

**IMPORTANT NOTICE TO PLAN PARTICIPANTS AND BENEFICIARIES  
OF THE SHEET METAL #10 SAFE FUND**

**SUMMARY OF MATERIAL MODIFICATIONS**

The Summary Plan Description of the Sheet Metal #10 SAFE Fund has been amended. Please update your booklet (2011) to reflect the changes made by the amendment(s). The attached pages replace the corresponding information in the booklet.

**If You're Not Working in Construction, Not Covered Under the Benefit Plan, and No Money Has Gone into Your Account for 12 Months, You May Be Eligible to Receive the Severance Benefit.**

There is no minimum account balance required to qualify for the Severance Benefit.

Your SAFE account balance, less an administrative charge equal to 14% of your account balance, will be distributed to you upon your proper application to the Plan if you meet all of the following requirements:

1. You are not eligible to elect coverage as either an active employee or a retiree under the Sheet Metal #10 Benefit Fund; and
2. No Employer Contributions have been made to the SAFE Plan for a period of twelve (12) months; and
3. You have not engaged in any employment or self employment in any position for any business (in any form) which performs any work within the construction industry within the geographic jurisdiction of the Union.

**Construction Industry**

For purposes of this Plan, "Construction Industry" means:

- Work performed in the construction, alteration and/or repair of any building, structure or improvement on the construction site thereof and work off-site if necessary and incidental to the on-site work;
- Work performed in "construction, alteration, and/or repair" includes:
  - Remodeling, painting and decorating;
  - The transporting of materials and supplies on, to, or from the site by employees of employer engaged in the on-site construction, alteration, and/or repair; and
  - The manufacture or furnishing of materials, articles, supplies or equipment on the site by employees of the employer engaged in the on-site construction, alteration and/or repair.
- "Building, structure or improvement" includes, bridges, dams, plants, highways, parkways, streets, subways, tunnels, sewers, mains, power lines, pumping stations, railways, airports, terminals, docks, piers, wharves, breakwaters, levees, canals, dredging, shoring, rehabilitation and reactivation of plans, scaffolding, drilling, blasting, excavating, demolishing, clearing and landscaping.

- The construction "site" includes any nearby non-permanent facility used by the Employer in connection with its work on the construction site.
- Work off-site is "necessary to the on-site work" if it is the manufacture or furnishing of materials, supplies, equipment or articles necessary to the work performed on the site of the work.
- Work off-site is "incidental to the on-site work" if (i) it is performed by employees of the on-site employer, (ii) the man-hours of on-site employment generally exceed the man-hours of such off-site work, and (iii) the on-site and off-site work are covered by the same Collective Bargaining Agreement. The same type of off-site work will be deemed "incidental to the on-site work" even when it is performed by employees of another employer and/or under a separate Collective Bargaining Agreement, if it is customary in that area for such work to be performed by employees of the employer engaged in the on-site work as an activity incidental to its on-site work, as defined in the preceding sentence. Work off-site, will also be deemed "necessary and incidental to the on-site work" if such work was and is treated as work performed in the Construction Industry by the employers participating in the Plan.

If at the time of your retirement and for the five years preceding your retirement, your employer was signatory to a collective bargaining agreement with Sheet Metal Local No. 10 which did not require contributions to the Sheet Metal #10 Benefit Fund on your behalf, you will **not** be eligible for this benefit.

If you do not apply to receive this benefit within five consecutive years of the last contribution being made to the SAFE Plan on your behalf, this benefit will be forfeited to the SAFE Plan. However, any year in which one or more of the following events occur will be considered a grace year and will not be counted for these purposes. A grace year, though, will not result in the consecutive-year count being restarted.

1. Years in which you were employed by an employer that was signatory to a bargaining agreement with Sheet Metal Local No. 10, even if you were not employed in a position for which contributions were required on your behalf;

2. Years in which you were employed in a bargaining unit position covered by a bargaining agreement with Sheet Metal Local No. 10, but for which contributions were not credited to your SAFE Plan account because it had reached the maximum permissible balance under the Plan.

3. Years in which you were served in the Armed Forces of the United States of America;

4. Years in which you were employed full-time by Sheet Metal Local No. 10, the Sheet Metal, Air, Rail and Transportation Workers Union, or the Fund Office operated by the Sheet Metal Local 10 Control Board;

5. Years in which you were employed by an apprenticeship/journeyman training program sponsored by Sheet Metal Local No. 10;

6. Years in which you were employed under the terms of a Sheet Metal Local Union collective bargaining agreement in a jurisdiction other than the jurisdiction of Sheet Metal Local No. 10.

In each instance, it shall be the responsibility of the Participant to provide the Plan Administrator, upon request, with the information necessary to confirm that grace year status should be applied to any specific year. The Board of Trustees shall have total and final discretion regarding this determination.

In addition to the administrative charge described above, applicable state and federal taxes will be withheld as required by law based on your designation on an applicable tax withholding form.

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**How Employer Contributions Are Determined**

Your employer makes contributions to the SAFE Plan based on the collective bargaining agreement. The amount contributed is determined by that agreement. As an employee, you are neither required nor allowed to make contributions to this Plan. While all monies contributed to the SAFE Plan will be held in a single trust fund, the Plan will keep records of monies contributed on your behalf (called your SAFE Plan "account"). Earnings, losses and expenses will be allocated at least annually.

The Plan is funded solely through Employer Contributions. To fund your SAFE Plan account, one-half of the monthly contribution to the Supplemental Retirement Plan will be diverted to your SAFE Plan account until your SAFE Plan account balance reaches \$8,000. At that point, the next monthly contributions to the SAFE Plan will stop and the full amount of the Supplemental Retirement Plan contribution will be made to the Supplemental Retirement Plan.

If your SAFE Plan account balance falls below \$8,000 at the end of any month, one-half of the next monthly Supplemental Retirement Plan contribution will again be diverted to your SAFE Plan account and will continue on a monthly basis until the SAFE Plan account balance reaches \$8,000.

**Example**

The collective bargaining agreement under which you are working requires \$2.00 per hour to be contributed to the Supplemental Retirement Plan. One-half of this (\$1.00 per hour) will be diverted to your SAFE Plan account while your contributions to this SAFE Plan are building up to the \$8,000 level.

When your SAFE Plan account reaches the \$8,000 level, then upon the next monthly contribution, the full \$2.00 per hour contribution will be made to the Supplemental Retirement Plan on your behalf. The Supplemental Retirement Plan contribution will remain at the \$2.00 level until your SAFE Plan account falls below \$8,000 at the end of any month. If this happens, then an Employer Contribution of \$1.00 per hour will again be diverted to your SAFE Plan account.

It is important to note that in any given month of contribution, the diversion of contributions to the SAFE Plan is based upon your SAFE balance at the time of the contribution. For example, if your SAFE balance is \$7,999 at the time a monthly contribution is made, then one half of that monthly contribution will be diverted to the SAFE Plan as the balance was below \$8,000. If the balance remains at \$8,000 or more when the next monthly contribution is made, no diversion will be made to the SAFE Plan as the balance is over \$8,000.

The contribution rates are set by the collective bargaining agreement. The rates in the above example may differ depending on the terms of your particular agreement.