

**AMENDMENT SEVEN
TO THE
SHEET METAL WORKERS PENSION PLAN OF NORTHERN CALIFORNIA**

Recitals

WHEREAS, the Board of Trustees of the Sheet Metal Workers Pension Plan of Northern California ("Plan"), as part of an Arbitration Settlement Agreement, agreed to resolve several pending issues related to the Plan, including adopting an Amendment making changes to the Plan pursuant to an updated Funding Rehabilitation Plan ("FRP") dated December 13, 2021;

THEREFORE, the Board of Trustees amends the Plan as follows, effective January 1, 2022, unless otherwise specified:

Amendment

1. Effective April 1, 2022, Article I, Section 1.1 is amended to read as follows:

1.1 Actuarial Equivalent

"Actuarial Equivalent" means the dollar value on any specified date computed on the basis of appropriate mortality, interest and other actuarial factors with reference to the 3 year Guarantee form of Life Pension Payments with Payments Guaranteed. The basis for any factors not otherwise provided shall be the 1983 Group Annuity Mortality Table for Males at 7-¾% interest. The basis for determination of equivalent benefits pursuant to a Qualified Domestic Relations Order shall be the 1983 Group Annuity Table for males and the 1983 Group Annuity Table for Females at 7-½% interest.

Effective for Participants with an Annuity Starting Date on or after April 1, 2022, Actuarial Equivalent for purposes of calculating optional forms of benefit shall be determined on the basis of 5% interest and the mortality table specified by the Internal Revenue Service pursuant to Code Section 417(e) for the 2022 calendar year.

Notwithstanding the foregoing, for purposes of determining a single sum distribution, as defined in Code Section 417(e), the single sum distribution shall not be less than the present value calculated using the "Applicable Mortality Table" and the "Applicable Interest Rate," as defined below.

"Applicable Mortality Table" means the table prescribed by the Secretary of the Treasury. Such table shall be based on the prevailing IRS Commissioners' standard table (described in Code Section 807(d)(5)(A)) used to determine reserves for group annuity contracts issued on the date as of which present value is being determined (without regard to any other subparagraph of Section 807(d)(5)). Pursuant to Revenue Procedure 95-6, the Applicable Mortality Table is defined as 1983 G.A.M. Unisex Table, Blended, 50% male and 50% female. Effective for Participants with an Annuity Starting Date on or after

April 1, 2022, "Applicable Mortality Table" means the table prescribed in Code Section 417(e).

"Applicable Interest Rate" means the annual rate of interest on 30-year Treasury securities. The "Stability Period" (which contains the Annuity Starting Date) is the period over which the Applicable Interest Rate remains stable, and defined as one Plan Year. The Lookback Month for this purpose (when the 30-year Treasury Bill Rate, on an annual basis, is locked in) is the first full calendar month before the first day of the Stability Period.

Notwithstanding anything herein to the contrary, as of January 1, 2008, for purposes of the Plan's provisions relating to the calculation of the present value of a benefit payment that is subject to IRC Section 417(e), any provisions prescribing the use of the annual rate of interest on the 30-year U.S. Treasury securities shall be implemented by instead using the rate of interest determined by the applicable interest rate described in IRC Section 417(e) after its amendment by the Pension Protection Act of 2006. Specifically, the applicable interest rate shall be the adjusted first, second and third segment rates applied under the rules similar to the rules of IRC Section 460(h)(2)(C) for the two months prior to the Plan Year during which the Annuity Starting Date occurs or such other time as the Secretary of the Treasury may by regulations prescribe. For this purpose, the first, second and third segment rates are the first, second and third segment rate which would be determined under IRC Section 430(h)(2)(C) if:

- (a) Code Section 430(h)(2)(D) were applied by substituting the average yields for the month described in subparagraph (b) below for the average yields for the 24-month described in such Section, and
- (b) Code Section 430(h)(2)(G)(i)(II) were applied by substituting "Code Section 417(e)(3)(A)(ii)(II)" for "Code Section 417(b)(5)(ii)(II)", and
- (c) The applicable percentage under Code Section 430(h)(2)(G) is treated as being 20% in 2008, 40% in 2009, 60% in 2010 and 80% in 2011.

2. Article IV, Section 4.2(b) is amended to read as follows:

(b) The sum of (i), (ii), (iii), (iv) and (v) below:

.....

(iv) \$6.00 multiplied by the number of years of Past Service Credit up to a maximum of 32 years, subject to the following rules:

- (1) Said service will not be counted if it was permanently forfeited pursuant to Sections 3.1 or 3.5, or
- (2) Said service will not be counted if it was permanently forfeited under the Plan prior to January 1, 1976.

Effective as of July 1, 2009, the additional Employer contributions negotiated in collective bargaining for the period from July 1, 2009 through December 31, 2016,

pursuant to the guidelines established by the Plan's actuary, shall not be counted for purposes of determining a Participant's pension benefit under this Plan (including an Early, Disability or Normal Retirement Benefit). No accruals shall be allocated on these contribution increases unless the Plan has investment returns in excess of the annual benchmark as determined by the actuary. The actuary will monitor the Plan's funding progress annually and will advise the Board of Trustees as to whether progress toward meeting the Plan's funding goals is ahead of or behind schedule. The additional Employer contributions in any Plan Year shall not receive accrual credit unless the Board of Trustees, upon advice from the actuary, determines that the Plan is ahead of its funding goals. Additional accrual credit will be granted to the extent funding surplus is available. (Any contribution that is allocated to this Plan as part of the bargaining process in a particular year in excess of the amount required pursuant to the actuary's guidelines will be entitled to benefit accrual credit.)

(v) Benefits accrued under Sections 4.2(i) and 4.2(j).

3. Article IV, Section 4.2(c) is amended to read as follows:

(c) For a Participant who was a Participant on December 31, 1986, the sum of (i), (ii) and (iii) below:

- (i) 0.0360 multiplied by the whole dollar amount of Employer Contributions paid on the Participant's behalf for hours of Covered Employment through June 30, 2003. Effective as of July 1, 2003, 0.0180 multiplied by the whole dollar amount of Employer Contributions paid on the Participant's behalf for hours of Covered Employment on or after July 1, 2003 through December 31, 2016;
- (ii) The Past Service Credit benefit described in Section 4.2(b)(iv) above.
- (iii) Benefits accrued under Sections 4.2(i) and 4.2(j).

4. Article IV, Section 4.2(g) is amended to add the following paragraph at the end:

The National Pension Plan Make-up benefit is eliminated for Plan applications received on or after January 1, 2022.

5. The second sentence of the first paragraph of Article IV, Section 4.2(i) is amended to read as follows:

Effective January 1, 2018 through December 31, 2021, the benefit-crediting basis for work after the 2017 Plan Year shall reflect the average of the Plan's investment return for the preceding three-year period.

6. A new Article IV, Section 4.2(j) is added to read as follows:

(j) Effective for Hours of Service earned on or after January 1, 2022, benefits earned during a Plan Year shall be determined as follows:

(i) A Participant who, as of December 31, 2021, is younger than age 52 or has less than 25 years of Future and Past Service Credits (combined), shall earn a monthly benefit accrual equal to 0.70% of benefit-bearing Employer Contributions paid on the Participant's behalf. Benefit-bearing Employer Contributions shall be those contributions made at the rate effective on January 1, 2021. For Covered Employees who work for a Production Shop Employer, benefit-bearing Employer Contributions shall be governed by the Contribution Agreement.

Except for Covered Employees who work for a Production Shop Employer, benefits shall accrue pursuant to the schedule below on the first day of the Plan Year following the Plan Year in which the Plan's Funded Percentage, as used for the annual certification required under Code Section 432(b)(3), meets the criteria set forth below:

Prior Plan Year Annual Certification Funded Percentage	Accrual Rate	Benefit Accruals Based on Pension Contribution Rate in Effect on
Less than 85%	0.70%	January 1, 2021
At least 85% and less than 90%	0.80%	July 1, 2021
At least 90% and less than 95%	0.80%	July 1, 2022
At least 95% and less than 100%	0.90%	July 1, 2023
At least 100%	1.00%	July 1, 2024 (or any contribution rate thereafter)

For Covered Employees who work for a Production Shop Employer, benefits shall accrue pursuant to the schedule below on the first day of the Plan Year following the Plan Year in which the Plan's Funded Percentage, as used for the annual certification required under Code Section 432(b)(3), meets the criteria set forth below:

Prior Plan Year Annual Certification Funded Percentage	Accrual Rate	Percentage of Current Contribution Rate
At least 85% and less than 90%	0.80%	87.8%
At least 90% and less than 95%	0.80%	91.9%
At least 95% and less than 100%	0.90%	95.9%
At least 100%	1.00%	100%

(ii) A Participant who, as of December 31, 2021, is at least age 52 and has at least 25 years of Future and Past Service Credits (combined) shall earn a monthly benefit accrual equal to 0.55% of benefit-bearing Employer Contributions paid on the

Participant's behalf. Benefit-bearing Employer Contributions shall be those contributions made at the rate effective on January 1, 2021. For Covered Employees who work for a Production Shop Employer, benefit-bearing Employer Contributions shall be governed by the Contribution Agreement.

Except for Covered Employees who work for a Production Shop Employer, benefits shall accrue pursuant to the schedule below on the first day of the Plan Year following the Plan Year in which the Plan's Funded Percentage as used for the annual certification required under Code Section 432(b)(3) meets the criteria set forth below:

Prior Plan Year Annual Certification Funded Percentage	Accrual Rate	Benefit Accruals Based on Pension Contribution Rate in Effect on
Less than 85%	0.55%	January 1, 2021
At least 85% and less than 90%	0.70%	July 1, 2021
At least 90% and less than 95%	0.70%	July 1, 2022
At least 95% and less than 100%	0.80%	July 1, 2023
At least 100%	1.00%	July 1, 2024 (or any contribution rate thereafter)

For Covered Employees who work for a Production Shop Employer, benefits shall accrue pursuant to the schedule below on the first day of the Plan Year following the Plan Year in which the Plan's Funded Percentage, as used for the annual certification required under Code Section 432(b)(3), meets the criteria set forth below:

Prior Plan Year Annual Certification Funded Percentage	Accrual Rate	Percentage of Current Contribution Rate
At least 85% and less than 90%	0.70%	87.8%
At least 90% and less than 95%	0.70%	91.9%
At least 95% and less than 100%	0.80%	95.9%
At least 100%	1.00%	100%

(iii) Covered Employees who work for a Production Shop Employer.

For purposes of this Section 4, Production Shop Employer shall mean a Contributing Employer engaged in the production or manufacturing field who is not permitted to work or be sent outside of the shops or plants in which they are employed to perform work except to inspect warranty failure and to supervise the correction of faulty products. Such Contributing Employer has a stand-alone Contribution Agreement that requires contributions to this Plan for all employees

classified as production workers. Current Contribution Rate shall mean the total Employer Contribution made pursuant to the applicable Contribution Agreement.

7. The heading of Article V, Section 5.1 is amended to read as follows:

5.1 Early Pension Benefits Commencing Prior to April 1, 2022. This Section 5.1 shall apply to early pension benefits where the pension effective date is on or before April 1, 2022, the pension application is received by the Trust Fund Office prior to April 1, 2022, and the Participant's last date of Covered Employment is prior to April 1, 2022. This Section 5.1 shall also apply to certain Participants for benefits earned prior to January 1, 2022 as set forth in Section 5.2(b) and Section 5.2(d)(i).

8. Article V, Section 5.1(a) is amended to read as follows:

(a) Early Retirement Date. Effective for retirements prior to April 1, 2022, the Plan's Early Retirement Age for a Participant with ten years of Vesting Service Credit who has terminated his employment and filed a timely application is age 55. Notwithstanding the above, for any Participant who has been or is employed in Noncovered Sheet Metal Service, the otherwise applicable Early Retirement Date will be postponed twelve months if the Participant earned less than \$5,000 from work in Noncovered Sheet Metal Service during a calendar year. If the Participant earned \$5,000 or greater from work in Noncovered Sheet Metal Service during a calendar year, the Early Retirement Date will be postponed by twenty-four months. In this situation the Early Retirement Date will be delayed until after age 55 or the date the Participant terminates his Noncovered Sheet Metal Service, whichever is later, but in no event beyond the first day of the month following his 65th birthday.

9. Article 5, Section 5.1(b) is amended to read as follows:

(b) Reduced Early Pension Benefit. For benefits commencing prior to April 1, 2022, the Early Pension Benefit payable to a Participant who earned at least 435 hours in one of the two consecutive Plan Years immediately prior to age 55 or thereafter who retires under Section 5.1(a) is equal to the Normal Retirement Benefit credited to the Participant at his Early Retirement Date reduced by 0.5% per month for each month, by which his Early Retirement Date precedes the first day of the month coincident with or next following his 60th birthday, unless the Participant meets the requirements for an Unreduced Early Pension Benefit. If a Participant fails to earn at least 435 Covered Hours in one of two consecutive Plan years, to be eligible for a benefit reduction from age 60, the Participant must later earn at least 870 Covered Hours during any consecutive two Plan years. Notwithstanding the above, for any Participant who has been or is employed in Noncovered Sheet Metal Service, the otherwise applicable Early Retirement Date will be postponed twelve months if the Participant earned less than \$5,000 from work in Noncovered Sheet Metal Service during a calendar year. If the Participant earned \$5,000 or greater from work in Noncovered Sheet Metal Service during a calendar year, the Early Retirement Date

will be postponed twenty-four months. In no event will the retirement date be extended beyond the Participant's 65th birthday.

The Early Pension Benefit payable to a Participant prior to April 1, 2022, who failed to earn 435 Covered Hours in at least one of the two consecutive Plan Years and failed to later earn at least 870 covered hours during two consecutive Plan Years immediately prior to age 55 or thereafter, is equal to the amount of the Normal Retirement Benefit payable at his Early Retirement Date reduced by 0.5% per month for the first 60 months and 0.3% per month for each additional month, if any, by which his Early Retirement Date precedes his Normal Retirement Date.

10. The first sentence of Article V, Section 5.1(c)(i) is amended to read as follows:

Effective for pensions commencing prior to April 1, 2022, a Participant with at least ten years of Vesting Service Credit at age 55 or thereafter who has not failed to earn at least 435 Covered Hours in at least one of two consecutive Plan Years (and if the Participant previously failed to earn at least 435 Covered Hours in one of two consecutive Plan Years, the Participant must subsequently earn at least 870 Covered Hours during any two consecutive Plan Years), the monthly Early Pension Benefit payable at age 60 is the Normal Retirement Benefit.

11. The first sentence of Article V, 5.1(c)(ii) is amended to read as follows:

Effective for pensions commencing prior to April 1, 2022, a Participant with 25 or more years of unreduced pension service, who has attained at least age 55 and who has not failed to earn at least 435 Covered Hours in one of two consecutive Plan Years (and if the Participant, after earning at least 25 years of Unreduced Pension Service, but prior to being eligible for an Unreduced Early Pension, later failed to earn at least 435 Covered Hours in one of two consecutive Plan Years, the Participant must subsequently earn at least 870 Covered Hours during any two consecutive Plan Years), may elect an Unreduced Early Pension if he qualifies as follows:

12. Article V, Sections 5.2(i) and (ii) are renumbered as Sections 5.1(c)(vi) and (vii) and are amended to read as follows:

- (vi) Not Entitled to Unreduced Early Retirement if Out of Industry for Three Years. Notwithstanding any provision herein to the contrary, effective as of November 1, 2019, no Participant is entitled to an unreduced early retirement benefit under the Plan if, after meeting the service requirement for unreduced early retirement, he or she has not worked in Covered Employment for thirty-six consecutive months, exclusive of any period in which he or she has been on Sheet Metal Workers Local 104's out-of-work list.
- (vii) Reduced Contribution Death Benefit—Maximum \$15,000. For any individual described in subsection vi. above, effective for any death that occurs on or after November 1, 2019. and prior to January 1, 2022, the Contribution Death Benefit shall

no longer be 100% of Employer contributions less any disability payments made under the Plan. Instead, the Contribution Death Benefit shall be 100% of Employer contributions less any disability payments made under the Plan, up to a maximum of \$15,000.

13. Article V, Sections 5.2 through 5.7 are renumbered Section 5.3 through 5.8 respectively, and references to such sections throughout the Plan are revised accordingly.

14. Article V is amended by adding a new Section 5.2 to read as follows:

5.2 Early Pension Benefits Commencing On or After April 1, 2022. This Section 5.2 shall apply to early pension benefits where the pension effective date is after April 1, 2022, the pension application is received by the Trust Fund Office on or after April 1, 2022, or the Participant's last date of Covered Employment is on or after April 1, 2022.

(a) Early Retirement Eligibility. Effective for retirements on or after April 1, 2022, the Plan's Early Retirement Age for a Participant who has terminated his employment and filed a timely application is:

- i. age 60 with 10 years of Vesting Service Credits; or
- ii. age 55 with 15 years of Vesting Service Credits.

In order to be eligible for any Early Pension Benefit, a Participant must earn at least 435 Covered Hours in one of the two consecutive Plan Years immediately prior to the applicable age requirement of the respective Early Pension Benefit or thereafter. If the 435-Covered Hour requirement is not met, the Participant must subsequently earn at least 870 Covered Hours during any two consecutive Plan Years to be eligible for an Early Pension Benefit.

Notwithstanding the above, for any Participant who has been or is employed in Noncovered Sheet Metal Service, the otherwise applicable Early Retirement Date will be postponed twelve (12) months if the Participant earned less than \$5,000 from work in Noncovered Sheet Metal Service during a calendar year. If the Participant earned \$5,000 or greater from work in Noncovered Sheet Metal Service during a calendar year, the Early Retirement Date will be postponed by twenty-four (24) months. In no event will the retirement date be extended beyond the first day of the month following the Participant's 65th birthday. A Participant is not eligible for a Reduced Early Pension Benefit, Partially Reduced Early Pension Benefit, or an Unreduced Early Pension Benefit if the Participant has not worked in Covered Employment for 36 consecutive months or longer, exclusive of any period that the Participant has been on Sheet Metal Workers Local 104's out-of-work list.

(b) Reduced Early Pension Benefit. A Participant with less than 25 years of Unreduced Pension Service at his or her date of retirement is eligible to receive a Reduced Early Pension Benefit equal to the Normal Retirement Benefit credited

to the Participant at his or her date of retirement reduced by 0.5% per month for each month his or her age at retirement is before age 65.

A Participant who meets the criteria set forth in subsection (d)(i) and this subsection (b) may be eligible for a Reduced Early Pension Benefit, for benefits earned on or after January 1, 2022. For benefits earned prior to January 1, 2022, such Participant may be eligible for an Early Pension Benefit subject to Section 5.1.

(c) Partially Reduced Early Pension Benefit. A Participant whose first Covered Hour is before July 1, 2022, who retires at or after age 55 but before age 58, and has at least 25 years of Unreduced Pension Service but less than 30 years of Unreduced Pension Service is eligible to receive a Partially Reduced Early Pension Benefit equal to the Normal Retirement Benefit credited to the Participant at his or her date of retirement reduced by 0.25% per month for each month his or her age at retirement is before age 60.

A Participant who meets the criteria set forth in subsection (d)(i) and this subsection (c) may be eligible for a Partially Reduced Early Pension Benefit, for benefits earned on or after January 1, 2022.

(d) Unreduced Early Pension Benefit.

- i. A Participant, who as of December 31, 2021, has attained age 49 and earned at least 22 years of Unreduced Pension Service is eligible to receive an Unreduced Early Pension Benefit as follows:
 - 1) At age 52 with at least 25 years of Unreduced Pension Service, for benefits earned prior to July 1, 2009;
 - 2) At age 55 with at least 25 years of Unreduced Pension Service, for benefits earned on or after July 1, 2009 through December 31, 2021; and
 - 3) At age 55 with at least 30 years of Unreduced Pension Service or at age 58 with at least 25 years of Unreduced Pension Service, for benefits earned on or after January 1, 2022.

Notwithstanding any other provision of the Plan, with respect to this subsection (d)(i), benefits earned prior to January 1, 2022, shall be subject to the terms set forth in Section 5.1, as applicable.

- ii. A Participant who does not meet the criteria set forth in subsection d(i) and whose first Covered Hour is before July 1, 2022, is eligible to receive an Unreduced Early Pension Benefit as follows:
 - 1) At age 55 or later with at least 30 Years of Unreduced Pension Service; or
 - 2) At age 58 or later with at least 25 Years of Unreduced Pension Service.

- iii. A Participant whose first Covered Hour is on or after July 1, 2022, is eligible to receive an Unreduced Early Pension Benefit as follows:
 - 1) At age 55 or later with at least 30 Years of Unreduced Pension Service; or
 - 2) At age 60 or later with at least 25 Years of Unreduced Pension Service.

(e) For purposes of this Section 5.2, “Unreduced Pension Service” is defined as provided in Section 5.1(c)(ii)(1) of the Plan.

(f) Covered Employees who work for a Production Shop Employer shall be governed under Section 5.1 until the Contribution Agreement in effect on December 13, 2021 expires or is amended to adopt the FRP, whichever is earlier. After such time, this Section 5.2 shall apply. For purposes of this Section 5, Production Shop Employer shall mean a Contributing Employer engaged in the production or manufacturing field who are not permitted to work or be sent outside of the shops or plants in which they are employed to perform work except to inspect warranty failure and to supervise the correction of faulty products. Such Contributing Employer has a stand-alone Contribution Agreement that requires contributions to this Plan for all employees classified as production workers.

15. Effective April 1, 2022, the second paragraph of the newly renumbered Article V, Section 5.3 is amended to read as follows:

Effective as of July 1, 2011, if a Participant who is retired from Covered Employment fails to apply for benefits until after his or her Normal Retirement Age, the Participant shall be deemed to have postponed his or her retirement past Normal Retirement Age. The monthly benefit of a Participant who postpones retirement past Normal Retirement Age shall be the Participant's accrued benefit at Normal Retirement Age, actuarially increased for each complete calendar month between Normal Retirement Age and the pension effective date for which benefits were not suspended, and then converted at the pension effective date to the benefit payment form elected or to the Automatic Form, which is the fifty percent (50%) Joint and Survivor Annuity if the Participant is married. If the Participant first becomes entitled to additional benefits after Normal Retirement Age, whether through additional service or because of a benefit increase, the actuarial increase in those benefits shall start from the date they would have first been paid rather than the Normal Retirement Age. The actuarial increase shall be based on an interest rate of five percent (5%) and the applicable mortality table as defined in Internal Revenue Code Section 417(e)(3)(B), and notwithstanding this basis, for ages over age 70-½ be consistent with the requirements of Code Section 417(c)(3)(B). Effective for Participants with an Annuity Starting Date on or after April 1, 2022, the mortality table used to determine the actuarial increase described in the preceding sentence shall be the applicable mortality table as defined in Code Section 417(e)(3)(B) for the 2022 calendar year.

16. The newly renumbered Article V, Section 5.4 is amended to read as follows:

5.4 Special Retirement

For pension benefits commencing prior to April 1, 2022, a Participant, not otherwise eligible, may qualify for a Normal Retirement Benefit or an Early Pension Benefit known as a "Special Retirement" if he meets one of the following.

- (a) A Participant may qualify for an Unreduced Early Pension Benefit at age 60 if the sum of the Participant's Credited Past Service and Vesting Service Credit years equals 10 or more, and the Participant has accumulated at least 5 years of Credited Future Service, or
- (b) the Participant has accumulated either five years of Credited Future Service during the Plan Year of his retirement and the six immediately preceding Plan Years, or 4,000 Covered Hours during the Plan Year of his retirement and the four immediately preceding Plan Years.

A Participant who qualifies for an Early Pension Benefit under this Section shall not have included in the determination of his benefit any Credited Past Service, nor shall his benefit be subject the \$50.00 monthly minimum benefit.

No benefit shall be payable under this Section if a Participant is employed in Noncovered Sheet Metal Service either before or after he meets the requirements for a Special Retirement.

17. Article VI, Section 6.4 is amended to read as follows:

6.4 Amount of Total and Permanent Disability Benefit

A Participant who is totally and permanently disabled is entitled to a monthly pension which is equal to the amount of monthly Normal Retirement to which the Participant would have been entitled as of the date of his termination of employment due to Total and Permanent Disability, or \$70.00, whichever is greater, subject to the provisions of Sections 6.6 and 6.7. For Total and Permanent Disability benefits commencing on or after January 1, 2022, a Participant must have earned at least 25 years of Future and Past Service Credits (combined) at the date of his Total and Permanent Disability to be entitled to this benefit.

Effective for Total and Permanent Disability benefits commencing on or after January 1, 2022, a Participant who has earned less than 25 years of Future and Past Service Credits (combined) at the date of his Total and Permanent Disability shall be entitled to a monthly disability benefit equal to the Normal Retirement Benefit which the Participant would have been entitled as of the date of his termination of employment due to Total and Permanent Disability, reduced by 0.5% per month for each month that the Participant's age at the date of disability is before age 65, with a maximum reduction of 42%.

If the Participant has complied with the provisions of Sections 6.1 and 6.2, then the first monthly Disability Benefit shall be payable as of the first day of the month coinciding with or next following the commencement of Total and Permanent Disability. Retroactive payments for Total and Permanent Disability Benefits are limited to no more than forty-eight months.

It is the duty of the person receiving disability benefits to provide the Trust Fund Office with such proof of continued disability if so requested. Failure to provide such proof may result in the withholding or delaying of benefit payments hereunder until such proof of continued disability is furnished.

If a person receiving a disability benefit hereunder recovers from his disability or is no longer qualified to receive disability benefits under Social Security, he shall report such determination to the Plan within 30 days of such recovery or notice of loss of Social Security Disability determination, whichever is earlier.

18. Article VI, Section 6.5 is amended to read as follows:

6.5 Form of Disability Benefit

- (a) A Participant who is married when his Disability Benefit commences will receive his Disability Benefit in the 50% Joint and Survivor Form unless the notice and spousal consent rules herein are complied with. A Participant is also offered the 75 % and 100% Joint and Survivor Form as well as the Disability Form in subsection (c) below. If the Spouse predeceases the Disabled Participant, his benefit will increase to the amount which would have been payable if the Disability Form had been elected.
- (b) A Participant who is not married when his Disability Benefit commences is entitled to a monthly amount payable for the life of the Participant. Monthly payments of the Total and Permanent Disability Benefit described in Section 6.4 shall be made to the Disabled Participant on the first day of the month and terminate as determined in Section 6.7. For a Total and Permanent Disability Benefit commencing prior to January 1, 2022, upon the Participant's death, an unmarried Participant may be entitled to a Contribution Death Benefit, as set forth in Section 7.2(a).
- (c) The "Disability Form" of payment is a monthly amount payable for the life of the Disabled Participant payable as of the first day of each month.
- (d) The monthly Disability Benefit payable to a Participant who becomes entitled to a Partial Disability Benefit under Section 6.3 shall be equal to 100% of the amount of monthly Normal Retirement credited to the Disabled Participant at the date of his termination of employment due to Partial Disability, or \$70.00, whichever is greater, reduced by 5/12 of 1% per month for each month for which the

commencement date of the Participant's Partial Disability benefit precedes the first day of the month coincident with or next following his 60th birthday; however, in no event will the reduction exceed 50%. For Partial Disability Benefits commencing on or after January 1, 2022, a Participant must have earned at least 25 years of Future and Past Service Credits (combined) at the date of his Partial Disability to be entitled to this benefit.

Effective for Partial Disability Benefits commencing on or after January 1, 2022, a Participant who has earned less than 25 years of Future and Past Service Credits (combined) at the date of his Partial Disability is entitled to a monthly disability benefit equal to the Normal Retirement Benefit which the Participant would have been entitled to as of the date of his termination of employment due to Partial Disability, reduced by 0.5% per month for each month that the Participant's age at the date of disability is before age 65, with a maximum reduction of 42%.

21. Effective April 1, 2022, Article VI, Section 6.7(a) is amended to read as follows:

(a) Beginning Payments. Disability Benefits are payable:

(i) For Partial Disability, the first of the month following the month the Partial Disability began, provided no more than 48 months of retroactive payments may be made, or

Effective as of August 1, 2014, the first of the month following the month the Partial Disability began provided that no more than 48 months of retroactive Partial Disability benefits are payable. Retroactive payments shall not be paid in a lump sum but instead will be taken into consideration in the calculation of the Participant's Partial Disability monthly benefit based on the Actuarial Equivalent value.

(ii) For Total and Permanent Disability, the first of the month following the first month of the Total and Permanent Disability as established by the Social Security Administration. Notwithstanding any provision to the contrary, retroactive payments for a Total and Permanent Disability Benefit may be made for up to 48 months.

Effective as of August 1, 2014, the first of the month following the first month of the Total and Permanent Disability as established by the Social Security Administration provided that no more than 48 months of retroactive Disability benefits are payable. Retroactive payments shall not be paid in a lump sum but instead will be taken into consideration in the calculation of the Participant's Total and Permanent Disability benefit going forward based on the Actuarial Equivalent value.

19. Article VII, Section 7.1 is amended to read as follows:

7.1 Pre-Retirement Death Benefits

(a) Upon the death of an unmarried vested Participant on or after November 1, 2008 and prior to January 1, 2022, who had no Domestic Partner at the time of his or

her death, a Contribution Death Benefit shall be payable to his or her Beneficiary, subject to 7.2(a) below.

Upon the death of a Vested Participant prior to January 1, 2022, who is survived by his or her Spouse, his or her surviving Spouse shall be entitled to choose:

- (i) A Contribution Death Benefit with a residual annuity for her life based on the excess, if any, of the Actuarial Equivalent value of the Joint and Survivor Pension Death Benefit over the amount of the Contribution Death Benefit; or
- (ii) The survivor Pension Death Benefit (also known as a "Preretirement Survivor Annuity" under ERISA) plus a lump sum payment of the excess, if any, of the Contribution Death Benefit over the Actuarial Equivalent value of the Joint and Survivor Pension Death Benefit.

The Contribution Death Benefit is payable effective the first of the month coincident with or next following the date of the Participant's death and all payments of survivor annuities are payable on the first of the month coincident with or next following the later of (i) the date the Participant would have reached his Earliest Early Retirement Date or (ii) the date of the Participant's death.

- (b) Upon the death of an unmarried Vested Participant on or after January 1, 2022, who has at least one (1) Hour of Service within thirty-six (36) months of his or her death, exclusive of any period on which he or she has been on the SMART, Sheet Metal Workers Local Union104 out-of-work list, a death benefit equal to 48 monthly payments of the Participant's Normal Retirement Benefit earned up until the date of death shall be payable to his or her Beneficiary. The total value of the monthly payments shall not exceed 80% of the total Employer Contributions made on the Participant's behalf.

Upon the death of a Vested Participant on or after January 1, 2022, who is survived by his or her Spouse, his or her surviving Spouse shall be entitled to choose:

- (i) The Joint and Survivor Pension Death Benefit, as defined in Section 7.2(b); or
- (ii) For a Vested Participant who has at least one (1) Hour of Service within thirty-six (36) months of his or her death, exclusive of any period on which he or she has been on the SMART, Sheet Metal Workers Local Union 104 out-of-work list, a monthly benefit of: 1) 50% of the Participant's retirement benefit payable at his or her Earliest Early Retirement Date under the 50% Joint and Survivor Form, plus 2) the excess, if any, of 80% of the total Employer Contributions made on the Participant's behalf over the value of the Joint and Survivor Pension Death Benefit; or

(iii) For a Vested Participant who has at least one (1) Hour of Service within thirty-six (36) months of his or her death, exclusive of any period on which he or she has been on the SMART, Sheet Metal Workers Local 104 out-of-work list, a death benefit equal to 48 monthly payments of the Participant's Normal Retirement Benefit earned up until the date of death. The sum of the 48 monthly payments shall not exceed 80% of the total Employer Contributions made on the Participant's behalf.

If the surviving Spouse fails to make an election, the pre-retirement death benefit shall default to option (i) above.

20. Article VII, Section 7.2(a) is amended by adding the following before the first paragraph:

This benefit option shall only apply to Participant deaths prior to January 1, 2022.

21. The heading of Article VII, Section 7.2(b) is amended to read as follows:

(b) Joint and Survivor Pension Death Benefit (Qualified Pre-retirement Survivor Annuity or QPSA).

22. Effective April 1, 2022, Section 9.1(b) of the Plan is amended to read as follows:

(b) Joint and Survivor Forms

Under the "Joint and Survivor Form," the amount of monthly payments shall be based upon the ages of the Pensioner and his Spouse (or Domestic Partner). The adjusted monthly pension shall be payable to the Pensioner as long as he survives. If at his death the Spouse survives him, monthly payments will continue to the Spouse during her remaining lifetime in an amount equal to the specified percentage of the monthly pension payable to the Pensioner. If the Spouse predeceases the Pensioner, the Pensioner's monthly benefit will increase to the amount which would have been payable had the Pensioner elected to receive the Life Pension with Payments Guaranteed for 3 Years, and payments will terminate with the last payment due immediately preceding the Pensioner's death. To receive this increase Pensioners must notify the Plan in writing of the Spouse's death, and no increase will be made retroactively for more than 120 days.

The Joint and Survivor Form of the pension can be paid in any of the following three forms:

(i) 50% Joint and Survivor Form. This form pays the surviving Spouse or Domestic Partner 50% of the reduced amount payable to the Pensioner or Disabled Participant. The Participant's monthly pension shall be reduced in accordance with Section 1.1.

- (ii) 75% Joint and Survivor Form. Effective as of January 1, 2008, this form pays to the surviving Spouse or Domestic Partner 75% of the reduced amount payable to the Pensioner or Disabled Participant. The Participant's monthly pension shall be reduced in accordance with Section 1.1.
- (iii) 100% Joint and Survivor Form. This form pays to the surviving Spouse or Domestic Partner 100% of the reduced amount payable to the Pensioner or Disabled Participant. It may be chosen by married Pensioners or Pensioners with Domestic Partners provided they have never received disability payments under the Plan. The Participant's monthly pension shall be reduced in accordance with Section 1.1.

23. Effective April 1, 2022, Section 9.1(d) of the Plan is amended to read as follows:

(d) Life Pension with Payments Guaranteed Forms

Under the "Life Pension with Payments Guaranteed Form," monthly payments shall be made to the Pensioner on the first day of each month commencing on his retirement date, if he is then living, and terminating with the last payment due immediately preceding the Pensioner's death. If the Pensioner has not received the specified number of guaranteed monthly payments at the date of his death, the remaining guaranteed payments will be made to his Beneficiary.

The Life Pension with Payments Guaranteed Form can be paid in either of the following two ways:

- (i) 3 Year Guarantee. This Form guarantees a total of 36 monthly payments. The monthly amount will be determined under the Plan without actuarial reduction. The number of disability payments made to a Participant under Article VI will be deducted from the number of guaranteed payments.
- (ii) 10 Year Guarantee. This Form guarantees a total of 120 monthly payments. It may be chosen by Pensioners, provided they have never received disability payments under the Plan. The monthly amount will be actuarially determined to take account of the longer guarantee. The Participant's monthly pension shall be determined in accordance with Section 1.1.

24. The third paragraph of Section 11.5 of the Plan is amended to read as follows:

For Annuity Starting Dates on or after July 1, 2008, the present value for purposes of calculating a lump sum distribution shall be determined using the "applicable mortality table" prescribed for that year in Code Section 417(e)(3). Effective as of July 1, 2013, the interest rate to be used is the Applicable Interest Rate prescribed by Code Section 471(e)(3)(c), namely the segment rates under Code Section 430(h)(2)(C). The interest rate shall be updated annually and will be based on the rates for the two months prior to the Plan Year during which the Annuity Starting Date occurs (for example, November 2021 for the January 1, 2022-December 31, 2022 Plan Year).

Approved: December 13, 2021



Sean O'Donoghue, Chair



Rick Werner, Co-Chair