

# NORTHWEST SHEET METAL WORKERS



## SUPPLEMENTAL PENSION TRUST

### 401(k) Plan Summary Plan Description

January 1, 2026

## **TRUST ADMINISTRATION OFFICE**

For General Information • Contributions • Distribution Questions

**BeneSys, Inc. (Portland Office)**

PMB #116, 5331 S. Macadam Ave #258  
Portland, OR 97239  
Telephone: (503) 222-7694  
Toll Free: 1-800-413-4928  
FAX: (503) 228-0149

[www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org)

## **RECORDKEEPER**

For Account Balances • Plan Loans • Investment Elections

**The Standard**

Toll Free: 1-800-858-5420  
[www.standard.com/](http://www.standard.com/)

**NORTHWEST SHEET METAL WORKERS**  
**SUPPLEMENTAL PENSION TRUST**

**LETTER TO PARTICIPANTS AND THEIR FAMILIES**

To Plan Participants and Their Families:

The Board of Trustees of the Northwest Sheet Metal Workers Supplemental Pension Plan are pleased to provide this updated booklet describing your 401(k) plan. Carefully read this booklet and use it to understand the benefits and features of the Plan.

This Summary Plan Description is intended to highlight the features of the Plan and provide answers to commonly asked questions. A more formal Plan Document is on file with the Trust Administration Office and is available for your review upon written request. While the Summary Plan Description is intended to be an accurate summary, the Plan Document is the formal legal document that ultimately determines the benefits available under the Plan.

Along with your pension and healthcare benefit plans, this 401(k) plan is an important part of your overall fringe benefit package. We encourage you to review the information regarding the investment options and to take advantage of the various features of the 401(k) Plan. We also encourage you to contact the Trust Administration Office with any questions.

Sincerely yours,

THE BOARD OF TRUSTEES  
NORTHWEST SHEET METAL WORKERS  
SUPPLEMENTAL PENSION TRUST

# Accessing Your Retirement Account

Managing your retirement plan account online is easy through the Personal Savings Center. You can enroll, view your balance, change your contributions, update your investments and more!



## Register Online

- Visit [standard.com/login](http://standard.com/login)
- Select Create an Account
- Open the menu for My Retirement Plan, then choose Create an Account
- Fill in your personal information, then create a unique username and password
- Activate your account within 24 hours (email will come from [no\\_reply@standard.com](mailto:no_reply@standard.com))



## After Activating, Connect to Your Retirement Account

- After you've verified your email address, return to [standard.com/login](http://standard.com/login) to log in
- Accept Terms and Consent, then set up two-step verification
- Enter and submit the code sent to your email or phone number
- Select Continue to My Home, then Yes, Continue to Connect
- See your account details by selecting Go to My Account

Call 800.858.5420 for assistance. Spanish-speaking customer service representatives are available.

## Keep Your Account Secure

The Standard takes your account security seriously. Here are tips to make it even more secure.

- Register online. It is simple to do and connects you to your account.
- Create a unique username and strong password. Do not reuse a username and password or share them with others.
- Log in to your account monthly. It helps you notice possible suspicious or unexpected activity.



The Standard 1100 SW Sixth Avenue, Portland, OR 97204 | [standard.com](http://standard.com)

The Standard is the marketing name for StanCorp Financial Group, Inc. and its subsidiaries including Standard Retirement Services, Inc., which provides administrative and recordkeeping services. Standard Insurance Company and Standard Retirement Services, Inc. are subsidiaries of StanCorp Financial Group, Inc. and all are Oregon corporations.

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## **PURPOSE OF THE SUMMARY PLAN DESCRIPTION BOOKLET**

This booklet summarizes the provisions of the Northwest Sheet Metal Supplemental Pension Plan. The explanations in this booklet are brief and provide a general summary of the Plan. This booklet is not intended to cover every detail of the Plan. You should review the official Plan document to fully determine your rights.

Similarly, the support staff at the Trust Administration Office is trained to assist you in answering your questions about the Plan. You are not entitled to rely upon oral statements by any employee of the Trust Administration Office or any individual Trustee, employer or union officer, or any other person or entity. If you wish to receive a formal and official interpretation of the Plan, you should address your request in writing to the full Board of Trustees. Written correspondence with such a request to the Board of Trustees can be mailed to the Trust Administration Office and should provide full and accurate information concerning your situation.

Occasionally, there may be a data error in an account statement that you receive, which may be corrected upon an audit or upon further review. The Board of Trustees reserves the right to make corrections when an accounting or similar mistake is discovered.

Finally, there are tax consequences associated with the payment of benefits or other withdrawals from the Plan. Your personal tax advisor can explain the individual tax consequences of any benefit payment option available to you under the Plan. The administrative staff at the Trust Administration Office and at the Recordkeeper do not provide individualized tax advice.

# IMPORTANT STEPS TO TAKE ONCE YOU BECOME A PLAN PARTICIPANT

1

## Create an online account with The Standard

- Visit Personal Savings Center at [www.standard.com/login](http://www.standard.com/login).
- Click Create an Account.
- Click on My Retirement Plan. Under I Have a Retirement Plan Through Work, select Create an Account.
- Fill in your personal information then create a username and password.
- You will receive an email from verify@standard.com to activate your online account (you'll need to do this within 24 hours).
- Log into your new account with your username and password.
- Read and agree to the Terms of Consent.
- Select how you'd like to receive verification codes. On the new page, enter the six-digit code within 60 minutes of receiving it. If you are going to use the same device or computer again and prefer not to receive a code, select Trust this Broser.
- When prompted to connect your account, choose yes. Then select Retirement Account. Enter the requested information, then click Add Services.
- Choose Continue to My Home, then Go to My Account.

**Need help? Call 1-800-858-5420**

2

- **Set your personal contribution rate, and**
- **Provide the employee elective contribution form to your employer's payroll department**

- Complete the "Employee Elective Contribution Form" if you wish to have Voluntary Employee Contributions deducted from your paycheck and made to the Plan.
- Provide this form to your employer's payroll department. (It must be filled out and turned in each time you go to work for a new contributing employer).

# IMPORTANT STEPS TO TAKE ONCE YOU BECOME A PLAN PARTICIPANT

**3**

## Review investment options and elect an investment mix

- To direct your investments, go online to [www.standard.com](http://www.standard.com) or call The Standard to make your investment decisions. There are many online tools to help you plan for your retirement and pick the best investment asset allocation for your own specific needs.
- Until you make an affirmative election on how your account is invested, the Board of Trustees has selected a default investment option as outlined in the Qualified Default Investment Alternative (QDIA) Notice. Currently, the Board of Trustees has designated an age-appropriate Vanguard Target Retirement Date fund as the Plan's default investment choice.

**4**

## Designate a beneficiary

- You are encouraged to designate beneficiaries. If you do not name beneficiaries, you risk having this money go to an unintended person or get tied up in probate or estate complications. Accordingly, you can complete and return a Beneficiary Designation Form to the Trust Administration Office. This form is available online at [www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org) or by calling the Trust Administration Office.
- You may obtain copies of the various administrative forms from the Trust Administrative Office and online at [www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org).

## **I. HOW YOUR PLAN WORKS**

This Plan is a collectively bargained multiemployer defined contribution retirement plan. The Plan is also considered a 401(k) plan. The Plan is funded through contributions required under the applicable collective bargaining agreements. In addition, participants can choose to make additional (i.e. supplemental) contributions via payroll deduction.

As a defined contribution retirement plan, an individual account is maintained for each participant. All contributions made on behalf of each participant – bargained contributions, elective contributions and any rollover contributions from another plan – are credited to the participant's individual account.

Each individual account is invested based on the investment choices made by each participant. Accordingly, the Plan is described as a participant-directed plan. The net investment gains or losses, after investment management fees, are credited to the participant's individual account each day that financial markets are open.

There are also administrative fees deducted from your account balance to cover a share of the operating costs of the plan. The Plan deducts \$5.00 per month on any balances less than \$1,000, and \$7.00 each month for balances of \$1,000 or more to help cover the costs associated with operating the Plan. In addition, an asset-based fee (currently 0.05%) for certain plan administrative services is charged by the Recordkeeper. There are also transactions-based charges for certain items, including QDRO processing, for loan setup and for processing distributions. (The annual Fee Disclosure Notice provides additional details on the fees charged to your individual account.)

## **II. ADMINISTRATION OF THE PLAN**

The Plan is administered by a joint labor-management Board of Trustees, half of whom are appointed by the participating Employer Associations and half by the participating Local Unions. The powers and duties of the Board of Trustees are set forth in a governing Trust Agreement.

The Board of Trustees have retained various professional service providers to assist them in operating the Plan:

- The Trust Administration Office (i.e. a third-party administrator) who handles the day-to-day administration of the Plan, including processing contributions and handling distribution requests,
- The recordkeeper who tracks participant account balances and investment elections,
- An investment consultant who helps monitor the investment lineup made available to participants,
- One or more attorneys who assist with regulatory, compliance or other legal matters (including collection of delinquent contributions); and

- A certified public accountant who audits the Plan's annual financial statements.

The Plan is governed by a federal law known as the Employee Retirement Income Security Act ("ERISA"). This plan is not a defined benefit pension plan, however, so it is not insured by the Pension Benefit Guaranty Corporation ("PBGC"). (Only defined benefit pension plans are insured by the PBGC.)

### **III. INVESTMENT OF YOUR ACCOUNT**

One of the most important features of this 401(k) Plan is that you direct how your account balance is invested. This section provides a summary of how the investment process works.

#### **A. The Board of Trustees Selects the Investment Options with the Help of Professional Investment Advisors**

The Board of Trustees, with the assistance of professional investment advisors, has developed a diversified lineup of investment options for participants in the Plan. The Board of Trustees has also selected the Plan's default investment option(s).

The Board of Trustees, from time to time, may change the investment options offered by the Plan by adding or deleting investment options and may periodically adjust the default investment option(s).

Accordingly, the most up-to-date information about the Plan's investment options can be found on the website maintained by the Recordkeeper for the Plan.

**The Board of Trustees develops the overall investment lineup with the help of professional investment advisors**



#### **B. You Choose How Your Account is Invested by Selecting from Those Options**

You are responsible for how your individual account is invested. Therefore, it is important that you review information about the investment options available to you. Detailed information concerning each investment option, including its objective, goals, principal strategies, principal risks, holdings, turnover rate, value and updated performance and expense information is available [www.standard.com](http://www.standard.com).

**You choose how your account is invested by selecting from those options.**

You may make an initial investment direction any time after the first contributions are received by the Plan on your behalf (i.e. after an account is opened in your name with the Recordkeeper).

## **C. Default Investment Choice – Qualified Default Investment Alternative**

Until an investment election has been made, contributions made to your account will be invested in the Plan's default investment fund. Currently, the Plan's default investment fund is a Vanguard Retirement Target Date Fund based on your date of birth. If the Plan does not have your date of birth at the time your first contribution is received, your contributions will be invested in the Vanguard Target Retirement Income Fund.

Detailed information about the Plan's default investment option(s), and the age bands used for determining which Vanguard Target Retirement Date fund is applicable, are described in the Plan's Qualified Default Investment Alternative (QDIA) Notice on the [www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org) website.

## **D. You Choose the Specific Mix of Investments that are Right for You**

You may change your investment selection at any time by contacting The Standard. In making your investment elections, you can:

- Choose how the money currently in your account is invested; and
- Direct how future contributions to your account will be invested.

You are encouraged to use the automatic rebalancer option at The Standard. This option will rebalance your account to your selected investment directives automatically on either a quarterly, semi-annual, or annual basis. You can pick the rebalancing timeline that works best for you.

## **E. Resources Available to Assist You in Making an Informed Investment Choice**

**Investing Made Easy tool on The Standard website.** To assist you in choosing your investment elections, you may want to use the Investing Made Easy feature at The Standard and select from one or more of the five guided portfolios. Simply go online and complete the Investor Profile Quiz. Based on your score from the Investor Profile Quiz, there is a corresponding Guided Portfolio. You can choose one of the ready-made Guided Portfolios or create your own investment mix on the Investing Form.

**Target Retirement Date Funds.** The Plan also has a series of Target Retirement Date funds from Vanguard, which are diversified investment options, designed to be all-inclusive or core investment choices for retirement plan portfolios. These are also low-cost, generally index-based investment portfolios designed to track the performance of broad investment markets. The year in the fund's name is the approximate year when the investor plans to retire. As the target date approaches, the fund managers invest the fund's assets more conservatively, aiming to protect the investment from market volatility as retirement nears.

**More control and more responsibility.** This Plan's investment lineup provides you with significant flexibility to determine how you want to invest your own retirement account. However, with that ability comes a great responsibility. Changes in investment choices should be made only after the most careful consideration of your own situation, your tolerance for risk, and your plans for retirement.

## IV. STATEMENT OF ACCOUNT

Following the close of each calendar quarter, you should receive a regular quarterly Retirement Account Statement in the mail (or electronically if you so choose).

Your account is maintained separately and tracks your investment choices and performance, incoming contributions from employers, any wages you defer to the 401(k), any rollover contributions or loans that have been issued, payments and all aspects of the account.

It is very important that you keep the Trust Administration Office informed of any address change so that your quarterly statements (or other required notices) will reach you promptly.

You can also go online at [www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org) to login and see your contribution history in detail. You can also log into the Plan Recordkeeper's website, [www.standard.com](http://www.standard.com), to see account balances and activity, model potential loans and change investment elections.

### Don't be the last to know!

Keep the Trust Administration Office informed of any address change so that your quarterly statements (or other required notices) reach you promptly.

## V. ELIGIBILITY AND PARTICIPATION

If you work under a collective bargaining agreement between a contributing employer and a participating Local Union that requires bargained contributions to be made to the Plan on your behalf, you are eligible to participate in the Plan.

You become a participant in the Plan on the first day for which contributions are made or required to be made on your behalf.

## VI. VESTING

All amounts contributed to the Plan on your behalf are immediately and fully vested (i.e., nonforfeitable). Stated differently, you are always 100% vested in the Plan.

## **VII. COLLECTIVELY BARGAINED AND OTHER NON-ELECTIVE CONTRIBUTIONS**

Employer contributions are made to the Plan at the rate set forth in the applicable collective bargaining agreement between a contributing employer and the local union. Accordingly, the rate of non-elective contributions to the Plan for each job classification and for each geographic area is established through the collective bargaining process.

Certain participants (e.g. non-bargaining unit employees of contributing employers) are allowed to participate under separate written agreements that require contributions to the Plan. Such participation agreements establish the related contribution rates for non-bargaining unit employees covered by such agreements.

As a collectively bargained multiemployer retirement plan, all contributions to this Plan must be made pursuant to either a collective bargaining agreement or other written agreement with the Board of Trustees. If an employer makes contributions on behalf of an individual who is not performing work covered by a collective bargaining agreement or other non-bargaining unit participation agreement, such contributions may be returned to the employer (as soon as practicable after the error is identified). Employers may not unilaterally make contributions to this Plan; either a collective bargaining agreement or participation agreement is required.

## **VIII. EMPLOYEE CONTRIBUTIONS**

You may elect to contribute a portion of your wages to the Plan, on a pre-tax basis, in addition to the collectively bargained (or other non-elective) contributions.

Elections to change or stop payroll deductions may be made at any time by giving thirty (30) days advance written notice to the employer.

Other than rolling over an eligible distribution from another retirement plan, only contributions made through payroll deduction are allowed from participating employees.

## **IX. ELIGIBILITY FOR BENEFITS**

Benefits are payable under this Plan in the event of your early retirement, normal retirement, permanent disability, termination of employment or death, as follows:

### **A. Early Retirement**

Attainment of age 55, termination of employment, and written certification that you do not intend to do any further work in the Sheet Metal Industry.

### **B. Normal Retirement**

Attainment of age 65 and termination of employment.

## **C. Permanent Disability**

Disability by bodily injury, disease or mental disorder which, on the basis of medical evidence, is found by the Board of Trustees to be permanent and continuous for the remainder of the your lifetime and which will render you incapable of continuing in the employment of your employer or any other participating employer or engaging in any other regular employment or occupation substantially gainful character which you would otherwise have been expected to be capable of performing in light of your training, experience and abilities.

## **D. Termination of Employment**

A lapse of six (6) full months since your last hour of employment in the Sheet Metal Industry, except:

1. If your only covered employment was as an office employee of the sponsoring Local Union or Association, you may qualify for benefits immediately upon termination of that employment; and
2. If your only employment during the twelve (12) month period immediately preceding your application was as a contributing employer, you may qualify for benefits without regard to that employment if:
  - Your business has contributed to the Plan for at least twelve (12) months, and
  - Your business employs and is contributing for at least one bargaining unit employee at the time of the application.

Participants (under age 55) taking a distribution (that is not due to death or disability) will pay a \$75 distribution fee.

## **X. PAYMENT OF BENEFITS**

The benefits payable under this Plan are based on the balance in your individual account. The normal form of benefit for a married participant is a joint and 50% survivor annuity, as described below. The normal form of benefit for an unmarried participant is a single life annuity, as also described below. Under these two forms of benefit, your individual account balance is converted into a series of monthly payments through the purchase of an annuity contract.

A fully completed application for benefits must be submitted to the Trust Administration Office on the form prescribed by the Board of Trustees at least two weeks before payments will be made.

The following describes the various benefit forms and options provided by the Plan:

## **A. Married Participants—Joint and Survivor Annuity**

### **1. Benefit Amount**

If you have been married for at least one year prior to retirement, the Plan's normal form of retirement benefit is a joint and 50% survivor annuity, unless your individual account balance is \$5,000 or less. The joint and 50% survivor annuity provides a reduced lifetime monthly benefit and, after your death, a lifetime monthly benefit for your surviving spouse equal to one-half the monthly benefit amount paid to you during your lifetime.

If you select a joint and 50% survivor annuity benefit, the Plan will use your individual account balance to purchase an annuity contract from an insurance company or other entity at then current market rates and distribute the annuity contract to you.

With the consent of your spouse, you may waive the joint and survivor annuity and select the lump sum option described in C. Single Lump Sum Payment below. You may also elect a joint and 100% survivor annuity, which would provide a lower monthly benefit to you during your life and 100% of that amount to your surviving spouse after your death.

### **2. Spousal Waiver/Beneficiary Designation**

An election not to select a joint and survivor annuity is effective only if your spouse consents in writing to such election and that consent is witnessed by a Plan representative or notary public.

You are not allowed to designate a beneficiary other than your spouse without your spouse's written consent. If you subsequently desire to revoke one beneficiary designation and choose another non-spouse beneficiary, your spouse must consent to the revocation and alternative beneficiary selection.

### **3. Explanation Given to Participant/Election Period**

The Plan will provide you with a written explanation of the joint and survivor annuity. To comply with the federal requirement that the Plan provides information to you and your spouse during the 90-day period before payments are to commence, your completed application for payment of your individual account should be submitted to the Plan Office at least 120 days before any proposed date for withdrawal of your individual account.

To avoid delays, you should also submit with your application a copy of your marriage certificate and birth certificates for you and your spouse.

## Important Facts About Joint and Survivor Annuities

### Irrevocable Once Payments Commence

If you elect a joint and survivor annuity, you may not withdraw or change your election after your first monthly annuity payment has been made.

### Spouse's Death Has No Effect

If you elect a joint and survivor annuity at retirement, you may not change that form of survivor benefit if your spouse later dies. Thus, your monthly benefit payment will not increase to the level you would have received had this survivor benefit option not been selected (i.e. there is no “pop-up” feature included).

### Later Divorce Has No Effect

If you select a joint and survivor annuity option and subsequently divorce your spouse, your monthly benefit will not be increased to the level you would have received had this survivor benefit not been provided. Your former spouse will continue to be entitled to the related survivor benefit (i.e. the monthly reduction to provide survivor benefit is permanent). Moreover, if you subsequently remarry, you may not transfer your former spouse's survivor benefit to your new spouse.

**You are encouraged to compare the prices of annuities from a variety of insurance companies before selecting any annuity option offered through The Standard.**

## B. Single Life Annuity

The Single Life Annuity is the normal form of benefit for a non-married participant and is an option for married participants. A single life annuity provides a monthly benefit for the life of the participant. The total benefit payable is determined by the annuity amount that can be purchased with participant's Individual Account balance. The annuity may be purchased from an insurance company or other entity.

## C. Single Lump Sum Payment

Once you are entitled to a benefit, you may waive the joint and survivor annuity (subject to the spousal consent rules summarized above) and elect to have your entire account balance paid to you in one lump sum.

## D. Partial Lump Sum or Installment Payments

You may elect to have a portion of your individual account balance distributed in a lump sum or in a series of fixed monthly payments. A partial distribution must be for at least \$5,000 and is limited to once per calendar year.

## **E. Advance Distribution for Hardship**

You may also apply for a hardship distribution of up to 100% of your account balance for an immediate and heavy financial need. A hardship distribution is deducted from your account and reduces the value of benefits you will receive at retirement. Hardship distributions are allowed for:

1. The payment of expenses for medical care (as defined by the IRS in Section 213(d) of the Internal Revenue Code) previously incurred by you or your dependent or as may be necessary for you or your dependent to obtain medical care;
2. The costs directly related to the purchase of your principal residence (excluding mortgage payments);
3. The payment of tuition and related educational fees for the next twelve (12) months of post-secondary education for yourself, your spouse or dependent;
4. The payment necessary to prevent your eviction from your principal residence or foreclosure on the mortgage of your principal residence;
5. The payment necessary for funeral expenses for a member of the participant's family; or
6. Expenses for the repair of damage to your principal residence that would qualify for the casualty deduction under Section 165 of the Internal Revenue Code (determined without regard to Section 165(h)(5) and whether the loss exceeds 10% of adjusted gross income).

To receive a hardship distribution from the Plan, you must also certify and agree that:

7. You have obtained all other currently available distributions from the Plan and all other deferred compensation plans maintained by your employer;
8. You have provided to the Trust Administrative Office a representation in writing that you have insufficient cash or other liquid assets reasonably available to satisfy the financial need; and
9. The administrator does not have actual knowledge that is contrary to the representation above.

To have your hardship distribution from the Plan paid in a single lump sum, you (and your spouse, if you are married) must also waive the annuity form of payment as described above.

## **XI. LOANS TO PARTICIPANTS**

To be eligible for a loan, you must have at least \$2,000 in your individual account. You need not be actively employed to request a loan. If you are married, your spouse must consent to each loan. Alternate payees are not eligible for loans. The maximum loan term is five years. Payments must be made via automatic withdrawal from a checking or savings account.

### **A. Minimum and Maximum Loan Amount**

The minimum amount you can borrow is \$1,000 and the maximum amount is the lesser of:

- 50% of your account balance or
- \$50,000 reduced by the excess, if any of the highest outstanding balance of loans from the Plan during the one-year period ending on the day before the date on which the loan is made and the outstanding balance of loans from the Plan on the date on which the loan is made.

### **B. Plan Loan Transaction Costs**

All initiation and maintenance fees associated with a loan will be deducted from your account. There is a one-time setup fee for a loan in the amount of \$165 and then a charge of \$15 per quarter to maintain the loan.

### **C. Interest on Loan Balance**

The interest rate is fixed and will be equal to the Prime Rate (as published by the Wall Street Journal) plus 1%. All interest paid is credited to your account. The amount borrowed will not share in earnings from the other Plan investments.

### **D. Defaulted Loans Reported as Taxable Income**

Loans may be paid in full or in part at any time, but failure to repay a loan in accordance with the loan's terms will result in default. A participant who defaults on a loan will be taxed on the unpaid balance, plus accrued interest, and will not be eligible for another loan at any time.

### **E. Loan Service Center at The Standard**

You can model and request a loan via The Standard Insurance Personal Savings Center website at [www.standard.com](http://www.standard.com). A personal identification number is required, and one may be requested by calling The Standard Insurance at **(503) 321-7526** or **1-800-858-5420**. You may also contact the Recordkeeper at **1-800-413-4928 ext. 1122** to request loans and additional information regarding the Plan's loan program.

## **XII. DEATH BENEFITS**

If you die before retirement or withdrawal of your individual account, your surviving spouse will be entitled to a preretirement survivor annuity, which is the monthly benefit amount that can be provided by your individual account balance over your spouse's lifetime. If your spouse desires such an annuity, the Plan will use your individual account balance to purchase an annuity from an insurance company or other entity at then current market rates. Non-spouse beneficiaries will receive a lump sum distribution.

Upon your death your spouse may waive the survivor annuity form of benefit and instead elect payment in a lump sum to be paid immediately.

## **XIII. OTHER MISCELLANEOUS DISTRIBUTION RULES**

### **A. Required Minimum Distributions**

Based on Internal Revenue Code requirements, the Plan must commence paying your required minimum distributions no later than the April 1 following the calendar year in which you attain age 70 ½, 72 or 73 (based on your date of birth), without regard to your actual date of retirement.

### **B. Annual Mandatory Cashout of Small Balances**

Annually, the Plan also makes automatic distributions of small account balances for inactive participants. If your individual account balance is less than \$1,000 as of December 31 of any year and no contributions have been made on your behalf at any time during that year, the account balance shall be distributed as soon as administratively feasible.

### **C. Rights of Former Spouse—Domestic Relations Order**

The Plan is required to comply with a court order that awards any portion of your account balance in Plan to a spouse (or former spouse), child or other alternate payee if the order qualifies as a Qualified Domestic Relations Order ("QDRO"), as that term is defined in the Internal Revenue Code.

A QDRO is generally used to collect child support, alimony payments or divide an account balance incidental to a divorce.

You or your attorney (or your spouse / former spouse) may submit a proposed QDRO to the Trust Administration Office where it will be forwarded to the Plan's attorney for review. They will provide feedback on your proposed QDRO and explain any required changes. The Trust Administration Office has a sample QDRO developed specifically for this Plan that can be provided upon request.

## **D. No Assignments**

Except for the loan provisions within the Plan, you may not borrow against your account balance, nor may you pledge any part of it as security or collateral for a loan or otherwise transfer your rights.

Your retirement benefit is exempt from claims of creditors, such as garnishments or executions, except for certain divorce and child support QDROs as described above and certain federal tax lien claims that may be asserted by the IRS.

# **XIV. CIRCUMSTANCES THAT MAY RESULT IN INELIGIBILITY, DENIAL, LOSS, FORFEITURE OR SUSPENSION OF BENEFITS**

You or your spouse or other beneficiary could suffer a loss in the value of your individual account balance or have payments delayed in the following circumstances:

## **A. Investment Losses**

If your individual account experiences investment losses, based on how it is invested, the account balance will decline in value based on the market performance.

## **B. Plan Expenses**

Your individual account balance will also decrease if your share of Plan expenses exceeds your contributions and earnings.

## **C. Incomplete Application**

Your benefit payment could be delayed if you fail to file a complete application or other forms required by the Trust Administration Office before the date you want your benefits.

## **D. Inaccurate Information**

Your benefits could be delayed or withheld if you fail to provide information or give false information to verify disability, age, beneficiary information, or other vital information.

If you make a false statement to the Plan or other officials regarding the payment of benefits or other issues related to the Plan, you will be liable to the Plan for any benefits paid in reliance on such false statements or information, and any attorney fees and costs incurred in effecting recovery or which were incurred as a result of the false statement or information. This includes but is not limited to costs incurred by the Trust Administration Office, reasonable attorney fees, and interest charges. The Plan may deduct any such fees and costs from any benefits otherwise payable to you or other persons.

## **E. Benefit/Contributions Limits**

Annual contributions to your account cannot exceed the maximum amount allowed by the Internal Revenue Code and applicable regulations. Although the Board of Trustees do not foresee this occurring, the Plan contains provisions to address this situation.

## **F. Termination of the Plan**

The Trust Agreement governing the Plan gives the Board of Trustees the authority to terminate the Plan, although they have no intention of doing so. The Trust Agreement also provides that the Plan will terminate upon the expiration of all collective bargaining agreements and special agreements requiring contributions to the Plan.

If the Plan should terminate, your benefits and the balance in your individual account will remain fully vested but no further employer or employee contributions will be received. The Board of Trustees will take steps to wind up the affairs of the Plan, and any surplus funds remaining in the Plan after the payment of expenses will be allocated among the participants and beneficiaries in accordance with the Internal Revenue Code and ERISA.

# **XV. DEFERRAL OF TAXES/ROLLOVERS**

## **A. Deferral of Taxes**

An advantage of this Plan is that employer and employee pre-tax contributions, including any investment gains thereto, accumulate on a tax-deferred basis for your retirement. You pay taxes only when you receive your benefits. When taxes become due and how much tax is payable will depend on when and how you have the money paid to you and the tax laws in effect at the time.

There is a 10% penalty on early distributions, except for distributions on account of disability, death, termination of employment, or retirement. Thus, if you receive a lump sum distribution of your Plan interest prior to age 59½, the IRS may assess a 10% penalty on the distribution. As explained below in Section B, the Plan is required by federal law to withhold 20% of certain distributions and send it to the IRS as income tax withholding to be credited against your taxes.

Similarly, the IRS will assess a penalty against you if you do not begin receiving your benefits by April 1st of the year following the year you attained age 72.

## **B. Rollovers and Tax Withholding Rules**

The rollover rules apply only when you are entitled to receive your benefits. If you are eligible to receive your benefits in a lump sum or in periodic payments of less than ten years, your distribution qualifies for "rollover" treatment and can be taken in two ways. You may have all or any portion of your pension either (1) paid in a "DIRECT ROLLOVER" or (2) paid to you.

A rollover is a payment of your Plan benefits to an individual retirement arrangement (IRA) or to another qualified employer plan. This choice will affect the tax you owe, as follows:

**1. Direct Rollover**

If you choose a DIRECT ROLLOVER:

- Your payment will not be taxed in the current year, and no income tax will be withheld.
- Your payment from the Plan must be made directly to your IRA or if you choose, to another qualified employer plan that accepts your rollovers.
- Your payment will be taxed later when you take it out of the IRA or employer plan.

**2. Benefits Paid Directly to You**

If you choose to have your Plan benefits PAID DIRECTLY TO YOU:

- You will receive only 80% of the payment, because the Plan is required by law to withhold 20% of the payment and send it to the IRS as income tax withholding to be credited against your taxes.
- Your payment will be taxed in the current year unless you subsequently roll it over to an IRA or qualified retirement plan within 60 days of the date you received the distribution from the Plan.

## **XVI. CLAIMS AND APPEAL PROCEDURES**

When you are ready to apply for your benefit, you should obtain an application for retirement form from the Trust Administration Office, and complete and return it at least 90 days before you intend to retire.

If your application for benefits is denied, you or your beneficiary can appeal the denial, as follows:

### **A. Administrative Appeal Hearing**

If you or your beneficiary apply for benefits, and an adverse decision is made by the Plan's third-party administrator, you will have the right to request the Board of Trustees to review the adverse decision, provided that you make such a request, in writing, within sixty (60) days after receiving written notification of the adverse decision. If you request, the Board of Trustees will conduct a hearing at which you or your beneficiary will be able to present your position and any evidence which supports your claim. You or your beneficiary may be represented at any hearing by an attorney or other representative of your choice. Thereafter, the Board of Trustees shall issue a written decision affirming, modifying, or setting aside the former action.

## **B. Binding Arbitration**

If you or your beneficiary are dissatisfied with the written decision of the Board of Trustees, as described in Part A of this Section, you will have the right to appeal the matter to arbitration in accordance with the Labor Arbitration Rules of the American Arbitration Association unless the claim involves an application for Disability Retirement, in which case you have the right to file suit in a state or federal court. A request for arbitration must be submitted to the Board of Trustees, in writing, within sixty (60) days of receipt of the written decision. If an appeal to arbitration is requested, the Board of Trustees shall submit to the arbitrator a certified copy of the record upon which the Board of Trustees' decision was made.

The question for the arbitrator will be:

- Whether the Board of Trustees were in error upon an issue of law;
- Whether they acted arbitrarily or capriciously in the exercise of their discretion; or
- Whether their findings of fact were supported by substantial evidence.

The decision of the arbitrator will be final and binding upon the Board of Trustees, upon the appealing party, and upon all other parties whose interests are affected thereby.

## **C. Civil Action Under ERISA**

Following the final arbitration decision, you have 180 days to bring a lawsuit under Section 502(a) of ERISA challenging the arbitration decision. If you do not bring an action within that 180-day period, your claim will be barred from judicial review.

## **XVII. CONTACT WITH TRUST ADMINISTRATION OFFICE**

Any questions you have about the Plan and any other communications concerning the Plan should be addressed to the Trust Administration Office as follows:

Northwest Sheet Metal Workers Supplemental Pension Trust  
c/o BeneSys, Inc. (Portland Office)  
PMB# 116  
5331 S. Macadam Ave, Suite 258  
Portland, OR 97239

Telephone: (503) 222-7694  
Toll Free: 1-800-413-4928

**www.nwsheetmetalbenefits.org**

## **XVIII. ADDITIONAL INFORMATION REQUIRED BY ERISA**

### **A. Names, Addresses and Telephone Numbers of Trustees**

The Board of Trustees collectively serve as the plan sponsor, plan administrator and named fiduciary of the Plan as those terms are defined by ERISA. The names and addresses of the current individual members of the Board of Trustees are:

#### **MANAGEMENT TRUSTEES**

Robert M. Carlton, Jr.  
Carlton Trust Advisors  
PO Box 950  
Indianola, WA 98342

Julie Muller  
SMACNA of Western Washington  
13810 SE Eastgate Way, Suite 445  
Bellevue, WA 98005

Jeff Link  
Norpac Sheet Metal Inc.  
PO Box 30776  
Billings, MT 59107-0076

BJ Giri  
HoladayParks, Inc.  
11635 SE 47<sup>th</sup> Street  
Bellevue, WA 98006

Derek Anderson  
Apollo Mechanical Contractors  
PO Box 728  
Kennewick, WA 99336

Mark Krewedl – Alternate Trustee  
MacDonald-Miller  
17930 International Blvd., Suite 120  
SeaTac, WA 98188

#### **UNION TRUSTEES**

Devin Leingang  
Northwest Regional Council of SMART  
11831 Beverly Park Road, B-2  
Everett, WA 98204

Brandon Leatham  
Sheet Metal Workers Local 103  
1101 Park Ave Suite #1  
Idaho Falls, ID 83402

Russell Brown  
Northwest Regional Council of SMART  
Sheet Metal Workers Local 66  
11831 Beverly Park Rd., B-2  
Everett, WA 98204

Kolby Hanson  
Sheet Metal Workers Local 55  
1718 W Sylvester St  
Pasco, WA 99301

Randy Golding  
Sheet Metal Workers Local 23  
1317 E. 75th Avenue, #4  
Anchorage, AK 99518

Justin Bourgault – Alternate Trustee  
Sheet Metal Workers Local 66  
11831 Beverly Park Road, B-2  
Everett, WA 98204

### **B. Identification Number**

The employer identification number assigned to the Plan by the Internal Revenue Service is EIN 91-1702340. The Plan number is 001.

## **C. Name and Address of Agent of Service of Process**

The Board of Trustees have designated Les Coughran as agent for the Plan for the purpose of accepting service of legal process on behalf of the Plan. Each member of the Board of Trustees is also an agent for the purpose of accepting service of legal process on behalf of the Plan.

Les Coughran  
Barlow & Coughran, P.S.  
1325 Fourth Avenue, Suite 910  
Seattle, WA 98101

## **D. Plan Year**

The Plan Year commences on January 1 and ends on the following December 31.

## **E. Entities Which Hold and Invest Plan Assets**

The assets of the Plan are held in Trust and invested as directed by the participant as described in **Section III. Investment of Your Account**, above.

## **F. Statement of ERISA Rights**

As a participant in the 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:

1. Examine/without charge, at the Trust Administration Office and at other locations such as worksites and union halls, all documents governing the Plan, including collective bargaining agreements, and a copy of the latest annual report (Form 5500) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Employee Benefits Security Administration.
2. Obtain, upon written request to the Trust Administration Office, copies of all Plan documents, including collective bargaining agreements and copies of the latest annual report (Form 5500) and updated summary plan description.
3. 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 of the value of your pension benefits once a year, upon written request.

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.

If your claim for a retirement benefit is denied in whole or in part, you must receive a written explanation of the reason for the denial you have the right to have the Plan review and reconsider your claim. Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request materials 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 Plan Administrator.

If you have a claim for benefits which is denied or ignored in whole or in part, you have a right to a hearing before the Board of Trustees, at which time you may present your position and any supporting evidence. You also have a right to be represented by an attorney or any other representative of your choosing. If you are dissatisfied with the Board of Trustees' determination, you may request arbitration in accordance with the Labor Administration Rules of the American Arbitration Association unless the claim involves an application for Disability Retirement, in which case you have the right to directly file suit in a state or 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 is frivolous. If you have any questions about your Plan, you should contact the Trust Administration Office. If you have any questions about this statement or about your rights under ERISA, you should contact the nearest 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 NW, Washington D. C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publication hotline of the Employee Benefits Security Administration at (866) 444-3272, or through the website at [www.dol.gov/ebsa](http://www.dol.gov/ebsa).

**For information about your Plan  
please contact the  
Trust Administration Office**

# NORTHWEST SHEET METAL WORKERS

## SUPPLEMENTAL PENSION PLAN

### TRUST ADMINISTRATION OFFICE CONTACT INFORMATION

PMB #116  
5331 S. Macadam Ave. #258  
Portland, OR 97239

Telephone: (503) 222-7694  
Toll Free: 1-800-413-4928  
Fax: (503) 228-0149

[www.nwsheetmetalbenefits.org](http://www.nwsheetmetalbenefits.org)