



LOCAL 36 BENEFIT FUNDS

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IMPORTANT NOTICE ABOUT YOUR BENEFITS

SUMMARY OF MATERIAL MODIFICATION

The Trustees of the SMART Local Union No. 36 401(K) Plan have made two changes to the Plan.

Age for Required Minimum Distribution

In compliance with the Setting Every Community Up for Retirement Enhancement (SECURE) Act which changes the age at which the IRS requires participants to begin taking distributions from:

April 1 of the calendar year following the later of the date the participant (a) reaches age 70½ or (b) retires,

to:

April 1 of the calendar year following the later of the date the participant (a) reaches age 72 or (b) retires.

This distribution is referred to as a Required Minimum Distribution (RMD). Individuals who are 5% or greater owners of their company are required to begin distributions based on age alone and cannot delay because they are still working.

This change applies to individuals who attain, or (for surviving spouses) would have attained, age 70½ after December 31, 2019. It does not change the age at which a person (or the surviving spouse of a person) who turned 70½ before December 31, 2019 must begin Required Minimum Distributions.

- Example 1: Willa Welder turned 70½ in September 2019. She had already retired from the Sheet Metal Industry but had not applied for her pension. Willa must begin taking her RMD no later than April 1, 2020 (the calendar year after she turned 70½).
- Example 2: Mike Metal turned 70½ in March 2020 and he will turn 72 in September 2021. Assuming he has retired or is a 5% or greater owner of the company, Mike has until April 1 of 2022 (the calendar year after he turns 72) to begin taking his RMD.

This change is reflected in the 401(k) Plan Restated as of March 1, 2020, Article I "Definitions," Section 1.28 by changing "70½" to "72 for Participants who attain age 70½ after December 31, 2019." The change is also reflected in the June 2015 Summary Plan Description sections "Payment of Benefits - Mandatory Starting Date," "Minimum Required Benefit Payments," and "Purpose of Permissive Withdrawals."

If you have not retired by your RMD, the Fund will make all reasonable efforts to notify you about the need to begin benefits. This is one of the reasons it is very important to notify the Fund Office if you move.

Clarification of Definition of Termination of Employment

To bring the plan into conformity with Trustee intent, interpretation and practice, Section 1.33 "Termination of Employment," has been amended to clarify that the one-year rule for retirement applies to all participants covered by the Plan.

Qualification for benefits when all of these conditions have been met:

For a period of one consecutive year or more, the Participant has ceased to work in the Sheet Metal Industry within the geographic jurisdiction covered by the Plan or, if the Plan participant doesn't work in the Sheet Metal Industry, such as Fund or Union Office Employees, the Participant then for a period of one consecutive year or more the Participant has ceased to work in a position for which contributions are paid to the Plan on their behalf.

Sheet Metal Industry means any and all types of work (whether performed as an employee, supervisor, owner, partner, officer or director) involving or related to sheet metal construction.

Geographic jurisdiction covered by this Plan includes but is not limited to the State of Missouri and the Illinois portion of the St. Louis Standard Metropolitan Statistical Area, the State of Arkansas, and the Illinois jurisdictions of SMART Local Unions No. 218 and No. 268.

The change is also reflected in the June 2015 Summary Plan Description sections "Payment of Benefits - When Benefits Are Payable," and "Termination of Employment Benefits."

If you have any questions regarding these Plan changes, please contact the Fund Office at (314) 652-8175.

Board of Trustees International Association of Sheet Metal, Air, Rail and Transportation Workers ("SMART") Local Union No. 36 401(K) Plan