



# SHEET METAL WORKERS' NATIONAL PENSION FUND

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2025 ANNUAL FUNDING NOTICE  
EIN 52 6112463/PLAN NO. 001  
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April 2026

## 2025 ANNUAL FUNDING NOTICE FOR THE SHEET METAL WORKERS' NATIONAL PENSION FUND

### Introduction

This notice provides key details about your multiemployer pension plan, the Sheet Metal Workers' National Pension Fund (the "Plan" or "NPF") for the plan year beginning January 1, 2025 and ending December 31, 2025 ("Plan Year").

**This is an informational notice. You do not need to respond or take any action.**

This notice includes:

- Information about your Plan's funding status.
- Details on your benefit payments guaranteed by the Pension Benefit Guaranty Corporation (PBGC), a federal insurance agency.

### What if I have questions about this notice, my Plan, or my benefits?

Contact your plan administrator at:

- Sheet Metal Workers' National Pension Fund, c/o Lori Wood Executive Director
- Phone: 1.800.231.4622
- Address: 3180 Fairview Park Drive, Suite 400, Falls Church, VA 22042
- Email: [BOT@smwnpf.org](mailto:BOT@smwnpf.org)

To better assist you, provide your plan administrator with the following information when you contact them:

- **Plan Number:** 001
- **Plan Sponsor Name:** Board of Trustees of the Sheet Metal Workers' National Pension Fund
- **Employer Identification Number:** EIN 526112463

**What if I have questions about PBGC and the pension insurance program guarantees?**

Visit [www.pbgc.gov/prac/multiemployer](http://www.pbgc.gov/prac/multiemployer) for more information. For specific information about your pension plan or pension benefits, you should contact your employer or plan administrator as PBGC does not have that information.

Federal law requires all traditional pension plans, also known as defined benefit pension plans, to provide this notice every year regardless of funding status. This notice does not mean your Plan is terminating.

**How Well Funded Is Your Plan?**

The law requires the administrator to tell you how well the Plan is funded, using a measure called the "funded percentage." The funded percentage is calculated by dividing Plan assets by Plan liabilities. In general, the higher the percentage, the better funded the plan. The chart below shows the Plan's funded percentage for the Plan Year and the two preceding plan years. It also lists the value of the Plan's assets and liabilities for those years.

**Funded Percentage**

Plan Year	2025	2024	2023
Valuation Date	January 1, 2025	January 1, 2024	January 1, 2023
Funded Percentage	88%	86%	82%
Value of Assets*	\$8,361,404,094	\$7,798,704,066	\$7,248,889,930
Value of Liabilities*	\$9,511,921,500	\$9,109,283,572	\$8,824,196,100

\* NOTE: The "Value of Assets" figures above reflect the actuarial (smoothed) value of assets reported in the NPF's Actuarial Valuation and Review ("Valuation") as of the applicable Valuation Date. The "Value of Liabilities" figures above reflect the "actuarial accrued liability" reported in the Valuation as of the applicable Valuation Date.

**Year-End Fair Market Value of Assets**

To provide further insight into the Plan's financial position, the chart below shows the fair market value of the Plan's assets on the last day of the Plan Year and each of the two preceding plan years as compared to the actuarial value of the Plan's assets on December 31st.

- **Actuarial values (shown in the chart above)** account for market fluctuations over time. Unlike market values, actuarial values do not change daily with stock or market shifts.
- **Market values (shown in the chart below)** fluctuate based on investment performance, providing a more immediate snapshot of the plan's funding status.

Year Ended December 31	2025	2024	2023
Fair Market Value of Assets	\$9,263,378,352**	\$8,245,546,093	\$7,521,585,807

**\*\*NOTE:** The fair market value figure for December 31, 2025 above is based on an unaudited financial statement provided by the Plan's Fund Office. This figure may change when an audit of the Plan's December 31, 2025 financial statement is completed.

**Endangered, Critical, or Critical and Declining Status**

Under federal pension law, a plan's funding status determines the steps a plan must take to strengthen its finances and continue paying benefits:

- **Endangered:** The plan's funded percentage drops below 80 percent. The plan's trustees must adopt a funding improvement plan.
- **Critical:** The plan's funded percentage falls below 65 percent or meets other financial distress criteria. The plan's trustees must implement a rehabilitation plan.
- **Critical and Declining:** A plan in critical status is also designated as critical and declining if projected to become insolvent—meaning it will no longer have enough assets to pay out benefits—within 15 years (or within 20 years under a special rule). The plan's trustees must continue to implement the rehabilitation plan. The plan's sponsor may seek approval to amend the plan, including reducing current and future benefits.

The Plan was not in endangered, critical, or critical and declining status in the Plan Year, and is also not in endangered, critical, or critical and declining status for the 2026 Plan Year.

**Participant and Beneficiary Information**

The following chart shows the number of participants and beneficiaries covered by the Plan on the last day of the Plan Year and the two preceding plan years. The numbers for the Plan Year reflect the plan administrator's reasonable, good faith estimate.

<b>Number of participants and beneficiaries on last day of relevant plan year</b>	<b>2025 Plan Year*</b>	<b>2024 Plan Year</b>	<b>2023 Plan Year</b>
1. Last day of plan year	December 31, 2025	December 31, 2024	December 31, 2023
2. Participants currently employed	65,156	66,166	63,530
3. Participants and beneficiaries receiving benefits	55,730	51,669	50,745
4. Participants and beneficiaries entitled to future benefits (but not receiving benefits)	<u>34,425</u>	<u>34,540</u>	<u>34,690</u>
5. Total number of covered participants and beneficiaries (Lines 2 + 3 + 4 = 5)	155,311	152,375	148,965

\* Estimated

## **Funding & Investment Policies**

### **Funding Policy**

Every pension plan must establish a funding policy to meet its objectives. The funding policy relates to how much money is needed to pay promised benefits. The Plan is funded by contributions made by employers pursuant to collective bargaining agreements with the unions that represent the Plan's participants and investment income generated by the Plan's investments. The funding policy is designed to comply with the funding requirements of ERISA and the Internal Revenue Code. The Plan's Board of Trustees monitors the Plan's funding requirements with the assistance of the Plan's actuary.

### **Investment Policy**

Pension plans also have investment policies that provide guidelines for making investment management decisions. Once money is contributed to the Plan, the money is invested by Plan officials called fiduciaries. Specific investments are made in accordance with the Plan's investment policy. Generally, an investment policy is a written statement that provides the fiduciaries that are responsible for plan investments with guidelines or general instructions concerning various types or categories of investment management decisions. The investment policy of the Plan is adopted by the Trustees, but the discretionary authority to allocate and invest the vast majority of the Plan's assets has been delegated to an "Investment Manager" within the meaning of ERISA.

In summary, the investment policy states that the Plan's objective is for the Investment Manager to obtain a long-term annualized rate of return (net of fees) equal to the Plan's assumed actuarial rate of return, which currently is 7.00%.

As of the end of the Plan Year, the Plan's assets were allocated among the following investment categories as percentages of total assets:

<b>Asset Allocations</b>	<b>Percentage</b>
Stocks	18.21%
Investment grade debt instruments	18.02%
High-yield debt Instruments	3.60%
Real estate	6.63%
Other	53.54%

### **Return on Plan Assets for Plan Year**

The return on assets for the Plan Year ended December 31, 2025 was estimated to be 12.5%.

### **Events Having a Material Effect on Assets or Liabilities**

By law, this notice must include an explanation of any new events that materially affect the Plan's liabilities or assets. These events could affect the Plan's financial health or its ability to meet its obligations.

For the plan year beginning on January 1, 2026 and ending on December 31, 2026, there are no events expected to have such an effect.

### **Right to Request a Copy of the Annual Report**

Pension plans must file an annual report, called the Form 5500, with the U.S. Department of Labor. The Form 5500 includes financial and other information about these pension plans.

You can get a copy of your Plan's Form 5500:

- **Online:** Visit <https://www.efast.dol.gov/> to search for your Plan's **Form 5500** or visit our website at [www.smwnpf.org](http://www.smwnpf.org).
- **By Mail:** Submit a written request to your plan administrator.
- **By Phone:** Call 202-693-8673 to speak with a representative of the U.S. Department of Labor, Employee Benefits Security Administration's Public Disclosure Room.

The Form 5500 does not include personal information, such as your accrued benefits. For details about your accrued benefits, contact your plan administrator.

### **Summary of Rules Governing Insolvent Plans**

Federal law has a number of special rules that apply to financially troubled multiemployer plans that become insolvent, either as ongoing plans or plans terminated by mass withdrawal. The plan administrator is required by law to include a summary of these rules in the annual funding notice. A plan is insolvent for a plan year if its available financial resources are not sufficient to pay benefits when due for that plan year. An insolvent plan must reduce benefit payments to the highest level that can be paid from the plan's available resources. If such resources are not enough to pay benefits at the level specified by law (see Benefit Payments Guaranteed by PBGC, below), the plan must apply to PBGC for financial assistance. PBGC will loan the plan the amount necessary to pay benefits at the guaranteed level. Reduced benefits may be restored if the plan's financial condition improves.

A plan that becomes insolvent must provide prompt notice of its status to participants and beneficiaries, contributing employers, labor unions representing participants, and PBGC. In addition, participants and beneficiaries also must receive information regarding whether, and how, their benefits will be reduced or affected, including loss of a lump sum option.

### **Benefit Payments Guaranteed by PBGC**

Only vested benefits—those that you've earned and cannot forfeit—are guaranteed.

#### **What PBGC Guarantees**

PBGC guarantees “basic benefits” including:

- Pension benefits at normal retirement age.
- Most early retirement benefits.
- Annuity benefits for survivors of plan participants.
- Disability benefits for disabilities that occurred before the earlier of the date the plan terminated or the sponsor's bankruptcy date.

#### **What PBGC Does Not Guarantee**

PBGC does not guarantee certain types of benefits, including:

- A participant's pension benefit or benefit increase until it has been part of the plan for 60 full months. Any month in which the multiemployer plan was insolvent or terminated due to mass withdrawal does not count toward this 60-month requirement.
- Any benefits above the normal retirement benefit.
- Disability benefits in non-pay status.
- Non-pension benefits, such as health insurance, life insurance, death benefits, vacation pay, or severance pay.

#### **Determining Guarantee Amounts**

The maximum benefit PBGC guarantees is set by law. Your plan is covered by PBGC's multiemployer program. The maximum PBGC guarantee is \$35.75 per month, multiplied by a participant's years of credited service.

PBGC guarantees a monthly benefit based on the plan's monthly benefit accrual rate and your years of credited service. The guarantee is calculated as follows:

1. Take 100 percent of the first \$11 of the Plan's monthly benefit accrual rate.
2. Take 75 percent of the next \$33 of the accrual rate.
3. Add both amounts together.
4. Multiply the total by your years of credited service to determine your guaranteed monthly benefit.

**Example 1:** Participant with a \$600 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$600/10 = \$60$  accrual rate.
2. Apply PBGC formula:  
Take 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$33 = \$24.75
3. Add the two amounts together:  $\$11 + \$24.75 = \$35.75$
4. Multiply by years of credited service:  $\$35.75 \times 10 \text{ years} = \$357.50$

In this example, the participant's guaranteed monthly benefit is \$357.50.

**Example 2:** Participant with a \$200 Monthly Benefit and 10 Years of Service.

1. Find the accrual rate:  $\$200/10 = \$20$  accrual rate.
2. Apply PBGC formula:  
Take 100 percent of the first \$11 = \$11  
Take 75 percent of the next \$9 = \$6.75
3. Add the two amounts together:  $\$11 + \$6.75 = \$17.75$
4. Multiply by years of credited service:  $\$17.75 \times 10 \text{ years} = \$177.50$

In this example, the participant's guaranteed monthly benefit is \$177.50.