

SHEET METAL WORKERS LOCAL 162
DEFINED CONTRIBUTION RETIREMENT PLAN

SUMMARY OF MATERIAL MODIFICATIONS

September 21, 2016

This document is a Summary of Material Modifications (“Summary”) intended to notify you of important changes made to the Sheet Metal Workers Local 162 Defined Contribution Retirement Plan since the Summary Plan Description (“SPD”) for the Plan was last distributed to you.

You should take the time to read this Summary carefully and keep it with the copy of the SPD that was previously provided to you. If you need another copy of the SPD or if you have any questions regarding these changes to the Plan, please contact the Trust Fund Office by telephone during normal business hours at: 925-208-9992, by mail at Northern California Sheet Metal Workers Retirement Plan, PO Box 1677, San Ramon, CA 94583, or by e-mail at Staff@sheet162fringe.org.

Effective November 15, 2016, the Sheet Metal Workers Local 162 Defined Contribution Retirement Plan (the Local 162 Plan) will merge into Local No. 104 Supplemental Pension Plan, and the merged plan will contain the following modifications to the current plan of benefits of the Local 162 Plan:

1. Eliminate the \$11 quarterly charge to participant accounts for plan expenses as set forth in Plan Section 3.06.
2. Add provision that accounts of less than \$5,000 that have been dormant for two years or more may be transferred into the general Plan account to defray expenses, provided that the Plan administrator has been unable to locate and communicate with the participant in whose name the account is maintained.
3. Early retirement age for Owner-Members to be changed from age 55 to age 59 1/2.
4. Mandatory distribution of small accounts of up to \$5,000 with no activity for 18 months increased to accounts of up to \$10,000. Plan Section 5.04(g).
5. Temporary disability provision to be added, allowing for distributions for participants temporarily disabled and receiving State Disability Insurance or Worker’s Compensation benefit.
6. Eligibility for permanent disability distributions changed from 60 days after the onset of disability to any time within 48 months of the onset of the disability. Plan Section 5.08(c).
7. Eligibility based on disability for participants working in non-covered employment to be permitted if the participant has left the industry. Plan Section 5.08(b).

8. Participant loan provision to be added, allowing loans for specific purposes such as buying a house, provided they are re-paid within five years (10 years for a home purchase).
9. Form of benefit for participants in non-covered employment to be limited to annuity form of benefit.
10. American Fund Target Date funds will become the “default options” for participants who do not affirmatively elect otherwise for contributions remitted to the Plan on and after November 15, 2016. The Target Date fund selected for each participant will be based on their date of birth and an expected retirement at age 55. Other investment options currently provided in the Local 104 Plan will be made available to all participants in the merged plan.