

**DEFAULT SCHEDULE FOR SHEET METAL WORKERS' NATIONAL PENSION FUND'S
REHABILITATION PLAN
(EIN/PN 526112463/001)**

Amended and Restated Effective February 24, 2011

I. Introduction

This is the Default Schedule for the Rehabilitation Plan of the Sheet Metal Workers' National Pension Fund ("Fund" or "NPF"), which is effective as of February 24, 2011, and which supersedes all prior versions of the Default Schedule.

All capitalized terms have the same meaning given to such terms in the Plan Document unless otherwise defined in this Default Schedule or the Rehabilitation Plan. This Default Schedule forms a part of, and is incorporated by reference in, the Rehabilitation Plan.

In addition, the Default Schedule forms a part of, and is incorporated into, the Fund's Plan and Trust Documents, and the bargaining parties' Collective Bargaining Agreement. This Default Schedule will control over any conflicting provision in the Plan Document, the Trust Document, or a Collective Bargaining Agreement. Nevertheless, contributions shall be made in a manner consistent with the Trust Document. The Plan Sponsor (which is the Fund's Board of Trustees) may amend or modify the Default Schedule, the Rehabilitation Plan, and the Plan Document at any time and in any manner consistent with the requirements of ERISA and the Internal Revenue Code. The Trustees have the sole and absolute power, authority and discretion to amend, construe and apply the provisions of this Schedule.

The Plan Sponsor has the sole discretion to determine whether and when this Default Schedule has been adopted by any party to a Collective Bargaining Agreement or a similar agreement requiring Fund contributions. In general, however, the Plan Sponsor will consider the bargaining parties (or other Contributing Employer such as a Related Organization or Local Union) to have adopted this Default Schedule, and will consider the terms of the Collective Bargaining Agreement or other agreement to be consistent with the Rehabilitation Plan under the following circumstances:

- A. the Plan Sponsor receives satisfactory evidence that the parties to the Collective Bargaining Agreement have incorporated this Default Schedule into the parties' Collective Bargaining Agreement for the initial term of that Agreement; or
- B. in the case of a Related Organization, or a Local Union that are Contributing Employers, or any similar entity that is a Contributing Employer, the Contributing Employer substantiates to the Plan Sponsor's satisfaction that its participation or adoption agreement incorporates this Default Schedule for the duration of such agreement.

In the case of an Employer who contributes to the NPF only with respect to employees who are not covered by a Collective Bargaining Agreement, the Employer will be treated as if it is the sole bargaining party, whose adoption or participation agreement was a Collective Bargaining Agreement, with a term ending on the first day of the Plan Year beginning after the Employer was provided the Rehabilitation Plan Schedules.

This Default Schedule's Contribution Rate requirements apply for the initial duration of the bargaining parties' Collective Bargaining Agreement but may be modified in future years. Upon

expiration of the Collective Bargaining Agreement in effect when this Default Schedule was adopted or implemented, the bargaining parties will be deemed to have automatically adopted whichever successor Default Schedule is then in effect.

This Default Schedule significantly modifies NPF benefits. Those benefit modifications take effect as described below.

II. Contribution Rate Requirements

This Default Schedule currently requires no annual increases in the Employer's Contribution Rate except as may be required in order to comply with the provisions of the Trust Document and Plan Document. However, except as provided in the Rehabilitation Plan, no Employer's Contribution Rate may be reduced.

III. Normal Retirement Pension Benefit Accrual Rate

A Participant covered under this Default Schedule will accrue a monthly Normal Retirement Pension benefit equal to 1.0% of the amount determined by multiplying the Participant's Contribution Rate by his Contribution Hours for the Plan Year (or as applicable, the portion of the Plan Year to which the Default Schedule applies), commencing with the first (1st) day of the month following the month in which this Schedule is adopted or deemed to have been adopted (or on such other date as may be specified in any notice provided by the Fund pursuant to ERISA).

IV. Benefit Adjustments

This Schedule reduces "adjustable benefits," as that term is defined in ERISA Section 305. With the exception of certain adjustments that take effect for retirements on or after January 1, 2011, most of the adjustments described below have already been made as explained in earlier versions of the Default Schedule.

Notwithstanding any contrary provision in the Plan Document, a Participant who is covered under this Schedule is subject to benefit adjustments as described below.

A. Adjustments to Early Retirement Benefits, Retirement Type Subsidies and Disability Benefits

1. *No 55/30 Pension and Special Early Retirement Pension:* Notwithstanding anything to the contrary in the Fund's Plan Document, the 55/30 Pension and the Special Early Retirement Pension are not available as an option for Participant's covered under this Default Schedule.
2. *Standard Early Retirement Pension benefit:* The Standard Early Retirement Pension is modified by reducing the early retirement subsidy. Specifically, the Participant's Normal Retirement Pension benefit amount is reduced one-half of one percent (.5%) for each month for which the Participant is under the age of 65 (e.g., the Standard Early Retirement Pension benefit payable at age 55 is 40% of the Participant's Normal Retirement Pension benefit payable at age 65). For Effective Dates of Pension on or after January 1, 2011, a Participant's Standard Early Retirement Pension is further reduced to the actuarial equivalent of his Normal Retirement Pension benefit, payable as a single life

annuity based on the Participants actual age on his Effective Date of Pension. The formula for determining actuarial equivalence is shown in Chart 1 below.

3. *Disability Benefit:* The Disability Benefit for eligible Participants will be equivalent to the Standard Early Retirement Pension, as if the recipient were age 55, since neither the Special Early Retirement Pension nor the 55/30 Pension options are available under the Default Schedule. No Disability Benefit is available for a Participant who is age 55 or older at the time a Disability Benefit otherwise would be payable.

B. Benefit Increases That Would Not Be Guaranteed under ERISA Section 4022A

The NPF does not pay any post-retirement benefit increase that would not be eligible for guarantee under ERISA Section 4022A on January 1, 2008 because it was adopted, or if later, took effect, less than 60 months from January 1, 2008 (i.e., after 2002). This applies to a scheduled increase, such as the annual increase under the NPF COLA Benefit, which did not take effect before 2003. This reduced NPF COLA Benefits for some and eliminated it for others.

The NPF COLA Benefit paid an annual increase in the form of a “13th check” equal to 2% of the eligible retiree's annual benefit (based on benefits accrued through June 30, 1995) multiplied by the number of full years that the eligible Participant had been receiving NPF pension benefits. The increase took effect after a Participant had received twelve consecutive monthly pension payments, measured as of October 31 of each Plan Year.* Any scheduled increase under the NPF COLA Benefit that did not take effect before 2003, would not be guaranteed under Section 4022A on January 1, 2008 because the scheduled increase must have taken effect more than 60 months before that date.

Accordingly, any scheduled increase under the NPF COLA Benefit that took effect, or was to take effect, after 2002 is reduced to zero.

Note: The Rehabilitation Plan and its Schedules provide that any retiree who received NPF COLA Benefit payments before 2003 had his NPF COLA Benefit payments "rolled back" to the amount of the increase that took effect before 2003 (i.e., to the amount of the 13th payment for 2002).

C. Benefit Payment Options

The Default Schedule reduces the number of available benefit payment options by eliminating:

1. The Level Income Option;
2. The 120 Certain Payment Option (sometimes called “120-Month Guarantee”); and
3. Lump-sum distributions to surviving spouses;
4. Other lump sum payments in excess of \$5,000 (i.e., the present value of the Participant's accrued benefit, or a preretirement death benefit, may not exceed \$5,000 to be eligible for a lump-sum distribution); and
5. the 60 Certain Payments (sometimes referred to as the “60-Month Guarantee”) and the pop-up (Reversion) for the Joint and Survivor Annuity Options for any Participant with an Effective Date of Pension on or after January 1, 2011.

*This 12-consecutive month period runs from November 1st through October 31st of the preceding year.

CHART 1:
TRUE ACTUARIAL EQUIVALENT EARLY RETIREMENT REDUCTION FACTORS (FROM NORMAL RETIREMENT AGE 65)

-----Months-----

Age in Years	0	1	2	3	4	5	6	7	8	9	10	11
55	0.3659	0.3688	0.3718	0.3747	0.3777	0.3806	0.3836	0.3865	0.3894	0.3924	0.3953	0.3983
56	0.4012	0.4045	0.4078	0.4111	0.4144	0.4177	0.4210	0.4242	0.4275	0.4308	0.4341	0.4374
57	0.4407	0.4444	0.4481	0.4517	0.4554	0.4591	0.4628	0.4664	0.4701	0.4738	0.4775	0.4811
58	0.4848	0.4889	0.4931	0.4972	0.5013	0.5054	0.5096	0.5137	0.5178	0.5219	0.5261	0.5302
59	0.5343	0.5389	0.5436	0.5482	0.5528	0.5575	0.5621	0.5667	0.5714	0.5760	0.5806	0.5853
60	0.5899	0.5951	0.6004	0.6056	0.6108	0.6160	0.6213	0.6265	0.6317	0.6369	0.6422	0.6474
61	0.6526	0.6585	0.6644	0.6703	0.6762	0.6821	0.6881	0.6940	0.6999	0.7058	0.7117	0.7176
62	0.7235	0.7302	0.7369	0.7436	0.7503	0.7570	0.7637	0.7704	0.7771	0.7838	0.7905	0.7972
63	0.8039	0.8115	0.8192	0.8268	0.8344	0.8420	0.8497	0.8573	0.8649	0.8725	0.8802	0.8878
64	0.8954	0.9041	0.9128	0.9216	0.9303	0.9390	0.9477	0.9564	0.9651	0.9739	0.9826	0.9913
65	1.0000											

The Segal Company

Interest rate: 7.50%

Mortality table: RP-2000 Male Combined Healthy Blue Collar Table Form of Payment: Single Life Only