



SHEET METAL WORKERS' NATIONAL PENSION FUND

SUMMARY OF MATERIAL MODIFICATIONS & ANNUAL UPDATE

This notice contains a Summary of Material Modifications to the 2019 Summary Plan Description (SPD) and additional important information concerning the SMW National Pension Fund. It should be read and retained for future reference. For additional information about your benefit or to review the SPD, go to the Fund's website at www.smwnpf.org.

JULY 2022

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, 2021, and June 30, 2022. This Summary also contains other information about the NPF that you may find helpful, including changes to other information found in the 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. However, if there is any conflict or inconsistency between the terms of the Plan Document and the terms of this Summary, **the terms of the Plan Document will always control**. For a copy of the Plan Document, or the SPD, 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 2022 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 below. 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 2021 Actuarial Valuation is used to determine the Applicable Percentage for 2022. It shows the market

value investment return percentages for 2018, 2019, and 2020 (the three preceding years) as follows:

2018 -4.12%
 2019 17.18%
 2020 11.60%

The average of those investment return percentages is **8.22%**. Because that percentage is greater than 6.5% but less than 8.5%, the Applicable Percentage is **.75%*** for 2022 Contribution Hours.

BENEFITS EARNED WHILE EMPLOYED AS A SALTED ORGANIZER OR YOUTH-TO-YOUTH APPRENTICE

Under the Plan, a Participant working as a bona fide “Salted” Organizer or “Youth-to-Youth” apprentice can earn Pension Credit based on the number of hours of work performed. In addition to other requirements, this work must be certified in writing to the Fund Office by SMART International within 12 months after the last month in which this employment is worked. The Plan was recently amended to clarify the provisions intended to provide Participants with pension benefits based on the Contribution Rate that was in effect in the jurisdiction in which the work was performed.

WORK FOR WITHDRAWN / TERMINATED 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 or has been terminated as a Contributing Employer), you will not earn additional pension benefits for any work 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, 2021.

If you are employed by any of these employers on or after the date specified above, you will not earn any additional benefits from the Fund for any work you perform for these businesses¹, and you will not be credited with any type of service under the Plan for that

¹ Bray Sheet Metal, Co., Edwards Metals, Inc., Harvey Sheet Metal, and Ketcher & Company ceased to have an obligation to the Fund

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).

Employer	Local	Date
Steinmetz Neon, LLC	2	12/31/2021
Mixer Sheet Metal d/b/a Montavilla Sheet Metal	16	12/31/2020
Alpine Plumbing / Navarette Mechanical	18	8/31/2019
Map Services, LLC	18	8/1/2017
SG Mechanical / Founders 3 Real Estate	18	3/31/2015
Precision Duct, LLC / Precision Duct Systems	24	4/1/2017
Precision Air Balance	25	12/31/2021
Bernal Mechanical Contractors, Inc.	27	10/30/2013
PJM Mechanical / G2D Mechanical	27	11/30/2020
Q-Tab, Inc.	29	6/21/2021
Stonegate Construction, Inc.	33	1/1/2022
Automatic Climate Control	36	1/31/2019
Bray Sheet Metal, Co.	36	7/31/2021
Edwards Metals, Inc.	36	7/31/2021
Harvey Sheet Metal	36	7/31/2021
Ketcher & Company	36	7/31/2021
Kuenz Heating & Sheet Metal, Co.	36	7/20/2021
A Borrelli HVAC	38	1/1/2017
System Dynamics	45	12/31/2021
Complete Balance Service, Inc.	73	4/30/2017
Fischer HVAC, Inc.	103	3/31/2022
Richards Klein Sheet Metal Fabricators, Inc.	110	11/30/2017
Pacific Corrugated Pipe	170	7/30/2021
US Prefinished Metals	170	12/31/2020
Superior Heating & A/C	219	8/1/2021
Barnhart Heating & Cooling	268	4/1/2022
Moffitt Mechanical	435	6/1/2018

effective May 31, 2021. As a result, Participants employed with any one of these companies will not earn additional pension benefits for work performed after this date.

DEFINITION OF ALUMNI STATUS

Effective January 1, 2022, to be deemed an Alumni employee working in covered employment pursuant to a Participation Agreement with a SMART Local or a related organization, he / she must have worked in a position covered by a Collective Bargaining Agreement for at least ninety (90) days.

GREEN ZONE STATUS

Earlier this year, the NPF's actuary certified that the Fund is in the "Green Zone." You can find a copy of the 2022 Actuarial Certification of Plan Status at www.smwnpf.org under Plan Documents.

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.