a copy of this summary annual report.
- Obtain a statement annually showing the value of your Individual Account in the Plan. This statement must be requested in writing and is not required to be given more than once every twelve (12) months. The Plan must provide this statement free of charge.

Prudent Actions by Plan Fiduciaries

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

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 Plan documents or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in 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 Administrator.

If you have a claim for benefits which is denied or ignored in whole or in part, you may file a lawsuit 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 other assets, 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. If you file a lawsuit, the Court may decide who should pay court costs and legal fees. If you are successful, the court may order the person(s) you have sued to pay your costs and fees. If you lose, the court may order you to pay the Plan's or other defendants' costs and fees, for example, if it finds your claim frivolous.

Assistance with your Questions

If you have any questions about your Plan, you should contact the Trust Fund Office. 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, you should contact the nearest Area Office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue, N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration. You may also find answers to your questions at the Employee Benefits Security Administration's website at <http://www.dol.gov/ebsa>.

APPENDIX A
CORONAVIRUS RELIEF

Beginning in 2020, the Plan was amended to comply with the CARES Act 2020 due to the COVID-19 pandemic. Below are the COVID-19 provisions concerning distributions and plan loans that were adopted by the Board of Trustees.

Coronavirus Distribution

You are entitled to quarterly distributions of up to the lesser of \$100,000 or 1/2 of your profit sharing nonelective employer contribution account (Employer contributions for hours worked on or after January 1, 2015) and 401(k) account from January 1, 2020 until December 31, 2020. Each quarterly distribution is limited to the lesser of \$35,000 or 1/6 of your Individual Account balance. To be eligible you must have had at least one (1) month of contributions paid on your behalf in the last (12) months and you certify that you satisfy one of the following criteria: (1) you have been diagnosed with Coronavirus disease, (2) your spouse or dependent has been diagnosed with Coronavirus disease, or (3) you experience adverse financial consequences by reason of: (i) being quarantined, furloughed or laid off or having work hours reduced due to Coronavirus, or (ii) are unable to work due to lack of childcare because of the Coronavirus.

Plan Loans

- A. Loan limits are temporarily increased through September 23, 2020. You can borrow up to the lesser of \$100,000 or 1/2 of your account balance. You do not have to begin repaying your loan until January 2021, but interest will accrue during the time period you are not making payments. Your payments beginning in January 2021 will reflect the interest that has accrued, along with the balance of your loan. The 5-year period in which to repay the loan will start in January 2021.
- B. An individual with a loan outstanding on or after March 27, 2020, may suspend loan payments until January 2021 and have the term of your loan extended for one-year. The outstanding loan will continue to accrue interest while loan payments are suspended. Your loan payments will be recalculated to include the accrued interest and the extended loan term.

To be eligible for the increased loan limit and/or suspension of loan payments, you must certify that you satisfy one of the following:

- 1. You have been diagnosed with the Coronavirus disease;
- 2. Your spouse or dependent has been diagnosed with the Coronavirus disease; or
- 3. You experience adverse financial consequences by reason of (i) being quarantined, furloughed or laid off or having work hours reduced due to coronavirus, or (ii) are unable to work due to lack of childcare due to the coronavirus.

Required Minimum Distribution Waiver

Required minimum distributions for the 2020 calendar year are waived.