



SHEET METAL WORKERS' NATIONAL PENSION FUND
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**NOTICE OF ENDANGERED STATUS
FOR THE SHEET METAL WORKERS' NATIONAL PENSION FUND
(2015 PLAN YEAR)**

APRIL 2015

This Notice contains important information about your National Pension Fund. The purpose of this Notice is to inform you of the funded status of the Sheet Metal Workers' National Pension Fund ("NPF" or "Plan") under Section 432(b) of the Internal Revenue Code of 1986, as amended ("Code"), and Section 305(b) of the Employee Retirement Income Security Act of 1974 ("ERISA") and based on the Plan actuary's annual certification.

On March 31, 2015, the Plan's actuary certified to the U.S. Department of the Treasury, and also to the plan sponsor (the NPF's Board of Trustees), that NPF is in endangered status for the plan year beginning January 1, 2015 (the "2015 Plan Year"). This Notice is sent pursuant to Section 432(b)(3)(D)(i) of the Code and Section 305(b)(3)(D)(i) of ERISA. **If you are already retired, nothing in this Notice will affect your National Pension Fund benefit.**

NPF's Endangered Status

The Plan's actuary certified that the NPF is in endangered status for the 2015 Plan Year because the actuary determined that the NPF is not in critical status and its funded percentage is less than 80%. In addition, the Plan's actuary certified that the NPF is not projected to be in critical status for any of the succeeding 5 Plan Years. The actuary's certification takes into account the changes made to the Code and ERISA by the Multiemployer Pension Reform Act of 2014 ("MEPRA").

Funding Improvement Plan

The Code and ERISA require pension plans in endangered status to adopt a funding improvement plan. In February 2014, the NPF's Trustees adopted a Funding Improvement Plan and Funding Improvement Plan Schedule ("FIP Schedule"), effective as of March 1, 2014. The Trustees updated the Funding Improvement Plan earlier this year to reflect changes made to the Code and ERISA under MEPRA. The Trustees also updated the FIP Schedule, effective February 1, 2015, as described below.

As updated for MEPRA, the objective of the Funding Improvement Plan is to have a funded percentage at the end of the funding improvement period, which equals or exceeds the sum of the funded percentage as of the beginning of the 2015 Plan Year (January 1, 2015), plus 33 percent of the difference between 100 and such funded percentage (for the 2015 Plan Year). Additionally, the Funding Improvement Plan must avoid an accumulated funding deficiency for the 2026 Plan Year (taking into account the Plan's 5-year amortization extension). The Plan's funding improvement period commences January 1, 2017 and runs through the end of 2026. The Funding Improvement Plan currently is designed so that the Plan's funded percentage will be at least 75% by the end of 2026 (with no accumulated funding deficiency).

The FIP Schedule's Options (i.e., Default, First Alternative, and Second Alternative) are summarized in the 2014 Annual Funding Notice, which is enclosed with this Notice. Additional information regarding the impact of the various Options on Early Retirement Pension benefits and certain benefit features can be found in the 2014 Summary Plan Description ("SPD"). A copy of the 2014 SPD can be viewed and downloaded by going to the Fund's website: www.smwnpf.org

As noted above, the Trustees updated the FIP Schedule, effective February 1, 2015. The updated FIP Schedule contains an additional rule for any Collective Bargaining Agreement ("CBA") that expires after December 31, 2018. Specifically, if the bargaining parties negotiate or otherwise agree to a CBA that expires after December 31, 2018, and they adopt or are deemed to have adopted one of the Options under the FIP Schedule, they shall be deemed to have agreed to any additional Contribution Rate increases and/or future benefit accrual reductions (including any Early Retirement Pension benefit accrual reductions, such as the elimination or reduction of subsidized Early Retirement Pension options), which apply to such Option by reason of any update(s), amendment(s), or modification(s) in effect on or after December 31, 2018 but before the expiration date of such CBA. This is because the current Contribution Rate requirements in each of the Options under the FIP Schedule are intended to apply only to CBA's that expire no later than December 31, 2018.

Where to Get More Information

For more information about this Notice, you may contact the NPF's Board of Trustees or the Fund Office, by email at BOT@smwnpf.org, or by telephone at 1.800.231.4622, or by mail at 8403 Arlington Boulevard, Suite 300, Fairfax, VA 22031. You have the right to receive a copy of the Funding Improvement Plan and FIP Schedule from the Plan upon written request. You can also view and download a copy of the Funding Improvement Plan and FIP Schedule (including any updates) by visiting the Plan's website: www.smwnpf.org. For identification purposes, the official plan number ("Plan No.") is 001 and the plan sponsor's name and employer identification number or "EIN" are: Board of Trustees of the Sheet Metal Workers' National Pension Fund/EIN 52 6112463.

THE BOARD OF TRUSTEES