



SUMMARY PLAN DESCRIPTION

ACTIVE EMPLOYEE

**NATIONAL STABILIZATION AGREEMENT
OF THE
SHEET METAL INDUSTRY**

AS OF JANUARY 1, 2014



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TO
SASMI SUMMARY PLAN DESCRIPTION**

The material in this brochure is not designed to replace the Active Employee Rules and Regulations of the National Stabilization Agreement of the Sheet Metal Industry (SASMI). It is designed to give a general summary of eligibility requirements and an overview of the different types of benefits available to sheet metal workers. The full text of the Rules and Regulations is available from the SASMI Office.

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SASMI AND THE SHEET METAL WORKER

TO ALL SASMI PARTICIPANTS

We are pleased to send you this revised Summary Plan Description of benefits for active employees under the National Stabilization Agreement of the Sheet Metal Industry Trust Fund (SASMI). This summary describes the Active Employee Plan as amended through January 1, 2014. By reading it carefully, you will learn more about your program: what it is, how it operates, how you become eligible and qualify for benefits, what your benefits are and when you receive them.

We have tried to make this summary as informative as possible. However, it is still only a summary, and the Amended and Restated SASMI Trust Agreement and the Rules and Regulations of the Active Employee Plan as amended through January 1, 2014 are the official documents governing SASMI. If there is any discrepancy between this Summary Plan Description and the Rules and Regulations or Trust Agreement, the Rules and Regulations or Trust Agreement will control. The SASMI Trustees reserve the right to amend the governing documents at any time with respect to any and all benefits including those already approved for payment.

If you have additional questions not answered by this summary or if you are submitting a claim for benefits or exercising any other of your rights under SASMI, we urge you to refer to the actual Rules and Regulations and Trust Agreement. Copies of these documents are available upon request from the SASMI office at 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031-4601 and are also available for your inspection at the various local union offices that participate in SASMI and online at www.sasmi.org. If you wish to obtain additional information about the plan, contact SASMI by writing the SASMI Administrator at the above address. You may not rely on statements or writings from anyone other than the SASMI Administrator or the Trustees as a group with respect to your SASMI benefits.

Union Trustees

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Administrator

WHAT IS SASMI?

The National Stabilization Agreement of the Sheet Metal Industry Trust Fund (more commonly known as the “SASMI Trust Fund”) is an independent trust fund set up to stabilize employment and earnings in the Sheet Metal Industry and to protect you against related loss or interruption of earning power. It does this by providing certain benefits to sheet metal workers.

The Trustees of the SASMI Trust Fund have created separate plans for active employees (the “Active Employee Plan”) and retirees (the “Retiree Plan”) under the umbrella of the SASMI Trust Fund in order to provide retiree health benefits within the parameters of the Affordable Care Act (ACA). The plans initially were funded by dividing the assets of the SASMI Trust fund based on the expected cost of benefits for active and retired participants. The term SASMI in this booklet means the trust fund and its two plans – one for active employees and one for retirees, together or separately. The Retiree Plan is described on the reverse side of this booklet.

The SASMI Active Employee Plan provides benefits for all sheet metal workers represented by SMART – in production and industrial shops as well as construction – with contracts for SASMI contributions. (The merger of the Sheet Metal Workers International Association with the United Transportation Union (UTU) does not provide former UTU members with SASMI benefits in the absence of a collective bargaining agreement with SASMI contributions.)

WHO RUNS SASMI?

Even though it was created by labor and management, SASMI is independent of both and is governed by a Board of Trustees. Half of the Trustees are selected by the union and half are elected by participating contractors. The Trustees are the legal plan sponsor and plan administrator of SASMI and have full control over its terms and operations.

SASMI operates under a trust agreement which requires that all fiduciary decisions be made in the best interest of SASMI participants. Its day-to-day operations are carried out under the supervision of an Administrator who is appointed by the Trustees. The Trustees make all policy decisions and the final determination regarding benefit appeals. The SASMI Trustees have the sole and absolute discretion to interpret and apply the provisions of the Rules and Regulations and other SASMI documents.

WHO IS ELIGIBLE AS AN ACTIVE EMPLOYEE ?

Eligible Employees

A sheet metal worker who is employed in work covered by a SMART collective bargaining agreement containing provisions for SASMI contributions automatically becomes a participant in SASMI. The term “Employee” in this summary is limited to such workers, with some adjustments described in the section on “Special Eligibility Rules.”

SASMI previously had different benefits for Building Trades workers and Production & Industrial workers. The restated plan in 2014 and this booklet cover both groups with some minor benefit differences.

General Eligibility Work Requirements

You need to meet SASMI’s basic work requirements for any SASMI benefits beyond the Travel Benefit. (The rules on Travel Benefits are in that section).

Initial Eligibility begins after completion of one of the following:

- 1,200 contributory hours within 12 consecutive months, or
- 2,000 contributory hours within 24 consecutive months, or
- 2,800 contributory hours within any period of time

Contributory hours or the simple term “hours” in this plan description means work hours for which contributions have been made for your work by your SASMI Employer(s).

Initial Eligibility allows you to receive up to four (4) Stabilization Periods of Underemployment or Supplemental Unemployment Benefits as well as Welfare Fund Benefits.

Renewed Eligibility occurs after you gain initial eligibility and then lose eligibility. You may renew your eligibility after completion of one of the following:

- 1,200 contributory hours within 12 consecutive months, or
- 2,000 contributory hours within 24 consecutive months, or
- 2,800 contributory hours within any period of time

Recycled Eligibility occurs when you have received Underemployment or Supplemental Unemployment Benefits in 1, 2 or 3 Stabilization Periods and you then work 1,200 hours within any 12 consecutive months, 2,000 hours within 24 consecutive months or 2,800 hours within any period of time, for which contributions have been made for your work by your SASMI Employer(s) and you do not receive any Welfare, Underemployment Benefit or Supplemental Unemployment Benefit for the Stabilization Periods in which you work the required hours. You then have “recycled” your eligibility and again are entitled to up to 4 more Underemployment, Supplemental Unemployment or Welfare Fund Benefits in up to 4 Stabilization Periods.

Stabilization Periods

You cannot claim SASMI benefits for any Stabilization Period unless you were eligible under the general eligibility work requirements before a “Stabilization Period,” which is SASMI’s benefit period. SASMI divides the year into two (2) six-month periods, known as Stabilization Periods.

- Stabilization Period “A” begins January 1 and ends June 30.
- Stabilization Period “B” begins July 1 and ends December 31.

You must have completed the general eligibility work requirements before January 1 to be eligible for benefits for Stabilization Period A or before July 1 to be eligible for benefits for Stabilization Period B.

Special Eligibility Rules

Apprentices

There are special eligibility rules for an apprentice working under the Youth to Youth Program with a SASMI employer. The Youth to Youth portion of your apprenticeship will not have SASMI contributions made by an employer. Your SASMI eligibility will, however, not be interrupted if you do the Youth to Youth portion of your apprenticeship and then, within one month of the end of your Youth to Youth Program, go back to a job with a SASMI employer (or are available for such work) as long as the Trustees find SASMI’s finances and/or actuarial standards are not adversely affected.

Military Service

You cannot collect SASMI benefits while in military service, unless benefits are required by law. If you leave work with SASMI employers for military service for the U.S. for not more than 5 years and return to work with a SASMI employer on a timely basis after your discharge, your eligibility will be maintained and Future Service Credit will be given for your military service for purposes of Severance (up to 2009 only) and SASMI Retiree Plan Benefits as if you had remained active with a SASMI employer.

To be timely and receive continuous eligibility and service credit, you must return to work or apply to return to work with a SASMI Employer within one (1) business day for military leave under 31 days, within 14 calendar days for leave of 31-180 days and within 90 calendar days for military service over 180 days. If you are hospitalized for, or convalescing from, an illness or injury incurred or aggravated during military service at the end of your deadline to return to work, you can delay reporting or applying to return to work until you recover from the illness or injury up to a maximum of two (2) years.

Union Work

If you leave a SASMI bargaining unit to accept a full-time position with the SMART International Union, a SMART local union or an AFL-CIO affiliate, your eligibility is frozen but maintained so long as you return to work with SASMI employers (or are available for such work) within 120 days after leaving full-time employment with SMART or its local unions. You cannot collect benefits while working for SMART, the AFL-CIO or their affiliates. You may be eligible for Severance benefits or SASMI Retiree Plan Benefits following termination of work with the union.

Owners & Relatives of Owners

Your eligibility will also be frozen if you become a proprietor, partner or shareholder of a business with a contract providing for SASMI contributions. You cannot collect benefits while working as a contractor.

If you or your spouse or your relative is an owner of a SASMI employer as defined below, special rules apply concerning your eligibility for benefits.

- If you are a proprietor or partner of an unincorporated business or do not work as an employee, you cannot contribute to SASMI for your work or be eligible for SASMI benefits. The law and Plan prohibit SASMI from covering anyone who is not an “employee” of a contributing business.
- If you are a stockholder, officer or director of your employer and also are an employee of a SASMI employer, you can lose your eligibility for benefits if you are performing work covered under your employer’s contract and your employer does not make contributions to SASMI on the minimum regular hours per week under the relevant collective bargaining agreement or the number of hours you actually work under the relevant collective bargaining agreement, whichever is greater. “Minimum regular hours per week” means the number of hours per week for which you can receive straight time wages before receipt of overtime under the collective bargaining agreement for union employees of your SASMI Employer.

The Trustees may grant an exemption from the obligation to pay contributions for an Owner. An Owner interested in this exemption should contact the SASMI Administrator. No Future Service Credit or Contribution credit for Severance Benefits nor Years of Service for eligibility for SASMI Retiree Plan Benefits will be credited while an exemption is in effect.

- If your spouse is a sole proprietor, partner or stockholder, officer or director of your employer, you can lose your eligibility for benefits if you are performing work covered under your employer’s contract and your employer does not make contributions to SASMI on the minimum regular hours per week under the collective bargaining agreement for union employees of your SASMI Employer or the number of hours you actually work under the relevant collective bargaining agreement, whichever is greater.
- If one or more of your relatives is a sole proprietor, partner or stockholder, officer or director of your employer, you can lose eligibility for benefits. The term “relative” for SASMI purposes includes your spouse and parents, grandparents, brothers and sisters and children of you or your spouse, the spouses of your children or your spouse’s children and the spouses of your brothers and sisters or your spouse’s brothers and sisters.

If you are a relative of an owner and are performing work covered under your employer’s contract, your employer must comply with one of two options to continue your benefits. Your employer must:

- inform SASMI in advance that you are a relative who can be terminated or laid off, AND
- make contributions to SASMI on the minimum regular hours per week under the collective bargaining agreement for union employees of your SASMI Employer or the number of hours you actually work under the relevant collective bargaining agreement, whichever is greater.

If you are laid off or terminated by such employer or work less than the contractual work week in your Home Local Union for such employer AND you do not report to your local for work referral, you could be considered unavailable for work in your local’s jurisdiction and, therefore, unable to qualify for a Supplemental Unemployment Benefit or Underemployment Benefit.

An employee whose relatives are Owners of his employer and performs work under the Employer’s union contract with SASMI contributions is only eligible for Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Fund Benefits for such employment. To be eligible, the Employee must satisfy the general eligibility requirements for the benefit and have no ownership interest in the Employer. The total Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Fund Benefits for the Employee cannot exceed the Contributions paid by the Employer for the Employee’s work.

Loss of Qualification or Eligibility

You must be and remain a SASMI participant who is qualified for a benefit until payment for each type of SASMI benefit. The ways you can lose your qualification for benefits or your eligibility under SASMI are discussed under the section titled “How You Can Lose Your SASMI Benefits.”

Additional Benefit Requirements

There are requirements above the general work eligibility rules to be eligible for each of the SASMI benefits. These are described in the sections on the specific benefits.

SASMI benefits are not vested and cannot be assigned over to another person or company. Only the sheet metal worker who is entitled to SASMI benefits can normally receive them.

Some benefits may be payable to your estate or beneficiary if you die before payment as described in the Claims section of this booklet. You should file a SASMI beneficiary designation card with SASMI or your Home Local Union

SUPPLEMENTAL UNEMPLOYMENT BENEFITS (SUB)

SASMI is designed to supplement your state unemployment compensation benefits when you are out of work. The Supplemental Unemployment Benefit is only paid for time you are completely unemployed and eligible for state unemployment compensation benefits.

When Am I Eligible for Supplemental Unemployment Benefits?

You must satisfy the general eligibility work requirements for SASMI eligibility before you can receive payment of Supplemental Unemployment Benefits (“SUB”). In order to be eligible for payment of Supplemental Unemployment Benefits, you must also:

- be involuntarily unemployed for one or more weeks during a Stabilization Period in which you are eligible for SASMI benefits;
- be available for and seeking suitable work as required to maintain eligibility for state unemployment compensation benefits, as well as SASMI’s rules;
- register at an unemployment office of your local state unemployment compensation system;
- receive state unemployment compensation benefits or be eligible for such benefits, but for a waiting period, exhaustion of benefits or insufficient wage credits under the state unemployment compensation system; and
- submit a timely application for SUB benefits on SASMI forms in accordance with procedures established by the Trustees.

You will not be eligible for SUB benefits if you are not available for work and actively seeking work under the rules of your state unemployment agency or the following special SASMI rules.

- You will not be eligible during periods in which you are not available for work due to vacation, disability or similar factors.
- You must be willing to travel a reasonable distance on referral from your Home Local Union to secure suitable work.
- You are underemployed and do not enroll in a program for advanced journeymen training in your jurisdiction.
- You turn down a job offer, which would make use of the skills you acquired in a training program after you complete a training program.
- An Employee who fails, neglects or refuses to pass job-site drug testing requirements is disqualified from all SASMI benefits unless the Employee is enrolled in a bona fide employee assistance program.
- Your benefits can also be lost or forfeited as described in the section on “How You Can Lose Your SASMI Benefits.”

Home Local Union

Your Home Local Union is the SMART local union to which you belong. If you are not a member of SMART, your Home Local Union is the SMART local union in whose jurisdiction you first worked with SASMI contributions.

If you transfers or otherwise change your membership from one Local Union to another Local Union, the new local is your Home Local Union. This can affect your SASMI benefits, especially if the new local does not participate in SASMI. See the section on “How You Can Lose Your SASMI Benefits.”

Coordination with State Unemployment Benefits

You will not lose your right to receive state or federal unemployment benefits by receiving SASMI benefits. SASMI benefits are in addition to government unemployment benefits and are designed to supplement them. SASMI will not pay benefits if it will cause you to lose governmental benefits.

Four (4) Stabilization Period Limit

Once you become eligible for the Supplemental Unemployment or Underemployment Benefits, you may receive them for four (4) Stabilization Periods, assuming you continue to meet the all of the eligibility requirements for each benefit. The four (4) periods do not have to be consecutive.

When you have received Supplemental Unemployment or Underemployment Benefits for four (4) Stabilization Periods, you lose your eligibility. After you have lost your eligibility, you must recycle or renew your eligibility for SASMI benefits (as explained earlier) to regain your eligibility. The process then starts over and you may qualify for benefits in four (4) more Stabilization Periods.

Other Benefit and Eligibility Limitations

There are additional exceptions to the four (4) Stabilization Period rule on eligibility. The “10% Rule” is explained in the section on Underemployment Benefits. The other ways you can lose your qualification for benefits or your eligibility under SASMI early are discussed in the section titled “How You Can Lose Your SASMI Benefits.”

How Is the Amount of the Supplemental Unemployment Benefits Computed?

The formal calculation for Supplemental Unemployment benefits is essentially the same as for Underemployment Benefits. As you likely will be unemployed at the time you are receiving Supplemental Unemployment Benefits, the practical application is somewhat different. In very basic terms, SASMI will pay unemployment benefits to you after a period of 60 days of continuous unemployment.

Maximum SUB Benefit

The maximum Supplemental Unemployment benefit that you can receive for a Stabilization Period is 190 times your Average Hourly Wage rate. (The calculation of your “Average Hourly Wage” is explained in the section on Underemployment Benefits.) You cannot receive more in combined Supplemental Unemployment benefits and state unemployment benefits than you would have earned if you were working full-time.

The maximum benefit cannot exceed ninety-five (95) times the Average Hourly Wage for eligibility based on work with and contributions for work covered by the prior SASMI benefit schedules for Production and Industrial Employees.

Coordination with Underemployment and Welfare Fund Benefits

Your Supplemental Unemployment benefits are combined with your Underemployment Benefits at the end of each Stabilization Period. At the end of the six-month Stabilization Period, SASMI will determine whether you are eligible for an Underemployment benefit for the Stabilization Period. If you are eligible for an Underemployment benefit for the Stabilization Period, you will receive a check for the amount of your Underemployment benefit less any amounts paid or payable to you as Supplemental Unemployment benefits, for weeks in which you are receiving state unemployment insurance, or as Welfare Fund Benefits for Stabilization Period 1991-A or later.

If you return to work during your Stabilization Period and work more than the Group Hours for your Home Local Union, you may not ultimately be eligible for an Underemployment benefit. In these cases, SASMI will carry forward the amount of any overpayment to you and subtract the overpayment from any benefits to be paid to you in the future.

How and When Do I Claim a Supplemental Unemployment Benefit?

Applications

If you are unemployed for one or more weeks in a period from either January to June or July to December, you can apply for Supplemental Unemployment benefits after the end of the Stabilization Period. SASMI calls these “Stabilization Periods” with Stabilization Period A covering January to June of each calendar year and Stabilization Period B covering July to December. These periods are used to determine eligibility for benefits as well as the amount of benefits.

The application procedure is a combined form for SUB and Underemployment Benefits. It is explained in the section on Underemployment Benefits.

Advance Payments

You can apply for an advance payment of Supplemental Unemployment benefits if you are eligible for a Stabilization Period and have been continuously unemployed for at least sixty (60) days. (All 60 days of the unemployment must be in the current Stabilization Period).

Time Limits

You must file an application for payment of Supplemental Unemployment benefits in the form used by SASMI at the time of your application. In order to receive Supplemental Unemployment benefits before the end of the Stabilization Period, you need to file a separate application after you have been unemployed for a period of 60 continuous days. The application forms can be obtained from the SASMI office or many SMART local unions.

If you do not apply for Supplemental Unemployment benefits during the Stabilization Period, you can still file for them at the end of the Stabilization Period in a combined application form for Supplemental Unemployment and Underemployment benefits. (Your application for Supplemental Unemployment benefits during a Stabilization Period will also be treated as an application for payment of any Supplemental Unemployment or Underemployment benefit which may be due you at the end of the Stabilization Period.) An application for Supplemental Unemployment or Underemployment benefits must be postmarked (by the U.S. Postal Service) and mailed to SASMI no later than April 1 or the first business day thereafter for Stabilization Period B (which covers the period from July 1 to December 31 of the previous calendar year) and no later than October 1 or the first business day thereafter for Stabilization Period A (which covers the period January 1 to June 30 of the same calendar year).

UNDEREMPLOYMENT BENEFIT

SASMI encourages work through the Underemployment Benefit which can supplement your pay even if you are not completely out of work. Benefits are paid only for involuntary underemployment. In order to qualify for this benefit, you generally must be available for and able to work. This will usually mean that you remained in the area of your Home Local Union; you did not take other permanent work and were not temporarily disabled during an entire Stabilization Period.

When Am I Eligible for Underemployment Benefits?

You must satisfy the SASMI general eligibility work requirements to receive Underemployment Benefits. You must also satisfy additional rules for Underemployment Benefits.

- You must be involuntarily unable to work the Group Hours applicable to your Home Local Union during a Stabilization Period.
- You must be available for, seek and accept suitable work in the Sheet Metal Industry in your Home Local Union at all times during a Stabilization Period and until receipt of payment of benefits.
- You must demonstrate a willingness to travel reasonable distances on referral from your Home Local Union to secure suitable work in the Sheet Metal Industry.
- You must submit a timely application in accordance with procedures established by the Trustees.

For eligibility for Underemployment benefits, “suitable work” is work within the trade jurisdiction of SMART and jobs in related building trades or other work to which you are referred or which you are able to perform because of your skills as a sheet metal worker.

Like SUB benefits, you must actively seek work to be eligible and will not receive Underemployment Benefits if:

- you refuse to travel a reasonable distance to secure suitable employment.
- you are underemployed and do not enroll in a program for advanced journeymen training in your jurisdiction.
- you turn down a job offer, which would make use of the skills you acquired in a training program after you complete a training program.
- An Employee who fails, neglects or refuses to pass job-site drug testing requirements is disqualified from Underemployment Benefits unless the Employee is enrolled in a bona fide employee assistance program.

Underemployment Benefits are not forfeited if you are working away from home under the Travel Benefit.

Your benefits can also be lost or forfeited if you lose SASMI eligibility or qualification before payment of benefits or other events, as described in the section titled “How You Can Lose Your SASMI Benefits.”

Group Hours

You should be able to work a certain number of hours in each Stabilization Period based on the work experience of your Home Local Union. If you have satisfied the general eligibility work requirements for SASMI eligibility before the Stabilization Period and involuntarily work less than the Group Hours based on the work experience of your Home Local Union, you may be entitled to an Underemployment Benefit.

Every local union participating in SASMI is periodically (usually annually) classified into one of four groups based on the average hours worked by active employees in the local union in the prior year (or another period based on availability of data). The standard working hours -- called "Group Hours" for members of each group have been determined actuarially and are shown in the following table.

SAMSI GROUP	STABILIZATION PERIOD "A" (1/1 - 6/30)	STABILIZATION PERIOD "B" (7/1 - 12/31)
Group 1	800 hours	900 hours
Group 2	750 hours	850 hours
Group 3	650 hours	750 hours
Group 4	600 hours	700 hours

If you do not know the SASMI group classification of your local, your Home Local Union or SASMI will tell you. If, during a Stabilization Period, you work less than the hours indicated above for your Home Local Union's group classification, you may be entitled to a Supplemental Unemployment Benefit or an Underemployment Benefit.

SASMI applies your hours and earnings to the "Stabilization Period" in which those earnings were actually received. However, if you are being paid for hours that were worked in the previous Stabilization Period (for example, the last few days of June or December) and counting those hours would result in your eligibility for benefits, SASMI will attribute those hours to the Stabilization Period in which they were actually worked. SASMI will not move reported wages for purposes of calculating your benefit amount.

Sheet Metal Industry

For SASMI benefits, the "Sheet Metal Industry" covers any and all types of work within the trade jurisdiction of the Sheet Metal Workers International Association, as described in its Constitution. It also includes any other work you can perform because of skills and training as a sheet metal worker, including work in other building trades, management, estimating, sales, etc.

Disability

You can be eligible for a partial Underemployment Benefit during non-occupational Temporary Disability, even if the disability covers an entire Stabilization Period, up to the amount of contributions paid for your work. You are not eligible for Underemployment benefits during occupational disability nor for Supplemental Unemployment benefits during any period of disability.

The term "Disability" means a physical condition that prevents you from performing the principal functions required of an Employee covered by SASMI in the types of work covered by a collective bargaining agreement with SASMI contributions, other work within the SMART sheet metal trade jurisdiction and any other work to which you may be assigned, referred, or can perform because of skills and training as a sheet metal worker. A "Disability" is "Temporary" if it lasts eighteen (18) months or less. Disability normally is determined and certified by your doctor but SASMI can request a second opinion and deny benefits on the basis of that opinion.

10% Rule Limitation

Once you satisfy the general eligibility work requirements, you generally may receive SUB or Underemployment Benefits for four (4) Stabilization Periods. The "10% Rule" is an exception to the four (4) Stabilization Period rule on eligibility.

- If you have received SUB or Underemployment Benefits for two Stabilization Periods, you cannot receive an additional SUB or Underemployment Benefit except as follows.
- You work at least ten percent (10%) of the Group Hours for your Home Local Union during the Stabilization Period immediately preceding the Stabilization Period for which you are applying for the benefit.

If you do not work at least ten percent (10%) of the applicable Group Hours for your Home Local Union you may meet the minimum by working the required hours in the jurisdiction of another SMART local union for which you received a Travel Benefit.

Although the 10% rule may seem harsh, the Trustees have found it necessary to maintain a sound trust fund. "Group Hours" are explained in the section on Underemployment Benefits.

The rule can be explained using the imaginary work history in the following chart as your work history with SASMI employers for four Stabilization Periods.

GROUP HOURS	PERIOD 2014-A = 750	PERIOD 2014-B = 850	PERIOD 2015-A = 750	PERIOD 2015-B – 850
You Work	0	50	100	0

- Assume you received your first Underemployment Benefit for Stabilization Period 2014 A and your local is classified in Group 2.
- You work 50 hours during Stabilization Period 2014 B and are therefore “underemployed.” Because you have only received one earlier Underemployment Benefit and have not yet received two Underemployment Benefits, the 10% rule does not apply to you yet. You will therefore receive an Underemployment Benefit for Stabilization Period 2014 B, if you are otherwise qualified for this benefit.
- In the next period, Stabilization Period 2015 A, you work 100 hours. You will not receive an Underemployment Benefit for Stabilization Period 2015 A, even though you are underemployed, because you have received two Underemployment Benefits and did not work ten percent (10%) of your Group Hours in Stabilization Period 2014 B. The Group Hours in Stabilization Period 2014 B were 850 but you only worked 50 hours in that period. You do not meet the 10% rule for Stabilization Period 2015 A.
- In the next period, Stabilization Period 2015 B, the 10% rule will not disqualify you because you did work more than ten percent (10%) of your Group Hours in the preceding Stabilization Period. You worked 100 hours in Stabilization Period 2015 A and the Group Hours for your Home Local Union were 750 for that period. If you meet all other qualifications for an Underemployment Benefit for Stabilization Period 2015 B, you would receive an Underemployment Benefit for that Stabilization Period.

The example works the same if you were totally unemployed and received only SUB rather than Underemployment Benefits.

18 Month Rule

You lose your SASMI participation and eligibility for benefits if no Contributions are paid to SASMI under a Contract for your work for a period of eighteen (18) consecutive months.

How Is the Amount of the Underemployment Benefit Computed?

Once you know the difference between the hours you worked during a period and the standard Group Hours for a worker in your Home Local Union, you can compute your benefit. The basic formula is your “Average Hourly Wage” for the Stabilization Period multiplied by the Group Hours for your Home Local Union for the Stabilization Period. The earnings from hours you worked in the Sheet Metal Industry -- namely, work within the trade jurisdiction of SMART or any other work to which you have been assigned, referred or can perform because of your skills and training as a sheet metal worker – to determine your gross Underemployment Benefit.

Average Hourly Wage

Your normal “Average Hourly Wage” is the standard journeyman rate for the job classification for which contributions are paid to SASMI for your work in a Stabilization Period – not your actual average hourly earnings.

- If you worked on a Resolution 78 job, but your local has negotiated SASMI contributions at the regular hourly wage rate (plus fringe benefit contributions) rather than at the lower Resolution 78 rate (plus fringe benefit calculations), SASMI will calculate your “Average Hourly Wage” using the regular rate on which the SASMI contribution is calculated.
- If you did not work at all during the Stabilization Period for which you are applying for a Supplemental Unemployment or Underemployment Benefit, SASMI will use the average regular contractual rate of pay for your job classification in your local to calculate your “average hourly wage rate.”
- If you are paid above the standard journeyman rate for your job classification, SASMI will still use the journeyman rate of pay for your job classification to calculate your “Average Hourly Wage” rate.
- In the case of a “salted organizer,” industry earnings shall be limited to seventy-five percent (75%) of the regular rate on which the SASMI contribution is calculated.

Maximum Underemployment Benefit

The maximum for combined Underemployment and Supplemental Unemployment Benefits that you can receive for a Stabilization Period is 190 times your Average Hourly Wage rate. For work covered by the prior SASMI benefit schedules for Production and Industrial Employees, the maximum benefit cannot exceed ninety-five (95) times the Average Hourly Wage.

The maximum is reduced by other earnings in the Sheet Metal Industry. SASMI takes information on total wages and divides your earnings by your Average Hourly Wage to determine the hours you were paid. The remaining hours then are used in calculating your benefit.

Example #1. The following example should help to make the computation easier to understand.

Your average wage rate is \$25 an hour and your Home Local Union is classified in Group 3. During Stabilization Period “A” (from January 1 through June 30) you are expected to work 650 hours. However, you worked 500 hours and earned \$12,500. This is how you would figure your gross Underemployment Benefit:

	Average Hourly Wage rate	\$25
times	Group Hours for Group 3 in Stabilization Period “A”	x 650
equals	What SASMI expected you to earn in your local (\$25 x 650 hours)	= \$16,250
minus	What you actually earned (\$25 x 500 hours)	- \$12,500
equals	Your benefit before taxes and any Welfare Fund Benefit offset (\$25 x 150 (650 -500) hours)	= \$3,750

If you earned \$30 per hour (rather than \$25 per hour) in other work in the Sheet Metal Industry, you would only be considered to have worked 600 hours (\$30 x 500 hours = \$15,000 / your \$25 Average Hourly Wage = 600) and only be paid for a shortfall of 50 hours.

The actual check you will receive will be less, because federal Social Security, income tax and any other applicable taxes will be withheld and deducted from your check just as with your pay check. Your benefits will also be reduced by the amount of Welfare Fund Benefits paid to your local health and welfare fund for Stabilization Period 1991-A or later.

Coordination with Supplemental Unemployment Benefits

There are 26 weeks in each Stabilization Period. Once your benefit amount is determined, it then is divided between Supplemental Unemployment and Underemployment Benefits. Using the numbers in Example #1 above, your gross Underemployment Benefit would be \$3,750.00. Assuming you collected state unemployment compensation for 10 of the 26 weeks during Stabilization Period A,

the **SUB** portion of your check would be:

10/26th of \$3,750 or: \$1,442.31

AND the **Underemployment Benefit** portion of your check would be:

16/26 of \$3,750 or: \$2,307.69

Your benefit, before taxes and any Welfare Fund Benefit offset, would still be \$3,750 and may be paid in one check. The benefits are separated as the Underemployment Benefit portion of your check must be taxed differently than the Supplemental Unemployment portion under the Internal Revenue Code.

Example #2: Your average wage rate is \$25 an hour and your Home Local Union is classified in Group 3. During Stabilization Period “B” (from July 1 through December 31) you worked 500 hours and earned \$12,500, but during Stabilization Period “B” your Group Hours are 750 hours. This is how your gross Underemployment Benefit would be computed:

	Average Hourly Wage rate	\$ 25
times	Group hours for Group 3 in Stabilization Period “B”	x 750
equals	What SASMI expects you could earn in your local	= \$ 18,750
minus	What you actually earned (\$25 x 500 hours)	- 12,500
equals	Your gross benefit before limits below	= \$ 6,250

However, the maximum benefit (before taxes and any offsets for Supplemental Unemployment or Welfare Fund benefits) is 190 hours of wages, or \$25 x 190 = \$4,750.00. As your gross benefit is higher, you will only be paid for 190 hours.

If you receive a Supplemental Unemployment Benefit, you will be deemed to have applied for and received an Underemployment Benefit for that Stabilization Period. In addition, if you receive a Supplemental Unemployment or Underemployment Benefit in a Stabilization Period in an amount greater than the amount that would be payable as an Underemployment Benefit in that Stabilization Period (an “excess payment”) you will be deemed overpaid and the amount of the “excess payment” will be deducted from future benefit payments until it is reimbursed to SASMI.

Coordination with Welfare Fund Benefits

The amount of health contributions paid on your behalf as Welfare Fund Benefits in any Stabilization Period will be deducted from any Supplemental Unemployment Benefit or Underemployment Benefit to which you may be or become entitled for the same Stabilization Period or any other Stabilization Period. Welfare Fund benefits are automatic and cannot be waived under current tax rules applicable to SASMI.

Additional Adjustments

In addition to the maximum hours limit, there are several other rules that may affect the amount of your benefit and some circumstances in which you may lose your right to benefits for one or more Stabilization Periods.

- If you were able to work only a part of a Stabilization Period because of a temporary illness or disability, your benefit will be reduced by one-half week (1/52) for each week you were disabled.
- If you take more than two weeks of vacation per calendar year, your benefit amount will be reduced by one week (1/26) for your third and each subsequent week of vacation.
- Your benefit amount will also be reduced by one week (1/26) for each week you are not available for work in the Sheet Metal Industry due to a strike or you are voluntarily unemployed for other reasons.

Disability Benefit

SASMI allows an Underemployment benefit for non-occupational Temporary Disability during an entire Stabilization Period. The Underemployment Benefit in this situation is limited to half (50%) of the amount otherwise payable.

How Do I Claim Underemployment Benefits?

You must file an application for Underemployment benefits with SASMI in order to receive Underemployment benefits. The application form is a combined form for SUB and Underemployment Benefits and can be obtained from the SASMI office or your Home Local Union. The application must be postmarked and mailed to SASMI no later than April 1st or the first business day thereafter for Stabilization Period B and no later than October 1st or the first business day thereafter for Stabilization Period A.

WELFARE FUND BENEFIT

SASMI also pays contributions to your local health plan to make sure that your health and welfare coverage stays in force (before retirement) when you are working less than the minimum number of hours required to maintain coverage under your local health plan.

SASMI does not provide actual health insurance or related benefits. These are the responsibility of the health plan of your Local Union. Notwithstanding the prior Production & Industrial Rules and Regulations, no payment will be made to reimburse medical premiums or payments for health benefit coverage by an Employee after 2013. SASMI can only pay contributions to an employer plan.

SASMI called this a “Health Benefit” in the past but has changed the name to reflect its nature better. All references to Welfare Fund Benefits in this booklet include Health Benefits paid in the past.

When Am I Eligible for Welfare Fund Benefits?

You are eligible for SASMI Welfare Fund benefits for Stabilization Periods which begin after you have satisfied the general eligibility work requirements for SASMI eligibility previously described in this booklet. As long as you are available for suitable work, SASMI will make payments to your Home Local Union health plan if your hours for health benefit eligibility fall short, after you have exhausted your credit or reserve bank in the health plan of your Home Local Union or your credit or reserve bank falls below the level required to continue your eligibility.

The Welfare Fund Benefit coverage may continue for up to eighteen (18) months even if no SASMI contributions are being made for your work during that eighteen (18) month period, as long as you are not permanently disabled. If you are temporarily but not totally disabled for more than a year because of an injury or illness, your eligibility and benefits may be “frozen” and not be broken under the

18-month rule. Your eligibility and benefits will resume when you return to the SASMI employers. A Disability lasting more than twenty-four (24) months is a permanent disability which causes a loss of all eligibility.

You can receive Welfare Fund Benefits for four (4) Stabilization Periods, which do not have to be consecutive, during which you do not receive any Supplemental Unemployment or Underemployment Benefit. You then cannot receive additional Welfare Fund Benefits until SASMI has recovered the Welfare Fund Benefits paid by SASMI on your behalf for the oldest of these four Stabilization Periods by reduction of Supplemental Unemployment or Underemployment Benefits. Under this rule, you lose your qualification for Welfare Fund Benefits when you “carry” Welfare Fund Benefits for four or more Stabilization Periods. You can retain, or regain, your qualification for this benefit when “carrying” no more than three Stabilization Periods for which you received additional Welfare Fund Benefits. For every one Stabilization Period of Welfare Fund Benefits deducted from a Supplemental Unemployment Benefit or Underemployment Benefit, an additional Stabilization Period of Welfare Fund Benefits will be available to you.

As with other benefits, your Welfare Fund Benefits can also be lost or forfeited if you lose SASMI eligibility or qualification before payment of benefits or other events, as described in the section on “How You Can Lose Your SASMI Benefits.”

How Is the Amount of Welfare Fund Benefits Calculated?

SASMI will pay:

- the hourly contribution rate that your SASMI Employer would have paid to your health plan had you continued working, multiplied by
- the difference between the monthly minimum number of hours required to maintain coverage under your plan and the number of hours you either worked during that month or have available in your credit or reserve.

SASMI will not pay benefits unless the amount which it can pay is sufficient to make you and/or your family eligible for health benefits from your Home Local Union health plan. The amount paid in a Stabilization Period for Welfare Fund Benefits cannot exceed the maximum Supplemental Unemployment or Underemployment Benefit you would be entitled to receive at the end of the Stabilization Period.

The amount of health contributions paid on your behalf as Welfare Fund Benefits in any Stabilization Period will be deducted from any Supplemental Unemployment Benefit or Underemployment Benefit to which you may be or become entitled for the same Stabilization Period or any other Stabilization Period.

How Do I Claim Welfare Fund Benefits?

You do not have to file an application for health benefits. The health plan for your Home Local Union has a list of eligible SASMI participants. If you are short on hours to continue your eligibility in the health plan of your Home Local Union, the local union health plan will bill SASMI directly for the amount required to continue your eligibility.

How does SASMI Protect the Privacy of My Personal Information?

SASMI works with group health plans on Welfare Fund Benefits and is required by federal law to protect the privacy of your health information in working with your local health plan. SASMI has adopted Privacy Practices for its own group health plan benefits in the Retiree Plan and also follows them as a business associate for benefits for active employees.

The SASMI Retiree Plan Privacy Practices comply with the Standards for the Privacy of Individually Identifiable Health Information (“Privacy Rules”) issued by the U.S. Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”). They are described in greater detail in the Retiree Plan Summary Plan Description on the reverse side of this booklet.

The formal legal privacy restrictions only apply to SASMI’s health benefit functions. They do not apply to information about you that SASMI receives or creates to process claims, administer Supplemental Unemployment Benefits, Underemployment Benefits, Travel Benefits, or Severance Benefits. SASMI works with your local health plan on Welfare Fund benefits, but is a “hybrid entity” so that general remittance form information and personal data (name, address, etc.) for other benefits will not be legally subject to the formal Privacy Rule under HIPAA.

Please be assured that SASMI and its Trustees do value and respect the privacy of your personal information. You can however be denied benefits for failure to provide information that is protected health information to support a claim for benefits.

TRAVEL BENEFIT

SASMI pays Travel Benefits for travel to areas in need of sheet metal workers between local unions or within the same local to help you keep working.

How Do I Become Eligible for Travel Benefits?

Once you start work with SASMI contributions through your Home Local Union, you are eligible for Travel Benefits to another SASMI Local Union. (However, there are no Travel Benefits for Employees with eligibility based on work with and contributions covered by the prior benefit schedules for Production and Industrial Employees.)

Your SASMI Travel Benefits can also be lost or forfeited if you lose SASMI eligibility or qualification before payment of benefits or other events, as described in the section on “How You Can Lose Your SASMI Benefits.”

SASMI Locals

The Travel Benefit is available to any employee whose Home Local Union is a party to a collective bargaining agreement requiring SASMI contributions. The following special conditions must also be met:

- Union officials and contractors in the area must tell SASMI that an acute manpower shortage exists.
- SASMI agrees.
- Contractors in the area agree in advance to pay wages to employees traveling to the area for at least ten (10) working days if the job is within your Home Local Union’s jurisdiction but at least ninety (90) miles from your home, OR thirty (30) working days if the job is within 1,000 miles of your home OR sixty (60) working days if it is further away, unless you are discharged for good cause.
- You must be unemployed or threatened with underemployment and available for work in your Home Local Union.
- The Contractor does not pay travel and/or subsistence directly or indirectly to employees.
- For travel outside your Home Local Union, your name must have been referred to the International Job Bank by your Home Local Union.
- You must apply for the benefit and agree to work and complete the required number of days, or work the duration of the job, whichever is shorter.
- Your Home Local Union and the local to which you are traveling must both be parties to the Sheet Metal health and welfare fund reciprocal “money follows the man” agreement.

If you travel from one job to a second job without meeting these requirements, you may not qualify for a Travel Benefit. An Employee who travels to the jurisdiction of another Local Union that participates in SASMI, without a thirty (30) or sixty (60) day guarantee of employment, but actually works for the minimum period and provides a layoff slip may receive payment of return mileage, but his total benefit may not exceed \$1,125.

This benefit is not available to you when you decide on your own simply to leave one jurisdiction or area to look for work in another. If you travel on your own and not under all of the circumstances described above, you could be considered unavailable for work in your local’s jurisdiction and therefore unable to qualify for a Supplemental Unemployment or Underemployment Benefit. This is true even if the reason for your travel is to look for work.

An Employee who receives Travel Benefits and fails to complete the work obligation on five (5) jobs shall not be eligible to receive additional Travel Benefits from SASMI. This rule applies regardless of the amount of Contributions paid for his work or other Benefits paid under the Plan.

Non-SASMI Travel

You can qualify for a limited non-SASMI travel benefit if the following conditions are met:

- You have established initial eligibility under the SASMI Rules and Regulations.
- You travel to the jurisdiction of a SMART local union (other than your Home Local Union) with sheet metal work that does not participate in SASMI.
- The SMART local union that does not participate is located two-hundred (200) or more miles one-way from your Home Local Union.
- You otherwise satisfy the requirements for a Travel Benefit for work in a SASMI local union.
- The Contractor does not pay travel and/or subsistence directly or indirectly to employees.
- For travel outside your local, your name must have been referred to the International Job Bank by your Home Local Union. You must apply for the benefit and agree to work and complete the required number of days, or work the duration of the job, whichever is shorter.
- A manpower shortage is certified to SASMI by an employer in the area to which you travel and the International Union or a Local Union.

How Is the Amount of Travel Benefit Calculated?

For travel between local unions, the Travel Benefit pays you the greater of SASMI's established mileage rate plus, where appropriate, a *per diem* (daily) rate for related living expenses or reasonable travel expenses actually incurred, up to a maximum of \$1,125 when you travel under the SASMI plan to work in another SASMI or non-SASMI jurisdiction, which has met all the provisions of the Travel Benefit program.

SASMI pays mileage at the current standard IRS rate for employee business use of a personal vehicle. The current *per diem* rate is \$75 per day to a maximum of \$1,125. (The *per diem* cannot exceed the IRS limit on non-accountable per diem rates for the area where you work, but this is not an issue at the current dollar limit.)

An employee who fails to complete the work obligation may be considered to have received an overpayment in other cases as well and be subject to recovery of benefits.

The Trustees can adjust the *per diem* allowance and Travel Benefit to the facts in their discretion. The Trustees correspondingly have the right to withhold or limit the per diem allowance. This will most commonly happen in situations where employees normally would commute on a daily or other basis and not incur additional lodging or meal expense.

Non-SASMI Travel

The travel benefit for travel to a non-SASMI local is limited to the per diem allowance, if any, plus mileage to the work location. Return mileage is not part of the limited benefits.

How Do I Claim Travel Benefits?

You must file an application with SASMI for payment of Travel Benefits in the form used by SASMI at the time. The application must be filed with SASMI before you begin your travel to some other work area. The application can be obtained from SASMI or your Home Local Union.

SEVERANCE BENEFIT

SASMI also provided a Severance Benefit (for service before 2010). SASMI was required to stop future Severance Benefits because of new Internal Revenue Code rules governing deferred compensation arrangements no longer allowed SASMI to continue the Severance Benefit program as it was designed.

Your Severance Benefit as of December 31, 2009 will still be paid when you leave the industry based on the rules of the Severance Plan in effect as of December 31, 2009. Here's how it works:

- The existing Severance Benefit formula still applies for work and contributions through December 31, 2009, but there will be no additional service or contribution credits after that date.
- If you receive other SASMI benefits for active Employees, that amount was deducted from your Severance Benefit amount. That process will continue going forward.

An Employee with work and contributions to SASMI by a Production or Industrial Employer as provided in the Production & Industrial Rules and Regulations in effect as of December 31, 2009 is only eligible for Severance Benefits as provided in those rules.

How Could I Have Become Eligible for a Severance Benefit?

You had to satisfy the general eligibility work requirements of SASMI before 2010 in order to be eligible for Severance Benefits. The Severance Benefit has the following additional conditions.

- You must have been an active SASMI participant on or after July 1, 1992 and before 2010.
- You must have at least two years of Future Service Credit before 2010. (Future Service Credit is explained in the section titled "How Is the Severance Benefit Calculated?")
- You are permanently separated from work in the Sheet Metal Industry while eligible as a SASMI participant and qualified for benefits from SASMI on or after July 1, 1992.
- You do not work or seek work in the Sheet Metal Industry (including any work with a SASMI contractor or other SMART contractors in the industry or to which you can be referred by reason of training as a sheet metal worker) for a minimum of twelve (12) months.
- You have been absent from SASMI work and no contributions have been received for your work by SASMI for a minimum of twelve (12) consecutive months.

You will NOT be eligible for Severance Benefits if your departure from SASMI work is a result of any of the following factors:

- You have accepted any employment in the Sheet Metal Industry from an employer who is not party to a collective bargaining agreement with SMART.
- You leave work covered by SASMI and become the sole proprietor, partner or owner of a business in the Sheet Metal Industry which does not participate in SASMI.

The term "Sheet Metal Industry" means any and all types of work covered by a collective bargaining agreement for work within the trade jurisdiction of the Sheet Metal Workers International Association, as described its constitution and any other work to which a worker has been assigned, referred, or can perform because of skills and training as a sheet metal worker. It includes any work with a SASMI contractor or other SMART contractors in the industry or to which you can be referred by reason of training as a sheet metal worker.

The Severance Benefit is paid as a lump sum. All payments must be completed and made no later than twenty-four (24) months after you have been permanently separated from the Sheet Metal Industry. You will not be eligible if you apply more than 23 months after a Severance from work in the Sheet Metal Industry.

Your service can be canceled or lost in some circumstances and cause your benefit to be smaller. There are other rules that cause you to lose eligibility for a Severance Benefit are discussed in the section on "How You Can Lose Your SASMI Benefits."

How Is the Severance Benefit Calculated?

The amount of the basic Severance Benefit is a percentage of all the contributions made to SASMI for your work before 2010 minus the total of all benefit payments that you have received from SASMI, before and after 2010. The percentage of contributions to calculate Severance Benefits varies with your SASMI service record and period of SASMI contributions.

Past Service credit is given for each year before 2010 during which you were a member of the Sheet Metal Workers International Association (SMWIA) before your first SASMI eligibility. Each year of past service returns 1% of contributions.

You are credited with a year of Future Service Credit for each calendar year before 2010 after the year that you initially satisfied SASMI's general eligibility work requirements and were eligible for benefits under SASMI. A half year is credited for each Stabilization Period before 2010 for which you were eligible for benefits from SASMI and did not forfeit eligibility or qualification for benefits from SASMI.

Your Years of Future Service Credit (up to a maximum of 35) are multiplied by the percentage in the following chart opposite **your total number of years** of Future Service Credit before 2010.

Years of Future Service Credit	Percentage
2 – 5	2%
6 – 9	3%
10 – 35	4% per year for first 20 years, plus 4.5% per year for years 21-30 and 5% per year for service over 30 years to a maximum of 35 years

The formula for Future Service Credit only begins at two (2) years because you need two (2) years of Future Service Credit before 2010 to be eligible for a Severance Benefit. There is a maximum of thirty-five (35) total years of service. You cannot get more than 23 years of Past Service credit and the total number of years of service used to calculate your Severance Benefit cannot be more than 35. If your combined years of Past Service and Future Service are over the maximum of thirty-five (35) years, your Past Service (and then your Future Service) will be reduced until the limit is reached.

The following examples show the benefit that would be calculated for participants in different situations.

Severance Example 1. A participant has 35 Years of Service (the maximum for calculating your Severance Benefit), of which five (5) were Past Service:

Years of Future Service:	20 Years @ 4%	= 80%
	10 Years @ 4.5%	= 45%
Years of Past Service:	5 Years @ 1%	= 5%
Total Severance Percentage:		130%

The Severance Benefit in this case would be 130% of all contributions actually paid to SASMI for the participant's work before 2010, less any previous benefits paid that participant from SASMI. If total SASMI contributions before 2010 were \$30,000 and the participant received no prior SASMI benefits, the Severance Benefit would be \$39,000 ($\$30,000 \times 130\% = \$39,000$).

Severance Example 2. A participant has 13 Years of Service of which 5 were Past Service:

Years of Future Service:	8 Years @ 3%	= 24%
Years of Past Service:	5 Years @ 1%	= 5%
Total Severance Percentage:		29%

The Severance Benefit in this case would be 29% of all contributions actually paid to SASMI for the participant's work before 2010, less any previous benefits paid that participant from SASMI. If total SASMI contributions before 2010 were \$12,000 and the participant received prior SASMI benefits of \$1,000, the Severance Benefit would be \$2,480 ($\$12,000 \times .29 (29\%) = \$3,480 - \$1,000 = \$2,480$).

Example 3. A participant has 2 years of Future Service with no Past Service:

Years of Future Service:	2 Years @ 2%	= 4%
Years of Past Service:	0 Years @ 1%	= 0%
Total Severance Percentage:		4%

The Severance Benefit in this case would be 4% of all contributions actually paid to SASMI for the participant's work before 2010, less any previous benefits paid that participant from SASMI. If total SASMI contributions were \$3,000 and the participant received no prior SASMI benefits, the Severance Benefit would be \$120.

How Do I Claim Severance Benefits?

You must file an application for a Severance Benefit in the form used by SASMI at the time of your application. The application must be filed with SASMI no later than twenty-three (23) months after you permanently separated from work with the employers contributing to SASMI or it will be lost forever.

A Severance Benefit to which you would have been entitled, and for which you timely applied for, can be paid to your designated beneficiary(ies). It will be paid only to the beneficiary you have named on a SASMI designation of beneficiary card filed with your Home Local Union or SASMI. You can get a designation of beneficiary card at your Home Local Union office or by requesting one from the SASMI office. Be sure to give it to your Home Local Union to keep on file for your beneficiaries.

If no designation of beneficiary card has been filed with your Home Local Union or SASMI, the Severance Benefit will be paid, in order of priority, to your surviving spouse, or to your children, parents, or brothers and/or sisters in equal shares, or if no such relatives survive you, to your estate. If you were otherwise eligible and qualified for a Severance Benefit but did not apply for such benefit, and you die within the application period, the application may be filed by the executor or administrator of your estate or by a designated beneficiary, but the application must still be filed within the required filing period.

RETIREE BENEFITS

The SASMI Trustees also provide a Retiree Health Premium Benefit and Retiree Healthcare Reimbursement Account (HCRA) to ease your departure from the Sheet Metal Industry and maintain your health. These benefits are provided under a separate plan with separate rules and a separate summary plan description after 2013.

The Retiree Plan eligibility rules and benefits are described in greater detail in the Retiree Plan document and Summary Plan Description. The Summary Plan Description for the Retiree Plan is on the reverse side of this booklet. Copies of the Retiree Plan rules are available from the SASMI office on written request.

HOW YOU CAN LOSE YOUR SASMI BENEFITS

You can lose your benefits in several ways. First, your eligibility may be frozen but not lost if you leave SASMI work for related work or due to disability. Second, you can lose your SASMI participation and eligibility for some or all benefits for a variety of reasons. Finally, you lose your qualification or eligibility for some or all SASMI benefits if you or your Home Local Union leave SASMI.

Frozen Eligibility or Benefits

Your eligibility and benefits can be frozen or limited but not lost in some circumstances. You will not be considered available for work and eligible for SASMI benefits in these situations but can return to SASMI without starting over.

Union and Management Work. If you become an employee of SMART or an affiliated union or an owner (or spouse of an owner) of a contributing SASMI company, your eligibility will be "frozen." You will lose eligibility if you do not return to SASMI work within 120 days after you cease to be an SMART employee or owner of a SASMI company, but may receive Severance benefits based on your prior SASMI work on a qualifying termination from such work.

Temporary Disability. If you have a Temporary Disability, your eligibility will be "frozen" (except for Welfare Fund Benefits) for up to 18 months of disability. You will lose eligibility if you do not return to SASMI work within 18 months.

Military Service. Your eligibility is frozen during military service, subject to federal law. These rules are covered in greater detail in the section on **Special Eligibility Rules**.

Owner Relatives. An Employee whose relatives are Owners of his Employer is only eligible for Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Fund Benefits if the Employee otherwise satisfies the eligibility requirements for those benefits and additional conditions. The Employee must have no ownership interest in the Employer, be the only Employee of the Employer, other than Owners, at the time of termination or layoff, and cannot collect Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Fund Benefits that exceed the Contributions paid by the Employer for the Employee's work. These rules are covered in greater detail in the section on **Special Eligibility Rules**.

Loss of SASMI Participation or Eligibility

You can also lose some or all benefits and cease to participate in SASMI in a number of circumstances. You may be eligible for Severance Benefits or SASMI Retiree Plan benefits if you have a qualifying Severance from the Sheet Metal Industry or qualifying retirement before you cease to be a SASMI participant and lose eligibility, and file a timely application.

Fraudulent or Deceptive Statements. If the Trustees determine that an application for benefits has been intentionally falsified by an Employee, for the purpose of attempting to receive benefits not otherwise payable, the result will be disqualification from any SASMI benefits payable and future benefits for a period of one (1) year.

Four (4) Stabilization Period Limit. You lose your eligibility to receive SUB, Underemployment or Welfare Fund Benefits after receiving one or both of those benefits for four (4) Stabilization Periods, regardless of the period of time in which such four (4) Stabilization Periods occur, unless you recycle your eligibility.

10% Rule. After you have received SUB or Underemployment Benefits for two Stabilization Periods, you cannot receive an additional SUB or Underemployment Benefits, unless you work at least ten percent (10%) of the applicable Group Hours due in the prior period as explained on page A8.

Disability. An Employee with a Temporary Disability because of an accident, injury or illness continues eligibility and qualification for Welfare Fund Benefits only. All eligibility will be lost if the Employee does not return to work for which SASMI contributions are required within twenty-four (24) months.

Drug Testing. An Employee who fails, neglects or refuses to pass job-site drug testing requirements is disqualified from SUB, Underemployment and Travel Benefits, unless the Employee is enrolled in a bona fide employee assistance program.

Training Requirements. After you have received SUB or Underemployment Benefits for a Stabilization Period, you will be disqualified from benefits if you fail or refuse without sufficient cause to enroll in, attend, and complete a course of advanced training that is available from your a school or program in your Home Local Union for advanced journeyman training or upgrading skills of Employees that the Trustees determine to be required.

Work Availability. An Employee who refuses, without sufficient cause, an offer or opportunity of suitable work or work referral from his Home Local Union during any Stabilization Period is disqualified. You will also be disqualified if, after successful completion of a training program, you refuse an offer of work within your Home Local Union for work of the type for which you received the special training.

18-Month Rule. You lose your SASMI participation and eligibility for benefits if no Contributions are paid to SASMI under a contract for your work for a period of eighteen (18) consecutive months. You may remain eligible for Severance Benefits if your absence is due to a separation from the Sheet Metal Industry and you apply on a timely basis.

200% of Contributions Rule. An Employee who receives SASMI Benefits that exceed two times the total amount of Contributions paid to SASMI for his work is not eligible to receive additional Benefits from SASMI.

- New Employees. Unless otherwise provided by the Trustees, the 200% rule will not prevent payment of benefits if you have not exhausted at least one cycle of eligibility, but you must re-establish or recycle eligibility to continue to receive SASMI benefits.
- Small Claims. Unless otherwise provided by the Trustees, the 200% rule will not apply if you have received less than \$20,000 in SASMI benefits.
- Welfare Fund Benefits. You will remain eligible for Welfare Fund Benefits only up to 380 hours, if (1) you have outstanding Welfare Fund Benefit balance of less than 380 multiplied your Average Hourly Wage, and (2) you have received less than \$50,000 in SASMI Benefits.
- Appeals. If you are faced with a loss of benefits under the 200% rule, you may submit a written appeal seeking restoration of eligibility for benefits. The Trustees will consider factors such as the availability of work opportunities to the Employee, the efforts of the Employee to seek and obtain employment in the industry and any other relevant factor or criteria, including conduct by the Employee that impacts on his ability to obtain employment, and have the sole and complete discretion to grant or deny such appeals. You may be required to undergo and prove completion of additional training courses to restore benefit eligibility.

Departure from the Sheet Metal Industry. You lose your eligibility for any benefit you would otherwise be paid if you accept permanent employment outside the Sheet Metal Industry or cease to be employed in the Sheet Metal Industry, even if you remain a member of your Home Local Union. (The meaning of the term “Sheet Metal Industry” is explained in the section on Underemployment Benefits.)

Retirement. You lose your SASMI eligibility if you retire, except for retiree benefits under the separate SASMI Retiree Plan and Severance Benefits. For SASMI’s purposes, retirement takes place on the latest of three dates: your eligibility date for your pension, your receipt of your first pension check, or the date of the pension fund’s final approval of your pension.

Loss of Employee Status. You lose your eligibility if you become a proprietor or partner or the owner of an unincorporated sheet metal company or other business, even if the business contributes to SASMI. The law does not allow SASMI to provide benefits to people who are not employees.

Death. You cease to participate and lose eligibility when you die. There are limited survivor benefits which are described in the sections on individual benefits.

Loss of Qualification

You must remain qualified for SASMI benefits until actual payment. Notwithstanding any other SASMI rules, you are disqualified from payment of benefits and forfeit all unpaid SASMI Benefits and all Past Service Credit and Future Service Credit in the following situations. If you lose your benefits and credits under these rules, you start over from scratch and must reestablish your SASMI eligibility under the plan before you can receive any benefits.

Non-Compete. All SASMI benefits and credit are lost immediately if you accept any employment in the Sheet Metal Industry from an employer who is not party to a collective bargaining agreement with SMART or a SMART Local Union or become an Owner of a business in the Sheet Metal Industry with no agreement for SASMI contributions.

The meaning of the term “Sheet Metal Industry” is explained in the section on Underemployment Benefits. There are special rules on work with SMART and its local unions, military service, apprentices in a Youth to Youth apprentice training program and owners of SASMI companies and their relatives in the section on Eligibility.

Individual SASMI termination. All SASMI benefits and credit are lost immediately if you transfer to a Local Union with no contracts with SASMI contributions

SASMI Local Union withdrawal. All SASMI benefits and credit are lost immediately if your Home Local Union takes action that terminates or will at some future date terminate the provisions of the Local Union’s collective bargaining agreement for SASMI contributions or you transfer to a Local Union with no SASMI Contracts.

- This rule will not apply if you transfer to another SASMI Local Union before your Home Local Union takes action to leave SASMI.
- You will not be affected by this rule if you are eligible for payment of Severance Benefits and file an application for the benefit with SASMI before your Home Local Union takes action to leave SASMI.
- This rule is not triggered if your Home Local Union contract with SASMI contributions terminates, but a new contract with SASMI contributions is signed within a reasonable period of time after termination, as determined by the Trustees.

Employer Termination. The Trustees may, in their sole discretion, terminate an employer’s status as a SASMI contributing employer in the event that:

- an employer ceases to pay contributions to SASMI at any time in violation of its collective bargaining agreement or SASMI documents;
- the employer fails to renew an agreement for SASMI contributions or enters into a collective bargaining agreement or other agreement which does not require the continuation of contributions to SASMI, or only requires contributions at a reduced contribution rate; or
- the employer fails to pay contributions at the minimum contribution rate as the Trustees may impose in order to preserve the actuarial soundness of SASMI and adequately to fund benefits provided under the Plan.

Your SASMI benefits may be affected if your employer's status as a SASMI contributing employer is terminated.

- The employer shall cease to be a SASMI contributing employer under the Plan, regardless of any provision to the contrary in any collective bargaining agreement or other similar agreement to which the employer is a party.
- Any person employed by such former Employer shall cease to be an Employee and shall forfeit eligibility and lose qualification for any and all Benefits otherwise payable (other than a Severance Benefit for which the Employee is and/or remains eligible and qualified)
- All service and contributions after the former Employer's termination date shall be disregarded.

HOW DO I APPLY FOR BENEFITS?

Initial Claims

The first step in applying for SASMI benefits is to pick up the forms at your Home Local Union or from the SASMI office. Except for Welfare Fund Benefits, SASMI does not pay benefits without an application.

Supplemental Unemployment or Underemployment benefit. When you have completed the form, turn it in to your Home Local Union, where it must be checked, certain items verified, and other information added. When you apply for a Supplemental Unemployment or Underemployment benefit, the application must be completed, signed and postmarked by the U.S. Postal Service and be mailed to SASMI no later than April 1st or the first business day thereafter for Stabilization Period B, and no later than October 1st or the first business day thereafter for Stabilization Period A. (It can be sent by other means of delivery but must actually be received by SASMI by the deadline. An application by facsimile or email is not acceptable).

Welfare Fund Benefits. An application for Welfare Fund Benefits is made directly by your Home Local Union health and welfare office based on the needs of eligible participants.

Travel Benefits. To apply for Travel Benefits, you should contact your Home Local Union or SASMI for the benefit form or approved agreement, as appropriate. Be sure to apply for these benefits before you travel.

Severance Benefit. For the frozen Severance Benefit, you must file the application form no later than 23 months after the date that you meet the criteria for receipt of the benefit. For safety, you should file within 23 months of your last SASMI work as the IRS may require that all payments be completed with 24 months after your last SASMI work. Your application may be denied for failing to file within the application period.

Claims Processing

Once your application for a benefit is received by SASMI, it is reviewed by the SASMI staff. Within a reasonable period of time of not more than ninety (90) days, you will be notified whether your application has been approved or denied. If it is approved, the SASMI Administrator will make payment to you. In special cases, the time for processing can be extended to one hundred eighty (180) days with advance notice to you. These periods are shortened to forty-five (45) days with an extension up to ninety (90) days for claims for Underemployment Benefits during Temporary Disability. In cases involving in medical emergencies, governmental regulations may require faster processing of claims and SASMI and the Claims Committee have the power to act on an expedited basis. The SASMI Administrator or legal counsel to the Trustees may agree to extend any time limits for review or other proceedings in writing to a claimant.

If your application is granted, you may be notified by payment. If an application denied, you will be told why it was denied.

If the Trustees determine that an application for benefits has been intentionally falsified by an Employee, for the purpose of attempting to receive benefits not otherwise payable, the result will be disqualification from any benefits payable and future benefits for a period of one (1) year. If the falsification is committed by a representative of an Employee or other person, the person shall be subject to any available remedy under applicable law.

Appeals

General Rule. You have the right to request a review by the SASMI Trustees if your application is denied or is not completed by the deadlines in the prior paragraphs on initial claims - generally 90 days after your application is filed with SASMI. If you want a review, you have sixty (60) days after receiving the denial letter (or, if earlier, expiration of the deadline for a decision on your claim) to make the request for review in writing by sending the letter to the SASMI office.

You may request a hearing on an appeal, which the Trustees or the Claims Committee will consider in their discretion. The Trustees or their Claims Committee meet at least quarterly to consider appeals. Your appeal will normally be docketed for the next meeting scheduled at least thirty (30) days after your appeal is received and will be expedited where required by U.S. Department of Labor regulations.

You have the right to review the relevant documents in SASMI's files and you may give the Trustees any additional information that will help them make their review. If a hearing is conducted, you may have a representative act for you. Call the SASMI office if you have any questions.

Health-Related Benefits. You have 180 days after notice of a denial to appeal on Underemployment Benefits during Temporary Disability and Welfare Fund Benefits.

You may appeal a denial of Welfare Fund Benefits within 180 days of a notice from your health plan of a loss of eligibility. (You still must pay for continuing coverage with your local plan. SASMI will only reimburse you for your COBRA cost or premiums if your appeal succeeds. It will not pay an uninsured claim in excess of the cost of your self-payment premium.)

Lawsuits

You can go to court on your claim once the SASMI appeal is complete or the time for SASMI to process a claim and appeal has expired. If you file earlier, the court may dismiss your suit for failure to appeal within SASMI. The SASMI Plan has provisions that make the decisions of the Trustees final and binding unless they are arbitrary, capricious or contrary to the legal requirements of the Employee Retirement Income Security Act (ERISA) or other applicable law in court actions.

A claimant has a duty to present a claim for payment to SASMI before other legal action. To the fullest extent allowed by applicable law, no administrative proceedings, arbitration, lawsuit or other legal action on a claim against SASMI or its fiduciaries without filing of an application for Benefits or other claim for payment with SASMI and timely completion of the SASMI claims procedure.

Uniform Limitations Period

Except to the extent otherwise required by applicable law, no administrative proceedings, arbitration, lawsuit or other legal action on such claim for SASMI benefits or other requests for payment from SASMI or its fiduciaries in connection with a claim for SASMI benefits or other payments from SASMI or its fiduciaries (including without limitation, monetary remedies or awards for failure to respond to a request for documents or retroactive payments) shall be instituted against SASMI or its fiduciaries more than one hundred eighty (180) days after the earliest of:

- the last date for timely request for review of a denied claim;
- the date of a written determination or response by the Plan to a timely request for review on a claim, or
- the last date for a timely response by the Plan to a request for review or other request under federal law and applicable regulations.

HOW IS SASMI FINANCED?

SASMI is financed by employer contributions. All contributions to the SASMI Trust Fund are made by employers in accordance with their collective bargaining or related agreements with SMART or local unions of the SMART.

The assets of the SASMI Trust Fund and Plan are handled in accordance with the rules of the SASMI Trust Agreement, ERISA, and other federal laws. The SASMI trust document designates contributions as SASMI Trust Fund assets from the date on which the earnings on which the Employer is obligated to pay contributions to SASMI accrue. The SASMI office will provide you, upon written request, with information regarding which employers are contributing to SASMI for work by sheet metal workers working under collective bargaining agreements.

The Trustees of the SASMI trust fund created separate plans for active employees and retirees under the umbrella of the SASMI Trust Fund in order to provide retiree health benefits within the parameters of the Affordable Care Act (ACA). The plans initially were funded by dividing the assets of the SASMI Trust fund based on the expected cost of benefits for active and retired participants.

SASMI operates on a calendar year basis. The Trustees will monitor the operations and experience of the SASMI plans for active employees and retirees on an ongoing basis in the future and allocate future contributions to the SASMI Trust Fund between them based on benefit experience and costs.

All of the SASMI benefits for active employees are paid directly and solely from assets of the SASMI Active Employee Plan. None of the benefits actually provided by SASMI are insured and no SASMI benefits are vested. They may be amended or terminated at any time before you are paid based on available money or any other concerns of the Trustees.

CAN SASMI OR ITS BENEFITS BE CHANGED?

The Trustees have the power to amend or terminate the Plan at any time and in any fashion, even as to benefits already approved for payment. SASMI Benefits are not vested and may be amended or modified by the Trustees at any time.

No amendment or modification may reduce any benefits which have been approved for payment prior to amendment (so long as funds are available for payment of such benefits), cause a reversion of any of the plan assets to the Employers nor permit any of plan assets to be used for or diverted to any purpose other than the exclusive benefit of the plan participants and their beneficiaries and payment of administrative expenses.

Upon termination of the Active Employee Plan, the remaining assets of the plan will be used to pay expenses of administration and then to pay benefits due to employees, unless sooner exhausted. The Trustees may determine the disposition of any remaining assets of the plan in any fashion not inconsistent with the purposes of SASMI and governing law. No plan assets will be returned to or inure to the benefit of an Employer, SMART or a local union.

PLAN IDENTIFICATION INFORMATION

NAME OF PLAN:

National Stabilization Agreement of the Sheet Metal Industry - Active Employee Rules and Regulations (the "Active Employee Plan")

TRUSTEES:

David Zimmermann
Sheet Metal Workers' Local No. 36
2319 Chouteau Avenue
St. Louis, MO 63103

Louis A. Franzen
Walrath Heating & Air Conditioning Co., Inc.
7935 West 14th Avenue
Lakewood, CO 80214

C. Brent Newsome
Sheet Metal Workers' Local No. 48
1108 29th Street, North
Birmingham, AL 35234

John Unger
U.S. Sheet Metal, Inc.
3200 Enterprise Drive
Saginaw, MI 48603

David Bernett
Sheet Metal Workers' Local No. 12
1200 Gulf Lab Road
Pittsburgh, PA 15238

Gregory L. Yoak
Columbus Heating & Ventilating Co.
182 North Yale Avenue
Columbus, OH 43222

J. Scott Parks
Sheet Metal Workers' Local 20
2828 East 45th Street
Indianapolis, IN 46205

Hank Meyers
Brad Snodgrass Inc.
1930 South State Ave.
Indianapolis, IN 46203

SASMI OFFICE AND ADMINISTRATOR:

Kenneth Colombo, SASMI Administrator
8403 Arlington Boulevard – Suite 310
Fairfax, Virginia 22031-4601
Phone: (800) 858-0354 or (703) 739 7250
Fax: (703) 549-9613 (Business & Benefits Office)
www.sasmi.org, also available as a link on www.smwnbf.org

If you wish to obtain additional information about the plan, contact SASMI by writing to the SASMI Administrator at the above address.

EMPLOYER IDENTIFICATION NUMBER: SASMI Board of Trustees: 52 1036457

PLAN NUMBER: 501

PLAN TYPE: Employee welfare benefit plan

PERSON AND ADDRESS FOR SERVICE OF LEGAL PROCESS:

SASMI Administrator
8403 Arlington Boulevard – Suite 310
Fairfax, Virginia 22031-4601

Service of legal process may also be made on a Trustee.

ASSET CUSTODIANS:

SunTrust Bank
1445 New York Avenue, NW
Washington, D.C. 20005

SASMI may also invest in commingled investment vehicles. If these vehicles are considered to hold SASMI assets in their underlying investments, the fund will generally be listed on the Form 5500 for SASMI which can be retrieved from www.efast.dol.gov after it is filed.

STATEMENT OF RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

SASMI is subject to various federal laws, including the Employee Retirement Income Security Act of 1974 (ERISA) and the Labor Management Relations Act of 1947. As a participant in SASMI you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA).

ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for a SASMI benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that plan fiduciaries misuse the plan's money, 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. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, 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 N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**END
OF
ACTIVE EMPLOYEE
SUMMARY PLAN DESCRIPTION**



SUMMARY PLAN DESCRIPTION

RETIREE

**NATIONAL STABILIZATION AGREEMENT
OF THE
SHEET METAL INDUSTRY**

AS OF JANUARY 1, 2014



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SASMI RETIREE PLAN
SUMMARY PLAN DESCRIPTION

The material in this brochure is not designed to replace the National Stabilization Agreement of the Sheet Metal Industry – Retiree Rules and Regulations (“SASMI Retiree Plan” document). It is designed to give a general summary of eligibility requirements and an overview of the different types of benefits available to retired sheet metal workers. The full text of the Rules and Regulations is available from the SASMI Office.

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TO ALL RETIRED SASMI PARTICIPANTS

We are pleased to send you this Summary Plan Description for the new “SASMI Retiree Plan” within the SASMI Trust Fund – or, more formally, the National Stabilization Agreement of the Sheet Metal Industry Trust Fund – Retiree Rules and Regulations. This summary describes the plan as amended through January 1, 2014. By reading it carefully, you will learn more about your program: what it is, how it operates, how you become eligible and qualify for benefits, what your benefits are and when you receive them.

We have tried to make this summary as informative as possible. However, it is still only a summary, and the Amended and Restated Trust Agreement and the SASMI Retiree Plan Rules and Regulations as amended through January 1, 2014 are the official documents governing SASMI. If there is any discrepancy between this Summary Plan Description and the SASMI Rules and Regulations or Trust Agreement, the Rules and Regulations or Trust Agreement will control. The SASMI Trustees reserve the right to amend the governing documents at any time with respect to any and all benefits including those already approved for payment.

If you have additional questions not answered by this summary or if you are submitting a claim for benefits or exercising any other of your rights under SASMI, we urge you to refer to the actual SASMI Retiree Plan Rules and Regulations and Trust Agreement. Copies of these documents are available upon request from the SASMI office at 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, are also available for your inspection at the various local union offices that participate in SASMI and online at www.sasmi.org. If you wish to obtain additional information about the plan, contact SASMI by writing the SASMI Administrator at the above address. You may not rely on statements or writings from anyone other than the SASMI Administrator or the Trustees as a group with respect to your SASMI benefits.

Union Trustees
David Zimmermann
C. Brent Newsom
David Bernett
J. Scott Parks

Management Trustees
Louis Franzen
John Unger
Gregory Yoak
Hank Meyers

Kenneth Colombo
Administrator

WHAT IS SASMI?

The National Stabilization Agreement of the Sheet Metal Industry Trust Fund (more commonly known as the “SASMI Trust Fund”) is an independent trust fund established to protect against loss or interruption of earning power, including retirement.

The Trustees of the SASMI Trust Fund have created separate plans for active employees and retirees under the umbrella of the SASMI Trust Fund in order to provide retiree health benefits within the parameters of the Affordable Care Act (“ACA”) and the Employee Retirement Income Security Act (“ERISA”). The plans were initially funded by dividing the assets of the SASMI Trust fund based on the expected cost of benefits for active and retired participants. The term SASMI in this booklet means the trust fund and its two plans – one for active employees (the “Active Employee Plan”) and one for retirees (the “Retiree Plan”), together or separately. The Active Employee Plan is described on the reverse side of this booklet.

The SASMI Retiree Plan provides benefits for all retired sheet metal workers represented by SMART – in production and industrial shops as well as building trades work – with contracts for SASMI contributions. (The merger of the Sheet Metal Workers International Association with the United Transportation Union (UTU) does not provide former UTU members with SASMI benefits in the absence of a collective bargaining agreement with SASMI contributions.)

WHO RUNS SASMI AND THE RETIREE PLAN?

Even though it was created by labor and management, SASMI is independent of both and is governed by a Board of Trustees. Half of the Trustees are selected by the union and half are elected by participating Employers. The Trustees are the legal plan sponsor and plan administrator of SASMI and have full control over its terms and operations.

SASMI operates under a trust agreement which requires that all fiduciary decisions be made in the best interest of SASMI participants. Its day-to-day operations are carried out under the supervision of an Administrator who is appointed by the Trustees. The Trustees make all policy decisions and the final determination regarding benefit appeals. The SASMI Trustees have the sole and absolute discretion to interpret and apply the provisions of the Rules and Regulations and other SASMI documents.

WHO IS ELIGIBLE AS A RETIREE?

General Retiree Eligibility

You must satisfy the following requirements in order to be a “Retiree” who is eligible to receive benefits under the Retiree Plan.

- You must have been an Eligible Employee under the SASMI Active Employee Plan who worked in employment covered by the SASMI Trust Fund with contractual contributions to SASMI after January 1, 2002.
- You must retire from work in the Sheet Metal Industry and all SASMI Employers.
- You must be an Eligible Employee and participant who is eligible for benefits from the SASMI Active Employee Plan at the time of your “Retirement,” except for Deferred Eligibility and Continued Eligibility as explained below.
- You must be approved for payment of a pension from the Sheet Metal Workers’ National Pension Fund or another defined benefit pension plan maintained pursuant to a collective bargaining agreement with SASMI contributing employers.
- You are not eligible at any time that you are a current employee under the rules on retiree-only plans in the Affordable Care Act (“ACA”). This term is not yet fully defined, but may prevent you from receiving Retiree Plan benefits during any employment – not just in the Sheet Metal Industry – especially if you are working more than 30 hours per week on average.

The capitalized words in this summary plan description have some special meanings for the SASMI, as explained below or in the summary plan description for the SASMI Active Employee Plan on the reverse side of this booklet.

Retirement

The terms “Retirement” or “retire” mean that you have filed an application and been granted a pension by a qualified defined benefit pension plan (under the Internal Revenue Code) that is maintained pursuant to a collective bargaining agreement with a SASMI contributing employer. This can be the Sheet Metal Workers’ National Pension Fund or another defined benefit plan sponsored by a SASMI Local Union or employer – both of which are called a “Sheet Metal Workers Pension Plan” in this booklet.

You are “retired” on the later of the first day of the month after your application or the first day of a month for which a pension benefit is paid and payable by such a plan. Due to legal restrictions, the Retiree Plan cannot pay any benefits unless and until you actually are retired and not working.

Sheet Metal Industry

For SASMI benefits, the “Sheet Metal Industry” covers any and all types of work within the trade jurisdiction of the Sheet Metal Workers International Association, as described in its Constitution before the merger with the UTU. It also includes any other work you can perform because of skills and training as a sheet metal worker, including work in other building trades, management, estimating, sales, etc.

Deferred Eligibility

You can be eligible for SASMI Retiree HCRA benefits even if you leave contributory SASMI work before Retirement with deferred eligibility based on rules similar to pension plan vesting.

- If you have five (5) or more Years of Service when you lose eligibility under the SASMI Active Employee Plan, you can still be eligible for SASMI Retiree HCRA Benefits. You do still have to receive a pension plan benefit and SASMI Retiree HCRA benefits will be based only on your actual Years of Service under SASMI when you retire.
- If you have less than five (5) or more Years of Service when you lose SASMI eligibility, you will lose all credit for Years of Service before the termination of eligibility unless you return to work under SASMI within five (5) years of the termination and earn at least one (1) Year of Service after returning to SASMI.

“Years of Service” are explained in the section on Retiree Health Premium Benefits.

Continued Eligibility

The other exceptions deal with absences from contributory SASMI work that are not treated as a termination of your participation in SASMI such as:

Contract Lapse

Your SASMI eligibility will not be lost where a collective bargaining agreement with SASMI contributions terminates, but is renewed within a reasonable period of time after such termination, as determined by the SASMI Trustees.

Qualified Military Service

If you leave work with SASMI employers for military service for the U.S. for not more than 5 years and return to work with a SASMI employer on a timely basis after your discharge, your eligibility will be maintained and Future Service Credit will be given for your military service for purposes of Retiree Plan benefits. You are not eligible for payment of SASMI Retiree Plan benefits while in military service unless so required by applicable federal law.

To be timely and receive continuous eligibility and service credit, you must return to work or apply to return to work with a SASMI Employer within one (1) business day for military leave under 31 days, within 14 calendar days for leave of 31-180 days and within 90 calendar days for military service over 180 days. If you are hospitalized for, or convalescing from, an illness or injury incurred or aggravated during military service at the end of your deadline to return to work, you can delay reporting or applying to return to work until you recover from the illness or injury up to a maximum of two (2) years.

Union Work

If you leave a SASMI bargaining unit to accept a full-time position with the SMART International Union or a SMART local union, your eligibility is frozen but maintained so long as you return to work with a SASMI employer (or are available for such work) within 120 days after leaving full-time employment or you retire. You cannot collect benefits while working for SMART, the AFL-CIO or their affiliates.

Owners & Relatives

There are additional and more detailed rules on the requirements to maintain SASMI eligibility for an Owner (proprietor, partner or shareholder) of a business with a contract providing for SASMI contributions and relatives of an Owner in the section on Owners & Relatives of Owners in the Summary Plan Description for the Active Employee Plan on the reverse side of this booklet. These rules also apply in determining eligibility for the Retiree Plan and service credit under the Retiree Plan.

Years of Service

Your Years of Service are similar to the rules used for Past Service Credit and Future Service Credit for the Severance Benefit under the Active Employee Plan before 2010.

Years of Service that are lost or forfeited under the Active Employee Plan due to a loss of qualification before your Retirement are also lost and forfeited for Retiree Plan eligibility and benefits. The events that cause you to lose qualification and Years of Service before Retirement are described in the Summary Plan Description for the Active Employee Plan on the reverse side of this booklet.

Past Service Credit

Your years of Past Service Credit equal your years of continuous active membership in the SMWIA or SMART before work with a SASMI contributing employer.

Future Service Credit

You will receive "Future Service Credit" for Stabilization Periods under the Active Employee Plan in which you work at least 100 hours with contributions paid to SASMI or receive a benefit from the Active Employee Plan. If you worked under the SASMI Production and Industrial Benefits schedule before 2014, your hours and benefit eligibility periods before 2014 will be converted to hours during the Stabilization Periods in the Active Employee Plan to calculate your Future Service Credit.

Additional Benefit Eligibility Requirements

There are requirements above the general work eligibility rules to be eligible for each of the SASMI benefits. These are described in the sections on the specific benefits.

SASMI benefits are not vested and cannot be assigned over to some other person or company. Only the sheet metal worker who is entitled to SASMI benefits can normally receive them.

SASMI Retiree Plan benefits may be payable to your spouse or dependents if you die after Retirement, as described in the benefit sections of this booklet. You should make sure that SASMI has the correct names and addresses of your spouse and dependents.

RETIREE HEALTH PREMIUM BENEFITS

SASMI provides a Retiree Health Premium Benefit to ease your departure from the Sheet Metal Industry and maintain your health. This benefit is limited to reimbursement of a traditional health insurance premium or similar payment to a group health plan. This benefit will continue to a surviving spouse only if an eligible Retiree was receiving the benefit before death or his application is on file with the SASMI Fund office.

How do I become eligible for Retiree Health Premium Benefits?

You are eligible for Retiree Health Premium Benefits if you satisfy the rules for **General Retiree Eligibility** and the following additional conditions.

- You must retire on or after January 1, 2002 or would retire but for a disability or unemployment for which you receive unemployment benefits due to work with SASMI Employers.
- You must be age 55 or older with thirty (30) or more Years of Service or age 62 or older with twenty-five (25) or more Years of Service at the time of Retirement.
- You have at least five (5) years of Future Service Credit in the ten (10) Stabilization Periods immediately prior to your Retirement.
- You have not received benefits from the SASMI Active Employee Plan (excluding Severance Benefits) which exceed the contributions paid to SASMI for your work.
- You file an application for Retiree Health Premium Benefits with SASMI under SASMI procedures.
- Receiving the Sheet Metal Workers' National Pension Fund or other defined benefit pension plan.

The Retiree Health Premium Benefit does not cover active employees. You are not eligible for payment at any time that you are a current employee under the Affordable Care Act rules on retiree-only plans.

How is the Retiree Health Premium Benefit calculated?

The Retiree Health Premium Benefit equals the lesser of \$100 per month or the Premium Expense that you or your surviving spouse document for a month.

The payment will continue for a maximum of 120 months. In the event of death of an eligible Retiree, a surviving spouse will continue to receive the benefit for the remaining balance of the 120-month period. The benefit and all payments stop on the death(s) of the SASMI participant and surviving spouse. There are no benefits to beneficiaries, heirs or an estate for any unused months.

A “Premium Expense” is a debt or payment that satisfies the following conditions:

- The payment is made or due for a retired SASMI participant or surviving spouse.
- The payment is made or due to a group health plan, a health maintenance organization, or an insurance company that is qualified to provide medical insurance in the state of residence of an eligible Retiree or surviving spouse.
- The payment is a traditional medical insurance premium payment or other payment in the nature of a traditional periodic insurance premium for medical care – including self-payment or a COBRA payment to a SMART Local Union health plan for health benefits.
- The payment or debt is not otherwise compensated by insurance, a medical carrier or another third party.
- The payment does not exceed the actual cost of the premium for medical care.
- The premium is not for insurance or a benefit plan that will pay or reimburse expenses which would be incurred or paid without regard to sickness (such as food or lodging outside of hospital care), expenses for general health (such as a vacation), or capital expenses which improve the value of property or which are not made primarily for medical care.

The SASMI Retiree Health Premium Benefit will not pay or reimburse you for individual uninsured medical expenses nor disability or other insurance that is not directly related to medical care.

How do I claim Retiree Health Premium Benefits?

You must file an application for Retiree Health Premium Benefits in the form used by SASMI at the time of your application. You need to submit a bill and proof of payment for each calendar quarter of Retiree Health Premium Benefit eligibility.

An application for Retiree Health Premium Benefits must include the documentation required to support a deduction for a health premium expense as a medical expense deduction under Section 213 of the Internal Revenue Code. These requirements are covered in more detail in the section on HCRA Benefits and IRS publications.

SASMI will normally reimburse your qualifying expenses after the end of each calendar quarter, up to the amount of maximum benefit for the months during the calendar quarter. SASMI will not reimburse for a period greater than six (6) months from receipt of your application or proof of payment. Subject to IRS requirements for documentation and payment of an unreimbursed medical expense, SASMI may pay Retiree Health Premium Benefits directly to a group health plan, HMO or insurer providing coverage to a SASMI participant or surviving spouse

RETIREE HEALTH CARE REIMBURSEMENT ACCOUNT (HCRA) BENEFIT

SASMI adopted a Retiree Health Care Reimbursement Account (“HCRA”) benefit in 2010 to help address your health needs in retirement.

The HCRA benefit is separate, but works in conjunction with the SASMI Retiree Health Premium Benefit. The HCRA is a broader benefit to help fill the gaps in your particular coverage (including premium costs above those provided by the Retiree Health Premium Benefit). You can maximize your benefits by maintaining a general health policy after retirement and using the HCRA for your health insurance premiums costs not covered by the Retiree Health Premium Benefit, co-pays and other expenses that may not be covered by your general retiree health plan or policy.

How do I become eligible for a Retiree Health Care Reimbursement Account?

You are eligible for a Retiree HCRA account if you satisfy the rules for **General Retiree Eligibility** and the following additional conditions.

- You retire and cease work with all SASMI Employers on or after January 1, 2010.
- You are age 55 or older with ten (10) or more Years of Service, age 65 with five (5) or more Years of Service, or has been found eligible for Social Security Disability Benefits at any age with ten (10) or more Years of Service at the time of Retirement.
- You have at least two (2) years of Future Service Credit at Retirement.
- You did not receive a Vacation Benefit under the SASMI Plan as in effect before 2014.
- An application is filed with SASMI in accordance with procedures established by the Trustees before April 1 after a Retiree attains age 70 1/2.

How is the Retiree Health Care Reimbursement Account calculated?

The Retiree Health Care Reimbursement Account is a SASMI administrative account that is credited with an allowance after you retire. The HCRA benefit is not insured and is funded solely by employer contributions.

Your HCRA allowance is a percentage of the contributions paid to SASMI for your work multiplied by your Years of Service, adjusted for all benefits paid to you under the Active Employee Plan before Retirement. Only contributions actually paid to SASMI for your work are used in the calculation.

- Your eligible years of Future Service Credit (up to a maximum of thirty-seven and one half (37.5) years) are multiplied by 4% to a maximum of 150%.
- Your years of Past Service Credit are multiplied by one percent (1%). The Years of Past Service Credit cannot exceed the lesser of twenty-three (23) years or thirty-seven and one half (37.5), less the years of Future Service Credit.

Your total Years of Service cannot exceed thirty-seven and one half (37.5) years.

Benefit Adjustment

The basic HCRA allowance is adjusted (reduced) by the amount of all SASMI benefits paid to or on behalf of the Retiree, other than Retiree Health Premium Benefits. For this purpose, SASMI benefits paid include the amount of any potential Severance Benefit under the Active Employee Plan as of December 31, 2009, whether or not actually paid at that level, with appropriate adjustments to reflect later reduction of the Severance Benefit and avoid duplicative reductions.

HCRA Credits

The HCRA allowance is not available before Retirement. Once you are eligible and apply, SASMI will credit your HCRA allowance to your HCRA account, generally within 6 months of Retirement date. (Your “retirement date” is explained in the section on **General Retiree Eligibility**.)

You can claim reimbursement from the HCRA account after a credit is made to a Retiree HCRA account for you. The HCRA credits do NOT expire at the end of a year under current tax rules. Any unused amount will roll over (without interest) to a following year until you have used your full HCRA balance.

HCRA Suspension and Termination

The HCRA benefit does not cover active employees. You are not eligible for payment from your HCRA account if you are a current employee under the Affordable Care Act rules on retiree-only plans. HCRA credits and benefits can resume when you return to retired status.

Your HCRA will terminate on payment of eligible health care expenses equal to your full HCRA allowance.

Your HCRA can only be used for eligible health care expenses for you, your eligible spouse and your eligible children. There is no HCRA benefit if you die before your retirement date. A HCRA Account and all benefits will be cancelled when there is no eligible surviving claimant after your retirement date. Due to tax rules, there is no cash-out of an unused HCRA balance or HCRA benefits for your estate except as to payment of eligible health care expenses incurred before your death or anyone other than you and your eligible living spouse and dependents. The HCRA is not a cash account.

The account and benefits under this Article are not assignable. Except as expressly provided, SASMI will not pay a health care provider or anyone other than an eligible living Retiree, spouse or dependent.

The HCRA Benefit is intended to be and remain a “health reimbursement account” funded solely by employer contributions under the current tax regulations and rulings and will be interpreted, administered and revised accordingly. There is no option to receive any taxable cash or other benefits from the HCRA.

What expenses can the Retiree Health Care Reimbursement Account pay?

Current tax laws require that SASMI limit HCRA benefits to payment of health care expenses. The HCRA account can be used to reimburse you for eligible health care expenses:

- Incurred and paid for you, your eligible spouse and your eligible children after 2013 and your retirement date;
- for diagnosis, cure, mitigation, treatment or prevention of disease or treatments affecting any part or function of the body;
- which are not otherwise compensable by (or the responsibility of) an insurance carrier, a health plan or other third party, and
- could be claimed as a medical expense deduction on a federal income tax return (without regard to limitations on deductibility based on a percentage of your income)

Eligible Health Care Expenses

The rules on eligible health care expenses generally follow the federal income tax rules in Section 213 of the Internal Revenue Code (IRC) for medical expense deductions (without the limitation to amounts over a percentage of adjusted gross income). IRS Publication 502 (Medical and Dental Expenses) has multi-page lists of eligible and ineligible expenses. The current version of IRS Publication 502 can be found on the IRS website, www.irs.gov.

Here are some general examples of items you can claim for reimbursement under current IRS regulations:

- co-payments or costs for legal medical services rendered by physicians, surgeons, dentists, and other medical practitioners not covered by other health insurance or plans;
- the costs of durable medical equipment (including wheel chairs) and diagnostic devices needed for medical care;
- premiums you pay for insurance that covers the expenses of medical care (with some exclusions noted in Publication 502), including Medicare Part B and Medicare Part D premiums;
- ambulance costs;
- prescription drugs and co-payments, insulin and diabetic testing supplies;
- laboratory, X-rays, surgical, dental, therapy and other healing or diagnostic services
- eye exams, glasses, contacts and laser surgery
- hearing tests and hearing aids
- dental exams, dental work and dentures

This is only a summary that is subject to ongoing IRS rules and changes in those rules. In addition, the HCRA Benefit has its own limitations and does not cover all expenses that are allowed by IRC Section 213. A complete list of Trustee approved items is available at www.SASMI.org or can be mailed to you upon request.

Excluded Expenses

An expense that is not eligible for payment from an employer-funded “Health Reimbursement Account” under IRS Publication 502 and IRS Publication 969 and, more importantly, the actual IRS rules on deductible medical expenses will not be an eligible HCRA expense from SASMI.

The HCRA also excludes certain mixed-use items even though all or part of the expense might be a deductible medical expense for tax purposes. The HCRA will NOT reimburse any costs for:

- transportation or travel;
- lodging;
- meals;
- construction, repair, alteration or renovation of residential or other premises; or
- legal fees.

To be reimbursed from the HCRA, medical care expenses must be primarily to alleviate or prevent a physical or mental defect or illness. They do not include expenses that would be normal living expenses or are merely beneficial to general health.

You cannot claim the following expenses under current IRS publications:

- Claims for more than your actual cost;
- expenses which would be incurred or paid without regard to sickness, such as food or lodging outside of hospital care;
- expenses for your general health, such as a vacation or health club dues;
- capital expenses which improve the value of property or which are not made primarily for medical care;
- non-prescription medicines, nutritional supplements, vitamins, herbal supplements, “natural medicines,”
- household and personal care services, baby sitting, childcare, except certain nursing-type services;
- illegal operations and treatments, controlled substances under federal law (even if permitted by state law)
- prescription or other drugs brought in (or ordered and shipped) from another country, and
- cosmetic surgery, weight-loss programs and similar items that do not meaningfully promote the proper function of the body or prevent or treat illness or disease.

Whose expenses can the Retiree Health Care Reimbursement Account pay?

You can claim medical expenses incurred by you, your spouse and your eligible children. Your spouse and eligible children remain eligible if you die on or after your retirement date.

Your spouse for federal tax purposes (on deductible medical expenses) is also your spouse for HCRA benefits. Under the current rules on deductible medical expenses, your qualifying “children” can include your son, daughter, stepchild, foster child, or a legally adopted child. A child is eligible if he or she is under the age of 27 or permanently and totally disabled (regardless of age) at the end of the year (December 31) for which claims are filed. You may also be able submit medical expenses that you paid for a child before adoption with a “Qualified Medical Support Order.”

After the death of an eligible Retiree, an eligible spouse and children can continue to receive reimbursements from the Retiree’s HCRA account. After the death of an eligible Retiree and his or her eligible spouse, any remaining account balance can be used for claims for your eligible children until they no longer are eligible.

The rules on your eligible spouse and children are based on IRS rules on deductible medical expenses and will be applied to satisfy IRS requirements. SASMI does not provide HCRA benefits to dependents who are not children.

The HCRA also cannot pay expenses incurred while you are working after retirement under the rules for retiree-only plans. This may preclude payment during any type of work (not just as a sheet metal worker), especially if you work more than 30 hours per week on average.

How do I claim benefits from my Retiree Health Care Reimbursement Account?

HCRA benefits are not automatic at retirement. You must apply to SASMI for them.

You must file an application to set-up your Retiree Health Care Reimbursement Account in the form used by SASMI at the time of your application. Once your eligibility is established and a credit is made to your account, you can submit claims for eligible health care expenses to the SASMI Fund office using the SASMI claims form.

You can submit claims as you pay eligible expenses. SASMI will collect claims and reimburse you on a quarterly basis, or annually for small amounts (below \$200), up to the balance in your HCRA. All claims must be submitted to SASMI within two (2) years of the date that the expense was incurred (or a shorter period, if required by IRS rules).

A claim for HCRA expense reimbursement must include the documentation required to support a deduction of the expense as a medical expense deduction under Section 213 of the Internal Revenue Code (disregarding the limitation based on adjusted gross income in that section) and such other information as deemed necessary by the Trustees. The current regulations under Section 213 of the Internal Revenue Code require that you substantiate medical expenses with written documentation showing:

- the name and address of each person to whom payment was made.
- the date and amount of each payment, and
- a statement or itemized invoice from the individual or entity to whom payment was made showing the medical nature of the expense.

SASMI will need bills and evidence of payment to support your claim and show that it was not compensated by insurance or other means. It can require additional information beyond the claim form to assure that your claim is eligible for reimbursement. A claim can be denied for failure to submit supporting documentation on a timely basis.

HOW YOU CAN LOSE YOUR BENEFITS

You can lose your benefits in whole or in part even after retirement.

Eligibility or Benefits Limitations

Failure to Apply. You can lose benefits if you fail to apply to SASMI for them on a timely basis. No benefits are payable until you apply. If you do not apply for HCRA benefits before April 1 after you turn age 70 ½, no HCRA Benefits will be paid.

Work Restrictions. Your eligibility and benefits from the SASMI Retiree Plan can be frozen or limited but not lost if you work after retirement. You will not be eligible for SASMI benefits in these situations but can resume benefits later when you return to full retirement status for the remainder of your retiree benefit payment period.

- Post-Retirement Work. Notwithstanding any other provision of the plan, a Retiree is disqualified from payment of SASMI Retiree Plan which would otherwise have been payable for any period that you are a current employee under the rules on “retiree-only” plans under the Affordable Care Act. These rules are not yet well-defined, but may prevent payment during any type of work (not just as a sheet metal worker), especially if you work more than 30 hours per week on average.
- Pension Suspension. Benefits will be suspended for any period that a Retiree’s pension benefit (from a Sheet Metal Workers’ National Pension Plan or another defined benefit pension plan maintained pursuant to a contract with SASMI contributions) is suspended or stopped.
- Active Employee Health Coverage. Benefits will be suspended for any period that group health plan eligibility is re-established as an active employee.

SASMI Debts. Any Benefits due an Owner or a Relative of an Owner who fails to pay contributions or other amounts to SASMI shall be reduced by the amount not paid and interest on that amount under Section 502(g) of ERISA. The same rule shall apply to any other Retiree who is personally responsible for an Employer’s failure to make payment to SASMI.

Benefit Overpayments. If a Retiree or other person is overpaid by SASMI, the recipient shall be required to make repayment to SASMI upon receiving written notice of such obligation from the Trustees. If the overpayment is not returned, the amount of overpayment and interest may be deducted from any future benefits or payments with respect to a Retiree.

The Trustees additionally may take legal action to recover from the Retiree or other recipient of an overpayment. In any such action, the Retiree or other recipient of an overpayment shall be obligated to pay reasonable attorney's fees and any other fees or costs related to recovery of the overpayment and interest on the overpayment.

Fraudulent or Deceptive Statements. If the Trustees determine that an application for benefits has been intentionally falsified for the purpose of attempting to receive benefits not otherwise payable, the result will be disqualification from any SASMI benefits payable and future benefits for a period of one (1) year.

Loss of Qualification

SASMI Retiree Plan benefits are not vested. You must remain qualified for SASMI benefits until actual payment.

No Compete. Notwithstanding any other SASMI rules, all SASMI Retiree Plan benefits and credit are lost immediately if you accept any employment in the Sheet Metal Industry from an employer who is not party to a collective bargaining agreement with SMART or a SMART Local Union or become an owner of a business in the Sheet Metal Industry with no agreement for SASMI contributions.

Pre-Retirement Service Forfeitures. Any Future Service Credit or Past Service Credit that is lost or forfeited under the Active Employee Plan before Retirement is also lost and forfeited under the SASMI Retiree Plan. It will not be used to determine your eligibility or the amount of any benefits (except for adjustments for 2009 Severance Benefit amounts) from the SASMI Retiree Plan. However, after 2013, you will not lose service credit for Retiree HCRA benefits due to transfer to a Non-SASMI Local Union of SMART.

Death Before Retirement. There are no Retiree Plan benefits if you die before Retirement; you should look to life insurance or death benefits, from other plans or your personal financial planning, to repair the loss of income form death before Retirement.

Death After Retirement. Limited SASMI Retiree Plan benefits may be payable to your surviving spouse or children if you die after Retirement, as described in the benefit sections of this booklet. You should make sure that SASMI has the correct names and addresses of your spouse and dependents. There are no Retiree Plan benefits for anyone other than a surviving spouse or children.

HOW DO I APPLY FOR BENEFITS?

Initial Claims

Claims Forms. The first step in applying for SASMI benefits is to pick up the forms at your local union. All forms are available there or from the SASMI office. SASMI does not normally pay benefits without an application.

Retiree Health Premium Benefit. The Retiree Health Premium Benefit is based on quarterly payments. You must file proof of payment for each calendar quarter that you incur qualifying health Premium Expenses and meet the criteria for Retiree Health Premium Benefits. You will need to submit an application with supporting documentation for each calendar quarter unless SASMI tells you that it is able to pay your group health plan, HMO or health insurance company directly. The application form is available from SASMI.

SASMI will not reimburse you for expenses incurred more than six (6) months before receipt of your application or proof of payment. Your application may be denied for failing to file within the application period.

Retiree HCRA Benefit. THE HCRA application process has two steps.

- You must file an application to set-up your Retiree Health Care Reimbursement Account in the form used by SASMI at the time of your application.
- Once your eligibility is established and a credit is made to your account, you can submit claims for eligible health care expenses to the SASMI Fund office using the SASMI claims form. You can then submit claims as you pay eligible expenses. All claims must be submitted to SASMI within two (2) years of the date that the expense was incurred (or a shorter period, if required by IRS rules).

Medical Support Orders. SASMI will determine if a medical support order is a "Qualified Medical Support Order" under federal law under its standard claims procedures, with any adjustments required by federal law. A claimant should submit the order to the SASMI Administrator with a written request for a determination as a "Qualified Medical Support Order" under federal law.

Fraudulent or Deceptive Statements. If the Trustees determine that an application for benefits has been intentionally falsified for the purpose of attempting to receive benefits not otherwise payable, the result will be disqualification from any SASMI benefits payable and future benefits for a period of one (1) year.

Claims Processing. Once your application for a benefit is received by SASMI, it is reviewed by the SASMI staff. Within a reasonable period of time of not more than ninety (90) days, you will be notified whether your application has been approved or denied. If it is approved, the SASMI Administrator will make payment to you. In special cases, the time for processing can be extended to one hundred eighty (180) days with advance notice to you. In cases involving in medical emergencies, governmental regulations may require faster processing of claims and SASMI and the Claims Committee have the power to act on an expedited basis.

Appeals

You have the right to request a review by the SASMI Trustees if your application is denied or is not completed by the deadlines in the prior paragraphs on initial claims - generally 90 days after your application for SASMI Retiree Plan benefits is filed with SASMI. If you want a review, you have 180 days after receiving the denial letter (or, if earlier, expiration of the deadline for a decision on your claim) on SASMI Retiree Plan benefits to make the request for review in writing by sending the letter to the SASMI office.

You may request a hearing on an appeal, which the Trustees or the Claims Committee will consider at their discretion. The Trustees or their Claims Committee meet at least quarterly to consider appeals. Your appeal will normally be docketed for the next meeting scheduled at least thirty (30) days after your appeal is received and will be expedited where required by U.S. Department of Labor regulations.

You have the right to review the relevant documents in SASMI's files and you may give the Trustees any additional information that will help them make their review. Call the SASMI Fund office if you have any questions.

Lawsuits

You can go to court on your claim once the SASMI appeal is complete or the time for SASMI to process a claim and appeal has expired. If you file earlier, the court may dismiss your suit for failure to appeal within SASMI. The SASMI Retiree Plan has provisions that make the decisions of the Trustees final and binding unless they are arbitrary, capricious or contrary to the legal requirements of ERISA or other applicable federal law in court actions.

Uniform Limitations Period

Except to the extent otherwise required by applicable law, no administrative proceedings, arbitration, lawsuit or other legal action on such claim for SASMI benefits or other requests for payment from SASMI or its fiduciaries in connection with a claim for SASMI benefits or other payments from SASMI or its fiduciaries (including without limitation, monetary remedies or awards for failure to respond to a request for documents or retroactive payments) shall be instituted against SASMI or its fiduciaries more than one hundred eighty (180) days after the earliest of:

- the last date for timely request for review of a denied claim;
- the date of a written determination or response by the plan to a timely request for review on a claim, or
- the last date for a timely response by the plan to a request for review or other request under ERISA and applicable regulations.

HEALTH INFORMATION PRIVACY

What Policies Does SASMI Have to Protect the Privacy of My Health Information?

SASMI is required by federal law to explain how SASMI protects the privacy of your PHI in performing health benefits administration. This section includes SASMI's Notice of Privacy Practices. It describes how PHI about you may be used and disclosed by SASMI and how you can get access to this information under the Standards for the Privacy of Individually Identifiable Health Information ("Privacy Rule") issued by the U.S. Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996 ("HIPAA").

Use and Disclosure of Health Information

SASMI provides Retiree Health Premium Benefits and Retiree HCRA Benefits that make the SASMI Retiree Plan a "group health plan" that is subject to the HIPAA Privacy Rule. SASMI may use your "Protected Health Information" under HIPAA for purposes of paying or reimbursing health insurance contributions, premiums or claims and for administrative purposes.

SASMI has established a policy to guard against unnecessary disclosure of your personal information. However, only personal information received to administer and process payments for SASMI Retiree Health Premium Benefits and Retiree HCRA Benefits and information from other group health plans is “Protected Health Information” or “PHI” that is subject to the formal restrictions of the HIPAA Privacy Rule. Your personal data and eligibility information for other benefits under the umbrella of the SASMI Trust Fund is not subject to these formal rules.

The circumstances under which and purposes for which your “Protected Health Information” may be used and disclosed by SASMI are as follows.

To Make Or Obtain Payment. SASMI may use or disclose your PHI to others to make health insurance premium payments to your local union health plan. SASMI may provide information that may identify you to your local union health plan or another group health plan to coordinate payment of monthly health insurance contributions, premiums or claims or eligibility for benefits.

To Conduct Health Care Operations. SASMI may use or disclose PHI for its own operations to facilitate the administration of SASMI and as necessary to provide coverage and services to all of SASMI’s participants, including disclosures to other health plans or health insurers. SASMI may not disclose PHI that is genetic information for underwriting purposes as this is prohibited by the Genetic Information Nondiscrimination Act (“GINA”).

For Distribution of Health-Related Benefits and Services. SASMI may use or disclose your PHI to provide you information on health-related benefits and services that may be of interest to you.

For Disclosure to the Plan Sponsor. SASMI may disclose your PHI to the SASMI Board of Trustees for plan administration functions performed by the Board of Trustees on behalf of SASMI. In addition, SASMI may provide summary PHI to the Board of Trustees so that the Board of Trustees may make decisions regarding amending or terminating the plan of benefits. SASMI also may disclose information on whether you are a participant to the Board of Trustees, another health plan or an employer.

When Legally Required. SASMI will disclose your PHI when it is required to do so by any federal, state or local law. For example, SASMI may use or disclose your PHI to report information related to victims of abuse, neglect or domestic violence.

Health Oversight Activities. SASMI may disclose your PHI to a health oversight agency for authorized activities including audits, civil administrative or criminal investigations, inspections, licensure or disciplinary action. SASMI, however, may not disclose your PHI if you are the subject of an investigation and the investigation does not arise out of or is not directly related to your receipt of health care or public benefits.

Public Health. SASMI may use or disclose your PHI for public health activities such as assisting public health authorities or other legal authorities to prevent or control disease, injury or disability or for other health oversight activities.

In Connection with Judicial and Administrative Proceedings. As permitted or required by state law, SASMI may disclose your PHI in the course of any judicial or administrative proceeding in response to an order of a court or administrative tribunal as expressly authorized by such order or in response to a subpoena, discovery request or other lawful process, but only when SASMI makes reasonable efforts to either notify you about the request or to obtain an order protecting your health information.

For Law Enforcement Purposes. As permitted or required by state law, SASMI may disclose your PHI to a law enforcement official for certain law enforcement purposes, including, but not limited to, if SASMI has a suspicion that your death was the result of criminal conduct or in an emergency to report a crime,

In the Event of a Serious Threat to Health or Safety. SASMI may, consistent with applicable law and ethical standards of conduct, disclose your PHI if SASMI, in good faith, believes that such disclosure is necessary to prevent or lessen a serious and imminent threat to your health or safety or to the health and safety of the public.

For Specified Government Functions. In certain circumstances, federal regulations require SASMI to use or disclose your PHI to facilitate specified government functions related to the military and veterans, national security and intelligence activities, protective services for the President and others, and correctional institutions and inmates.

For Worker’s Compensation. SASMI may release your PHI to the extent necessary to comply with laws related to worker’s compensation or similar programs.

Other than for the above reasons, SASMI will not disclose your PHI without your written authorization. If you authorize SASMI to use or disclose your PHI, you may revoke that authorization in writing at any time except to the extent that action has already been taken in reliance on your authorization.

Does SASMI have Policies on Electronic Protected Health Information?

In accordance with the Security Rules under HIPAA, the Trustees and SASMI also safeguard Protected Health Information that is maintained in electronic form (“Electronic Protected Health Information”) for its Retiree Health Premium Benefit and HCRA Benefit functions in various ways.

Administrative, Physical, and Technical Safeguards. The Trustees and SASMI use administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information that SASMI creates, receives, maintains, or transmits for its Retiree Health Premium Benefit and HCRA Benefit functions.

Security of Adequate Separation. The Trustees and SASMI work to ensure that the “adequate separation” between the plan and other offices or plans of SMART or employers, described in the “Privacy of Protected Health Information” section, is supported by reasonable and appropriate security measures.

Subcontractors and Agents. The Trustees and SASMI work to ensure that any agent, including a subcontractor, to whom they provides Electronic Protected PHI for its Retiree Health Premium Benefit and HCRA Benefit functions agrees to implement reasonable and appropriate security measures to protect such information.

Reporting. The Trustees and SASMI have a policy to reporting any security incident of which they become aware.

HIPAA was amended by the Health Information Technology for Economic and Clinical Health (HITECH) Act, which as enacted as part of the American Recovery and Reinvestment Act of 2009.

HITECH requires HIPAA-covered entities, such as the plan, to respond to data breach events when unsecured PHI is disclosed, accessed, or acquired by an unauthorized third party. The plan must, within 60 days of knowledge of the data breach, notify the impacted individuals as well as the Department of Health and Human Services (“HHS”). If 500 or more people are affected, the plan is required to give immediate notice to the media and the HHS, which will post notice of the breach on its website. In addition, plans must provide HHS with annual reports of all of their breaches each year, no matter the number.

What Are My Rights With Respect to Protected Health Information?

You have the following rights regarding your Protected Health Information that SASMI maintains for its Retiree Health Premium Benefit and HCRA Benefit functions.

Right to Request Restrictions. You may request restrictions on certain uses and disclosures of your health information. You have the right to request a limit on SASMI’s disclosure of your PHI to someone involved in the payment of your care. However, SASMI is not required to agree to your request. If you wish to make a request for restrictions, please contact the SASMI Administrator, who is the SASMI Privacy Officer, at (703) 739-7250.

Right to Receive Confidential Communications. You have the right to request that SASMI communicate with you in a certain way if you feel the disclosure of your PHI could endanger you. For example, you may ask that SASMI only communicate with you at a certain telephone number or by email. If you wish to receive confidential communications, please make your request in writing to Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703) 549-9613. SASMI will attempt to honor your reasonable requests for confidential communications.

Right to Inspect and Copy your Health Information. You have the right to inspect and copy your health information. A request to inspect and copy records containing your PHI must be made in writing to Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703) 549-9613. If you request a copy of your PHI, SASMI may charge a reasonable fee for copying, assembling costs and postage, if applicable, associated with your request.

Right To Amend Your Health Information. If you believe that your PHI records are inaccurate or incomplete, you may request that SASMI amend the records. That request may be made as long as the information is maintained by SASMI. A request for an amendment of records must be made in writing to Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703) 549-9613. SASMI may deny the request if it does not include a reason to support the amendment. The request also may be denied if your PHI records were not created by SASMI, if the PHI you are requesting to amend is not part of SASMI’s records, if the PHI you wish to amend falls within an exception to the PHI you are permitted to inspect and copy, or if SASMI determines the records containing your PHI are accurate and complete.

Right To An Accounting. You have the right to request a list of certain disclosures of your PHI that SASMI is required to keep a record of under the Privacy Rule, such as disclosures for public purposes authorized by law or disclosures that are not in accordance with the plan's privacy policies and applicable law. The request must be made in writing to Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703) 549-9613. The request should specify the time period for which you are requesting the information, but may not start earlier than April 14, 2003. Accounting requests may not be made for periods of time going back more than six (6) years. SASMI will provide the first accounting you request during any 12-month period without charge. Subsequent accounting requests may be subject to a reasonable cost-based fee. SASMI will inform you in advance of the fee, if applicable.

Right to a Paper Copy of Privacy Rule. You have a right to request and receive a separate paper copy of SASMI's Privacy Rule & Procedures, even if you have received them previously. To obtain a paper copy, please contact the Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703) 549-9613.

What are SASMI's Privacy Duties on Health Information?

For group health plan functions, SASMI is required by law:

- to maintain the privacy of your health information;
- to notify you of its duties and privacy practices;
- to abide by the terms of its privacy rules and practices, which may be amended from time to time;
- to notify you if it is unable to agree to a requested restriction on how your PHI is used or disclosed;
- to accommodate reasonable requests you make to communicate PHI by alternative means or at alternative locations, and
- to obtain your written authorization to use or disclose your PHI for reasons other than those listed above and permitted by law.

SASMI reserves the right to change the terms of its privacy rules and practices and to make the new provisions effective for all PHI that it maintains. If SASMI changes its policies and procedures, SASMI will revise its Privacy Notice and provide a copy of the revised Privacy Notice within 60 days of the change.

If unsecured protected PHI is acquired, used or disclosed in a manner that is not permitted under HIPAA's Privacy Rule and in a manner that poses a significant risk of financial, reputational, or other harm to the individuals whose protected PHI was acquired, used or disclosed (referred to as a "Breach"), SASMI is required to provide appropriate notice as defined by law without unreasonable delay and in no case later than 60 days after the discovery of the Breach by SASMI or the receipt of information of the Breach.

Complaints. You have the right to express complaints to SASMI and to the Secretary of the Department of Health and Human Services if you believe that your privacy rights have been violated. Any complaints to SASMI should be made in writing to Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, fax number: (703)549-9613. SASMI encourages you to express any concerns you may have regarding the privacy of your information. You will not be retaliated against in any way for filing a complaint.

Privacy Officer. SASMI has designated the SASMI Administrator as its Privacy Officer and its contact person for all issues regarding patient privacy and your privacy rights. If you have any questions or complaints, you may contact the HIPAA Privacy Officer, SASMI, 8403 Arlington Boulevard, Suite 310, Fairfax, Virginia 22031, phone number: (703) 739-7250, or ask for the SASMI Administrator.

Do the Health Information privacy rules apply to other SASMI Benefits?

The formal legal privacy restrictions described above only apply to SASMI's group health plan functions. SASMI is set up as a "hybrid entity" so that general remittance form information and personal data (name, address, etc.) will not be legally subject to these formal rules.

Please be assured that SASMI and its Trustees do value and respect the privacy of your personal information. You can however be denied benefits for failure to provide information that is protected PHI to support a claim for benefits.

HOW IS SASMI FINANCED?

SASMI is financed by employer contributions. All contributions to the SASMI Trust fund are made by employers in accordance with their collective bargaining or related agreements with SMART or local unions of the SMART. A complete list of the employers and employee organizations sponsoring the plan may be obtained by participants and beneficiaries upon written request to the SASMI Administrator, and is available for examination by participants and beneficiaries at the SASMI Fund office. Retiree Plan participants and beneficiaries may receive from the SASMI Administrator, upon written request, information as to whether a particular employer or employee organization is a sponsor of the plan and, if the employer or employee organization is a plan sponsor, the sponsor's address.

The assets of the SASMI Trust Fund and Retiree Plan are handled in accordance with the rules of the SASMI Trust Agreement, ERISA, and other federal laws. The SASMI trust document designates contributions as SASMI Trust Fund assets from the date on which the earnings on which the Employer is obligated to pay contributions to SASMI accrue. The SASMI office will provide you, upon written request, with information regarding which employers are contributing to SASMI for work by sheet metal workers working under collective bargaining agreements.

The Trustees of the SASMI Trust Fund created separate plans for active employees and retirees under the umbrella of the SASMI Trust Fund in order to provide retiree health benefits within the parameters of the Affordable Care Act (ACA). The plans initially were funded by dividing the assets of the SASMI Trust fund based on the expected cost of benefits for active and retired participants.

SASMI operates on a calendar year basis. The Trustees will monitor the operations and experience of the SASMI plans for active employees and retirees on an ongoing basis in the future and allocate future contributions to the SASMI Trust Fund between them based on benefit experience and costs.

All of the SASMI benefits for retirees are paid directly and solely from assets of the SASMI Retiree Plan. None of the benefits actually provided by SASMI are insured and no SASMI benefits are vested. They may be amended or terminated at any time before you are paid based on available money or any other concerns of the Trustees.

CAN SASMI OR ITS BENEFITS BE CHANGED?

The Trustees have the power to amend or terminate the Retiree Plan at any time and in any fashion, even as to benefits already approved for payment. SASMI Benefits are not vested and may be amended or modified by the Trustees at any time.

No amendment or modification may reduce any benefits which have been approved for payment prior to amendment (so long as funds are available for payment of such benefits), cause a reversion of any of the plan assets to the Employers nor permit any of plan assets to be used for or diverted to any purpose other than the exclusive benefit of the plan participants and their beneficiaries and payment of administrative expenses.

Upon termination of the Retiree Plan, the remaining assets of the plan will be used to pay expenses of administration and then to pay benefits due to employees, unless sooner exhausted. The Trustees may determine the disposition of any remaining assets of the plan in any fashion not inconsistent with the purposes of SASMI and governing law. No plan assets will be returned to or inure to the benefit of an Employer, SMART or a local union.

PLAN IDENTIFICATION INFORMATION

SASMI is subject to various federal laws, the most important of which are the Employee Retirement Income Security Act of 1974 (ERISA) and the Labor Management Relations Act of 1947. The terms of this plan including those relating to coverage and benefits are legally enforceable. This plan is maintained for the exclusive benefit of employees covered under this plan.

NAME OF PLAN:

National Stabilization Agreement of the Sheet Metal Industry - Retiree Rules and Regulations ("SASMI Retiree Plan")

BOARD OF TRUSTEES:

The Board of Trustees is the legal named fiduciary, plan sponsor and plan administrator of the SASMI Retiree Plan under ERISA.

David Zimmermann
Sheet Metal Workers' Local No. 36
2319 Chouteau Avenue
St. Louis, MO 63103

Louis A. Franzen
Walrath Heating & Air Conditioning Co., Inc.
7935 West 14th Avenue
Lakewood, CO 80214

C. Brent Newsome
Sheet Metal Workers' Local No. 48
1108 29th Street, North
Birmingham, AL 35234

John Unger
U.S. Sheet Metal, Inc.
3200 Enterprise Drive
Saginaw, MI 48603

David Bernett
Sheet Metal Workers' Local No. 12
1200 Gulf Lab Road
Pittsburgh, PA 15238

Gregory L. Yoak
Columbus Heating & Ventilating Co.
182 North Yale Avenue
Columbus, OH 43222

J. Scott Parks
Sheet Metal Workers' Local 20
2828 East 45th Street
Indianapolis, IN 46205

Hank Meyers
Brad Snodgrass Inc.
1930 South State Ave.
Indianapolis, IN 46203

SASMI OFFICE AND ADMINISTRATOR:

Kenneth Colombo, SASMI Administrator
8403 Arlington Boulevard – Suite 310
Fairfax, Virginia 22031-4601
Phone: (800) 858-0354 or (703) 739 7250
Fax: (703) 549-9613 (Business & Benefits Office)
www.sasmi.org also available as a link on www.smwnbf.org

If you wish to obtain additional information about the plan, contact SASMI by writing to the SASMI Administrator at the above address.

EMPLOYER IDENTIFICATION NUMBER: SASMI Board of Trustees: 52 1036457

PLAN NUMBER: 565

PLAN TYPE: Employee welfare benefit plan, including a group health plan.

PERSON AND ADDRESS FOR SERVICE OF LEGAL PROCESS:

SASMI Administrator
8403 Arlington Boulevard – Suite 310
Fairfax, Virginia 22031-4601

Service of legal process may also be made on a Trustee.

ASSET CUSTODIAN:

SunTrust Bank
1445 New York Avenue, NW
Washington, D.C. 20005

SASMI may also invest in other commingled investment vehicles. If these vehicles are considered to hold SASMI assets in their underlying investments, the fund will generally be listed on the Form 5500 for SASMI which can be retrieved from www.efast.dol.gov after it is filed.

STATEMENT OF RIGHTS UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974

As a participant in the SASMI Retiree Plan you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

Prudent Actions by Plan Fiduciaries

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

Enforce Your Rights

If your claim for a SASMI benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator.

If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court. In addition, if you disagree with the plan's decision or lack thereof concerning the qualified status of a medical child support order, you may file suit in Federal court.

If it should happen that plan fiduciaries misuse the plan's money, 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. The court will decide who should pay court costs and legal fees. If you are successful the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

Assistance with Your Questions

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, 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 N.W., Washington, D.C. 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

**END
OF
RETIREE
SUMMARY PLAN DESCRIPTION**