



SHEET METAL WORKERS LOCAL 292 FRINGE BENEFIT FUNDS

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July 9, 2025

IMPORTANT NOTICE

TO ALL RETIREES, SURVIVING SPOUSES AND ALTERNATE PAYEES RECEIVING BENEFITS FROM THE SHEET METAL WORKERS LOCAL NO. 292 PENSION FUND

This Notice is to inform you of an important update regarding the administration of your pension benefits under the Sheet Metal Workers Local No. 292 Pension Fund (“Fund”).

As part of the Board of Trustees’ ongoing efforts to strengthen the long-term security of the Fund and ensure stable benefit delivery, the Fund is pleased to announce that it has purchased a **group annuity contract** for you from The Prudential Insurance Company of America (“Prudential”), a leading provider of retirement solutions. Prudential will assume the responsibility for paying your pension benefits, in accordance with the terms of the contract, effective **August 1, 2025**.

What This Means for You?

- **New Payment Administrator:** Effective August 1, 2025, your monthly benefits will be made by Prudential.
- **No Change in Benefit Amount:** The amount and timing of your gross monthly pension payments will remain the same. Also, there will be no changes on how you will receive your monthly benefit.
- **Medical Premiums:** If you currently have your Health Fund self-payment deducted from your pension check, that amount will continue to be deducted from your monthly benefit payment.
- **Continued Security:** Prudential is highly rated and subject to regulatory oversight to help ensure the ongoing payment of annuity benefits. Your pension will no longer be guaranteed by the Fund or the federal government; instead, it is covered by Prudential and (up to certain coverage limits) by state life and health insurance guaranty associations.
- **1099-R:** In 2026, you will receive a Form 1099-R from both Prudential and from the Fund reflecting the payments you received from each place in 2025.
- **Future Communications:** A Welcome Kit from Prudential will be mailed to you no later than July 25, 2025. This Welcome Kit will include details on how they will administer your benefit and provide customer service.

This transfer does not require any action on your part at this time. We understand that you may have questions about this transition. The **Frequently Asked Questions** that follow provide some more detail regarding this change. If you have additional questions, please contact the Fund Office at 248-641-4992.

The Board of Trustees remains committed to protecting your retirement income and ensuring a smooth transition to Prudential.

FREQUENTLY ASKED QUESTIONS

What happens when the responsibility for paying my benefits is transferred to Prudential?

Instead of receiving your pension benefits from the Fund, benefits will be paid by Prudential under a group annuity contract. Like the pension provided by the Fund, the annuity provided by Prudential offers protection from the risk that you could run out of money before you and your spouse die.

Will the gross amount of my pension benefit change?

No. You will receive the same gross amount from Prudential that you receive from the Fund

Can I change the form of benefits I elected at retirement?

No. Whether you elected a Single Life Form of Benefits or a Joint and Survivor Form, the election of that Form and the person designated as your surviving spouse, where applicable, are irrevocable and therefore cannot be changed.

Will my pension continue to be protected?

Yes, but your pension protections will change. Your benefits will no longer be protected by the assets in the Fund or by the federal pension insurance program, the Pension Benefit Guaranty Corporation. Instead, insurance companies are regulated at the state level to make sure they have sufficient funds to pay their obligations. Additionally, state guaranty associations provide protection in the event that insurance companies fail.

What state level protection exists?

Every state, the District of Columbia, and Puerto Rico, has a Life and Health Insurance Guaranty Association, a nonprofit institution established to protect insurance policyholders who live in that state in the event that an insurance company becomes insolvent. All insurance companies licensed to write life and health insurance or annuities in a state participate in that state's Life and Health Insurance Guaranty Association. You will be covered by the Life and Health Insurance Guaranty Association in the state where you reside, assuming the insurance company is licensed in that state. If the insurance company is not licensed in the state where you reside, you should be covered by the guaranty association of the state of domicile of the insurance company. You can contact your state insurance department to find out if the insurance company paying your annuity is licensed to operate in your state. You can get more information about your state Life and Health Insurance Guaranty Association via links on the National Organization of Life and Health Insurance Guaranty Associations (NOLHGA) website www.nolhga.com.

Do I still have the same health insurance?

If you were enrolled in the Sheet Metal Workers Local 292 Health Fund as a retiree or surviving spouse, that has not changed. Your health insurance benefits will continue to be administered by the Fund Office at BeneSys.

Who do I contact to report a change to my address or marital status?

If you have a change of address or marital status, you should contact the Fund Office at 248-641-4992 so the appropriate action can be taken for your health insurance benefits, if applicable. You should also contact Prudential. The Welcome Kit you receive from Prudential will provide instructions on how to report address and marital status changes.

Board of Trustees,
Sheet Metal Workers' Local No. 292 Pension Fund