

SUMMARY OF MATERIAL MODIFICATION

SASMI ACTIVE PLAN OF BENEFITS

*This notice contains important information concerning SASMI.
it should be read and retained for future reference.*

June 15, 2020

The following summary of changes is intended to be consistent with the actual language of the Rules and Regulations. In the event there is a conflict between this SMM, the SPD, and the actual language of the Rules and Regulations, the Rules and Regulations shall always control. Please note the Rules and Regulations for both the Active and Retiree Plans were both restated as of January 1, 2020, these documents are available on the SASMI website, www.sasmi.org. A hard copy of the Rules and Regulations for either Plan, is available by writing the Fund Office at the address below. Also, participants may always inspect the Rules and Regulations or SPDs at the Fund Office. Not all Plan changes affect all Participants. The effect of Plan changes on Participants, if any, varies depending upon personal circumstances.

Important Note: In response to the Coronavirus Pandemic SASMI staff continue working remotely to the extent possible. Your calls, letters and emails are being responded to in as timely a manner as possible. Please be patient as we continue to work through this situation.

New Maternity Benefit

The Trustees are pleased to announce a new benefit effective with time off from work due to pregnancy or the birth of a child. The benefit is available for time off on or after September 1, 2020. The benefit, which is being added as a new section X. "Maternity Benefits," provides a benefit of benefit equal to 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) for up to twelve (12) weeks to a Participant who is involuntarily unemployed in connection with a pregnancy and/or the birth of a child. The benefit can be taken in one Stabilization Period or split between two Stabilization Periods.

The period of time during which a Participant receives this benefit does not count as being unavailable for work and does not disqualify the Participant from being eligible for the regular un/underemployment benefit. However, for the purposes of determining eligibility for Supplemental Un/underemployment Benefits, 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.

Applications for Maternity Benefits need to be in writing and filed no later than twelve (12) weeks after the birth or end of the pregnancy.

COVID-19 Benefit Not Extended to 2020B Stabilization Period

In March when the Coronavirus Pandemic was first declared the Trustees approved a Temporary Resolution adding a limited time benefit for the 2020A Stabilization Period to address the extraordinary unemployment and hardship that was anticipated in response to COVID-19 and the Stay at Home Orders. In approving this benefit, the Trustees noted that the modifications were temporary and that they would be monitoring the situation on an ongoing basis and would revise or terminate these temporary provisions as appropriate. Since approving this temporary benefit, Federal and State governments have enacted legislation with pandemic relief including the Emergency Paid Sick Leave and Extended FMLA in the Families First Coronavirus Relief Act and unemployment expansion in the CARES Act. In addition, every place in the country has begun reopening and construction projects are increasing to the point that many Locals have put out job calls.

In response, the Trustees have decided not to extend the Temporary Benevolent Disaster Relief Benefit into the 2020B Stabilization Period and the benefit will end after June 2020. They will continue to monitor both the Coronavirus and the impact on employment in the industry and if appropriate will reinstate a benefit based on the needs at that time.

Employer Contribution Obligation During COVID-19

Under the Families First Coronavirus Response Act (FFCRA) Employers may be obligated to pay Participants Emergency Paid Sick Leave (EPSL) or Expanded FMLA (EFMLA) for time off from work in connection with the Coronavirus. SASMI, like the NPF, and many other funds is not considering FFCRA wages to be wages for hours worked. Therefore, unless a Collective Bargaining Agreement provides otherwise (such as requiring contributions on wages paid) SASMI contributions are not due on these wages. Similarly, if an Employer pays other wages for hours for which there is no work contributions are not due on those hours.

Owner-Members

As set out in Article II, Eligibility, Section 5 “Owners and Relatives,” an Owner or Relative of an Owner is not eligible for Benefits unless he or she satisfies certain additional requirements beyond those for eligibility for the benefit. Specifically, an Employee whose Relatives are Owners of his Employer and who performs work under the Employer's Contract is only eligible for Welfare Benefits if the Employee has no ownership interest in the Employer; the Employee is the only Employee of the Employer, other than Owners, at the time of termination or layoff; and benefits do not exceed the Contributions paid by the Employer for the Employee's work.

For the current period of reduced work created by the Coronavirus Pandemic only the Trustees will allow Owner-Members to receive the Welfare Benefit if, during the period for which the benefit is sought, the Employer has no Active Employees working for the company and the Owner-Member satisfies the other requirements for the benefit including the

requirement that benefits received do not exceed the Contributions paid to SASMI for that individual.

TRUSTEES

The current Trustees are:

Union Trustees

J. Scott Parks, Chairman
Anthony “Tony” Castrello
Dwayne Stephens
John Daniel

Management Trustees

Dan Monahan, Secretary
Hank Meyers
Jim Bigham
Hank Artlip

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NEW Article X. MATERNITY BENEFIT

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:
 - i. Application must include Banking Information to facilitate weekly payments.
 - ii. 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 X [renumbered as XII] 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) Solely for the purposes of determining eligibility for Article III, Supplemental Unemployment Benefits, and Article IV, Underemployment Benefits, 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. 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 X [renumbered as XII].