



SHEET METAL WORKERS' NATIONAL PENSION FUND

SUMMARY OF MATERIAL MODIFICATIONS including FUNDING IMPROVEMENT PLAN CHANGES

This notice contains important information concerning your National Pension Fund. It should be read and retained for future reference. For additional information about your benefit go to the Fund's website at www.smwnpf.org.

JULY 2015

This Summary reviews material changes to the Fund's Plan Document, and the **Funding Improvement Plan (FIP), including the FIP Schedule (containing the Options)**, which were adopted from July 2014 through June 2015, as well as changes to other material information found in the Summary Plan Description (SPD).

This Summary is intended to be consistent with the actual text of the Plan Document, the Funding Improvement Plan, including the FIP Options. In the event there is a conflict between this Summary and the Plan Document, or the Funding Improvement Plan (and FIP Schedule), **the text contained in those documents always controls over the text in this Summary.** For a complete copy of the Plan Document, Funding Improvement Plan and Schedule (which contains the Options) or the SPD, a Participant should write the Fund Office at the address below or go to www.smwnpf.org. Also, Participants may inspect the Plan Document and other documents at the Fund Office.

Not all changes summarized here affect all Participants. Whether a change affects an individual Participant varies depending upon personal circumstances. A Participant may write to

the Fund Office for an update on eligibility and a benefits estimate.

NONE OF THE CHANGES SUMMARIZED BELOW AFFECT RETIREES. The Summary of changes follows.

FUNDING IMPROVEMENT PLAN CHANGES

The Funding Improvement Plan has a Schedule that contains FIP Options which bargaining parties (the Union and Employers) may adopt subject to certain limitations. Benefit adjustments under each Option are limited to the benefits you earn after the Option is elected.

Impact of Future Changes to Options (e.g., increases due under the First or Second Alternative Options)

Under the Funding Improvement Plan Schedule both the First Alternative Option and the Second Alternative Option currently have scheduled annual Contribution Rate increases through 2017, and the Default Option currently have no increases through 2017. Earlier this year the Funding Improvement Plan Schedule was amended to provide that in the event the bargaining parties negotiate or otherwise agree to a Collective Bargaining Agreement that

expires after 2018, they will be deemed to have agreed to any additional Contribution Rate increases and/or future benefit reductions which apply to such Option.

FREE LOOK EXCEPTION

The Trust Document's Appendix A (withdrawal liability) was amended to provide a "Free Look Exception" for new Employers in 2015. The Free Look Exception gives a new Employer who first has an obligation to contribute to the Plan on or after January 1, 2015, but before January 1, 2016, an opportunity to become a Contributing Employer without incurring withdrawal liability, provided certain conditions are met, including an acceptable collective bargaining agreement.

One such condition is that if the Employer's obligation to contribute to the NPF ceases, it must not have had an obligation to contribute for more than 48 consecutive calendar months (starting with the first month for which the Employer is obligated to contribute to the NPF). Appendix A also provides for the cancellation of Past Service Credit with an Employer who meets all other conditions of the Free Look Exception. In order to reflect that condition, the Plan Document also was amended, effective January 1, 2015, to provide that Past Service Credit with an Employer whose Contribution Date is on or after January 1, 2015 will be cancelled (and will not be considered in determining the Participant's benefit) if that Employer ceases contributing to the Fund and is not liable for withdrawal liability by reason of the Free Look Exception. The Board of Trustees will review Appendix A each year and determine if the Free Look Exception will be extended to new Employers who first have an obligation to contribute on or after January 1, 2016.

For more information regarding the Free Look Exception, contact the Fund Office.

FUND ADMINISTRATION

Effective July 1, 2015, Marc LeBlanc stepped down as the NPF Fund Administrator. The Board of Trustees has appointed an Executive Director, Lori Wood, who will be responsible for the day-to-day administration of the NPF. Any reference to the "Fund Administrator" in any NPF document (e.g., SPD, Plan Document, Trust Document, contracts, etc.) should be read as referring to the "Executive Director" after June 30, 2015. For a brief bio on Ms. Wood, go to the website www.swmnnpf.org.

NOTICE OF BENEFIT STATEMENT AVAILABILITY

In previous years, the NPF has provided Pension Benefit Statements to active Participants once every 3 years. Beginning this year, we will no longer send out these statements. Instead, beginning this year, we will provide you with the enclosed annual Notice advising you where to find your Pension Benefit Statement including instructions on requesting this information.