

## **ACTIVE PLAN JANUARY 2025**





**JANUARY 1, 2025**

This Summary Plan Description (SPD) contains short descriptions of the benefits provided under both the Active SASMI Plan of Benefits and the Retiree Plan of Benefits. More complete descriptions of the benefits can be found in the Active and Retiree Rules and Regulations (Plan Documents) which are available on the SASMI website, [www.sasmi.org](http://www.sasmi.org). Copies of these documents are also available upon request from the SASMI office at 3180 Fairview Park Drive, Suite 150, Falls Church, VA 22042 and for inspection at the various Local Union offices that participate in SASMI.

Application forms and information about your personal benefits can also be found on the SASMI website, [www.sasmi.org](http://www.sasmi.org).

If you have questions about the website, the benefits, or your eligibility and benefits, you can write to the Fund at the address above or call SASMI at 1-800-858-0354. You may not rely on statements or writings from anyone other than the SASMI Administrator or the Trustees as a group with respect to your SASMI benefits.

If there is any discrepancy between this Summary Plan Description and the Rules and Regulations or Trust Agreement, the Rules and Regulations or Trust Agreement will control. The SASMI Trustees reserve the right to amend the governing documents at any time with respect to any and all benefits including those already approved for payment.

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## WHAT IS SASMI?

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The National Stabilization Agreement of the Sheet Metal Industry Trust Fund (more commonly known as the “SASMI Trust Fund”) is an independent trust fund originally set up to stabilize employment and earnings in the Sheet Metal Industry and to protect you against related loss or interruption of earning power during periods of unemployment or to assist with the cost of travelling in response to a job call in another area. It does this by providing certain benefits to covered sheet metal workers. Since its inception, SASMI has expanded its active benefits to include income replacement for time spent at wellness benefits and for sick leave or while out in relation to a pregnancy. Most

recently for active participants the SASMI Trust Fund has added an active HRA. For both Actives and Retirees there is a life insurance benefit and for Retirees there is a Retiree HCRA (Health Care Reimbursement Account).

In compliance with ERISA, the Trustees of the SASMI Trust Fund have created separate plans for Active Employees (the “Active Employee Plan”) and retirees (the “Retiree Plan”) under the umbrella of the SASMI Trust Fund. In this booklet “SASMI” refers to the trust fund and its two plans – one for Active Employees and one for Retirees, together or separately. **This booklet describes the benefits for Active Employees.**

## WHO RUNS SASMI?

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SASMI is governed by a Board of Trustees half of whom are selected by the Union and half of whom are appointed by the participating Contractors. The Trustees are the legal plan sponsor and plan administrator of SASMI and have full control over its terms and operations.

SASMI operates under a trust agreement which requires that all fiduciary decisions be made

in the best interest of SASMI participants. Its day-to-day operations are carried out under the supervision of an Administrator who is appointed by the Trustees. The Trustees make all policy decisions and the final determination regarding benefit appeals. The SASMI Trustees have the sole and absolute discretion to interpret and apply the provisions of the Rules and Regulations and other SASMI documents.

## HOW ARE BENEFITS FUNDED?

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SASMI is financed by Employer contributions and, to some extent, investment income. All contributions to the SASMI Trust Fund are made by Employers in accordance with their collective bargaining or related agreements with SMART or Local Unions of SMART.

All of the SASMI benefits for Active Employees are paid directly and solely from assets of the

SASMI Active Employee Plan. None of the benefits actually provided by SASMI are insured, and no SASMI benefits are vested. They may be amended, changed, or terminated at any time before you are paid based on available money or any other concerns of the Trustees. In addition to providing benefits, assets are used to pay the administrative expenses of the Fund.

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# Active Benefits

- **Supplemental Unemployment/Underemployment** (one combined Benefit)
  - Advance Supplemental Unemployment (the above Benefits can be paid as an advance before the end of the Stabilization Period)
- **Maternity**
- **Active Plan HRA**
- **Sick Leave Benefit**
- **Welfare (“Health” or “Health & Welfare”)** to continue eligibility in local welfare fund
- **Annual Physical Examination**
- **Travel**
- **Severance** (only applicable for individuals who were participants before 1/1/2010)
- **Death Benefits** for Participants who die while Active Participants and, to a limited extent, for Participants who die after retirement
- **Various temporary benevolent benefits** will be offered from time to time (such as special safety equipment). See [www.sasmi.org](http://www.sasmi.org) for temporary benevolent benefits currently offered.





# I. “Active” SASMI Benefits – General Eligibility Requirements

## A. Initial and Renewing Eligibility

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### Initial Eligibility

You become a participant eligible for Active Benefits after completion of one of the following:

- 1,200 hours within 12 consecutive months; or**
- 2,000 hours within 24 consecutive months; or**
- 2,800 hours within any period of time prior to a loss of eligibility.**

### Renewing Eligibility

If you lose eligibility, you again become eligible for Benefits in the same manner as for initial eligibility.

## B. Recycling of Eligibility

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Eligibility which terminates after receipt of benefits in one (1), two (2) or three (3) Stabilization Periods recycles upon satisfying the same criteria as for initial or reestablished/renewed eligibility. See Sections G & H for information on which benefits will result in a resetting of the period for recycling benefits.

Please note that hours worked in a Stabilization Period in which you draw a Supplemental Unemployment/Underemployment or Welfare Benefit cannot be counted toward re-establishing eligibility.

## C. Stabilization Periods

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SASMI uses “Stabilization Periods” when processing Benefits. Each calendar year is split into an “A” Period (January through June) and a “B” Period (July through December). Periods are referred to as the calendar year and applicable Period (example: 2017-A).

## D. Group Hours

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You should be able to work a certain number of hours in each Stabilization Period based on the work experience of all the participants working in your Local Union. If you have satisfied the requirements for eligibility before the Stabilization Period and involuntarily work less than the Group Hours based on the work experience of your Home Local Union, you may be entitled to benefits based on your lack of employment, either full unemployment or underemployment.

Note: To be eligible for Supplemental Un/Underemployment Benefits you need to be involuntarily unemployed. That means you are not entitled to that benefit if your failure to work at least the number of Group Hours for your Local Union is voluntary (in other words, it was your decision to not work or to not be available for work).

Every Local Union participating in SASMI is periodically (usually annually) classified into one of four groups based on the average hours worked by Active Employees in the Local Union in the prior year (or another period). The standard working hours—called “Group Hours”—for members of each group have been determined actuarially and are shown in the following table:

SASMI GROUP	STABILIZATION PERIOD “A” (1/1 - 6/30)	STABILIZATION PERIOD “B” (7/1 - 12/31)
Group 1	800 hours	900 hours
Group 2	750 hours	850 hours
Group 3	650 hours	750 hours
Group 4	600 hours	700 hours

### E. When Do Benefit Payments Start?

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Benefits are payable in the Stabilization Period after you establish eligibility.

### F. Eligibility for Benefits

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Unless specifically stated otherwise, you must meet these general rules to be eligible for any of the benefits as well as any specific eligibility rules for the benefit you seek.

1. You must meet the General Eligibility Rules as set out more fully in the Plan Documents;
2. You must not have lost eligibility and must not have terminated qualifications for benefits any time during the Stabilization Period for which you seek benefits and any time before the receipt of benefits; and
3. You must submit an application in accordance with Plan procedures.

### G. 100% Rule

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Some benefits are subject to the 100% Rule, which means you cannot receive Benefits, other than “Non-Deduct” Benefits, in excess of the total amount of Contributions (excluding any Contributions to HCRA Plan B) paid for your work at the time of the Benefit application or payment. Benefits subject to the 100% Rule include (1) Annual Physical Benefit, (2) Sick Leave Benefit; (3) Active Death Benefit and (4) Temporary Benevolent Benefits, such as special safety equipment. Receipt of benefits subject to the 100% rule are not considered in determining if you have to recycle eligibility (see B above).

### H. 200% Rule

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Deduct Benefits not subject to the 100% Rule are subject to the 200% Rule. This means that, in general, you cannot receive Active Benefits that equal more than 200% of the contributions received on your behalf. This rule does not apply until you have received Benefits of at least \$20,000.

Note: Your eligibility to receive Benefits that equal up to 200% of contributions is capped at \$125,000 in benefits. If you have received Benefits equal to or in excess of \$125,000, additional

Benefits will only be paid up to 100% of the Contributions paid on your behalf. For example,

- if a participant had \$90,000 in Contributions, then he or she would not be eligible for benefits after a payment resulting in at least \$125,000 in benefits (2x Contributions would be \$180,000, but this individual is capped at \$125,000), and
- if a participant had \$140,000 in Contributions, then he or she would not be eligible for benefits after a payment resulting in at least \$140,000 in benefits.

Receipt of benefits subject to the 200% rule count in determining if you will have to recycle eligibility (see B above).

## I. Non-Deduct Benefits

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In calculating the benefits received for the 100% and 200% rule, certain benefits are not counted. Those benefits include the Annual Physical Benefit and may include Temporary Benevolent Benefits.

## J. When Are Benefits Lost or Reduced?

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Benefits can be lost or reduced as set out in the Sections describing each benefit and in Part VII.A.

### DEDUCT & NON-DEDUCT BENEFITS

The following are **Deduct Benefits** – that means if/when you receive this benefit, the amount you receive is taken into account when calculating your eligibility for future benefits (the 100% and 200% rule) and when calculating your Severance and Retiree HCRA:

- **Supplemental Un and Underemployment**
- **Maternity**
- **Sick Leave**
- **Welfare**
- **Active HRA (unused amounts are available after retirement)**

The following is a **Non-Deduct Benefit** – that means these amounts do not count in your final benefit calculations.

- **Annual Physical Exam Benefit**

## II. Supplemental Unemployment and Underemployment Benefits (Explained as One Benefit)

SASMI encourages work through the Supplemental Un/Underemployment Benefit by supplementing your pay, including if you are not completely out of work. In order to qualify for this benefit, you must either be available for and able to work or unable to work due to illness, injury, or temporary disability. Generally, this means that you remained in your local area and did not take other permanent work.

Benefits are paid only for involuntary un/underemployment. You must be either (1) available for and seeking suitable employment in the Sheet Metal Industry during the Stabilization Period and until receipt of payment in order to receive benefits or (2) unable to work due to illness, injury, or temporary disability.

Suitable employment in the Sheet Metal Industry generally means the type of work covered under the trade jurisdiction of SMART and jobs in related building trades or other work to which you are referred or which you are able to perform because of your skills as a sheet metal worker.

### A. Is There a Difference Between Unemployed and Underemployed? YES!

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Supplemental Unemployment benefits are paid when you work less than the Group Hours and are receiving state unemployment compensation benefits.

Underemployment benefits are paid when you work less than the Group Hours but are not receiving state unemployment compensation benefits. This could include time when you are not working because of illness, injury, or temporary disability.

### B. Eligibility for Supplemental Un/Underemployment Benefits

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You must satisfy the SASMI general eligibility rules to receive these benefits as well as the following additional requirements (if you are unable to work due to illness, injury, or temporary disability, see II.C below):

- You must be involuntarily unable to work the Group Hours applicable to your Home Local Union during a Stabilization Period;
- You must be available for, seek, and accept suitable work in the Sheet Metal Industry in your Home Local Union at all times during a Stabilization Period and until receipt of payment of benefits;
- You must demonstrate a willingness to travel reasonable distances on referral from your Home Local Union to secure suitable work in the Sheet Metal Industry; and
- You must submit a timely application in accordance with procedures established by the Trustees.

You can lose eligibility or forfeit these benefits for several reasons, including the following:

- You turn down an offer of suitable employment during a Stabilization Period;
- You refuse to travel a reasonable distance to secure suitable employment;
- You are underemployed and do not enroll in an available program for advanced journeymen training in your jurisdiction;
- You fail to take or pass job-site drug testing requirements unless you are enrolled in a bona fide employee assistance program; or
- You exhaust your benefits under the Four Stabilization Period Limit, the 10% Rule, the 200% rule, or other provision related to loss of benefits.

### **C. Underemployment Benefits in the Event of Illness or Temporary Disability**

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You may be eligible for an Underemployment Benefit if you are temporarily unable to work due to illness, injury or temporary disability.

- (a)** A Disability, Illness, Injury is “Temporary” if it is not expected to permanently render the Employee unable to work. Underemployment Benefits are not paid if you are unemployed due to a permanent disability.
- (b)** An Employee must be able to document a Disability, Injury or Illness by records of confinement in a hospital or other facility or by a physician’s statement indicating the starting date of the disability or illness, the return-to-work date (or anticipated return-to-work date), and the basis for the disability or illness.

Disability, injury or illness is normally determined and certified by your doctor, but SASMI can request a second opinion and deny benefits on the basis of that opinion.

Underemployment Benefits are not paid if you are unemployed due to a permanent disability.

### **D. How Is the Amount of the Supplemental Un/Underemployment Benefit Computed?**

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Once you know the difference between the hours you worked during a period and the standard Group hours for a worker in your Local, you can compute your benefit. The basic formula is calculated in accordance with (a) and (b) below, but shall not exceed the maximum in (c) below.

- (a)** The basic benefit equals the applicable Hourly Wage on which Contributions were remitted in your Home Local multiplied by the applicable Group Hours (see I.D). However, if your Home Local provides that the Hourly Wage is adjusted up or down based upon the Health and Welfare plan or other benefits you elected then the basic benefit shall be based on your actual straight time wage rate rather than on the Average Hourly Wage.
- (b)** The basic benefit is reduced by the Industry Hours you worked during the Stabilization Period.



- (c) The maximum combined Supplemental Un/Underemployment Benefits you can receive for a Stabilization Period is the lesser of
- (1) 190 times your average hourly wage rate (or, where applicable, the Employee's actual straight time wage), and
  - (2) the amount of your average earnings used in computing your state unemployment benefits.

**Example:** The applicable wage rate is \$45 an hour and your Local Union is classified in Group 3. During Stabilization Period "A" (from January 1 through June 30) you are expected to work 650 hours. However, you worked 500. This is how your benefit would be calculated:

Average hourly wage rate			<b>\$ 45.00</b>
times...	Group Hours for Group 3 in Stabilization Period "A"	<b>x</b>	<b>650</b>
equals...	What SASMI expected you to earn in your local (\$45 x 650 hours)	<b>=</b>	<b>\$ 29,250</b>
minus...	What you actually earned (\$45 x 500 hours)	<b>-</b>	<b>\$ 22,500</b>
equals...	Your benefit before taxes and any Health & Welfare benefit offset	<b>=</b>	<b>\$ 6,750</b>

The actual check you will receive will be less because applicable taxes will be withheld and deducted from your check just as with your paycheck. Your benefits may also be reduced by any advance Supplemental Unemployment benefits (see II.F) you received for that Stabilization Period.

## **E. Coordination Between Supplemental Unemployment and Underemployment Benefits**

There are 26 weeks in each Stabilization Period. Once your benefit amount is determined, it is divided between Supplemental Unemployment and Underemployment Benefits.

Using Example #1 above, your benefit would be \$6,750. Assuming you collected State Unemployment Compensation for 10 of the 26 weeks during Stabilization Period A, the **Supplemental Unemployment** Benefit portion of your check would be:

10/26th of \$6,750 or: \$2,596.15

**AND** the **Underemployment Benefit** portion of your check would be:

16/26 of \$6,750 or: \$4,153.85

Your benefit check, before taxes and any Health and Welfare Benefit offset, **would still be \$6,750** and may be paid in one check.

The benefits are calculated separately because the Internal Revenue Code requires SASMI to withhold FICA and Medicare from the Underemployment Benefit but not the Unemployment Benefit.



## **F. Applying for Supplemental Un/Underemployment Benefits**

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You must file an application for Supplemental Un/Underemployment benefits with SASMI in order to receive benefits. The application must be postmarked and mailed to SASMI no later than April 1st or the first business day thereafter for Stabilization Period B and no later than October 1st or the first business day thereafter for Stabilization Period A.

Sometimes waiting until after a Stabilization Period to apply for Un/Underemployment Benefits can create a hardship. For this reason, SASMI provides a mechanism for you to apply for an Advance Payment of an anticipated Unemployment or Underemployment Benefit. The Advance is not a separate benefit but a request for a pre-determination payment paid prior to the time you would be eligible to apply for the Supplemental Unemployment or Underemployment Benefit. The approval or denial of the request is based on the information the Fund has at the time of the request. If the request for an Advance Payment is denied, you may apply after the Stabilization Period, and the application will be reviewed without consideration of the decision on the request for the Advance Payment. For this reason, a denial of a request for an Advance Payment cannot be appealed.



If you receive an advance payment of supplemental Un or Underemployment benefits in a Stabilization Period then you will be deemed to have applied for and received an Un or Underemployment Benefit for that Stabilization Period. If you receive an advance payment in an amount greater than the amount that is ultimately payable in that Stabilization Period, then you will be deemed to have applied for and received an Underemployment Benefit for a later Stabilization Period(s) and such excess payment shall be deducted from future Benefit payments until it is reimbursed to SASMI.

### **Requirements for Advance Supplemental Unemployment Benefits**

If you have been unemployed (receiving state Unemployment Benefits) for 60 consecutive days during the applicable Stabilization Period and have received a State System unemployment check for the Stabilization Period or would have been eligible for such benefits but for a waiting period, exhaustion of benefits or insufficient wage credits under the State System, you may file for an Advance Supplemental Unemployment Benefit. SASMI will make a direct payment of this benefit to you. The maximum Advance is half (½) the maximum Benefit (95 hours).

You are not eligible for the Advance Supplemental Unemployment Benefit if you are unable to show proof that you have received a State System unemployment check for the Stabilization Period or would have been eligible for such benefits but for a waiting period, exhaustion of benefits or insufficient wage credits under the State System.

### **Requirements for Advance Supplemental Underemployment Benefits**

If you have been underemployed (not receiving state Unemployment Benefits) for a period of 60 consecutive days during the applicable Stabilization Period, and the underemployment can be confirmed by your Home Local Union, or by a licensed medical professional if your underemployment is due to temporary disability, illness or injury, you may file for an Advance Supplemental Underemployment Benefit. SASMI will make a direct payment of this benefit to you. The maximum Advance is half (½) the maximum benefit (95 hours).

You are not eligible for the Advance Supplemental Underemployment Benefit if you are unable to provide confirmation of underemployment by your Home Local Union or licensed medical professional.

## **G. 10% Rule – Supplemental Un/Underemployment Benefits**

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If you have received Supplemental Un/Underemployment benefits for two (2) benefits periods, then you are not eligible for either a third (3rd) or fourth (4th) period of benefits unless you worked at least 10% of the applicable Group Hours in the Stabilization Period prior to the one for which you seek a benefit.

**Example:** The Group Hours were 750 in period 2025-B. Participant Smith applied for his third Supplemental Un/Underemployment benefit in 2026-A. He is not eligible unless he had at least 75 (10% of 750) reported hours in 2025-B.

## III. Maternity Benefits

### A. Eligibility

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SASMI pays Maternity Benefits when you are involuntarily unemployed in connection with a pregnancy and/or birth of a child.

To be eligible for the Maternity Benefit, you must satisfy the SASMI general eligibility rules as well as the following additional requirements:

- be available for work other than when out of work in connection with the pregnancy and/or birth, during the current and/or prior Stabilization Period;
- not refuse an offer or opportunity for work during the current and prior Stabilization Period, other than when out of work in connection with the pregnancy and/or birth; and
- when required to be available for work, demonstrate a willingness to travel reasonable distances on referral from your Home Local Union to secure suitable work in the Sheet Metal Industry.

You must submit a timely application no later than 12 weeks after the birth or end of pregnancy in accordance with procedures established by the Trustees. The Maternity Benefit is subject to the 200% rule and is a Deduct Benefit.

#### **When are you involuntarily unemployed in connection with a pregnancy and/or birth of a child?**

The period you are out of work in connection with the pregnancy and/or birth includes the period for which this Maternity Benefit is sought (maximum 12 weeks) as well as additional periods during which you are unable to work due to a medical condition.

You may apply for Un/Underemployment Benefits due to illness for any additional periods, but for that additional time you must provide documentation acceptable to SASMI from your medical professional certifying your inability to work due to illness or injury.

### B. Amount of Benefit

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1. The benefit equals 60% of the Average Hourly Wage on which Contributions are being remitted in your Home Local multiplied by the regular work week hours found in the CBA;
2. The benefit will be paid weekly via ACH for up to 12 weeks per pregnancy and/or birth;
3. The benefit can begin no sooner than 4 weeks prior to the expected delivery date, unless the inability to work is certified by a medical professional whose license and certification includes obstetrics; and
4. The benefit will be paid in one or two Stabilization Periods depending on when the benefit is taken. For example, if the 12 weeks are May, June and July then 8 weeks will be paid in the A period and 4 weeks in the B period.
5. The benefit will not be deemed to be “work” for the purposes of determining eligibility for Un/Underemployment Benefits.



## IV. Active Plan HRA (Health Reimbursement Arrangement)

If you are eligible to activate your Active Plan HRA account, you can use the account to pay for medical expenses for yourself and your dependents.

### A. Eligibility

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You are eligible for the Active Plan HRA if you meet the following criteria:

1. Effective with contributions received for work in January 2022, you will have 20% of the contributions for work in the Calendar Year credited to your Active Plan HRA, with \$1 equal to 1 credit. 2022 contributions were allocated in 2023.
2. Your Active Plan HRA is available for use when your contributions reach \$250 and you have activated your account.

## **B. The Benefit**

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1. Once your account has received 250 credits, you will receive information on how to activate your account.
2. The Active Plan HRA can be used for prescription medication and other FSA eligible items (including glasses, contacts and hearing aids) purchased at a pharmacy or online FSA/HAS/HRA vendor that are:
  - Covered by the prescription drug benefit of a SMART-affiliated health plan;
  - Purchased at a retail or participating mail order pharmacy;
  - Paid for with the Active Plan HRA Debit Card (currently the WEX card); and
  - Prescribed for you or your dependents who are covered by a SMART-affiliated health plan.
3. The Active Plan HRA can also be used for eligible dental expenses.
4. It is your obligation to ensure that your Active Plan HRA is only used for allowable expenses for you and your dependents.
5. You are not required to activate or use your Active Plan HRA, and the account balance will continue to accumulate unless terminated or forfeited or the benefit is modified by the Trustees.
6. Once you become eligible for an Active Plan, your account will be closed if there is a period of 36 months with (1) no additional contributions to the Active Plan HRA for the Employee, (2) no claims on the Active Plan HRA and (3) no communication from the Employee to the Fund.
7. Your Active Plan HRA benefits and accounts are not vested nor guaranteed in any way.

## **V. Sick Leave Benefit**

SASMI's Sick Leave Benefit provides up to 5 days of pay per calendar year for those who are eligible.

### **A. Eligibility**

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You are eligible for a Sick Leave Benefit if you meet the following criteria:

1. You are unable to work due to illness, to care for a family member who is ill, or to attend a doctor's visit for medical care for yourself or a family member.
2. You were at work under the Contract on the workdays before and after the Sick Leave day(s).
3. You meet the general eligibility requirements for Benefits, have not received benefits in excess of 100% of contributions, have not lost eligibility, and have not terminated participation or lost qualification for Benefits during the applicable Stabilization Period or before receipt of payment.
4. You submit an Application in accordance with the procedures established by the Trustees.

## B. Amount of Benefit

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1. An Eligible Employee is entitled to a maximum of 5 days of Sick Leave Benefits per calendar year.
2. The minimum Sick Leave Benefit that may be taken is 1 day, and no more than 3 consecutive days of Sick Leave Benefit may be taken at one time.
3. The Sick Leave Benefit is paid at the Employee's straight time rate only, based on the most recent rate reported to SASMI.

# VI. Welfare/Health Benefits

If you are an eligible and qualified participant, SASMI will make payments on your behalf to your Local Union Health and Welfare Plan to continue your coverage (SASMI will not pay to establish or re-establish eligibility).

## A. Eligibility

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SASMI will continue to make payments for up to eighteen (18) months even if no contributions are being made to the health and welfare plan on your behalf, as long as you are not permanently disabled or retired.

## B. Amount of Benefit

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SASMI will pay your Home Local Union Health and Welfare Plan in which you are enrolled as a participant, the difference between the monthly minimum of hours (or dollars if your local health and welfare plan uses a Dollar Bank) required to continue health insurance and related welfare benefit coverage for you and your family (capped at a maximum of 150 hours for one month of coverage), and the number of hours credited to you by the plan for the month from Employer contributions or by reason of a credit or reserve bank.

The payment under this Article cannot exceed the maximum amount payable as an Un/underemployment Benefit for the Stabilization Period. That maximum amount is the applicable wage rate times 190 hours.

If your Local health and welfare plan has more than one plan option (single/family, or various plan designs) the payment under this Article cannot exceed the amount necessary for the plan option you were enrolled in the month before the month for which benefits are sought.

Effective with Un/Underemployment benefits paid January 1, 2022, benefits will not be reduced for recovery or coordination of prior Welfare Benefits paid. You are eligible to receive both Welfare and Un/Underemployment benefits in the same Stabilization Period up to the maximum of 190 times the applicable wage rate. For the rules governing benefits prior to January 1, 2022, see the plan documents in effect at that time.

All benefits paid as Supplemental Unemployment Benefits, Underemployment Benefits, or

Welfare Benefits are Deduct Benefits which mean they count as benefits received when calculating Severance and HCRA benefits.

## VII. Annual Physical Benefit

While health plans cover many preventive care services at 100% under the Affordable Care Act, there may be additional charges or costs associated with a routine physical (like certain tests and screenings as well as mileage and time away from work) that may not be covered. The SASMI Physical Exam Benefit helps minimize the impact of those expenses.

### A. Eligibility

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To be eligible for the Annual Physical Benefit, you must submit an application and an Explanation of Benefits (EOB) from a SMART affiliated Health and Welfare Fund that provides evidence of an actual physical exam no later than one (1) year from the original Date of Service of examination.

### B. Amount of Benefit

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The benefit is an annual amount per calendar year based on the date the benefit is paid (note: an application submitted in December may not be paid until January and would count for the next year) regardless of whether the benefit is sought in the same calendar year as the physical exam or in the next calendar year.

Employee	\$200.00
Spouse of an Employee	\$100.00
Dependent Child(ren)	\$100.00
Family Maximum per year	\$600.00

Only one benefit per person will be approved in any calendar year.

### C. Relationship to Other Benefits

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This is a non-deduct benefit: Receipt of this benefit does not limit your eligibility for other benefits under the Plan and is not taken into account when calculating severance benefits or when determining benefits under the Retiree Plan.

## VIII. Travel—The Travel Benefit Is Currently Replaced With the Temporary Travel Resolution\*

\*This is subject to change; please refer to [www.sasmi.org](http://www.sasmi.org) for the travel benefit currently in effect, or contact the Fund Office for a copy of the benefit.



## **IX. Severance** (applies to Individuals who were SASMI Participants and had 2 years of Future Service Credit before 1/1/2010)

Due to a determination received from the Internal Revenue Service (IRS), the SASMI Board of Trustees was required to discontinue additional accruals of benefits to the Severance Benefit effective December 31, 2009. However, if you accrued a SASMI Severance Benefit prior to December 31, 2009, you may still be entitled to a Benefit, which will be paid after your permanent separation from the Sheet Metal Industry.

### **A. Eligibility**

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In order to qualify for a SASMI Severance Benefit:

- You were an eligible SASMI participant on or after July 1, 1992 (the date the Severance Benefit was implemented);
- You accrued at least two (2) years of Future Service Credit prior to January 1, 2010;
- You were eligible for Supplemental Un/Underemployment Benefits on or after July 1, 1992 and did not forfeit eligibility for Benefits under the Plan as in effect on or before Dec 31, 2009, before receipt of payment other than by reason of Severance;
- You have been **PERMANENTLY SEPARATED** from the Sheet Metal Trade for at least twelve (12) consecutive months before the Benefit is paid; and
- ***You apply within 23 months of termination of employment in the Sheet Metal Trades.***

Employees with a Temporary Disability or in military service who are unable to return to work and sever employment remain eligible for the Severance Benefit.

### **B. Amount of Benefit**

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The SASMI Severance Benefit is computed based upon years of “Future Service Credit” and “Past Service Credit.” The total combined years of Past and Future Service cannot exceed 35 years and Past Service cannot exceed 23 years. In addition, the total percentage used for calculating the benefit cannot exceed 150%.

Both Past and Future Service is credited by Stabilization Period (½ year). Past Service is determined from the first date shown in the membership records of the International Union through and including the Stabilization Period in which you attained initial SASMI eligibility. Future Service is determined from the Stabilization Period after the Period in which you attained initial SASMI eligibility through the Period of your permanent separation from the Industry. You get Future Service Credit for a Stabilization Period if you are credited with SASMI contributions for at least 100 hours during that Stabilization Period.

Your contributions received through 2009 are multiplied by a percentage based on Past and Future Service Credit earned through 2009. From that amount all Active Benefits that you received are deducted. This deduction does not include “non-deduct” benefits (such as the Annual Physical Benefit) and shall not include the allocation to the Active Plan HRA.



Severance Benefits may be paid to your designated beneficiary in the event of your death. If you have not designated a beneficiary, payment will be made to your surviving family members in the following order: spouse, children, parents, siblings.

***You can receive a Severance Benefit of up to 150% of the total contributions made on your behalf through 2009.***

## X. Death Benefit

### A. Qualification

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Your dependents are eligible for this Death Benefit if all of the following conditions are met:

- 1.** You were eligible for Active SASMI benefits at the time of your death;
- 2.** Prior to your death, you had obtained 5 years of Future Service Credit with a minimum of one (1) hour of paid Contributions after January 1, 2010; and
- 3.** Prior to your death, you had not received Active Benefits exceeding the Contributions paid to SASMI in relation to your work (100% rule).

Employees with a Temporary Disability or in military service who are unable to return to work and sever employment are still eligible for the Death Benefit. Employees who lost eligibility for Active Benefits because of disability will qualify for this benefit if they are approved for Social Security Permanent Disability effective on or before the date on which eligibility for Active Benefits was lost.



## B. Amount of Benefit

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The benefit payable is determined by your years of Future Service Credit, as follows:

YEARS OF FUTURE SERVICE CREDIT	BENEFIT AMOUNT
5 – 9.5	\$5,000
10 – 14.5	\$10,000
15 – 19.5	\$20,000
20 – 24.5	\$30,000
25 – 29.5	\$40,000
30 or More	\$50,000

## C. Exclusions

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Benefits will not be paid in connection with your death if it is caused by or results from an injury that was received while committing an assault or felony.

***The Death Benefit can continue for up to five (5) years after you retire based upon your Years of Future Service Credit. See the Retiree Plan SPD for details.***

## D. Beneficiary Health Premium Benefit

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Effective with deaths on or after January 1, 2023, when an Active Death Benefit is payable, SASMI will reimburse the following healthcare premiums for surviving dependents of Active Employees eligible for the Active Death Benefit:

1. COBRA Premiums or other continuation coverage in a SMART related health plan; and
2. Medicare B premiums for a surviving spouse who was covered as a dependent in a SMART related health plan on the date of the Employee's death

Up to 18 months of premiums will be reimbursed as long as the coverage is provided in the 36-month period after the Employee's death and the request for reimbursement is received within 60 days of the end of the month for which coverage was provided.

# XI. General Rules

## A. Loss of Eligibility: "Active" SASMI Benefits (excluding Severance and Death Benefits)

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1. Loss of Eligibility Based on Lack of Contributions. Your eligibility for Active SASMI benefits, other than the Severance Benefits, is lost if you have eighteen (18) consecutive months without SASMI contributions.
2. Loss of Eligibility Based on Use of Benefits without Recycling.

Your eligibility for Active SASMI benefits, other than the Severance Benefits, is lost if you have received Supplemental Un/Underemployment Benefits in four (4) Stabilization Periods without recycling eligibility. The Periods in which you receive benefits do not have to be consecutive. The “Advance” Supplemental Unemployment Benefit is an advance of the Supplemental Un/Underemployment Benefit and will not be counted separately. However, if all of the Un/Underemployment Benefit you received in a particular Stabilization Period was paid as an “Advance” that counts as your Un/Underemployment Benefit.

Once eligibility is re-established or recycled, the Supplemental Un/Underemployment check count resets to zero (“0”). However, any outstanding Welfare amount to be offset remains until it is erased as set out in II.B.

3. Change in Status. Eligibility is lost immediately by a change in your status from Active Coverage due to:
  - (a) Retirement
  - (b) Permanent Disability
  - (c) Death
  - (d) Individual Termination
    - Loss of Current Benefits occurs if you (1) permanently cease to be employed in the Sheet Metal Industry; (2) accept permanent employment outside the Sheet Metal Industry; (3) become a partner or sole proprietor of a business in the Sheet Metal Industry; or (4) become an Owner or Relative of an Owner that does not satisfy the requirements of Article II, Section 5 of the Active Plan Document.
    - Loss of All Benefits occurs if you (1) accept employment in the Sheet Metal Industry from an employer who is not a party to a collective bargaining agreement with the International Union or a Local Union; (2) transfer to a Local Union with no Contracts or one with a Contract only requiring contributions to HCRA B.

## **B. Return to Work After Retirement**

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If you retire and apply for Severance and/or Retiree Benefits (HCRA) and then return to work and regain eligibility, you will be eligible for “non-deduct” benefits such as the Annual Physical Benefit but not the “deduct” benefits such as Un/Underemployment and Welfare Benefits.

## **C. Eligibility “Freeze” for Active Benefits**

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Your eligibility for benefits to be recovered may be “frozen” in the following situations:

- You are participating in a certified “Salting” Agreement (or Youth-to-Youth) – maximum six (6) months;
- You are on Active Duty in the United States Armed Forces; or
- You are employed by SMART or a Related Organization as an Elected or Appointed Official.

You are not eligible for Active Benefits during any Periods where eligibility is frozen. This freeze does not apply to the Death or Severance Benefits.



#### **D. Owner-Members and Relatives of Owner-Members**

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For more information see Plan Documents or contact the SASMI Fund Office

The Rules related to eligibility are different if you are:

- 1.** Not working under a CBA requiring contributions to SASMI, or
- 2.** An owner or the relative of an owner.

If you are covered by one of these categories, the rules can vary based on the specific circumstances of the situation. In general, however,

- 1.** If you are participating in SASMI as an “owner,” you are entitled to the Severance and Death Benefit.
- 2.** If you are participating in SASMI and are a Relative of an Owner, then you are eligible for Active Benefits but only up to an amount equal to the contributions received on your behalf. In other words, you cannot receive Benefits in excess of the amount of contributions paid to SASMI on your behalf.

Benefits due to Owner-Members are subject to offset for delinquent contributions due to SASMI and any of the other National Benefit Funds.

## **E. Beneficiary Maintenance**

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You can designate a Beneficiary in connection with the Severance Benefit and the Death Benefit. If you fail to designate a beneficiary, or if your beneficiary dies before you do, SASMI will issue these Benefits to your surviving family members in the following order: your spouse, child(ren), parents or siblings.

## **F. General Information About Applications, Claims and Appeals**

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The rules related to applications, claims, and appeals are in part VI of the General Information section at the end of this Summary Plan Description. Note: The rules are slightly different for claims involving a determination of permanent or temporary disability.

An application for a Benefit shall be available from SASMI or other persons authorized by the Trustees and shall be filed with the SASMI office. Applications forms are available online at [www.sasmi.org](http://www.sasmi.org) and from the Fund Office or your Local Union Hall. Some benefits have applications which can be completed online and more online applications will be added in the future. You can always submit a paper application.

The application and supporting information varies by the benefit being applied for. In some cases, such as the Travel Benefit or the Supplemental Un/Underemployment Benefit, your Local Union may need to provide information or certification of eligibility. For the Welfare Benefit, information may be needed from your Local Welfare Fund. Some benefits, for example the Physical Exam Benefit, have an online digital application. More online applications are being added.





# General Information

Applicable to both Active and Retiree Plans

## I. Plan Identification Information

### Name of Plan:

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National Stabilization Agreement of the Sheet Metal Industry - Active Employee Rules and Regulations (the "Active Employee Plan")

### Trustees:

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John Daniel  
SMART International Union  
1750 New York Ave. NW, 6th Fl.  
Washington, DC 20006

Eric Meslin  
SMART Local Union No. 28  
500 Greenwich St., Ste. 502  
New York, NY 10013

Hank Artlip  
Artlip and Sons Inc.  
230 S. Broadway  
Aurora, IL 60505

Donald Dunn  
SMART Local Union No. 44-SM  
248 Parrish Street  
Wilkes-Barre, PA 18702

Dan Monahan  
J.E. Monahan Metals Inc.  
559 Queensbury Ave., Suite 1 & 2  
Queensbury, NY 12804

Sal Tortorici  
Yearout Mechanical  
8501 Washington St. NE  
Albuquerque, NM 87113

Kolby Hanson  
SMART Local Union No. 55  
1718 W. Sylvester St.  
Pasco, WA 99301

Hank Meyers  
Brad Snodgrass, Inc.  
1930 South State Ave.  
Indianapolis, IN 46203

### SASMI Office Administrator:

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Kenneth Colombo, SASMI Administrator  
3180 Fairview Park Drive, Ste. 150  
Falls Church, VA 22042  
Phone: (800) 858-0354 or (703) 739-7250  
Fax: (703) 549-9613 (Business & Benefits Office)  
[www.sasmi.org](http://www.sasmi.org), also available as a link on [www.smwnbf.org](http://www.smwnbf.org)

If you wish to obtain additional information about the plan, contact SASMI by writing to the SASMI Administrator at the above address.

**Employer Identification Number:** SASMI Board of Trustees: 52 1036457

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**Plan Number:** 501

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**Plan Type:** Employee welfare benefit plan

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**Person and Address for Service of Legal Process:**

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SASMI Administrator  
3180 Fairview Park Drive, Ste. 150  
Falls Church, VA 22042

Service of legal process may also be made on a Trustee.

SASMI may also invest in commingled investment vehicles. If these vehicles are considered to hold SASMI assets in their underlying investments, the fund will generally be listed on the Form 5500 for SASMI which can be retrieved from [www.efast.dol.gov](http://www.efast.dol.gov) after it is filed.

## II. IRS Lien/Levy or Other State Tax Liens

SASMI honors IRS and state tax liens and levies. If SASMI receives a lien or levy, directed to your benefits then your record is coded and future Benefits subject to the lien or levy that are due to you are paid to the appropriate agency on your behalf until the lien or levy is satisfied.

## III. Can SASMI or Its Benefits Be Changed?

The Trustees have the power to amend or terminate the Plan at any time and in any fashion, even as to benefits already approved for payment. SASMI Benefits are not vested and may be amended or modified by the Trustees at any time.

No amendment or modification may reduce any benefits which have been approved for payment prior to amendment (so long as funds are available for payment of such benefits), cause a reversion of any of the plan assets to the Employers nor permit any of plan assets to be used for or diverted to any purpose other than the exclusive benefit of the plan participants and their beneficiaries and payment of administrative expenses.

### A. Amendment

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No amendment or modification may cause a reversion of any Plan assets to the Employers nor permit any Plan assets to be used for or diverted to any purpose other than the exclusive benefit of the Active Participants, Retirees, and other beneficiaries of the Plan and payment of administrative expenses.

## B. Termination of Plan

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Upon termination of the Plan, the assets then remaining in the Plan shall be used to pay expenses of administration and to pay Benefits to Active Participants or Retirees or other eligible persons, unless sooner exhausted. Thereafter, the Trustees shall determine the disposition of any remaining assets of the Plan in any fashion not inconsistent with the purposes of the Plan, and in accordance with ERISA Section 403(d)(2). Under no circumstances shall any money or assets remaining in the Plan be returned to or inure to the benefit of an Employer, a Local Union or the International Union.

## C. Reciprocity and Alternative Contributions

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The Trustees may, in their sole discretion, enter reciprocal agreements with other employee benefit plans or Local Unions which shall form part of this Plan or accept contributions from Employers at non-standard rates. Absent other direction of the Trustees, any and all Benefits under the Plan will be pro-rated and adjusted based on the amount of such contributions in relation to the standard SASMI contribution rate for a building trade's journeyman for work covered by an alternative contribution.

## D. Severability

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Should any provision in the Plan presently or hereafter in effect be deemed or held to be invalid under the provisions of ERISA, other applicable state or federal law or to impair SASMI's status as an organization exempt from federal income tax, such invalidity or impairment shall not adversely affect the other provisions of the Plan. The Plan shall be construed and shall be automatically amended (including creation of separate plans) to eliminate the invalidity or impairment, with such retroactive effect as is necessary or appropriate. If the invalidity or impairment shall make impossible or impractical the functioning of the Plan, the Plan shall terminate unless the Trustees shall approve a different course of action.

# IV. General Claim Application and Appeals Procedures

**Note: Special Rules for Disability Claims are in part G, below.**

## A. Applications

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**1. Filing of Applications.** Applications for Benefit are available on the SASMI website [www.sasmi.org](http://www.sasmi.org), from SASMI, and other persons authorized by the Trustees. An application for a Benefit shall be made in writing and shall include information deemed necessary by the Trustees and filed with the SASMI Fund Office. Some benefits have applications which can be completed online, and more online applications will be added in the future. You can, however, always submit a paper application.



- 2. Fraudulent or Deceptive Statements.** If the Trustees determine that an application for benefits has been intentionally falsified for the purpose of attempting to receive benefits not otherwise payable, the result will be disqualification from any Benefits payable and future Benefits for a period of one (1) year. If the falsification is committed by a representative of a claimant, the person shall be subject to any available remedy under applicable law.
- 3.** Applications for benefits are generally due no later than 60 days after the end of the Stabilization Period for which the benefit is sought. Different deadlines, however, apply for some benefits, for example, the Maternity Benefit. Check the section dealing with the benefit.

## **B. Application Processing**

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An application or other claim for Benefits is complete when the claimant has furnished the information required. SASMI then shall determine whether the claimant is entitled to such Benefit and, if so entitled, shall arrange for the payment of the Benefit as soon as practicable. SASMI and the Claims Committee may expedite handling of a claim and extend the deadline for a request for review of a claim as necessary to maintain a reasonable claims procedure under ERISA and applicable regulations.

## **C. Notification to Claimant of Decision**

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If a Benefit application is granted, the Administrator shall make payment to the claimant in accordance with the Plan. If a claim (as defined under Section 502 of ERISA) is wholly or partially denied, the claimant shall be so notified within ninety (90) days after receipt of the application or, in special circumstances and with notice to the claimant within 90 days, up to 180 days. A denial shall include the specific reason for the denial, specific references to the Plan provisions on which the denial is based, a description of any additional material or information necessary for the claimant to complete the claim, including an explanation of why such material is necessary, and an explanation of the Plan's claims review procedure.

## **D. Claims Committee**

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The Trustees may appoint a Claims Committee, consisting of one or more persons, to carry out their functions with respect to the claims and review procedure specified in this Article. The Board of Trustees or the Claims Committee shall have regularly scheduled meetings at least once a quarter to consider requests for review.

## **E. Review Procedure**

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A claimant who has received a notice that his or her application has been denied may request a review of such notice of denial within one hundred eighty (180) days of the notice or a longer period allowed by the claims regulations under Section 503 of ERISA for a specific claim. In addition, a claimant who has not received a decision on an application by the deadline may request a review of his request. The claimant shall request a review in a written application to the Trustees. The claimant may have the opportunity to review pertinent documents and may submit issues and comments to the Trustees in writing. The claimant may have representation in connection with this review procedure.

## **F. Decision on Review**

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Upon receipt of a request for review, the Trustees or the Claims Committee shall render a decision at the next regularly scheduled meeting of the Trustees or the Claims Committee scheduled at least 30 days after receipt of the request for review or as soon as possible thereafter after receipt of the request for review, or, in special circumstances and with notice to the claimant before the initial deadline, the next scheduled meeting of the Trustees or the Claims Committee. The decision of the Trustees or the Claims Committee shall be in writing and shall include the specific reason(s) for the decision and specific reference to the Plan provisions on which the decision is based. Requests for review shall be considered at least once during each quarter of each calendar year by the Trustees or the Claims Committee.

## **G. Claims and Appeals Involving a Determination of Permanent or Temporary Disability**

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The general rules applying to claims and appeals are modified as follows for claims and appeals which require a determination of Disability or Temporary Disability:

- Claims will be ruled on within 45 days after receipt of a completed application. In some cases, additional time may be needed, up to another 30 days. The Administrator or the Claims Committee may extend the time to resolve the claim for only two (2) additional 30-day periods.
- The denial of a claim or part of a claim will be provided in writing, in a culturally and linguistically appropriate manner, and will include the specific reason(s) for the denial; a reference to pertinent Plan provisions, specific internal rules, guidelines, protocols, standards or other similar criteria; an explanation of the basis for disagreeing with or not following any opinion provided by the Employee; a description of any additional information necessary to perfect the claim; and an explanation of the steps to be taken if the Employee wishes to appeal the denial.
- An Employee (or his authorized representative) may appeal any denial by filing a written request for review. The written appeal must be filed with the Administrator within 180 days from the date of receipt of the written denial. Use of the Plan's Appeal Procedure is mandatory.
- An Employee may submit in writing issues, comments and evidence for consideration by the reviewing party. An Employee may request copies of all documents, records, and other information relied on by the Administrator or the Claims Committee in making the adverse determination including any internal rule, guideline, protocol or other criteria. There is no charge to the Employee for these copies. The Employee may also supply additional medical or other information in support of their claim. If, in considering an appeal, the Trustees or the Claims Committee become aware of any new or additional evidence that was considered, relied upon, or generated by the Administrator or the Claims Committee in making the adverse determination or any new or additional rationale for making the adverse determination, copies of such new or additional evidence or rationale will be provided to the Employee, as soon as possible. The Employee will then have 30 days after receiving such new or additional evidence or rationale to submit a written response to the Trustees or the Claims Committee.

## **H. Records**

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SASMI shall maintain a record of all applications for Benefits, requests for review and responses thereto, as required by ERISA.

## **I. Uniform Limitations Period**

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1. A claimant has a duty to present a claim for payment to SASMI before other legal action. To the fullest extent allowed by applicable law, no administrative proceedings, arbitration, lawsuit or other legal action on a claim against SASMI or its fiduciaries can proceed without filing of an application for Benefits or other claim for payment with SASMI and timely completion of the Fund's claims procedure.
2. Except to the extent otherwise required by applicable law, no administrative proceedings, arbitration, lawsuit or other legal action on such claim for Benefits or other requests for payment from SASMI or its fiduciaries in connection with a claim for Benefits or other payments from SASMI or its fiduciaries (including without limitation, monetary remedies or awards for failure to respond to a request for documents or retroactive payments) shall be instituted against SASMI or its fiduciaries more than one hundred eighty (180) days after the earliest of:
  - (a) the last date for timely request for review of a denied claim;
  - (b) the date of a written determination or response by the Plan to a timely request for review on a claim, or
  - (c) the last date for a timely response by the Plan to a request for review or other request under ERISA and applicable regulations.

The Administrator or legal counsel to the Trustees may agree to extend any time limits for review or other proceedings in writing to a claimant.

## **J. Benefit Overpayments**

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If there is an overpayment or a payment on an ineligible claim that isn't repaid within 30 days of notice of the erroneous payment, then the payment will be reported to the IRS as a taxable event.

## **K. Benefit Deductions**

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The Trustees may, as they deem prudent, deduct or withhold from the amount of any Benefit, as computed under the Plan:

1. any amount required to be withheld by the Trustees by reason of any law or regulation or final court decree, or
2. any amount for payment of taxes or otherwise to any federal, state or municipal government.

The amount withheld or deducted shall, when paid to the appropriate recipient, discharge and release the obligation of the Plan to the claimant for any Benefit.

## **L. Nonalienation of Benefits**

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No attempt to subject a Benefit or portion thereof to alienation, sale, transfer, assignment, pledge, attachment, garnishment, execution, or encumbrance of any kind shall be valid and enforceable. The Trustees may terminate the interest of a Claimant in the Benefit or a portion thereof and apply the amount of such Benefit or portion thereof to or for the benefit of such Claimant's Spouse,

Dependents or other appropriate recipient as the Trustees may determine and any such application shall be a complete discharge of all liability with respect to such Benefits.

## **M. Choice of Law**

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All questions pertaining to validity, construction and administration of the Plan shall be determined in accordance with ERISA and, where reference to state law is necessary or appropriate, the law of the District of Columbia.

# **V. Privacy and Security**

## **A. Privacy of Protected Health Information**

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In accordance with the HIPAA Privacy Rule in 45 C.F.R. Part 160 and Subparts A and E of Part 164, the Trustees and SASMI will only disclose Protected Health Information in accordance with the following rules:

- (a) Hybrid Entity.** SASMI is designated a “hybrid entity” as defined under 45 CFR §164.504. As such, the rules in subsections (b) to (n) below apply only with respect to the group health benefit operations of SASMI, directly or in relation to another covered entity under HIPAA.
- (b) Unauthorized Use or Disclosure.** Protected Health Information will only be used or disclosed as permitted or required by SASMI documents or as required by law.
- (c) Subcontractors and Agents.** The Trustees and SASMI will require each agent and subcontractor to whom they provide Protected Health Information to agree to written contractual provisions that the agent or subcontractor will be subject to the same restrictions and conditions that apply to SASMI with respect to Protected Health Information.
- (d) Permitted Purposes.** Protected Health Information will not be used or disclosed for employment-related actions and decisions or in connection with any other benefit or employee benefit plan of the Employers who contribute to SASMI.
- (e) Reporting.** The Trustees and SASMI will report and record uses or disclosures of Protected Health Information that are inconsistent with those permitted by law of which they become aware.
- (f) PHI Related to Reproductive Health Care.** SASMI will not use or disclose PHI for the purpose of investigating or imposing liability related to reproductive health care that is legally provided under state or federal law. SASMI will not use or disclose PHI potentially related to reproductive health care for health oversight activities, judicial and administrative proceedings, law enforcement purposes, or to coroners and medical examiners, without obtaining a valid attestation that the use or disclosure is not for a prohibited purpose.
- (g) Protected Health Information Availability.** Protected Health Information will be made available to Active Participants and Retirees at the SASMI office so that they can inspect and copy their own individual Protected Health Information.
- (h) Protected Health Information Correction.** Participants or others who are eligible for health

benefits will be permitted to amend or correct Protected Health Information that is incorrect or incomplete and SASMI will incorporate any such amendments or corrections provided by the Plan.

- (i) **Accounting.** The Trustees and SASMI will make Protected Health Information available to permit an accounting of disclosures;
- (j) **Government Agencies.** Internal practices, books and records relating to the use and disclosure of Protected Health Information will be made available to the Department of Health and Human Services for purposes of determining SASMI's compliance with HIPAA;
- (k) **Return or Destruction of Protected Health Information.** All Protected Health Information the Trustees and SASMI maintain in any form will be returned or destroyed if feasible, and no copies of such information will be retained, when such information is no longer needed for the purpose for which disclosure was made. If such return or destruction is not feasible, further uses and disclosures will be limited to those purposes that make the return or destruction of this information infeasible;
- (l) **Minimum Necessary Standard.** The Trustees and SASMI will use their best efforts to request only the minimum necessary type and amount of Protected Health Information needed to carry out the functions for which the information is requested.
- (m) **Adequate separation.** The Trustees will ensure that adequate separation exists between SASMI employees who perform functions related to its health care component and other employees of SASMI so that Protected Health Information will be used only for any group health benefit functions performed by SASMI. For purposes of establishing adequate separation, the Trustees will certify the employees or classes of employees that will have access to Protected Health Information for administrative purposes.
- (n) **Non-compliance.** Improper uses or disclosures of Protected Health Information may be reported to the privacy official of SASMI or the privacy official's designee for handling HIPAA violations.
- (o) **Non-compliance by Business Associate.** The Trustees and SASMI will not be liable for a breach of the HIPAA Privacy requirements by a business associate under HIPAA, except as required by law.

## **B. Security of Protected Health Information**

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In accordance with the HIPAA Security Rule in 45 CFR Part 160 and Subparts A and C of Part 164, the Trustees and SASMI, with respect to the group health benefit operations of SASMI, directly or in relation to another covered entity under HIPAA, will safeguard Electronic Protected Health Information by:

- (a) **Administrative, Physical, and Technical Safeguards.** Implementing administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of Electronic Protected Health Information that SASMI creates, receives, maintains, or transmits on behalf of a group health plan.
- (b) **Security of Adequate Separation.** Ensuring that the "adequate separation" between a group health plan and other offices or plans of the Union or Employers described in the "Privacy of Protected Health Information" section is supported by reasonable and appropriate security measures.

- (c) Subcontractors and Agents.** Ensuring that any agent, including a subcontractor, to whom it provides Electronic Protected Health Information agrees to implement reasonable and appropriate security measures to protect such information.
- (d) Reporting.** Reporting any security incident of which it becomes aware.
- (e)** The provisions in Sections (a) through (d) above do not apply to Electronic Protected Health Information that a plan sponsor receives; (1) pursuant to 45 C.F.R. §164.504(f)(1)(ii) or (iii), or, (2) through a valid authorization in accordance with 45 C.F.R. §164.508.
- (f)** The HIPAA Security Rule regulations 45 C.F.R. Parts 160, 162, and 164, are incorporated herein by reference. Unless defined otherwise, all capitalized terms herein have the definition given to them by the Security Rule. If any other provision(s) of the Plan conflicts with this Section, this Section shall control.

## VI. Statement of Rights Under ERISA

SASMI is subject to various federal laws, including the Employee Retirement Income Security Act of 1974 (ERISA) and the Labor Management Relations Act of 1947. As a participant in SASMI you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all plan participants shall be entitled to:

### Receive Information About Your Plan and Benefits

- Examine, without charge, at the plan administrator's office and at other specified locations, such as worksites and Union halls, all documents governing the plan, including insurance contracts and collective bargaining agreements, and a copy of the latest annual report (Form 5500 Series) filed by the plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration.
- Obtain, upon written request to the plan administrator, copies of documents governing the operation of the plan, including insurance contracts and collective bargaining agreements, and copies of the latest annual report (Form 5500 Series) and updated summary plan description. The administrator may make a reasonable charge for the copies.
- Receive a summary of the plan's annual financial report. The plan administrator is required by law to furnish each participant with a copy of this summary annual report.

### Prudent Actions by Plan Fiduciaries

In addition to creating rights for plan participants, ERISA imposes duties upon the people who are responsible for the operation of the employee benefit plan. The people who operate your plan, called "fiduciaries" of the plan, have a duty to do so prudently and in the interest of you and other plan participants and beneficiaries. No one, including your Employer, your Union, or any other person, may fire you or otherwise discriminate against you in any way to prevent you from obtaining a benefit or exercising your rights under ERISA.

## **Enforce Your Rights**

If your claim for a SASMI benefit is denied or ignored, in whole or in part, you have a right to know why this was done, to obtain copies of documents relating to the decision without charge, and to appeal any denial, all within certain time schedules.

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of plan documents or the latest annual report from the plan and do not receive them within 30 days, you may file suit in a Federal court. In such a case, the court may require the plan administrator to provide the materials and pay you up to \$110 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the administrator. If you have a claim for benefits which is denied or ignored, in whole or in part, you may file suit in a state or Federal court.

If it should happen that plan fiduciaries misuse the plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a Federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

## **Assistance With Your Questions**

If you have any questions about your plan, you should contact the plan administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the plan administrator, you should contact the nearest office of the Employee Benefits Security Administration, U.S. Department of Labor, listed in your telephone directory or the Division of Technical Assistance and Inquiries, Employee Benefits Security Administration, U.S. Department of Labor, 200 Constitution Avenue N.W., Washington, DC 20210. You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the Employee Benefits Security Administration.

