

**NATIONAL STABILIZATION AGREEMENT  
OF THE  
SHEET METAL INDUSTRY TRUST FUND  
AMENDED AND RESTATED ACTIVE RULES AND REGULATIONS  
AS OF JULY 1, 2025**

## Table of Contents

PREAMBLE.....	1
SECTION 1. PURPOSE OF PLAN. ....	1
SECTION 2. STATUS OF EMPLOYEES RECEIVING BENEFITS. ....	1
ARTICLE I DEFINITIONS .....	1
SECTION 1. ACTIVE HRA BENEFIT.....	1
SECTION 2. ADMINISTRATOR.....	1
SECTION 3. AVERAGE HOURLY WAGE.....	1
SECTION 4. BENEFICIARY HEALTH PREMIUM BENEFIT. ....	2
SECTION 5. BENEFIT.....	2
SECTION 6. CONTRACT.....	2
SECTION 7. CONTRIBUTIONS. ....	2
SECTION 8. COVERED EMPLOYMENT.....	3
SECTION 9. DEATH BENEFIT.....	3
SECTION 10. DISABILITY.....	3
SECTION 11. ELECTRONIC PROTECTED HEALTH INFORMATION (Electronic PHI). ....	3
SECTION 12. EMPLOYEE.....	3
SECTION 13. EMPLOYER. ....	3
SECTION 14. ERISA. ....	4
SECTION 15. FUND; TRUST FUND.....	4
SECTION 16. FUTURE SERVICE CREDIT. ....	4
SECTION 17. GROUP HOURS.....	4
SECTION 18. HEALTH BENEFITS. ....	4
SECTION 19. HIPAA.....	4
SECTION 21. HOURS. ....	5
SECTION 22. INDUSTRY EARNINGS.....	5
SECTION 23. INDUSTRY HOURS. ....	5
SECTION 24. INTERNATIONAL UNION OR “SMART.” .....	5
SECTION 25. IRC. ....	5
SECTION 26. LOCAL FUND.....	5
SECTION 27. LOCAL FUND AGREEMENT. ....	5
SECTION 28. LOCAL UNION.....	6
SECTION 29. MINIMUM HOURS.....	6
SECTION 30. MATERNITY BENEFITS. ....	6
SECTION 31. OWNER.....	6
SECTION 32. PAST SERVICE CREDIT.....	6
SECTION 33. PLAN.....	6
SECTION 34. PHYSICAL EXAM BENEFIT.....	6
SECTION 35. PRODUCTION OR INDUSTRIAL EMPLOYER. ....	6
SECTION 36. PROTECTED HEALTH INFORMATION (PHI).....	6
SECTION 37. QUALIFIED MILITARY SERVICE.....	7
SECTION 38. RELATED ORGANIZATION. ....	7

SECTION 39. RELATIVE. ....	7
SECTION 40. SASMI.....	7
SECTION 41. SASMI GROUPS.....	7
SECTION 42. SEVERANCE.....	7
SECTION 43. SEVERANCE BENEFIT. ....	8
SECTION 44. SHEET METAL INDUSTRY. ....	8
SECTION 45. SICK LEAVE BENEFIT. ....	8
SECTION 46. STABILIZATION PERIOD. ....	8
SECTION 47. STATE SYSTEM.....	8
SECTION 48. SUPPLEMENTAL COLLECTIVE BARGAINING AGREEMENT/ PROVISIONAL PARTICIPATION AGREEMENT. ....	8
SECTION 49. SUPPLEMENTAL UNEMPLOYMENT BENEFIT. ....	8
SECTION 50. TEMPORARY DISABILITY.....	8
SECTION 51. TRAVEL BENEFIT. ....	8
SECTION 52. TRUST AGREEMENT. ....	8
SECTION 53. TRUSTEES.....	9
SECTION 54. UNDEREMPLOYMENT. ....	9
SECTION 55. UNDEREMPLOYMENT BENEFIT. ....	9
SECTION 56. WELFARE BENEFIT. ....	9
SECTION 57. YEARS OF SERVICE. ....	9
ARTICLE II ELIGIBILITY.....	9
SECTION 1. INITIAL ELIGIBILITY.....	9
SECTION 2. RENEWAL OF ELIGIBILITY.....	9
SECTION 3. RECYCLING OF ELIGIBILITY.....	9
SECTION 4. CONTINUATION OF ELIGIBILITY WHEN NOT WORKING UNDER A CONTRACT.....	10
SECTION 5. OWNERS AND RELATIVES.....	11
SECTION 6. GENERAL LIMITATIONS ON BENEFIT ELIGIBILITY. ....	13
SECTION 7. PARTIAL TERMINATION OF ELIGIBILITY FOR BENEFITS.....	15
ARTICLE III SUPPLEMENTAL UNEMPLOYMENT BENEFITS.....	15
SECTION 1. QUALIFICATION. ....	15
SECTION 2. AMOUNT OF BENEFIT. ....	16
SECTION 3. ADVANCE PAYMENT. ....	17
SECTION 4. LIMITATIONS ON SUPPLEMENTAL UNEMPLOYMENT BENEFITS.....	18
ARTICLE IV UNDEREMPLOYMENT BENEFITS.....	18
SECTION 1. QUALIFICATION REQUIREMENTS. ....	18
SECTION 2. AMOUNT OF BENEFIT. ....	20
SECTION 3. ADVANCE PAYMENT. ....	20
SECTION 4. LIMITATIONS ON UNDEREMPLOYMENT BENEFITS. ....	22
ARTICLE V WELFARE BENEFITS.....	22
SECTION 1. QUALIFICATION REQUIREMENTS. ....	22
SECTION 2. AMOUNT OF BENEFIT. ....	23
SECTION 3. RECOVERY/COORDINATION OF BENEFITS. ....	23
SECTION 4. LIMITATIONS ON WELFARE BENEFITS. ....	24

ARTICLE VI TRAVEL BENEFITS.....	24
SECTION 1. QUALIFICATION REQUIREMENTS. ....	24
SECTION 2. AMOUNT OF BENEFIT. ....	25
SECTION 3. LIMITATIONS ON TRAVEL BENEFITS.....	26
ARTICLE VII SEVERANCE BENEFITS.....	26
SECTION 1. QUALIFICATION REQUIREMENTS. ....	26
SECTION 2. AMOUNT OF BENEFIT. ....	27
SECTION 3. PAYMENT.....	27
SECTION 4. SEVERANCE TERMINATION.....	28
SECTION 5. DEATH OF EMPLOYEE.....	28
SECTION 6. TERMINATION OF ELIGIBILITY FOR SEVERANCE BENEFITS. ....	29
ARTICLE VIII-A DEATH BENEFIT ACTIVE EMPLOYEES.....	29
SECTION 1. QUALIFICATION. ....	29
SECTION 2. AMOUNT OF BENEFIT. ....	30
SECTION 3. EXCLUSIONS. ....	30
SECTION 4. LIMITATIONS ON DEATH BENEFITS.....	30
SECTION 5. BENEFICIARY. ....	31
SECTION 6. BENEFICIARY HEALTH PREMIUM BENEFIT.....	32
ARTICLE VIII-B DEATH BENEFIT RETIRED EMPLOYEES.....	32
SECTION 1. QUALIFICATION. ....	32
SECTION 2. AMOUNT OF BENEFIT. ....	33
SECTION 3. EXCLUSIONS. ....	33
SECTION 4. LIMITATIONS ON DEATH BENEFITS.....	33
SECTION 5. BENEFICIARY. ....	33
ARTICLE IX HEALTH BENEFITS .....	34
SECTION 1. ANNUAL PHYSICAL BENEFIT.....	34
ARTICLE X MATERNITY BENEFITS.....	35
SECTION 1. QUALIFICATION REQUIREMENTS. ....	35
SECTION 2. AMOUNT OF BENEFIT. ....	36
SECTION 3. LIMITATIONS ON MATERNITY BENEFITS. ....	37
ARTICLE XI ACTIVE PLAN HRA.....	37
SECTION 1. QUALIFICATION REQUIREMENTS. ....	37
SECTION 2. THE BENEFIT. ....	37
SECTION 3. GENERAL LIMITATIONS. ....	39
ARTICLE XII SICK LEAVE BENEFIT .....	39
SECTION 1. QUALIFICATION REQUIREMENTS. ....	39
SECTION 2. AMOUNT OF BENEFIT. ....	40
SECTION 3. LIMITATIONS ON SICK LEAVE BENEFITS. ....	40
ARTICLE XIII PRODUCTION AND INDUSTRIAL EMPLOYEES .....	40
SECTION 1. BENEFIT ADJUSTMENTS. ....	40
SECTION 2. INITIAL ELIGIBILITY. ....	41
SECTION 3. SUPPLEMENTAL UNEMPLOYMENT BENEFITS.....	41
SECTION 4. UNDEREMPLOYMENT BENEFITS. ....	41
SECTION 5. WELFARE BENEFITS. ....	41

SECTION 6. TRAVEL BENEFITS. ....	41
SECTION 7. SEVERANCE BENEFITS. ....	41
SECTION 8. DISABILITY BENEFIT.....	41
SECTION 9. DEATH BENEFIT.....	41
ARTICLE XIV LOSS OF QUALIFICATION .....	42
SECTION 1. PARTIAL LOSS OF BENEFITS. ....	42
SECTION 2. LOSS OF ALL BENEFITS. ....	43
SECTION 3. EFFECT OF TERMINATION AS EMPLOYER.....	45
ARTICLE XV APPLICATIONS AND APPEALS PROCEDURES FOR BENEFIT PAYMENTS .....	46
SECTION 1. APPLICATIONS. ....	46
SECTION 2. APPLICATION FOR SUPPLEMENTAL UNEMPLOYMENT BENEFIT OR UNDEREMPLOYMENT BENEFIT.....	46
SECTION 3. APPLICATION FOR ADVANCE PAYMENT OF SUPPLEMENTAL UN/UNDEREMPLOYMENT BENEFIT. ....	46
SECTION 4. APPLICATION FOR WELFARE BENEFITS.....	47
SECTION 5. APPLICATION FOR TRAVEL BENEFITS. ....	47
SECTION 6. APPLICATION FOR SEVERANCE BENEFITS.....	47
SECTION 7. APPLICATION FOR DEATH BENEFITS.....	47
SECTION 8. APPLICATION FOR HEALTH BENEFITS.....	48
SECTION 9. APPLICATION FOR SICK LEAVE BENEFITS.....	48
SECTION 10. APPLICATION FOR ACTIVE HRA BENEFITS.....	48
SECTION 11. APPLICATION FOR MATERNITY BENEFITS. ....	48
SECTION 12. APPLICATION PROCESSING BY TRUSTEES.....	48
SECTION 13. NOTIFICATION TO CLAIMANT OF DECISION.....	48
SECTION 14. CLAIMS COMMITTEE. ....	49
SECTION 15. REVIEW PROCEDURE.....	49
SECTION 16. DECISION ON REVIEW. ....	49
SECTION 17. RECORDS. ....	49
SECTION 18. UNIFORM LIMITATIONS PERIOD.....	49
SECTION 19. CLAIMS AND APPEALS INVOLVING A DETERMINATION OF DISABILITY OR TEMPORARY DISABILITY.....	50
ARTICLE XVI GENERAL.....	53
SECTION 1. BENEFIT OVERPAYMENTS.....	53
SECTION 2. BENEFIT DEDUCTIONS. ....	54
SECTION 3. FINAL CALCULATION OF NET CONTRIBUTIONS. ....	54
ARTICLE XVII ADMINISTRATION OF THE PLAN.....	54
SECTION 1. POWERS AND AUTHORITY OF TRUSTEES.....	54
SECTION 2. NONALIENATION OF BENEFITS.....	55
SECTION 3. FUNDING.....	55
SECTION 4. CHOICE OF LAW. ....	56
SECTION 5. PRIVACY OF PROTECTED HEALTH INFORMATION. ....	56
SECTION 6. SECURITY OF PROTECTED HEALTH INFORMATION. ....	58
ARTICLE XVIII AMENDMENT AND TERMINATION OF THE PLAN.....	59
SECTION 1. AMENDMENT. ....	59

SECTION 2. TERMINATION OF PLAN. ....	59
SECTION 3. RECIPROCITY AND ALTERNATIVE CONTRIBUTIONS. ....	59
SECTION 4. TERMINATION OF STATUS AS EMPLOYER.....	60
SECTION 5. SEVERABILITY.....	60

## **PREAMBLE**

**SECTION 1. PURPOSE OF PLAN.** The plan of benefits as set forth herein represents the Rules and Regulations adopted by the Trustees of the National Stabilization Agreement of the Sheet Metal Industry Trust Fund to implement the design and purpose of the Fund to provide benefits to supplement unemployment compensation payments by a State System and other benefits described in IRC Section 501(c)(9) for Employees.

**SECTION 2. STATUS OF EMPLOYEES RECEIVING BENEFITS.** The Contributions by Employers to the Plan and Benefits paid under the Plan shall not be considered part of an Employee's wages.

## **ARTICLE I** **DEFINITIONS**

Unless the context or subject matter otherwise requires, the following definitions shall govern in these Rules and Regulations. The masculine gender includes the feminine and neuter genders, and a singular noun includes the plural and vice versa.

**SECTION 1. ACTIVE HRA BENEFIT.** The term “Active HRA Benefit” means payments under Article XI.

**SECTION 2. ADMINISTRATOR.** The term “Administrator” means the person or their successors selected by the Trustees to administer SASMI on a day-to-day basis and to execute the policies and duties delegated or assigned by the Trustees in accordance with the Trust Agreement.

**SECTION 3. AVERAGE HOURLY WAGE.** The term “Average Hourly Wage” means the average of all straight time rates of pay required to be paid to an Employee for work under a Contract during the Stabilization Period for which he is applying for a Benefit, except as provided below.

(a) When wages are paid at a rate lower than the building trades’ journeyman contractual regular wage rate in the Local Union due to the use of the International Union’s Resolution 78 but Contributions are negotiated using the regular wage rate in the Local Union, the wage rate shall be the building trades’ journeyman contractual wage rate on which the amount of Contributions are calculated.

(b) If no work was performed during the Stabilization Period, the wage rate is the average of all contractual rates of pay for an hour of work at straight time for an

Employee's job classification in the applicable Contract in effect in the Employee's Home Local Union during the Stabilization Period for which a Benefit is payable.

(c) The term Average Hourly Wage for calculating the Sick Leave Benefit, Article XII, will be modified as set out in that Article for areas where the contract provides for wage rates that vary based on the welfare plan selected by the individual.

**SECTION 4. BENEFICIARY HEALTH PREMIUM BENEFIT.** The term "Beneficiary Health Premium Benefit" means payments under Article VIII-A, Section 6.

**SECTION 5. BENEFIT.** The term "Benefit" means the amount paid or payable from the Plan to an Employee or his family or beneficiaries for benefits described in IRC Section 501(c)(9) under these Rules and Regulations.

**SECTION 6. CONTRACT.** The term "Contract" means:

(a) a collective bargaining agreement between a Local Union and/or International Union and an Employer requiring the Employer to make periodic contributions to SASMI, and any amendments, modifications or restatements thereof, either directly or through a Local Fund which has entered into a Local Fund Agreement with the Trustees or as an obligation under applicable labor-management relations law,

(b) a written agreement by which an Employee is working as a "salted organizer" and for whom the Local Union or International Union is required to make contributions to SASMI, or

(c) an agreement between the Trustees and a Related Organization for contributions to SASMI and related benefits to full-time employees of the Related Organization. Such Contributions shall count towards establishing eligibility however they shall not count towards benefits under Articles III (Supplemental Unemployment), IV (Underemployment), V (Welfare), VI (Travel), and X (Maternity).

(d) The term "Contract" shall not include a collective bargaining agreement, participation agreement or other agreement containing provisions which the Trustees determine, in their sole discretion, would adversely affect the actuarial standards and/or the financial integrity of SASMI and is not acceptable to the Trustees.

**SECTION 7. CONTRIBUTIONS.** The term "Contributions" means, unless otherwise directed by the Trustees, the periodic payments made or that are required to be made to SASMI under a Contract, directly or through a Local Fund.

Unless specifically stated otherwise, Contributions paid to SASMI under a Contract requiring contributions for HCRA Plan B do not count as Contributions for purposes of determining benefits under this Active Plan.

**SECTION 8. COVERED EMPLOYMENT.** The term “Covered Employment” means work under a Contract for which Contributions to SASMI are required.

**SECTION 9. DEATH BENEFIT.** The term “Death Benefit” means payments under Article VIII or, as to a Production and Industrial Employee Benefit Schedule, Article XII, Section 9.

**SECTION 10. DISABILITY.** The term “Disability” means a physical condition which prevents an Employee from performing the principal functions required of an Employee in the Sheet Metal Industry.

**SECTION 11. ELECTRONIC PROTECTED HEALTH INFORMATION (Electronic PHI).** The term “Electronic Protected Health Information” means information defined in accordance with 45 CFR § 160.103.

**SECTION 12. EMPLOYEE.** The term “Employee” means:

- (a) any person who is or has been employed by an Employer and performs work, for which Contributions are required to be paid to SASMI under a Contract;
- (b) persons classified as “salted organizer” of the Local Union or the International Union and for whom Contributions are required to be paid under the terms of a Contract; or
- (c) an employee who is an employee of a Related Organization for whom Contributions are required to be paid under the terms of a Contract.

The term “Employee” shall not include an employee of an employer who has been terminated by the Trustees as an Employer in SASMI, even if the employer has agreed to contribute to SASMI.

**SECTION 13. EMPLOYER.** The term “Employer” means:

- (a) an employer in the Sheet Metal Industry who operates or hereafter operates under a Contract;
- (b) a Related Organization which is required to make contributions under a Contract; or

(c) SASMI (if it chooses to provide Benefits to its employees).

The term “Employer” shall not include an employer whose status as a contributing Employer has been terminated by the Trustees.

**SECTION 14. ERISA.** The term “ERISA” means the Employee Retirement Income Security Act, codified as 29 U.S.C. §1001 *et seq.*, as amended.

**SECTION 15. FUND; TRUST FUND.** The terms “Fund” and “Trust Fund” shall mean the National Stabilization Agreement of the Sheet Metal Industry Trust Fund. Further it shall mean the monies and other items of value which comprise the corpus and additions thereto, contributions payable to the fund, amounts received or held for or on behalf of the Trustees as well as title to all such monies, and other items of value including contributions owed but not yet received, which shall be vested in the Trustees.

**SECTION 16. FUTURE SERVICE CREDIT.** The term “Future Service Credit” means the period (measured in years) during which an Employee is eligible for Benefits under the Plan after the Employee establishes initial eligibility under Article II. A half-year is credited for each Stabilization Period for which an Employee is eligible for Benefits under Article II, has not forfeited eligibility or qualification for Benefits under Article XIV and worked at least 100 hours with paid Contributions or received a benefit. The time for which an Employee retains eligibility during military service under Article II, Section 4(c) shall be included in future service. For purposes of the Severance Benefit, there are no additional Future Service Credit accruals after December 31, 2009. Contributions paid under a Contract requiring contributions to HCRA Plan B do not count towards Future Service Credits under this Active Plan.

**SECTION 17. GROUP HOURS.** The term “Group Hours” means the hours for a Stabilization Period for each SASMI Group in the following table:

SASMI Group	Number of Hours	
	Stabilization Period A	Stabilization Period B
Group 1	800	900
Group 2	750	850
Group 3	650	750
Group 4	600	700

**SECTION 18. HEALTH BENEFITS.** The term “Health Benefits” means payments under Article IX.

**SECTION 19. HIPAA.** The term “HIPAA” means the Health Insurance Portability and Accountability Act of 1996, as amended.

**SECTION 20. HOME LOCAL UNION.** The term “Home Local Union” means the Local Union of which an Employee is a member. If he is not a union member, it means the Local Union which represents the Employee for purposes of collective bargaining in the primary geographic area in which the Employee is employed. If an Employee transfers or otherwise changes his membership from one Local Union to another Local Union, his new Local Union shall become his Home Local Union.

**SECTION 21. HOURS.** The term “Hours” means the number of hours for which Contributions actually are paid to SASMI unless the Trustees direct otherwise. Unless specifically stated otherwise, Contributions paid to SASMI under a Contract requiring contributions for HCRA Plan B do not count as Hours for purposes of determining benefits under this Active Plan.

**SECTION 22. INDUSTRY EARNINGS.** The term “Industry Earnings” means total wages earned through any employment in the Sheet Metal Industry which are subject to federal income tax. In the case of a “salted organizer,” Industry Earnings shall be limited to seventy-five percent (75%) of the amounts earned as a “salted organizer.”

**SECTION 23. INDUSTRY HOURS.** The term “Industry Hours” means hours worked in any employment in the Sheet Metal Industry.

**SECTION 24. INTERNATIONAL UNION OR “SMART.”** The term “International Union” or “SMART” means the International Association of Sheet Metal Air Rail and Transportation Workers, AFL-CIO, after the merger of the Sheet Metal Workers’ International Association (“SMWIA”) and the United Transportation Union, and the SMWIA only before that date.

**SECTION 25. IRC.** The term “IRC” means the Internal Revenue Code of 1986, codified as Title 26, U.S.C., as amended.

**SECTION 26. LOCAL FUND.** The term “Local Fund” includes any trust fund under 29 U.S.C. §186(c)(5) or other entity created by a collective bargaining agreement which is empowered to enter into an agreement whereby Contributions from Employers shall be transmitted, directly or indirectly, to SASMI for the purpose of securing the benefits of participation in SASMI for the Employees of such Employers. No trustee, administrator, or other person empowered to act on behalf of a Local Fund shall, by reason of his position with such Local Fund, be entitled to act on behalf of SASMI or in any manner to exercise any discretionary power with regard to SASMI.

**SECTION 27. LOCAL FUND AGREEMENT.** The term “Local Fund Agreement” means an agreement between SASMI and a Local Fund which provides for the transmittal of Contributions to SASMI for the payment of Benefits to the Employees of those Employers whose Contributions are so transmitted and received by SASMI. The agreement shall provide that each Employer whose Contributions are transmitted and received under the agreement shall have the same rights and obligations as any other Employer contributing to SASMI. The

Employees of such Employers shall have the same rights and obligations as any other Employees of contributing Employers.

**SECTION 28. LOCAL UNION.** The term “Local Union” means any local union of the International Union.

**SECTION 29. MINIMUM HOURS.** The term “Minimum Hours” means the number of hours per week for which an Employee can receive straight time wages before receipt of overtime under a Contract applicable to his work.

**SECTION 30. MATERNITY BENEFITS.** The term “Maternity Benefit” means payments under Article X.

**SECTION 31. OWNER.** The term “Owner” means a stockholder, officer, director, sole proprietor, partner, principal, trustee or beneficiary or other person with an ownership interest or powers similar to the officers or directors of a corporation whether in an incorporated or unincorporated business. Except that, an Employee who is a stockholder solely by virtue of participation in the Employer’s employee stock ownership plan (ESOP) and who has no other ownership interest or powers in Employer shall not be deemed an Owner for purposes of eligibility for benefits.

**SECTION 32. PAST SERVICE CREDIT.** The term “Past Service Credit” means each calendar year, prior to the Employee’s first year of Future Service Credit, during which he was a member of the International Union. To the extent required by applicable federal law, military service will also be included in Past Service Credit. Effective December 31, 2009, no further Past Service shall be granted for Severance Benefits. For Purposes of this definition an individual is considered as having become a “member of the International Union” on the first date shown in the membership records of the International Union.

**SECTION 33. PLAN.** The term “Plan” means the plan of benefits as set forth in these Rules and Regulations, including any amendments, modifications or restatements hereof.

**SECTION 34. PHYSICAL EXAM BENEFIT.** The term “Physical Exam Benefit” means payments under Article IX.

**SECTION 35. PRODUCTION OR INDUSTRIAL EMPLOYER.** The term “Production or Industrial Employer” means an employer in the production or industrial sectors of the Sheet Metal Industry who has operated or who now or hereafter operates under a Contract and includes all employers who contributed to the former SASMI-II as long as they retain an obligation to contribute to SASMI.

**SECTION 36. PROTECTED HEALTH INFORMATION (PHI).** The term “Protected Health Information” is defined in accordance with 45 CFR §164.501.

**SECTION 37. QUALIFIED MILITARY SERVICE.** The term “Qualified Military Service” means a period of service in the uniformed services (as defined in Chapter 43 of title 38, United States Code or prior federal law, including any limits on the duration of an absence or required service credit), by any individual if such individual returns to work with the Employers within the time provided by applicable law.

**SECTION 38. RELATED ORGANIZATION.** The term “Related Organization” means a Local Union, the International Union, an affiliated or reciprocal trust fund or employee benefit plan, an employer association or an Employer (with respect to employees not covered under a collective bargaining agreement) which can contribute to SASMI under 29 C.F.R. Section 2510.3-40 without impairing the collectively bargained status of SASMI. The Trustees may allow participation by other employers, who shall be treated as related organizations, at their discretion.

**SECTION 39. RELATIVE.** The term “Relative” means the spouse of an Employee and the parents, grandparents, children and brothers and sisters of an Employee or spouse.

**SECTION 40. SASMI.** The term “SASMI” means the Fund, Trustees or Plan, jointly or severally as appropriate in context.

**SECTION 41. SASMI GROUPS.** The term “SASMI Groups” means the group or classification of an Employee for a calendar year based on the average Hours of active employees in his Home Local Union in the prior Plan Year and the following table.

<u>Group Number</u>	<u>Average Local Union Hours</u>
1	1,700 and over
2	1,500 to 1,699
3	1,300 to 1,499
4	less than 1,300 hours

**SECTION 42. SEVERANCE.** The term “Severance” means:

- (a) a permanent separation from work in the Sheet Metal Industry (whether or not with an employer signatory to a collective bargaining agreement with the International Union or a Local Union) for a period of at least twelve (12) months; and
- (b) a period of at least twelve (12) consecutive months in which an Employee does not seek work within the Sheet Metal Industry; and
- (c) the passage of twelve (12) consecutive months with no Contributions (including no Contributions under a Contract requiring Contributions to Plan B HCRA) for work by an Employee.

**SECTION 43. SEVERANCE BENEFIT.** The term “Severance Benefit” means payments under Article VII.

**SECTION 44. SHEET METAL INDUSTRY.** The term “Sheet Metal Industry” means any and all types of work within the trade jurisdiction of the Sheet Metal, Air, Rail and Transportation Workers, Sheet Metal Division (“SM”), as described in its Constitution or an amendment thereto; or any other work to which a worker has been assigned, referred, or can perform because of skills and training as a sheet metal worker.

**SECTION 45. SICK LEAVE BENEFIT.** The term “Sick Leave Benefit” means payments under Article XII.

**SECTION 46. STABILIZATION PERIOD.** The term “Stabilization Period” means January 1 through June 30 (Stabilization Period A) or July 1 through December 31 (Stabilization Period B) of any calendar year.

**SECTION 47. STATE SYSTEM.** The term “State System” means a state agency as defined in 26 U.S.C. §3306(e) and the unemployment fund under its administration.

**SECTION 48. SUPPLEMENTAL COLLECTIVE BARGAINING AGREEMENT/ PROVISIONAL PARTICIPATION AGREEMENT.** The term “Supplemental Collective Bargaining Agreement” or “Provisional Participation Agreement,” means an agreement which includes the following provisions:

- (a) The Employer shall make Contributions to SASMI or a Local Fund at the rate and in the manner required by the Trust Agreement and rules of Trustees, and
- (b) The Local Union and the Employer agree to adopt the Trust Agreement and Plan.

**SECTION 49. SUPPLEMENTAL UNEMPLOYMENT BENEFIT.** The term “Supplemental Unemployment Benefit” means payments under Article III.

**SECTION 50. TEMPORARY DISABILITY.** The term “Temporary Disability” means a Disability of eighteen (18) months or less.

**SECTION 51. TRAVEL BENEFIT.** The term “Travel Benefit” means payments under Article VI or under a temporary travel resolution.

**SECTION 52. TRUST AGREEMENT.** The term “Trust Agreement” means the Agreement and Declaration of Trust establishing the Fund, including any amendments, modifications and restatements thereof.

**SECTION 53. TRUSTEES.** The term “Trustees” means the Trustees of the Fund, collectively, and shall include their predecessors and successors and their agents or delegates when acting as fiduciaries under ERISA.

**SECTION 54. UNDEREMPLOYMENT.** The term “Underemployment” means unemployment or work by an Employee under a Contract in the Sheet Metal Industry below his Group Hours for a Stabilization Period.

**SECTION 55. UNDEREMPLOYMENT BENEFIT.** The term “Underemployment Benefit” means payments under Article IV.

**SECTION 56. WELFARE BENEFIT.** The term “Welfare Benefit” means payments under Article V or Health Benefits under prior Plan documents (Rules and Regulations).

**SECTION 57. YEARS OF SERVICE.** The term “Years of Service” means an Employee’s Future Service Credit and Past Service Credit. For purposes of the Severance Benefit, there are no Years of Service after December 31, 2009.

## **ARTICLE II ELIGIBILITY**

**SECTION 1. INITIAL ELIGIBILITY.** An Employee must satisfy the initial eligibility rules of the Plan before payment of Benefits will be provided under the Plan. An Employee’s initial eligibility commences upon the completion of 1,200 Hours within any twelve (12) consecutive months, 2,000 Hours within any twenty-four (24) consecutive months, or 2,800 Hours within any period of time. Such initial eligibility shall entitle an otherwise qualified Employee to the payment of Benefits beginning the next stabilization period, provided he meets all other requirements for such benefits.

**SECTION 2. RENEWAL OF ELIGIBILITY.** Eligibility for Benefits can be lost as set out in Article II, Sections 6 and 7 and Article XIV. After acquiring initial eligibility and losing eligibility, an Employee may again become eligible upon the completion of 1,200 Hours within any twelve (12) consecutive months, 2,000 Hours within any twenty-four (24) consecutive months, or 2,800 Hours within any period of time after the first date Contributions were made for his work after a termination of eligibility.

**SECTION 3. RECYCLING OF ELIGIBILITY.** An Employee who has received Benefits (other than benefits subject to the 100% rule or non-deduct benefits) for four (4) Stabilization Periods without recycling loses eligibility for benefits until the Stabilization Period after the Period in which they recycle. An Employee recycles by completing 1,200 Hours within any twelve (12)

consecutive months, 2,000 Hours within any twenty-four (24) consecutive months, or 2,800 Hours within any period of time after the last Stabilization Period in which Benefits were received.

**SECTION 4. CONTINUATION OF ELIGIBILITY WHEN NOT WORKING UNDER A CONTRACT.** The eligibility of an Employee for select Benefits is maintained and continued when he is not working under a Contract under the following circumstances.

(a) An Employee who accepts a full-time position, either elected or appointed, with any Local Union or the International Union, or the National Benefit Funds under conditions where SASMI contributions are not being paid (affiliated employment) shall not lose eligibility for Retiree Benefits solely based on that employment.

The Employee, however, will not be considered available for work and eligible for Active Benefits (other than Severance and the Death Benefit) while so employed nor thereafter unless he

(1) retires immediately from such position, or

(2) returns to work under a Contract in the Sheet Metal Industry or is available for and seeking work under a Contract within one-hundred twenty (120) calendar days following the termination of his employment with the Local Union or the International Union.

Effective January 1, 2025, the Employee will remain eligible for the Death Benefit while in affiliated employment.

The Employee may be eligible for a Severance Benefit if he has a Severance as a result of termination of work with the Local Union or International Union.

(b) An Employee with a Temporary Disability because of an accident, injury or illness shall continue eligibility and qualification for benefits except Travel Benefits are not available during the period of disability. Eligibility will be lost if the Employee does not return to Covered Employment or sever employment within eighteen (18) months of the accident, injury or illness.

(c) An Employee who enters Qualified Military Service and returns to work under a Contract in the Sheet Metal Industry or is available for and seeking work under a Contract within the time limits required by law following his discharge from Qualified Military Service shall be considered to have earned those Years of Service immediately prior to returning to work under a Contract (or being available for said work). Except for the Severance Benefit and the Death Benefit, an individual will not be eligible for

Benefits from this Plan while in military service unless so required by applicable federal law.

(d) An Employee will not lose eligibility where the Contract of the Local Union under which the Employee had been working terminated and the Local Union has again become a party to a Contract within a reasonable period of time from termination, as determined by the Trustees.

(e) An apprentice Employee who participates in his Home Local Union's Youth to Youth apprentice training program and resumes employment or is available for and seeking work under a Contract within one month of termination of his participation in such Youth-to-Youth Program shall not lose eligibility.

(f) An Employee who becomes an Owner of a business in the Sheet Metal Industry with a Contract does not lose eligibility. An Employee will not be considered available for work and eligible for Benefits while he is an Owner nor thereafter unless he

(1) retires immediately from such position, or

(2) returns to under a Contract in the Sheet Metal Industry or is available for and seeking work under a Contract in the Sheet Metal Industry within one-hundred twenty (120) calendar days following the termination of work as an Owner.

The Employee may be eligible for a Severance Benefit if he has a Severance as a result of termination of work as an Owner of a business in the Sheet Metal Industry with a Contract. An Employee who becomes an Owner of a business with a Contract requiring contributions to HCRA B does not maintain eligibility under this paragraph.

**SECTION 5. OWNERS AND RELATIVES.** Notwithstanding anything else in the Plan, an Owner or Relative of an Owner is not eligible for Benefits unless he satisfies the requirement of this section as well as the basic eligibility requirements.

(a) An Employee who is an Owner of a business in the Sheet Metal Industry and performs work under the Employer's Contract is not eligible unless his Employer makes Contributions on the Minimum Hours or the number of hours he actually works in Covered Employment, whichever is greater. The Employer must pay Contributions based upon an hourly rate equal to or greater than the regular wage rate on which the amount of Contributions is calculated for the highest paid journeyman under the Employer's Contracts.

(b) An Employee whose spouse is an Owner of the Employee's Employer and who performs Covered Employment is not eligible unless the Employer makes Contributions on the Minimum Hours or the number of hours actually worked in Covered Employment, whichever is greater.

(c) An Employee whose Relative(s) is an Owner of his Employer and who performs Covered Employment is not eligible unless:

(1) the Employer informs SASMI that such Employee is a Relative who can be terminated or laid off, and

(2) the Employer makes Contributions for the Minimum Hours or the number of hours he actually works in Covered Employment, whichever is greater.

(d) The Trustees may grant exemptions for payment of Contributions for an Owner if the following conditions are satisfied. Exemptions may be granted with respect to a business entity (whether a corporation, sole proprietorship, partnership or other form of organization) or a combination of business entities that are owned and/or controlled by an Owner or a Relative of an Owner.

(1) An exemption, if granted, shall apply only to the Owner(s) who is/are the subject of an application.

(2) The Owner must be a common law employee of an Employer for whom the exemption is granted, not an independent contractor or subcontractor.

(3) The Owner must work with the tools on a regular daily basis.

(4) The Owner or Relative of an Owner must be the chief operating officer of the company.

(5) An Employer or Owner submitting a request for exemption under this rule shall submit the request, in writing, to the Administrator and thereafter provide the Administrator all relevant information that the Administrator shall require to determine whether an exemption shall remain in force.

(6) The exemption from the requirement that Contributions be paid for an Owner shall not be effective until approved, in writing, by SASMI.

(7) Notwithstanding any other provision set forth in the Plan, an exemption from the requirement that an Owner make Contributions to SASMI shall be

effective for a period of no less than twelve (12) months. The Employer or Owner shall be responsible for submitting a request in writing, for removal of the exemption no sooner than 30 days prior to the date the Employer or Owner wish to again make contributions to SASMI on the Employee's behalf.

(e) Notwithstanding the foregoing or any other provision of the Plan, an Employee whose Relatives are Owners of his Employer and who performs work under the Employer's Contract will be eligible for Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Benefits only if the Employee satisfies the eligibility requirements of this Article II and the following additional requirements:

- (1) The Employee has no ownership interest in the Employer; and
- (2) The Employee is the only Employee of the Employer, other than Owners, at the time of termination or layoff; and
- (3) The Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Benefits for the Employee do not exceed the Contributions paid by the Employer for the Employee's work.

**SECTION 6. GENERAL LIMITATIONS ON BENEFIT ELIGIBILITY.** Benefits are not vested nor guaranteed in any way.

(a) Trustee Changes. The Trustees may, in their discretion, increase or decrease the Group Hours and other eligibility requirements, reduce the duration of Benefits or reduce the amount of Benefits, or waive eligibility or qualification restrictions in special circumstances, as the Trustees, in their discretion, deem consistent with the financial and actuarial integrity of SASMI. This discretion extends to reducing benefits for those who are unemployed and receiving benefits as well as to future eligibility for payment.

(b) Benefits in excess of Contribution limits

(1) 100% of Contribution Rule: An Employee who receives Benefits, other than "non-deduct" benefits, in excess of the total amount of Contributions (excluding any Contributions to HCRA Plan B) paid for his work at the time of Benefit application or payment shall not be eligible for the following Benefits (100% Benefits):

- (i) Annual Physical Benefit under Article IX, Section 1; and
- (ii) Sick Leave Benefit under Article VII

This limitation may also apply to temporary resolutions if referenced within those resolutions.

NOTE: Receipt of benefits subject to the 100% Rule do not count in determining if an Employee needs to recycle under Article II, Section 3 Recycling of Eligibility.

(2) 200% of Contribution Rule: For all deduct benefits not limited to 100% of contributions, an Employee who receives Benefits that exceed two times (200%) the total amount of Contributions (excluding any Contributions to HCRA Plan B) paid for his work shall not be eligible to receive any additional Benefits including non-deduct benefits, except as provided below or by the Trustees.

(i) Unless otherwise provided by the Trustees, the rule in this Section 6(b) shall not prevent payment of Benefits to an Employee who has received less than \$20,000 in previous Benefits.

(ii) Notwithstanding the rule in this subsection (b)(2) that Benefits may be paid up to 200% of Contributions, in those cases where the Participant has already received Benefits equal to or in excess of \$125,000, additional Benefits will only be paid up to 100% of Contributions. For example:

i. If a participant had \$90,000 in Contributions then they would not be eligible for benefits after a payment(s) resulting in at least \$125,000 in benefits (2x Contributions would be \$180,000 but this individual is capped at \$125,000), and

ii. If a participant had \$140,000 in Contributions then they would not be eligible for benefits after a payment resulting in at least \$140,000 (100% of contributions) in benefits.

NOTE: Receipt of benefits subject to the 200% rule are taken into account to determine whether an individual will be required to recycle eligibility under Article II, Section 3 Recycling of Eligibility.

(3) Non-Deduct Benefits: In calculating the benefits received for the 100% and 200% rule certain benefits are disregarded. Those benefits include the current Travel Benefit and the Annual Physical Benefit and may also apply to temporary resolutions. Non-deduct benefits are not available to Employees who have received benefits equal to or in excess of 100% of contributions.

(c) An Employee may submit a written appeal seeking restoration of their eligibility for Benefits.

(1) In determining the appeal, the Trustees may consider factors such as the availability of work opportunities to the Employee, the efforts of the Employee to seek and obtain employment in the industry and any other relevant factors or criteria, including conduct by the Employee that impact on his ability to obtain employment.

(2) The Trustees shall have the sole and complete discretion in granting or denying such appeals and may, in its discretion, establish limitations on, or rules that will govern, the receipt of future Benefits by the Employee.

**SECTION 7. PARTIAL TERMINATION OF ELIGIBILITY FOR BENEFITS.** An Employee shall cease to be eligible for Supplemental Unemployment Benefits, Underemployment Benefits and Welfare Benefits in the following circumstances.

(a) Four (4) Paid Periods. An Employee has received Supplemental Unemployment Benefits, Underemployment Benefits or Welfare Benefits for any four (4) Stabilization Periods, without recycling or re-establishing eligibility, regardless of the period of time in which such four (4) Stabilization Periods occur.

(b) 18-Month Lapse in Contributions. No Contributions are required and made for work as an Employee for a period of eighteen (18) consecutive months, except as set forth in Article II, Section 4. The Plan may disregard amounts paid for minimal hours or work to continue eligibility. After a lapse, the Employee shall be required to reestablish eligibility under Article II, Sections 2 and 3.

(c) Retirement. An Employee who retires and applies for Severance and Retiree benefits (HCRA) and who then returns to work and regains eligibility will be eligible for the “non-deduct” benefits such as the Physical Exam Benefit but not the “deduct” benefits such as un/underemployment, maternity and welfare benefits. Upon re-retirement (one time only) all contributions received after returning to work from retirement will be subject to the applicable % from the first retirement and applied to the Employee’s HCRA.

### **ARTICLE III** **SUPPLEMENTAL UNEMPLOYMENT BENEFITS**

**SECTION 1. QUALIFICATION.** An Employee qualifies for benefits under this Article for a Stabilization Period for which all of the following conditions are met.

- (a) The Employee is involuntarily unemployed during the applicable Stabilization Period.
- (b) The Employee was available for and sought suitable work in the Sheet Metal Industry in his Home Local Union at all times during such Stabilization Period and until receipt of payment.
- (c) The Employee did not refuse an offer or opportunity of suitable work or work in the Sheet Metal Industry on referral from his Home Local Union during the Stabilization Period.
- (d) The Employee demonstrated a willingness to travel reasonable distances on referral from his Home Local Union to secure suitable work in the Sheet Metal Industry.
- (e) The Employee was involuntarily unable to work the number of Group Hours applicable to his Home Local Union during such Stabilization Period, other than by reason of Temporary Disability for the entire Stabilization Period.
- (f) The Employee has 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.
- (g) The Employee submits an application in accordance with procedures established by the Trustees.
- (h) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XIII at any time during such Stabilization Period or before receipt of payment.

For any period that an Employee is receiving Maternity Benefits under Article X that Employee does not need to meet the work requirements in paragraphs (b), (c), (d) and (f), above.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit payable under this Article shall be calculated in accordance with (a) and (b) below but shall not exceed the maximum set out in (c) below.

- (a) The basic benefit equals the Average Hourly Wage on which Contributions were remitted in the Employee's Home Local multiplied by the Group Hours for the Employee. However, if the Employee's Home Local provides that the Hourly Wage is adjusted up or down based upon the health and welfare or other benefits elected by

the Employee then the basic benefit shall be based on the Employee's actual straight time wage rate rather than on the Average Hourly Wage.

- (b) The basic benefit will be reduced by Industry Hours for the Stabilization Period.
- (c) The maximum benefit is one hundred ninety (190) times the Average Hourly Wage (or, where applicable, the Employee's actual straight time wage).

Solely for the purposes of determining eligibility for this Article III, Supplemental Unemployment Benefit, for each week, or portion thereof, in a Stabilization Period that an Employee receives Maternity Benefits they will be deemed to have worked 60% of the regular work week hours, or portion thereof, as found in the Employee's Home Local CBA.

**SECTION 3. ADVANCE PAYMENT.** An Employee may receive an advance payment of Supplemental Unemployment Benefits as follows:

- (a) The Employee has been unemployed for a period of 60 consecutive days, within the Stabilization Period.
- (b) The unemployment of the Employee is confirmed by the Employee's Home Local Union business manager or agent or other appropriate person, including a State System, as the Administrator or Trustees may determine.
- (c) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and has not forfeited eligibility or qualification for Benefits under Article XIII before receipt of payment.
- (d) The Employee has registered at and has reported to an employment office maintained by a State System.
- (e) The Employee has 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.
- (f) The Employee submits an application for advance payment in accordance with procedures established by the Trustees.
- (g) The amount of the advance cannot exceed ninety-five (95) times the Average Hourly Wage (or, where applicable, the actual straight time wage) of the Employee or, in the discretion of the Administrator, a higher amount not in excess of 190 times the Average Hourly Wage.

An Advance Payment is a request for a pre-determination payment paid prior to the time an Employee is eligible to apply for a Supplemental Unemployment 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 the Employee may apply after the Stabilization Period for a Supplemental Unemployment Benefit 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 the request for an Advance Payment is approved then, after the end of the Stabilization Period, an Employee who receives an advance payment of supplemental unemployment benefits in a Stabilization Period will be deemed to have applied for and received an Underemployment Benefit for that Stabilization Period. An Employee who has received an advance payment of supplemental unemployment benefits in a Stabilization Period in an amount greater than the amount that is ultimately payable as an Underemployment Benefit in that Stabilization Period 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.

**SECTION 4. LIMITATIONS ON SUPPLEMENTAL UNEMPLOYMENT BENEFITS.** An Employee shall cease to be eligible for supplemental unemployment benefits and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II and XIII.

#### **ARTICLE IV UNDEREMPLOYMENT BENEFITS**

##### **SECTION 1. QUALIFICATION REQUIREMENTS.**

- (a) An Employee qualifies for benefits under this Article for a Stabilization Period for which he satisfies the following conditions.
  - (1) The Employee was available for and sought suitable work in the Sheet Metal Industry in his Home Local Union at all times during such Stabilization Period and until receipt of payment.
  - (2) The Employee did not refuse an offer or opportunity of suitable work or work in the Sheet Metal Industry on referral from his Home Local Union during the Stabilization Period.

(3) The Employee demonstrated a willingness to travel reasonable distances on referral from his Home Local Union to secure suitable work in the Sheet Metal Industry.

(4) The Employee was involuntarily unable to work the number of Group Hours applicable to his Home Local Union during such Stabilization Period, including an absence due to Temporary Disability, Injury or Illness (see section b(1) below).

(5) The Employee submits an application in accordance with procedures established by the Trustees.

(6) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XIII at any time during such Stabilization Period or before receipt of payment.

(b) An Employee qualifies under this Article for a Stabilization Period during which the Employee is unable to work due to a temporary Disability, Illness, or Injury as follows:

(1) 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.

(2) 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.

(3) Illness, Injury, and Disability normally is determined and certified by your doctor but SASMI can request a second opinion and deny benefits on the basis of that opinion.

(4) An Employee qualifying for benefits under this section (1)(b) does not have to meet the qualifications in section 1(a) paragraphs (1), (2) or (3) regarding availability for work but must satisfy the other qualification requirements.

(c) For any period that an Employee is receiving Maternity Benefits under Article X that Employee does not have to meet the qualifications in Section(1)(a) subparagraphs

(1), (2) and (3) regarding availability for work but must satisfy the other qualification requirements.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit payable under this Article shall be calculated in accordance with (a), (b) and (c) below but shall not exceed the maximum set out in (d) below.

(a) The basic benefit equals the Average Hourly Wage multiplied by the Group Hours for the Employee. However, if the Employee's Home Local provides that the Hourly Wage is adjusted up or down based upon the health and welfare or other benefits elected by the Employee then the basic benefit shall be based on the Employee's actual straight time wage rate rather than on the Average Hourly Wage.

(b) The basic benefit will be reduced by: (1) Industry Hours for the Stabilization Period and (3) the amount of Supplemental Unemployment Benefits paid for the Stabilization Period.

(c) The Underemployment Benefit shall be adjusted as follows:

The Underemployment Benefit shall be reduced by one twenty-sixth ( $1/26^{\text{th}}$ ) for each week an Employee is not available for and/or seeking suitable work in the Sheet Metal Industry due to vacation (of more than two (2) weeks per year), strike or lockout, or other voluntary unemployment.

(d) The maximum benefit is one-hundred-ninety (190) times the Average Hourly Wage (or, where applicable, the actual straight time wage).

(e) Solely for the purposes of determining eligibility for this Article III, Supplemental Unemployment Benefit, for each week, or portion thereof, in a Stabilization Period that an Employee receives Maternity Benefits they will be deemed to have worked 60% of the regular work week hours, or portion thereof, as found in the Employee's Home Local CBA.

**SECTION 3. ADVANCE PAYMENT.** An Employee may receive an advance payment of Supplemental Underemployment Benefits as follows:

(a) The Employee has been underemployed for a period of 60 consecutive days, within the Stabilization Period.

(b) The underemployment of the Employee is confirmed by the Employee's Home Local Union business manager or agent or other appropriate person, including a licensed medical professional, as the Administrator or Trustees may determine.

(c) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and has not forfeited eligibility or qualification for Benefits under Article XIII before receipt of payment.

(d) The Employee applying for benefits under section 1(b) based on temporary Disability, illness, or injury must show that he has been under the care of a licensed medical professional.

(e) The Employee has 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.

(f) The Employee submits an application for advance payment in accordance with procedures established by the Trustees.

(g) The amount of the advance cannot exceed ninety-five (95) times the Average Hourly Wage (or, where applicable, the actual straight time wage) of the Employee or, in the discretion of the Administrator, a higher amount not in excess of 190 times the Average Hourly Wage. If the Employee has outstanding Welfare Benefits, the Employee will not be entitled to advance payment of benefits.

(h) Advance Payment. An Advance Payment is a request for a pre-determination payment paid prior to the time an Employee is eligible to apply for a Supplemental 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 the Employee may apply after the Stabilization Period for a Supplemental Underemployment Benefit 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 the request for an Advance Payment is approved then, after the end of the Stabilization Period, an Employee who receives an advance payment of supplemental underemployment benefits in a Stabilization Period will be deemed to have applied for and received an Underemployment Benefit for that Stabilization Period. An Employee who has received an advance payment of supplemental underemployment benefits in a Stabilization Period in an amount greater than the amount that is ultimately payable as an Underemployment Benefit in that Stabilization Period 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.

**SECTION 4. LIMITATIONS ON UNDEREMPLOYMENT BENEFITS.** An Employee shall cease to be eligible for Underemployment Benefits and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II and XIII.

## **ARTICLE V WELFARE BENEFITS**

**SECTION 1. QUALIFICATION REQUIREMENTS.** An Employee qualifies for Benefits under this Article in a Stabilization Period for which all of the following conditions are met.

- (a) An Employee is available for suitable work but (1) does not work the number of hours necessary to be credited for the minimum contribution to continue his participation in the health plan in his Home Local Union or (2) either, has exhausted his hours or does not have sufficient hours in his credit or reserve bank to meet the participation requirements of the health plan of the Home Local Union.
- (b) The Employee's lack of eligibility under the health plan of his Home Local Union is certified by the Employee's Local Union business manager or agent or other appropriate person as the Trustees may determine.
- (c) The Employee is not eligible for health coverage in the jurisdiction of any Local Union.
- (d) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XIV at any time during such Stabilization Period or before receipt of payment.
- (e) The Employee did not refuse an offer or opportunity of suitable work or work in the Sheet Metal Industry on referral from his Home Local Union during the Stabilization Period.
- (f) The requirements in paragraph (a) above that the Employee be available for suitable work and in paragraph (e) above that the Employee not refuse work do not apply to an Employee who is unable to work the necessary number of hours due to an injury, illness or temporary disability that would qualify for a benefit under Article IV Section 1(b) or for a Maternity Benefit under Article X.

**SECTION 2. AMOUNT OF BENEFIT.** SASMI shall pay benefits under this Article in the following manner.

(a) SASMI will pay the Home Local Union health plan in which the Employee is or was an Employee the difference between

(1) the monthly minimum of hours required to continue health insurance and related welfare benefit coverage for the Employee and his family (effective March 1, 2021 the benefit will be capped at a maximum of 150 hours for one month of coverage), and

(2) the number of hours credited to the Employee by the plan for the month or by reason of a credit or reserve bank.

(b) Payment will be made based on a certification by the Home Local Union health plan that the Employee no longer has sufficient hours to maintain eligibility. The Home Local Union health plan will/may submit applications in accordance with procedures established by the Trustees or Administrator.

(c) If the Local Union health 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 the Employee was enrolled in the month before the month for which benefits are sought.

(d) The payment under this Article cannot exceed the maximum amount payable as an Underemployment Benefit for the Stabilization Period.

(e) No payment will be made unless the amount paid will provide health coverage for the Employee and/or his family. No payment will be made if an Employee has waived coverage under his Home Local Union health plan under applicable law, including the IRC. No Payment will be made in excess of an amount an Employer would have to pay in order to maintain coverage.

**SECTION 3. RECOVERY/COORDINATION OF BENEFITS.**

(a) Effective with Un/Underemployment benefits paid January 1, 2022 (2022A Stabilization period) benefits will not be reduced for recovery or coordination of prior Welfare Benefits paid. An Employee is 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.

- (b) All benefits paid as Supplemental Unemployment Benefits, Underemployment Benefits, or Welfare Benefits that were not previously Recovered count as benefits received when calculating Severance and HCRA benefits.

**SECTION 4. LIMITATIONS ON WELFARE BENEFITS.** An Employee shall cease to be eligible for welfare benefits and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II and XII.

**ARTICLE VI  
TRAVEL BENEFITS**

*Note: Article VI benefits are temporarily replaced by the Travel Resolution of December 2022, and affirmed by revised resolutions dated March 28, 2023 and March 27, 2024.*

**SECTION 1. QUALIFICATION REQUIREMENTS.** An Employee qualifies for Benefits under this Article for a Stabilization Period for which all of the following conditions are met.

- (a) The Employee is from a Home Local Union which is party to a Contract, other than a Contract only requiring contributions to HCRA B, on the date of the referral for travel to any area with a manpower shortage and a referral is made through the SMART Job Bank prior to the travel. In certain situations, at the discretion of the Trustees, if a referral was made between Local Unions prior to the official SMART Job Bank posting, such referral and travel shall be eligible for benefits, but only if the referral was made within 15 days of the SMART Job Bank posting. For jobs between different Local Unions, the Employee must be referred to the area in which the manpower shortage exists through the SMART Job Bank.
- (b) The Employee is available for work in his or her Home Local Union but is underemployed or threatened with Underemployment in his Home Local Union.
- (c) The Plan and Trustees determine that a manpower shortage exists in an area as the work force in the area is insufficient to provide the manpower necessary for present or immediate future job requirements.
- (d) The manpower shortage shall be certified to SASMI by a Local Union and an Employer in an area participating in SASMI or a Local Fund, a Local Union and an Employer within a single Local Union's territorial jurisdiction or a Local Union or the International Union and an Employer within the Local Union's jurisdiction which are party to an collective bargaining agreement which is not a Contract.

(e) A Contract or a Supplemental Collective Bargaining Agreement/ Provisional Participation Agreement has been executed for the area of work.

(f) The Employee travels to the area in which the manpower shortage exists and accepts and completes employment with an Employer for a period of sixty (60) working days within a period of eighty-four (84) consecutive calendar days or the duration of the job, whichever is shorter. If travel is less than one thousand (1,000) miles, the Employee must only complete thirty (30) working days within a period of forty-two (42) consecutive calendar days or the duration of the job, whichever is shorter. If travel is at least ninety (90) miles one-way from the Employee's home but within the jurisdiction of his Home Local Union, the Employee must only complete ten (10) working days within fourteen (14) consecutive calendar days. No benefits are payable for travel which is less than ninety (90) miles one-way.

(g) The Employer in the area in which the manpower shortage exists guarantees, in advance, that each Employee approved for benefits under this Article who travels to the work area will be offered employment and paid wages, unless discharged for good cause, for at least sixty (60) working days within a period of eighty-four (84) consecutive calendar days. If travel is less than one thousand (1,000) miles, the Employer must only guarantee thirty (30) working days within a period of forty-two (42) consecutive calendar days. If travel is at least one hundred (100) miles one-way from the Employee's home but is within the jurisdiction of his Home Local Union, the Employer must only guarantee ten (10) working days within fourteen (14) consecutive calendar days. If traveling between a SASMI Contract and a non SASMI Contract the distance required needs to be greater than two-hundred (200) or more miles, one way, and outside the Employee's Home Local Union. Mileage is not paid for the return trip when travel is to a non-SASMI Local area.

(h) The Employee submits an application in accordance with procedures established by the Trustees.

(i) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XII at any time during such Stabilization Period or before receipt of payment.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit under this Article is the applicable amount under subsection (a) or (b) but not in excess of the limitations in subsections (c) through (f).

(a) SASMI will pay the mileage rate under subsection (b) plus the *per diem* rate of \$75/day up to a maximum of \$1,125 for related living expenses or reasonable travel

expenses incurred for any one round trip job within or outside of the Employee's Home Local Union.

An Employee who travels to the jurisdiction of another Local Union that participates in SASMI (excluding a Local Union that participates in HCRA B), without a thirty (30) or sixty (60)-day guarantee of employment, who actually works for the minimum period required under Section 1(f) of this Article and provides a layoff slip may receive payment of return mileage.

(b) The mileage rate is the allowable rate for mileage for non-taxable reimbursement of travel expenses established from time to time under the IRC.

(c) The total Travel Benefit may not exceed one thousand one hundred twenty five dollars (\$1,125.00) for travel after 2013 or, if lower, the allowable IRS *per diem* amount without accounting for expenses for the area in which the Employee works or a lower limit under the Plan in effect before 2014.

**SECTION 3. LIMITATIONS ON TRAVEL BENEFITS.** An Employee shall cease to be eligible for travel benefits and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II and XII.

## **ARTICLE VII SEVERANCE BENEFITS**

**SECTION 1. QUALIFICATION REQUIREMENTS.** An Employee qualifies for benefits under this Article if all of the following conditions are met.

(a) The Employee is eligible for Supplemental Unemployment Benefits or Underemployment Benefits on or after July 1, 1992.

(b) The Employee has at least two (2) years of Future Service Credit before 2010.

(c) The Employee has a Severance from work in the Sheet Metal Industry on or after July 1, 1992.

(d) The Employee is eligible for Benefits and does not forfeit his eligibility nor his qualification for Benefits under the Plan as in effect on or before December 31, 2009, before receipt of payment other than by reason of Severance.

(e) An application is filed in accordance with procedures established by the Trustees.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit under this Article is the sum of (a) plus (b) multiplied by (c) the product of which is reduced by (d).

(a) All of the Employee's years of Future Service Credit, as limited by Section 4 below, up to a maximum of thirty-five (35) years are multiplied by the percentage in the following chart opposite his total number of years of Future Service Credit:

Years of Future Service Credit	Percentage
2 – 5.5	2%
6 – 9.5	3%
10 – 35	4% per year for first 20 years, plus 4.5% for years 21-30 and 5% for years 31 through 35

(b) The Employee's years of Past Service Credit are multiplied by one percent (1%). The years of Past Service Credit cannot exceed the lesser of twenty-three (23) years or twenty-five (25) less the years of Future Service Credit.

(c) The total Contributions received, as limited by Section 4 below, for work by the Employee shall be used in calculation the benefit, however, the Trustees have the discretion to include hours on which contributions were due and not paid.

(d) The basic amount as determined in paragraph (c) shall be reduced by subtracting the total amount of all Benefits received under this and any prior Plan. This deduction shall not include “non-deduct” benefits such as, but not limited to, the boot benefit, the physical exam benefit, and the travel benefit during years that it was not a deduct benefit, and shall not include the allocation to the active HRA which was added in 2024 after this benefit was frozen.

(e) The Severance benefit cannot exceed twice the Gross Earnings (as defined in the Plan in effect on or before December 31, 2009) of the Employee from Employers in the calendar year before termination of service with the Employers.

**SECTION 3. PAYMENT.** Payment of the Severance benefit will be made as follows:

(a) The Severance benefit shall be paid in a lump sum upon application after Severance and within twenty-four (24) months of termination of work with the Employers.

(b) Any Severance Benefit paid to an Employee who returned to work prior to December 31, 2009, but not after January 1, 2010, in the Sheet Metal Industry shall be treated as an advance payment of Benefits. No Benefits will be paid to the Employee until the Severance Benefit payment has been deducted from future Benefits and reimbursed to SASMI.

**SECTION 4. SEVERANCE TERMINATION.** Notwithstanding anything else in this Article or Plan, the Severance Benefit will be frozen as of December 31, 2009, with no additional credit for Past Service Credit, Future Service Credit, or contributions after December 31, 2009. The Severance Benefit will be paid as and when provided under the terms of the existing plan, which has not been materially modified within the meaning of IRC Section 409A and the final Treasury Department regulations thereunder. It is the specific intent of this provision to eliminate the accrual of any Severance Benefit after December 31, 2009 that could be subject to IRC Section 409A. This Article and these Rules and Regulations shall be interpreted and applied accordingly.

**SECTION 5. DEATH OF EMPLOYEE.**

(a) A Severance Benefit which would have been payable to a deceased Employee and for which he timely applied shall be paid to the Employee's beneficiary as set out on a SASMI designation of beneficiary card filed with the Employee's Local Union. An Employee may change his designation of beneficiary from time to time. All beneficiary designations shall be made in the form and manner required by the Trustees who shall be the sole judges of the validity thereof.

(b) If the Employee's primary and successor beneficiary die prior to the death of the Employee, or if no beneficiary is designated, then any death benefit otherwise payable under this Section shall be paid in the following order:

- (1) to the Employee's surviving spouse;
- (2) if no spouse survives the Employee, to his children in equal shares;
- (3) if no children survive the Employee, to his parents in equal shares;
- (4) if no parents survive the Employee, to his brothers and/or sisters in equal shares;

(5) If none of the persons enumerated in the foregoing listing of heirs survive the Employee, then the death benefit will be paid to the Employee's estate.

(c) In the event a deceased Employee would have qualified for the payment of a Severance Benefit but had not submitted an application and died within the time for application, an application may be filed by his beneficiary. Any benefit which is payable shall be paid to the designated beneficiary of the deceased Employee in accordance with the provisions of this section.

(d) If a named beneficiary or a beneficiary under paragraph (b) above intentionally killed the Employee or would be excluded from inheriting under the statutes of the state in which the Employee died he shall not be entitled to receive a benefit from this Plan and the benefit will be paid as if the killer predeceased the Employee. The Trustees, in their sole discretion, may deny the benefit based on a review of the facts and circumstances of the Employee's death prior to or without a conviction in a court of law.

(e) This section shall not apply if and to the extent that it would be a material modification of the Severance Benefit as in effect at December 31, 2009 for purposes of IRC Section 409A and final Treasury Department regulations thereunder

**SECTION 6. TERMINATION OF ELIGIBILITY FOR SEVERANCE BENEFITS.** An Employee shall cease to be an Employee as defined by this Plan and/or will not be eligible for Severance Benefits which would otherwise have been payable under the circumstances provided in the Plan as of December 31, 2009, which is incorporated herein by reference.

#### **ARTICLE VIII-A** **DEATH BENEFIT ACTIVE EMPLOYEES**

**SECTION 1. QUALIFICATION.** An Active Employee qualifies for Benefits under this Article if all of the following conditions are met:

- (a) The Employee is eligible for Active Benefits on or after January 1, 2010;
- (b) The Employee has obtained 5 years of Future Service Credit with a minimum or one (1) hour of paid Contributions after January 1, 2010. Eligible Active Employees who were unable to obtain 5 years of Future Service Credit due to death between January 1, 2010 and December 31, 2014 shall be deemed to have had the minimum required amount of Future Service to qualify if the Employee had at least five (5) years of Future Service Credit before 2010;

- (c) The Employee is eligible for Benefits under Article II and, at the time of death, the Employee had not terminated participation nor lost qualification for Benefits under Article XIII without subsequently reestablishing participation and qualification for benefits;
- (d) The Employee has not received Active Benefits exceeding the Contributions paid for his work;
- (e) The Employee has not received a Vacation Benefit;
- (f) Death occurs after January 1, 2010 while the Employee is an Active Employee (not retired); and
- (g) An application is filed within one (1) year of the Employee's death and in accordance with procedures established by the Trustees.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit payable under this Article on the death of an Active Employee shall be determined by the Employee's years of Future Service Credit, as listed in the following chart. The benefit is only payable as listed below.

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

**SECTION 3. EXCLUSIONS.** An Employee shall cease to be eligible and shall not be covered for losses caused by, or that result while committing an assault or felony.

**SECTION 4. LIMITATIONS ON DEATH BENEFITS.** An Employee shall cease to be eligible for the Active Employee Death Benefits and shall forfeit any Benefits which would otherwise have been payable upon any of the following:

- (a) a loss of eligibility;
- (b) termination of participation;
- (c) loss of qualification as and to the extent provided in Articles II and XIII;

- (d) retirement.

Moreover, notwithstanding any other rule or provision of this Plan, no death benefit otherwise due in connection with the death of any Owner, Spouse of an Owner, or other person subject to the offset provisions set out in Article XII, Section 2(d) shall be payable as long as any amounts are due under that offset provision. A beneficiary may assign the portion of the death benefit required to satisfy the amount due under Article XIII, Section 2(d) and any remaining death benefit shall be paid to the beneficiary.

#### **SECTION 5. BENEFICIARY.**

(a) The Death Benefit shall be paid to the Employee's beneficiary as set out on a SASMI designation of beneficiary card filed with the Employee's Local Union. An Employee may change their designation of beneficiary from time to time. All beneficiary designations shall be made in the form and manner required by the Trustees who shall be the sole judges of the validity thereof.

(b) If the Employee's primary and successor beneficiary die prior to the death of the Employee, or if no beneficiary is designated, then any death benefit otherwise payable under this Section shall be paid in the following order:

- (1) to the Employee's surviving spouse;
- (2) if no spouse survives the Employee, to their children in equal shares;
- (3) if no children survive the Employee, to their parents in equal shares;
- (4) if no parents survive the Employee, to their siblings in equal shares;
- (5) If none of the persons enumerated in the foregoing listing of heirs survive the Employee, then the death benefit will be paid to the Employee's estate.

(c) If a named beneficiary or a beneficiary under paragraph (b) above intentionally killed the Employee or would be excluded from inheriting under the statutes of the state in which the Employee died, they shall not be entitled to receive a benefit from this Plan and the benefit will be paid as if the killer predeceased the Employee. The Trustees, in their sole discretion, may deny the benefit based on a review of the facts and circumstances of the Employee's death prior to or without a conviction in a court of law.

**SECTION 6. BENEFICIARY HEALTH PREMIUM BENEFIT.** Effective with deaths on or after January 1, 2023, SASMI will reimburse the following health care premiums for surviving dependents of Active Employees eligible for this Active Death Benefit.

- (a) This benefit is only available in situations where an Active Death Benefit is payable.
- (b) The premiums eligible for reimbursement are:
  - (1) Premiums for COBRA 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 of the Employee in a SMART related health plan on the date of the Employee's death.
  - (3) 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.

**ARTICLE VIII-B**  
**DEATH BENEFIT RETIRED EMPLOYEES**

***This is the only Active Benefit that an Employee continues to be eligible for after Retirement. This eligibility does not make the individual an active participant in the Active Plan.***

**SECTION 1. QUALIFICATION.** A Retired Employee qualifies for Benefits under this Article if all of the following conditions are met:

- (a) The Employee was eligible for Active Benefits immediately prior to his Retirement on or After January 1, 2020 and for Retiree Benefits (HCRA) upon retirement;
- (b) The Employee would have been eligible for the Active Employee Death Benefit (in Article VIII-A above) if he had died the day before he retired;
- (c) The Retiree dies on or after January 1, 2010; and
- (d) An application is filed within one (1) year of the Employee's death and in accordance with procedures established by the Trustees. For deaths prior to January 1, 2021, this deadline will not be applied.

Provided, however, that an Employee who lost eligibility for Active Benefits because of disability will qualify for this benefit if the Employee is approved for Social Security Permanent Disability effective on or before the date on which eligibility for Active Benefits was lost even if there is a delay in retirement. For these individuals the one-year filing requirement does not apply to deaths prior to January 1, 2023.

**SECTION 2. AMOUNT OF BENEFIT.** The benefit payable under this Article on the death of a Retiree shall be a portion of the benefit that would have been paid as an Active Benefit had the Retiree died the day before retirement reduced based on the length of time since retirement as follows:

Years of Future Service Credit	Benefit based on time since retirement				
	first 12 months (year 1) after retirement	months 13-24 (year 2) after retirement	months 25-36 (year 3) after retirement	months 37-48 (year 4) after retirement	months 49-60 (year 5) after retirement
5 – 9.5	\$5,000	\$0	\$0	\$0	\$0
10 – 14.5	\$10,000	\$5,000	\$0	\$0	\$0
15 – 19.5	\$20,000	\$13,333	\$6,667	\$0	\$0
20 – 24.5	\$30,000	\$22,500	\$15,000	\$7,500	\$0
25 – 29.5	\$40,000	\$32,000	\$24,000	\$16,000	\$8,000
30 or More	\$50,000	\$40,000	\$30,000	\$20,000	\$10,000

**SECTION 3. EXCLUSIONS.** An Employee shall cease to be eligible and shall not be covered for losses caused by, or that result while committing an assault or felony.

**SECTION 4. LIMITATIONS ON DEATH BENEFITS.** An Employee shall cease to be eligible for the Retired Employee Death Benefits and shall forfeit any Benefits which would otherwise have been payable upon a loss of eligibility for Retiree Benefits or a termination of participation for any reason other than an exhaustion of their HCRA account.

**SECTION 5. BENEFICIARY.** The Beneficiary rules are the same as set out in Article VIII-A DEATH BENEFIT ACTIVE EMPLOYEES.

**ARTICLE IX**  
**HEALTH BENEFITS**

**SECTION 1. ANNUAL PHYSICAL BENEFIT.**

(a) Qualification Requirements. An Employee qualifies for Benefits under the Section provided.

(1) The Employee is eligible for Benefits under Article II, has not received benefits in excess of 100% of contributions, has not otherwise lost eligibility under Article II, Sections 6 or 7(b), and does not terminate participation nor lose qualification for Benefits under Article XIII at any time during such Stabilization Period during which the examination took place.

(2) The Employee submits an application and documentation in accordance with procedures established by the Trustees no later than one (1) year from the original Date of Service (DOS) and the Employee was eligible for benefits in the Stabilization Period in which the Physical Exam was performed.

(3) Receipt of this benefit does not limit an Employee's eligibility for other benefits under the Plan and is not taken into account when calculating severance benefits under Article VII or when determining benefits under the Retiree Plan. These benefits also do not count in determining whether an Employee has received benefits equal to or in excess of 200% of contributions for purposes of Article II, Section 6(b).

(b) Amount of Benefit. The benefit under this Article and Section are annual amounts per calendar year based on the date of application for the benefit regardless of whether the benefit is sought in the same calendar year as the physical exam or in the next calendar year and shall not in aggregate exceed \$600 per family per year.

Employee	\$200.00
Spouse of an Employee	\$100.00
Dependent Child(ren)	\$100.00

(c) Required Documentation. Submission of applications under this Article and Section require.

(1) an Explanation of Benefits (EOB) from a SMART affiliated Health and Welfare Fund.

(2) EOB must provide evidence of an actual physical exam, well woman exam, or wellness screening by a qualified professional. Wellness screenings include Pap smear, Colon Cancer screening, Mammograms, PSA and Bone Density testing.

(3) The participant must have been eligible for this benefit both at the time of the physical examination and at the time of application for the benefit.

(d) Limitations on Annual Physical Benefit.

(1) Only one benefit per person will be approved in any calendar year. For example, Joe Smart submits an application in March 2021 based on his October 2020 physical and the benefit is approved for payment in the 2021-A Stabilization period. Joe has another physical in October 2021. He is not eligible for a benefit based on that physical in 2021, but would be eligible for a benefit for that physical in 2022.

If Joe did not submit a prior application in 2021 for his dependent and that dependent has a physical in October 2021, then Joe can apply for the benefit for his dependent in the 2021-B Stabilization period.

(2) An Employee shall cease to be eligible for annual physical benefits and forfeits any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II with the exception of Section 7(a), and Article XIII.

## **ARTICLE X**

### **MATERNITY BENEFITS**

**SECTION 1. QUALIFICATION REQUIREMENTS.** An Employee qualifies for Benefits under the Section provided.

(a) The Employee is involuntarily unemployed in connection with a pregnancy and/or the birth of a child.

(b) The Employee was available for and sought suitable work in the Sheet Metal Industry in her Home Local Union at all times, other than when out of work in connection with the pregnancy and/or birth, during the current and prior Stabilization Period.

(c) The Employee did not refuse an offer or opportunity of suitable work or work in the Sheet Metal Industry on referral from her Home Local Union during the current and prior Stabilization Period, other than when out of work in connection with the pregnancy and/or birth.

(d) For paragraphs (b) and (c) of this section, the period the Employee was out of work in connection with the pregnancy and/or birth includes the period for which this Maternity Benefit is sought as well as additional periods during which the Employee is unable to work due to her own medical condition. The Employee may, but is not required to, apply for un/underemployment benefits due to illness for said additional periods. Additional periods during which the Employee is unable to work must be certified by the Employee's medical professional by documentation acceptable to the Trustees.

(e) The Employee, when required to be available for work, demonstrated a willingness to travel reasonable distances on referral from her Home Local Union to secure suitable work in the Sheet Metal Industry.

(f) The Employee submits an application in accordance with procedures established by the Trustees including but not limited to:

(1) Application must include Banking Information to facilitate weekly payments.

(2) Application must be signed by a Medical Professional whose license and certification includes obstetrics verifying the expected or actual date of birth.

(g) The Employee is eligible for Benefits under Article II and has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XIII at any time before approval and receipt of payments.

## **SECTION 2. AMOUNT OF BENEFIT.**

(a) The basic benefit equals sixty percent (60%) of the Average Hourly Wage on which Contributions are being remitted in the Employee's Home Local multiplied by the regular work week hours found in the Collective Bargaining Agreement (CBA).

(b) The benefit shall be paid weekly via ACH for a period not to exceed twelve (12) weeks per pregnancy. The benefit may be paid in one or two stabilization periods.

(c) Payments will commence no sooner than four (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.

(d) Maternity Benefits will not be deemed to be work for the purposes of determining eligibility for Article III, Supplemental Unemployment Benefits, and Article IV, Underemployment Benefits.

**SECTION 3. LIMITATIONS ON MATERNITY BENEFITS.** An Employee shall cease to be eligible for this Maternity benefit and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification as and to the extent provided in Articles II and XIII.

## **ARTICLE XI** **ACTIVE PLAN HRA**

### **SECTION 1. QUALIFICATION REQUIREMENTS.**

(a) Effective with contributions received for work in January 2022, an Employee will have 20% of the contributions for work in the Calendar Year credited to their Active Plan HRA, with one dollar of contributions equal to one credit. Effective with the allocation made in 2025 (based on 2024 contributions), the allocation will be made during the first quarter of the next calendar year or as soon thereafter as administratively possible.

(b) An Employee's Active Plan HRA will be available for use when the contributions made on their behalf reach 250 credits (\$1 = 1 credit) and the Employee has activated the account. An Employee is not required to activate their account and it will continue to accrue credits until activated and the benefit used.

(c) Once activated, unless the Employee otherwise loses eligibility, the Active Plan HRA will remain available to the Employee, however, if the account drops to \$0 (zero dollars) it will be suspended until there is a subsequent allocation.

(d) An Employee is permitted to permanently opt out of and waive future reimbursements from the Active Plan HRA at least annually. This opt-out feature is intended to ensure that the individual will not be precluded from claiming a Code § 36B premium tax credit.

### **SECTION 2. THE BENEFIT.**

(a) Once an Employee's account has received 250 credits they will be provided with information on how to activate their account.

(b) Once activated the Active Plan HRA can be used for prescription medication that is:

- (1) covered by the prescription drug benefit of a SMART affiliated Health Plan;
- (2) purchased at a retail or participating mail order pharmacy;
- (3) paid for with the Active Plan HRA Debit Card (currently the WEX card); and
- (4) prescribed for the Employee or dependents of the Employee who are covered by the SMART affiliated Health Plan.

(c) The Active Plan HRA can also be used for

- (1) Other FSA eligible items purchased at a pharmacy or on-line FSA/HSA/HRA vendor. The Active Plan HRA Debit Card will only process charges that are eligible to be covered by the HRA; and
- (2) Vision aids (glasses or contacts) and hearing aids purchased at the pharmacy counter of a retail pharmacy or from an on-line FSA/HSA/HRA vendor; and
- (3) Dental related claims incurred beginning January 1, 2025 may be paid using the WEX card or paid claims may be submitted to the Fund Office for reimbursement.

The Trustees reserve the discretion to modify the allowable uses of the Active Plan HRA to restrict or expand medical expenses to include any allowed under Internal Revenue Code section 213.

(d) An Employee is not required to activate or use their Active Plan HRA, and the account balance will continue to accumulate unless terminated or forfeited or the benefit is modified by the Trustees.

- (1) Any amount in the Active Plan HRA remaining upon an Active Employee's death will be available to their surviving dependents who were in the SMART affiliated Health Plan on the date of the Employee's death.

(2) Any amount in the Active Plan HRA remaining upon an Active Employee's retirement will be merged with the Employee's HCRA.

(e) Once an Employee becomes eligible for an Active Plan HRA if there is a period of 36 consecutive 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 regarding the Active Plan HRA then the account will be administratively closed. An administratively closed account can be restored within five (5) years of being closed upon application from the Employee.

(f) It is the obligation of Employee to ensure that their Active Plan HRA is only used for allowable expenses for the Employee and those dependents of the Employee covered by the Employee's SMART affiliated Health Plan.

### **SECTION 3. GENERAL LIMITATIONS.**

(a) No Vesting. An Employee's Active Plan HRA account is solely a bookkeeping account and is not vested nor segregated or held in individual trust apart from Plan assets for the Employee or anyone else. Active Plan HRA benefits and accounts are not vested nor guaranteed in any way.

(b) Plan Changes. The Trustees may, in their discretion, increase or decrease eligibility requirements, reduce the amount of HRA Benefits, or change, within the IRC rules, the allowable uses for the Active Plan HRA.

(c) An Employee shall cease to be eligible for benefits from the Active Plan HRA benefit upon a loss of eligibility under Article II, Sections 6 or 7, or a termination of participation or loss of qualification for Benefits under Article XIII.

## **ARTICLE XII SICK LEAVE BENEFIT**

**SECTION 1. QUALIFICATION REQUIREMENTS.** An Employee qualifies for benefits under this Article in a Stabilization Period for which all of the following conditions are met.

(a) The Employee is unable to work due to illness, to care for a family member who is ill, or to attend a doctors' visit for medical care for themselves or a family member.

(b) The Employee was at work under the Contract on the workday before and the workday after the Sick Leave day(s).

(c) The Employee did not receive other wage replacement benefits, including state sick leave or unemployment benefits, for day(s) for which benefits are sought.

(d) The Employee is eligible for Benefits under Article II, has not received benefits in excess of 100% of contributions, has not lost eligibility under Article II, Sections 6 or 7, and does not terminate participation nor lose qualification for Benefits under Article XIV at any time during such Stabilization Period or before receipt of payment.

(e) The Employee submits an application in accordance with procedures established by the Trustees.

**SECTION 2. AMOUNT OF BENEFIT.**

(a) Eligible Employees are entitled to a maximum of 5 days of Sick Leave Benefits per calendar year.

(b) 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.

(c) The Sick Leave benefit is paid at Employees' straight time rate only, based on the most recent rate reported to SASMI.

**SECTION 3. LIMITATIONS ON SICK LEAVE BENEFITS.** An Employee shall cease to be eligible for this Sick Leave Benefit and forfeit any Benefits which would otherwise have been payable upon a loss of eligibility, termination of participation or loss of qualification to the extent provided in Articles II and XIV.

**ARTICLE XIII  
PRODUCTION AND INDUSTRIAL EMPLOYEES**

**SECTION 1. BENEFIT ADJUSTMENTS.** Notwithstanding anything to the contrary in these Rules and Regulations, the Benefits payable to an Employee of a Production or Industrial Employer shall be adjusted and paid as provided in this Article. To the extent this Article XII does not specify eligibility or other requirements, the provisions set out elsewhere in these Rules and Regulations apply.

The separate schedule of benefits for Employees of Production or Industrial Employers in the SASMI Production or Industrial Rules and Regulations was terminated as of December 31, 2013 and the provisions herein shall apply thereafter.

**SECTION 2. INITIAL ELIGIBILITY.** The initial eligibility of an Employee of a Production and Industrial Employer commences upon the completion of 600 Hours within any twelve (12) consecutive months, 1,000 Hours within any twenty-four (24) consecutive months, or 1,400 Hours within any period of time. Such initial eligibility shall entitle an otherwise qualified Employee to the payment of Benefits provided he meets all other requirements for such benefits.

**SECTION 3. SUPPLEMENTAL UNEMPLOYMENT BENEFITS.** The maximum benefit under Article III cannot exceed ninety-five (95) times the Average Hourly Wage for eligibility based on work with and Contributions by a Production and Industrial Employer.

**SECTION 4. UNDEREMPLOYMENT BENEFITS.** The maximum benefit under Article IV cannot exceed ninety-five (95) times the Average Hourly Wage for eligibility based on work with and Contributions by a Production and Industrial Employer.

**SECTION 5. WELFARE BENEFITS.** The maximum benefit under Article V cannot exceed ninety-five (95) times the Average Hourly Wage for eligibility based on work and Contributions by a Production and Industrial Employer and must be paid only to a health plan maintained by the Employee's Production and Industrial Employer pursuant to a Contract.

**SECTION 6. TRAVEL BENEFITS.** There are no Travel Benefits under Article VI for Employees with eligibility based on work with and Contributions by a Production and Industrial Employer.

**SECTION 7. SEVERANCE BENEFITS.** An Employee shall only be eligible for Severance Benefits under Article VII based on work with and Contributions to SASMI by a Production or Industrial Employer as provided in the Production & Industrial Rules and Regulations as of December 31, 2009.

**SECTION 8. DISABILITY BENEFIT.** The disability benefit under the separate schedule of benefits for employees of Production or Industrial Employers in the SASMI Production or Industrial Rules and Regulations terminated as of December 31, 2013.

**SECTION 9. DEATH BENEFIT.** Except as modified by the following chart, the provisions and requirements related to the Death Benefit set out in Article VIII apply. The maximum benefit

under this Article XII, Section 9, cannot exceed \$25,000. The benefit shall be determined by the Employee's years of Future Service Credit, as listed in the following chart.

<b>Years of Future Service Credit</b>	<b>Benefit</b>
5 – 9.5	\$2,500
10 – 14.5	\$5,000
15 – 19.5	\$10,000
20 – 24.5	\$15,000
25 – 29.5	\$20,000
30 or More	\$25,000

Retiree death benefit for Production and Industrial Employees is one-half the benefit set out in Article VIII-B.

**ARTICLE XIV**  
**LOSS OF QUALIFICATION**

**SECTION 1. PARTIAL LOSS OF BENEFITS.** Notwithstanding any other provision of the Plan, an Employee is disqualified from payment and forfeits all Supplemental Unemployment Benefits, Underemployment Benefits, and Advance Benefits for Un or Underemployment which would otherwise have been payable for a Stabilization Period under the following circumstances.

(a) 10% of Group Hours. An Employee who, after receipt of two (2) Supplemental Unemployment Benefits or Underemployment Benefits, has failed either voluntarily or involuntarily to work at least ten percent (10%) of the applicable Group Hours in the Stabilization Period preceding the Stabilization Period for which the Employee is applying for Benefits is disqualified. This rule will not apply to an Employee who fails to complete at least ten percent (10%) of the applicable Group Hours due to unemployment in the jurisdiction of his Home Local Union and works in the jurisdiction of a Local Union that does not participate in SASMI, provided the Employee receives a SASMI Travel Benefit for the non-SASMI work performed.

(b) Lack of Continued Training. An Employee who fails or refuses without sufficient cause to enroll in, attend, and complete a course of advanced training is disqualified if:

- (1) the Employee's Home Local Union has a school or program for advanced journeyman training or upgrading skills of Employees,
- (2) the Employee has received Supplemental Unemployment Benefits or Underemployment Benefits for a Stabilization Period, and

(3) the Trustees determine that such advance training is required.

(c) **Refused Work.** An Employee who refuses, without sufficient cause, an offer or opportunity of suitable work or work referral from his Home Local Union during any Stabilization Period is disqualified.

(d) **Drug Testing.** An Employee who fails, neglects or refuses to pass job-site drug testing requirements is disqualified from Supplemental Unemployment Benefits, Underemployment Benefits, and Travel Benefits, unless the Employee is enrolled in a *bona fide* employee assistance program.

**SECTION 2. LOSS OF ALL BENEFITS.** Notwithstanding any other provision of the Plan, an Employee is disqualified from payment and forfeits all Benefits which would otherwise have been payable under the following circumstances. An Employee who loses Benefits under this section shall cease to be an Employee in the Plan and must re-establish initial eligibility under Article II, Section 1.

(a) **Individual Termination – Current Benefits.** Eligibility for Benefits that would otherwise have been payable (other than a Severance or Death Benefit) unless allowed by Article II, Section 4, shall be lost immediately in the following circumstances.

(1) An Employee permanently ceases to be employed in the Sheet Metal Industry.

(2) An Employee accepts permanent employment outside the Sheet Metal Industry, whether or not he remains in his Home Local Union.

(3) An Employee becomes a partner or the sole proprietor of a business in the Sheet Metal Industry.

(4) An Employee becomes an Owner or Relative of an Owner of a business in the Sheet Metal Industry and does not satisfy the requirements of Article II, Section 5.

(b) **Individual Termination – All Benefits.** Eligibility for Benefits that would otherwise have been payable and all Past Service Credit and Future Service Credit shall be lost immediately in the following circumstances.

(1) An Employee accepts any employment in the Sheet Metal Industry from an employer who is not party to a collective bargaining agreement with the International Union or a Local Union.

(2) An Employee transfers to a Local Union with no Contracts or one with a Contract only requiring contributions to HCRA B.

(c) Local Union Termination. Eligibility for Benefits that would otherwise have been payable and all Past Service Credit and Future Service Credit shall be lost immediately when the Employee's Home Local Union takes an action that terminates or will at some future date terminate the provisions of the Local Union's Contracts. This provision shall not apply to an Employee who transfers to a Local Union with a Contract or files an application for a Severance Benefit with SASMI before the Employee's Home Local Union takes action that terminates or will terminate at some future date the provisions of the Local Union's Contracts. The application shall be processed and, if a Severance Benefit would otherwise be made, paid thereon as if the action of the Employee's Home Local Union had not occurred. This provision shall not apply if the Employee transfers into a Local Union with a SASMI contract within one year of the Home Local Union termination. For purposes of this provision, a collective bargaining agreement requiring contributions only to HCRA B is not a Contract.

(d) Offset. Any Benefits due an Owner or spouse of an Owner who fails to pay Contributions or other amounts to SASMI shall be reduced by the amount not paid and interest on that amount under Section 502(g) of ERISA. The same rule shall apply to any other Employee who is personally responsible for an Employer's failure to make payment to SASMI as required by Article XV Section 3(c). The procedure set out in this section relates to the calculation of benefits, it is not a denial of benefits. This procedure may change the amount of an obligation, but it does not eliminate the existence of the Plan's obligation to pay the benefit as calculated, even if the calculated amount is \$0. The implementation and use of this procedure cannot be waived, released, discharged or otherwise modified in the calculation of any person's benefits without a specific reference to this plan section and to the plan benefit(s) to which the waiver, release, discharge, etc. is meant to apply.

(1) Assignment, Judgment or Lien for Amounts Due National Benefit Funds

If, after an offset under this provision, any SASMI benefits remain then SASMI shall honor an explicit assignment, judgment (entered on or after January 1, 2010), or lien for delinquent contributions, withdrawal liability, and interest on those amounts under Section 502(g) of ERISA in favor of the National Benefit Funds and against an Owner, spouse of an Owner, or an Employee who is personally responsible for an Employer's failure to make the payments due to the National Benefit Funds which are the subject of the assignment, judgment or lien. When the individual whose benefits are subject to attachment is neither the Owner nor the spouse of the Owner the individual must be personally

named in the assignment, judgment or lien, or must have personally acknowledged the obligation in writing.

(2) No Assignment, Judgment or Lien for Amounts Due National Benefit Funds

Effective January 1, 2024, SASMI will also honor offset claims for an Employer's delinquent contributions, withdrawal liability, and interest on those amounts under Section 502(g) of ERISA due to the National Benefit Funds where there is not an explicit assignment, judgement or lien. When the individual whose benefits are subject to attachment is neither the Owner nor the spouse of the Owner the individual the individual shall be afforded an opportunity of not less than 30 days to refute the assertions that (i) they had an ownership interest in the Employer, (ii) they are obligated to pay the debts of the Employer, and (iii) the amount due from the Employer.

(3) Offsets in favor of the National Benefit Funds shall be subject to the following limitations:

- (i) The amount used to determine the Offset based on the amount due to the National Benefit Funds shall be the full amount of contributions, withdrawal liability and interest due, however, the amounts paid to the National Benefits Funds shall be capped at the total contributions received by SASMI for the individual remaining after deduction of Active benefits received by that individual and the offset, if any, for amounts due to SASMI;
- (ii) Any amounts paid to the other National Benefit Funds shall be net of estimated taxes which shall be paid in the same way as any other taxable benefit and a W-2 or 1099 issued to the individual; and
- (iii) If the individual appeals a determination that payment is due to the National Benefit Funds, then the payment shall not be made to either the individual or the National Benefit Funds until the matter is resolved.

**SECTION 3. EFFECT OF TERMINATION AS EMPLOYER.** In the event that an employer's status as an Employer is terminated, then:

- (a) notwithstanding any provision to the contrary in any collective bargaining agreement or other similar agreement to which the employer is a party, the employer shall cease to be an Employer under the Plan;
- (b) any person employed by such former Employer shall cease to be an Employee and shall forfeit eligibility and lose qualification for any and all Benefits otherwise

payable (other than a Severance and Death Benefit for which the Employee is and/or remains eligible and qualified); and

(c) all Hours and Contributions with the former Employer after the former Employer's termination date shall be disregarded.

**ARTICLE XV**  
**APPLICATIONS AND APPEALS**  
**PROCEDURES FOR BENEFIT PAYMENTS**

**SECTION 1. APPLICATIONS.**

(a) Filing of Applications. 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.

(b) Application Information. An application for a Benefit shall be made in writing and shall include information deemed necessary by the Trustees such as wages, source and amount thereof, and such other information as the Trustees may reasonably require in order to determine whether the Employee or other claimant is entitled to a Benefit.

(c) Fraudulent or Deceptive Statements. If the Trustees determine that an application for benefits has been intentionally falsified by an Employee, 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 an Employee or other person, the person shall be subject to any available remedy under applicable law.

**SECTION 2. APPLICATION FOR SUPPLEMENTAL UNEMPLOYMENT BENEFIT OR UNDEREMPLOYMENT BENEFIT.** An application for a Supplemental Unemployment Benefit or Underemployment Benefit shall be made in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall 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.

**SECTION 3. APPLICATION FOR ADVANCE PAYMENT OF SUPPLEMENTAL UN/UNDEREMPLOYMENT BENEFIT.** Application for advance payment of a Supplemental Unemployment Benefit or Underemployment Benefit shall be made in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall be filed after the first month of the Stabilization Period for

which the application is made. A separate application shall be filed for each monthly payment. An Advance Payment is a pre-determination payment paid prior to the time an Employee can apply for a Supplemental Unemployment Benefit. The approval or denial of the benefit is based on the information the Fund has at the time of the request. If the request for an Advance Payment is denied the Employee may apply after the Stabilization Period for a Supplemental Unemployment Benefit 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 the request for an Advance Payment is approved then, after the end of the Stabilization Period, an Employee who receives an Advance Payment of Supplemental Unemployment Benefits in a Stabilization Period will be deemed to have applied for and received an Unemployment Benefit for that Stabilization Period. An Employee who has received an advance payment of supplemental unemployment benefits in a Stabilization Period in an amount greater than the amount that is ultimately payable as an Unemployment Benefit in that Stabilization Period will be deemed to have applied for and received an Unemployment Benefit for a later Stabilization Period(s) and such excess payment shall be deducted from future Benefit payments until it is reimbursed to SASMI.

**SECTION 4. APPLICATION FOR WELFARE BENEFITS.** No application for Welfare Benefits is required from an Employee. The Group Health Plan of the Employee's Home Local Union shall apply for payment by certifying that the Employee is not eligible for coverage under uniform plan rules applicable to all Employees (with or without SASMI coverage) and billing SASMI for payment in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall be postmarked and mailed to SASMI by the Home Local Union health plan within ninety (90) calendar days after the end of the period for which the Welfare Benefit is to be paid.

**SECTION 5. APPLICATION FOR TRAVEL BENEFITS.** Application for any of the Travel Benefits shall be made in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. Such application shall be filed with SASMI by the Employee prior to traveling.

**SECTION 6. APPLICATION FOR SEVERANCE BENEFITS.** Application for a Severance Benefit shall be made in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall be filed with SASMI by the Employee no later than twenty-three (23) months after the Employee terminates service with the Employers.

**SECTION 7. APPLICATION FOR DEATH BENEFITS.** Application for Death Benefits shall be made in writing in the form established from time to time by the Administrator, as approved

and authorized by the Trustees. The application shall be filed with SASMI by the beneficiary no later than twelve months after death.

**SECTION 8. APPLICATION FOR ANNUAL PHYSICAL BENEFITS.** Applications for the Annual Physical Benefit shall be made online or otherwise in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. Such application shall be filed with SASMI by the Employee requesting Annual Physical Benefit no later than one (1) year from the original Date of Service (DOS).

**SECTION 9. APPLICATION FOR SICK LEAVE BENEFITS.** Application for Sick Leave Benefits shall be made online or otherwise in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall be filed with SASMI by the Employee no later than ninety (90) calendar days after the end of the stabilization period during which the sick leave was taken.

**SECTION 10. APPLICATION FOR ACTIVE HRA BENEFITS.** Application for an Active HRA Benefit shall be made online or otherwise in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees. The application shall be made at any time after the Employee meets the eligibility requirement, as long as they have not lost eligibility.

**SECTION 11. APPLICATION FOR MATERNITY BENEFITS.**

(a) Applications for Maternity Benefits shall be made in writing in the form established from time to time by the Administrator, as approved and authorized by the Trustees.

(b) Applications must be filed no later than twelve (12) weeks after the birth or end of the pregnancy.

**SECTION 12. APPLICATION PROCESSING BY TRUSTEES.** An application or other claim for Benefits is complete when the Employee or other claimant has furnished the information required. SASMI then shall determine whether an Employee 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.

**SECTION 13. NOTIFICATION TO CLAIMANT OF DECISION.** If a Benefit application is granted, the Administrator shall make payment to the claimant (or in the case of Welfare benefits to the Local Group Health Plan) 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.

**SECTION 14. CLAIMS COMMITTEE.** The Trustees may appoint a Claims Committee, consisting of two or more persons with equal representation of Employer and Union Trustees, to carry out their functions with respect to the claims and review procedure specified in this Article. The Claims Committee shall meet no less than quarterly to consider requests for review.

**SECTION 15. REVIEW PROCEDURE.** A claimant who has received a notice that his application has been denied may request a review of such notice of denial within sixty (60) 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.

**SECTION 16. DECISION ON REVIEW.** Upon receipt of a request for review, the Trustees or the Claims Committee shall render a decision at the next 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.

**SECTION 17. RECORDS.** SASMI shall maintain a record of all applications for Benefits, requests for review and responses thereto, as required by ERISA.

**SECTION 18. UNIFORM LIMITATIONS PERIOD.**

- (a) 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 without filing of an application for Benefits or other claim for payment with SASMI and timely completion of the claims procedure in this Article.

(b) 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:

- (1) the last date for timely request for review of a denied claim,
- (2) the date of a written determination or response by the Plan to a timely request for review on a claim, or
- (3) the last date for a timely response by the Plan to a request for review or other request under ERISA and applicable regulations.

(c) 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.

**SECTION 19. CLAIMS AND APPEALS INVOLVING A DETERMINATION OF DISABILITY OR TEMPORARY DISABILITY.**

(a) Claims Processing. Claims which require a determination of Disability or Temporary Disability 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.

If the Administrator or the Claims Committee needs to extend the time period to resolve the claim, the Employee (or his authorized representative) will receive a notice of the extension explaining the standards for entitlement to the benefit, why an extension is needed (what issues are unresolved), and what additional information is needed. The Employee will have at least 45 days to supply the requested information. The period of time to make a determination (the original time and up to two additional periods), however, may be tolled if the Administrator or the Claims Committee requests additional information. In addition to asking for additional information, the Administrator or the Claims Committee may have the Employee examined in connection with the claim of disability.

The denial of a claim or part of a claim will be provided to the Employee in writing, in a culturally and linguistically appropriate manner (as described in 29 C.F.R. § 2560.503-1(o)) that is calculated to be understood by the Employee, and will include:

- (1) The specific reason or reasons for the denial;
- (2) A reference to pertinent Plan provisions on which the denial is based;
- (3) An explanation of the basis for disagreeing with or not following:
  - (i) The views presented by the Employee or health care professionals treating the Employee and vocational professionals who evaluated the Employee;
  - (ii) The views of any medical or vocational experts whose advice was obtained on behalf of SASMI in connection with the Employee's claim, without regard to whether the advice was relied upon in making the adverse determination; or
  - (iii) A disability determination made by the Social Security Administration regarding the Employee;
- (4) The specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist;
- (5) A description of any additional information necessary for the Employee to perfect the claim; and
- (6) An explanation of the steps to be taken if the Employee wishes to appeal the denial.

(b) Appeal Procedure. An Employee (or their authorized representative) may appeal any denial of a claim which requires a determination of Disability or Temporary Disability 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 this 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 his claim.

The appeal will be reviewed by the Trustees or the Claims Committee who are fiduciaries of SASMI and not the persons who made the original determination on the claim or subordinates of those persons. If the Trustees have designated the Claims Committee to decide the appeal the Trustees may review (and may change) the decision. If the adverse determination on the claim was based in whole or in part on a medical judgment then the Trustees or the Claims Committee shall consult with an appropriately trained health care professional with experience in the relevant field of medicine who was not consulted in making the initial determination on the claim. Any decisions regarding the hiring, compensation, termination, promotion, or other similar matters with respect to any individual involved in any decision made pursuant to this Claims and Appeals Procedure may not be made based upon the likelihood that the individual will support the denial of benefits.

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.

A decision deciding the appeal will be provided to the Employee in writing, in a culturally and linguistically appropriate manner (as described in 29 C.F.R. § 2560.503-1(o)) that is calculated to be understood by the Employee within 45 calendar days after receipt of the written statement constituting the appeal. If special circumstances require an extension of time for processing the appeal then the Trustees or the Claims Committee will notify the Employee of the reason for the extension within the initial 45 day period. This extension can be for no more than 45 days. The period of time to make a determination (the original time and any extension), however, may be tolled if the Trustees or the Claims Committee request additional information.

The written decision on the appeal will be mailed to the Employee. If the decision is adverse to the Employee, it will include:

- (1) The specific reason or reasons for the adverse determination;

- (2) A reference to the specific Plan provisions on which the adverse determination is based;
- (3) An explanation of the basis for disagreeing with or not following:
  - (i) The views presented by the Employee of health care professionals treating the Employee and vocational professionals who evaluated the Employee;
  - (ii) The views of any medical or vocational experts whose advice was obtained on behalf of SASMI in connection with the Employee's claim, without regard to whether the advice was relied upon in making the adverse determination; or
  - (iii) A disability determination made by the Social Security Administration regarding the Employee;
- (4) The specific internal rules, guidelines, protocols, standards or other similar criteria of the Plan relied upon in making the adverse determination or, alternatively, a statement that such rules, guidelines, protocols, standards or other similar criteria of the Plan do not exist;
- (5) A statement that the Employee is entitled to receive upon request and free of charge reasonable access to and copies of all documents, records and other information relevant to the claim for benefits;
- (6) A statement of the Employee's right to bring a court action under Section 502(a) of ERISA within the timeframe set forth in Article XIII, Section 14.

**ARTICLE XVI**  
**GENERAL**

**SECTION 1. BENEFIT OVERPAYMENTS.**

- (a) If the Trustees overpay an Employee or other person, the recipient shall be required to make repayment to SASMI upon receiving written notice of such obligation from the Trustees.
- (b) If the recipient fails to return such amount, the amount of overpayment and interest may be deducted from any future Benefits or payments with respect to an Employee.

(c) The Trustees additionally may take legal action to recover from the Employee or other recipient of an overpayment. In any such action, the Employee or other recipient of an overpayment shall be obligated to pay reasonable attorney's fees and any other fees or costs related to recovery of the overpayment and interest on the overpayment.

**SECTION 2. BENEFIT DEDUCTIONS.** The Trustees may, as they deem prudent, deduct or withhold from the amount of any Benefit, as computed under the Plan:

- (a) any amount required to be withheld by the Trustees by reason of any law or regulation or final court decree, or
- (b) any amount for payment of taxes or otherwise to any federal, state or municipal government, and
- (c) any amounts required to be withheld or deducted from wages or benefits by the Employers.

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

**SECTION 3. FINAL CALCULATION OF NET CONTRIBUTIONS.** Upon the termination of participation in the Active plan due to the Employee's retirement, as defined in the Retiree Plan, or the Employee's final forfeiture of benefits under this Active Plan, or the Employee's death, the Employee's final Net Contributions shall be calculated by taking the contributions received and subtracting, at the discretion of the Trustees, any amount due under the offset provisions set out in Article XIII, section 2(d). Amounts used to offset obligations to SASMI under this provision are benefits paid for purposes of calculating Severance benefits and eligibility for the death benefit.

In calculating the Net Contributions Remaining, the Trustees have the discretion to include hours on which contributions were due and not paid in determining the contributions received.

## **ARTICLE XVII**

### **ADMINISTRATION OF THE PLAN**

**SECTION 1. POWERS AND AUTHORITY OF TRUSTEES.** The Trustees are the plan administrator of the Plan under ERISA and are appointed under the Trust Agreement. They shall have the powers and authority with respect to the Plan provided to them in the Trust

Agreement and applicable law. The decision of the Trustees on any matter relating to the Plan shall be final and binding. The powers of the Trustees include sole and absolute authority to determine:

- (a) the standard of proof required in any case;
- (b) the application and interpretation of these Rules and Regulations;
- (c) entitlement to, duration, amount of, or limitations on qualification for or loss of benefit eligibility;
- (d) whether an Employee was available for and sought suitable work under a Contract in his Home Local Union at all times during a Stabilization Period, refused an offer or opportunity of suitable work or work referral from their Home Local Union during any Stabilization Period, was involuntarily unable to work during a Stabilization Period, and/or made application for Benefits in accordance with prescribed procedures; and
- (e) an Employer's contribution level and the number of Hours to be credited to an Employee.

**SECTION 2. NONALIENATION OF BENEFITS.** 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 an Employee in the Benefit or a portion thereof and apply the amount of such benefit or portion thereof to or for the benefit of such Employee's spouse, children, parents or other relatives or dependents or designated recipient as the Trustees may determine and any such application shall be a complete discharge of all liability with respect to such Benefits. This provision against alienation of benefits does not apply to the Offset provided for in Article XIII Section 2(d) in connection with amounts due to SASMI or to the other National Benefit Funds.

**SECTION 3. FUNDING.**

- (a) An Employer will pay Contributions to the Plan or Trust, for allocation to the Plan as directed by the Trustees, as required by law, a Contract, or the Trust Agreement and pay interest, liquidated damages and costs of collection (including audit and attorney fees) as required by the Contract, Trust Agreement or applicable law.
- (b) All Contributions are, and shall be considered as, Plan assets from the date on which the earnings on which the employer is obligated to pay contributions to Plan or Fund accrue, whether or not such contributions are collected or received by Plan or

Fund, and shall be held by an employer in trust as a fiduciary for the Plan or Fund. No employer has any right, title, or interest to any sum payable by the employer to Plan or Fund, but not yet paid to Plan or Fund. Title to all Contributions paid and/or due and owing to Plan or Fund shall be vested in the Trustees.

(c) In the case of an Employer that fails to make the Contributions to the Plan for which it is obligated, in accordance with the terms and conditions of a Contract, the Trust Agreement or another agreement, the Trustees may bring an action on behalf of the Plan pursuant to ERISA Section 502(g)(2) to enforce the employer's obligation. In any such action in which judgment is awarded in favor of the Plan, the Employer shall pay to the Plan, in accordance with the court's award:

- (1) the unpaid contributions,
- (2) interest on the unpaid contributions,
- (3) liquidated damages,
- (4) reasonable attorney's fees and any other fees or costs related to the delinquency or collection including audit fees, and
- (5) other appropriate legal and equitable relief.

(d) Nothing in this section shall be construed as a waiver or limitation on the rights or ability of the Plan, Trustees or Union to enforce an Employer's contribution obligation in any other type of proceeding.

(e) The Trustees may refuse any monies tendered which they find inconsistent with the financial integrity or actuarial soundness of SASMI.

**SECTION 4. CHOICE OF LAW.** 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.

**SECTION 5. PRIVACY OF PROTECTED HEALTH INFORMATION.** SASMI is a hybrid plan. In accordance with the HIPAA Privacy Rule, to the extent HIPAA applies, the Trustees and SASMI will only disclose Protected Health Information in accordance with the following rules:

(a) Hybrid Entity. SASMI, which includes both the Active Plan and the Retiree Plan, 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 a Local Fund. The only benefit provided

by the Active Plan that is related to health benefits is the payment of Premiums for participants who do not work sufficient hours to maintain coverage in their Health Plans, which in itself is not a group health benefit.

(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) 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.

(f) 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.

(g) Protected Health Information Availability. Protected Health Information will be made available to Employees at the SASMI office so that Employees can inspect and copy their own individual Protected Health Information.

(h) Protected Health Information Correction. Participants or beneficiaries 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.

**SECTION 6. SECURITY OF PROTECTED HEALTH INFORMATION.** In accordance with the HIPAA Security Rule, the Trustees and SASMI, with respect to the group health benefit operations of SASMI, directly or in relation to a Local Fund, 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 the 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 it becomes aware.

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.

The HIPAA security 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 Regulations. If any other provision(s) of the Plan conflicts with this Section, this Section shall control.

## **ARTICLE XVIII**

### **AMENDMENT AND TERMINATION OF THE PLAN**

**SECTION 1. AMENDMENT.** No Employee or person claiming through an Employee shall have any right, title or interest in SASMI, its assets or Benefits until the Employee is qualified and receives payment. The Benefits under the Plan are not vested and may be amended or modified by the Trustees at any time before payment. 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 Employees and their beneficiaries and payment of administrative expenses.

**SECTION 2. TERMINATION OF PLAN.** 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 Employees entitled thereto, 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.

**SECTION 3. RECIPROCITY AND ALTERNATIVE CONTRIBUTIONS.** 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 trades journeyman for work covered by an alternative contribution.

**SECTION 4. TERMINATION OF STATUS AS EMPLOYER.** The Trustees may, in their sole discretion, terminate an employer's status as an Employer in the event that:

- (a) an employer ceases to pay contributions to SASMI at any time in violation of its Contract and/or the terms of the Plan and Fund documents;
- (b) the employer enters into a Contract, and then fails to renew such agreement, or enters into a collective bargaining agreement or other agreement which does not require the continuation of contributions to SASMI, or requires contributions at a reduced contribution rate; or
- (c) the employer fails to pay contributions at the minimum contribution rate as the Trustees may impose in order to preserve the actuarial soundness of SASMI and adequately to fund benefits provided under the Plan.

**SECTION 5. SEVERABILITY.** 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.

We have signed this document to evidence and memorialize our prior and current resolutions to be effective January 1, 2025 on \_\_\_\_\_, 2025.

UNION TRUSTEES

EMPLOYER TRUSTEES


4859-4991-8164.doc