



Welfare, Pension and Annuity Funds

THE SHEET METAL WORKERS' LOCAL NO. 73 PENSION FUND

Notice of Important Changes to the Plan

January 2024

Dear Participant:

The Trustees of the Sheet Metal Workers Local 73 Pension Fund ("Pension Fund") are pleased to announce new benefit improvements that are designed to enhance benefits for members and retirees while protecting the long-term health and sustainability of the Pension Fund.

2024 Benefit Improvements

1. The Trustees have approved a permanent 5% increase for all retirees, surviving spouses, disabled participants and alternate payees who are in pay status as of January 1, 2024.
2. The Trustees have approved a \$15.50 increase in the value of each pension credit earned after January 1, 2024. The value of each pension credit earned for work performed on and after January 1, 2024 will increase from \$84.50 to \$100.00.
3. All Special Service Credits have been increased by \$5.00, from \$5.50 to \$10.50, effective for Special Service Credits earned for work performed on and after January 1, 2024.
4. A new Special Service Credit has been introduced for reaching 2,400 hours of Work in Covered Employment, effective for work performed on and after January 1, 2024.
5. Effective January 1, 2023, the beneficiary of any vested Participant who (1) dies before commencing their pension; (2) is not married at the time of death; and (3) does not have an ex-spouse who is entitled to receive a Preretirement Surviving Spouse Pension, will receive a lump sum payment that is the actuarial equivalent of sixty (60) months of a single life annuity pension based on the Participant's accrued benefit at the time of death but assuming the Participant had reached Normal Retirement Age.

Future Benefit Improvements Subject to Funding Requirement

The Trustees have also agreed to approve additional benefit improvements in 2025 and 2026 if the Pension Fund continues to meet certain agreed-upon funding metrics. All of the Pension Fund's Trustees – Union and Management – want you to receive the pension benefits you have earned. The Pension Fund must maintain a high level of assets in relation to its liabilities in order to fulfill this promise. Establishing these funding requirements allows the Trustees and Pension Fund participants like you to be confident that all promised benefits will be paid and that the Trustees have ample time to react to any market changes that may affect the Pension Fund.

Please note that these future benefit improvements remain subject to the satisfaction of very specific funding requirement guidelines that the Trustees have established. As such, these additional improvements are not final

at this time and are not yet part of your accrued benefit. Nonetheless, based on funding projections from the Pension Fund's actuary, the Trustees are optimistic that the funding requirements will be met through 2026, and well into the future. The Trustees will issue future announcements if and when the funding requirements are met in future years and these future benefit improvements are implemented. If the funding requirements are not met in a particular year, the applicable benefit improvement will not be implemented until the funding requirements are met. Any delayed benefit improvement will be implemented if and when the funding requirements are later met, and will not have retroactive effect.

Please contact the Fund Office if you have any questions.

Raymond Suggs
Union Co-Chairman

James Billard
Management Co-Chairman

This announcement serves as a Summary of Material Modifications (SMM) for the Sheet Metal Workers' Local No. 73 Pension Fund Members. Full details are contained in the documents that establish the Plan provisions. If there is a discrepancy between the wording here and the documents that establish the Plan, the document language will govern. Please keep this SMM with your Summary Plan Description (SPD) for future reference.