



SHEET METAL WORKERS' NATIONAL PENSION FUND

SUMMARY OF MATERIAL MODIFICATIONS & ANNUAL UPDATE

This notice contains a Summary of Material Modifications to the 2014 Summary Plan Description (2014 SPD) and additional important information concerning the SMW National Pension Fund. It should be read and retained with your 2014 SPD for future reference. For additional information about your benefit, go to the Fund's website at www.smwnpf.org.

JULY 2019

SUMMARY OF MATERIAL MODIFICATIONS

This Summary notifies you of material modifications that were made to the National Pension Fund's Plan Document and Funding Improvement Plan (FIP) (including the FIP Schedule) between July 1, 2018 and June 30, 2019. This Summary also contains other information about the NPF that you may find helpful, including changes to other information found in the 2014 SPD. You may have been notified already about some of the modifications or changes described in this Summary.

This Summary is intended to be consistent with the terms of the Plan Document and the FIP (including the FIP Schedule). However, if there is any conflict or inconsistency between the terms of those documents and the terms of this Summary, **the terms of the Plan Document and the FIP (including the FIP Schedule) will always control.** For a copy of the Plan Document, the FIP (including the FIP Schedule, which contains the Default and Alternative Options), the SPD, or a prior year's Summary of Material Modifications, a Participant or Beneficiary should write to the Fund Office at the address below or go to www.smwnpf.org. Additionally, Participants and Beneficiaries may inspect the Plan Document and other pertinent documents, including Collective Bargaining Agreements, at the Fund Office during normal business hours.

Not all the information summarized here affects every Participant and Beneficiary. Whether a modification or change affects an individual Participant or Beneficiary will depend upon the individual's circumstances. If you

have any questions about how the information summarized below may affect you, please write to the Fund Office at the address below or go to www.smwnpf.org and click on "Contact Us" located at the top of the Fund's homepage.

VARIABLE BENEFIT ACCRUAL RATE (VBAR) FOR 2019 CONTRIBUTION HOURS

Under the VBAR formula, your benefit is based on a percentage of contributions required to be made on your behalf to the Fund, and that percentage, called the "Applicable Percentage" may vary from year to year because it is based on historical investment returns. Specifically, the formula uses an historical 3-year average market value investment return percentage, as reported in the prior year's Actuarial Valuation.

Each year, the Fund's actuary issues an Actuarial Valuation, which, among other things, reports the average market value investment return for the three preceding years. The average market value investment return will fall between ranges shown in the table. Under VBAR, the Applicable Percentage is shown in the table below:

Average Market Value Investment Return	Applicable Percentage for Normal Retirement Pension Benefit
10.0% or higher	1.25%*
8.5% but less than 10%	1.0%*
6.5% but less than 8.5%	0.75%*
more than 0% but less than 6.5%	0.50%*
0% or less	0%*

*If a 55/30 Rate applies, the Applicable Percentage is only applied to 70% of your Contribution Rate (called the "Benefit Rate"). You can find the VBAR Normal Retirement Pension formula under Section 5.03 (g) of the Plan Document, which can be viewed from the NPF's website at www.smwnpf.org (under "About the Fund").

The 2018 Actuarial Valuation is used to determine the Applicable Percentage for 2019. It shows the market value investment return percentages for 2015, 2016, and 2017 (the three preceding years) as follows:

2015	-0.42%
2016	8.08%
2017	14.11%

The average of those investment return percentages is **7.26%**. Because that percentage is more than 6.5% but less than 8.5%, the Applicable Percentage is **0.75%*** for 2019 Contribution Hours.

FUNDING IMPROVEMENT PLAN CHANGES

The Funding Improvement Plan Schedule was amended to adopt the following increases:

Former First Alternative Schedule/First Alternative Option under FIP:

- 2021 Plan Year Increase: 2% times the Contribution Rate in effect on December 31, 2020.
- 2022 Plan Year Increase: 2% times the Contribution Rate in effect on December 31, 2021.

Former Second Alternative Schedule/Second Alternative Option under FIP:

- 2021 Plan Year Increase: 1% times the Contribution Rate in effect on December 31, 2020.
- 2022 Plan Year Increase: 1% times the Contribution Rate in effect on December 31, 2021.

TIMEFRAME FOR COMPLETING A PENSION APPLICATION

The Fund office cannot begin monthly benefit payments without certain required information. Effective October 2018, the Plan was amended to provide that a Participant

applying for pension or disability benefits must fully complete his or her election, along with supplying any other information necessary to begin payments, within 180-days of the Fund's request. If a Participant does not provide all requested information within this timeframe, his or her application will be void and treated as if it had not been filed with the Fund. This means that any subsequent application will be treated as a new request - which includes the first month for which benefits are payable. This change increased the timeframe to submit all requested and/or required information from 90-days to 180-days.

TIMEFRAME FOR FILING SUIT

The Plan was amended to extend the timeframe in which a Participant may file suit against the Plan or Board of Trustees after his or her exhaustion of the Plan's appeal process. The timeframe was extended from 90-days to one (1) year.

DEFINITION OF OWNER-MEMBER

Currently, under the Plan, an Owner-Member of an Employer that is knowingly delinquent to the Plan for six (6) months will no longer be a Covered Employee effective on the first day of the following month until the delinquency is cured and the Employer makes timely contributions for a period of one-year. For the purposes of this provision, the definition of an Owner-Member was expanded to include any person whose spouse owns stock in, or is an officer or director of, a Contributing Employer.

CHANGE IN TRUSTEES

In 2018, Greg Chastain was appointed to succeed Trustee Patrick Landgraf as a Labor Trustee.

WORK FOR WITHDRAWN EMPLOYERS

To earn pension benefits with the Fund, you must be working in Covered Employment for an NPF Contributing Employer. If you work for an employer that is no longer obligated to contribute to the Fund (i.e., has withdrawn from the Fund), you will not earn additional pension benefits for any employment with that employer. Working for a withdrawn employer instead of a Contributing Employer can have other adverse consequences, such as delaying the start of Early Retirement Pension benefits or losing eligibility for a 55/30 Pension (if applicable). With that in mind, the

Fund learned of the following withdrawals since July 1, 2018:

Local	Employer	Withdrawal Date
2	Acme Sign Hanger	5/16/19
2	Walrath Heating	3/21/18
7	JLK Mechanical	5/1/17
7	Bob's Roofing Company	5/1/18
10	Lawrence Sign	6/1/18
12	Universal Erectors	10/1/12
17	Leading Way Construction, Co.	11/30/15
19	J Stober & Sons, LLC	4/1/10
19	Midatlantic Site Services	5/1/19
23	Polar Refrigeration & Restaurant Equip.	2/16/18
24	Metal Airways	7/1/18
27	Burriss Construction / KBWB Construction	12/31/16
28	SMS Sheet Metal and M&S Mechanical	8/1/18
33	Pennington & Beckley Mechanical Control Group	10/1/13
36	True Comfort Heating and Cooling, LLC	10/4/18
36	Midwest Airflow Tech, LLC	2/19/19
36	DFH Enterprises/Level 9 Heating and Cooling	11/30/18
36	Testing & Balancing Company of Ozarks, LLC	6/30/18
40	Acme Testing & Balancing, LLC	2/1/18
49	Engineered Environments LLC	4/1/13
49	Tecta America	5/6/16
66	Barron Heating & A/C, Inc.	8/1/18
68	L&L Fabrication, LLC	5/10/19
68	Stewart Environmental	7/1/18
73	DVC J Company, LLC	5/31/17
73	National Metal Fabricators	7/1/2018
80	Aerodynamics Inspecting	5/1/15
170	Angelus Sheet Metal Mfg.	12/31/17
219	SP Heating and Cooling	11/1/18
73, 265	Michael A. Prate Inc.	5/1/13

If you are employed by any of these companies on or after the date specified above, you will not earn any additional benefits from the Fund for any work you perform for those businesses, and you will not be credited with any type of service under the Plan for that work, including, but not limited to Future Service Credit

and Hours of Work in Covered Employment (relevant to Vested Status, Breaks in Service and other eligibility requirements).

NOTICE OF NPF BENEFIT STATEMENT AVAILABILITY

Enclosed with this Summary please find an annual notice regarding the availability of a pension benefit statement to our active and inactive Participants. The enclosed notice explains how you can request an estimate of your accrued benefit and your vested status.