

SUMMARY PLAN DESCRIPTION

IRON WORKERS  
MID-AMERICA  
SUPPLEMENTAL  
MONTHLY ANNUITY  
(SMA) FUND

2017 EDITION

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**Iron Workers Mid-America  
Supplemental Monthly Annuity (SMA) Fund**

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This Summary Plan Description (SPD) is based on the Plan Document and Trust Agreement. If there is any conflict or inconsistency between this booklet, the Plan Document or the Trust Agreement will govern. Only the full Board of Trustees is authorized to interpret the benefits described in this booklet. No employer, union or any representative of any employer or union, in such capacity, is authorized to interpret the Plan nor can any such person act as agent of the Trustees. The Trustees reserve the right to amend, modify or discontinue all or part of this Plan, whenever, in their judgment, conditions so warrant.

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To Our Participants:

Most of us look forward to a comfortable retirement after years of hard work. Your Board of Trustees, in cooperation with your employer and your local unions, is committed to helping you build financial security for retirement through the Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund (SMA Plan or Plan).

With the SMA Plan, you decide how your account balance is invested among the investment funds offered by the Plan. You may change the way your account is invested and view your account balance at any time. It's important to periodically review your investment elections to ensure your choices align with your overall retirement financial plan.

This booklet summarizes the SMA Plan benefits available to eligible participants as of January 1, 2018. As part of this summary, we have included a life events section that describes how your benefits are affected if you experience a life event, such as marriage or divorce.

Your SMA Plan benefit can be a significant part of your retirement income. The SMA Plan provides retirement, disability and survivor benefits. All SMA Plan benefits are in addition to pension plan or Social Security benefits you or your survivors are eligible to receive.

Please note that this booklet replaces and supersedes any materials previously distributed about the SMA Plan. Please read this booklet carefully, keep it in a safe place and share it with your family. If you have any questions, contact the Fund Office.

Finally, this booklet contains a summary in English of your Plan rights and benefits under the SMA Plan. If you have difficulty understanding any part of this booklet, contact Joseph J. Burke, the Plan Administrator, at:

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Sincerely,

The Board of Trustees

#### Important To Remember

- Save this booklet. Tell your family, particularly your spouse, about this booklet and where you keep it filed.
- If you lose your copy, you can request another copy from the Fund Office.
- You will receive a quarterly statement showing your account balance and investment fund performance. You may also access this information at anytime online at [mylife.jhrps.com](http://mylife.jhrps.com) or by calling (800) 294-3575 (or 888-440-0022 for Spanish).
- Notify the Fund Office **in writing** if you change your address.

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## INTRODUCTION

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For most people, saving for retirement is a challenging task. The SMA Plan is designed to provide an additional source of savings for your retirement years. Your SMA Plan benefit can be an important source of retirement income, in combination with your pension benefit and Social Security.

### Highlights of SMA Plan

- The SMA Plan provides retirement benefits at no cost to you. The SMA Plan is funded entirely by employer contributions made on your behalf for the hours you work in covered employment, as required by the terms of a collective bargaining agreement.
- You decide how your SMA account is invested. The Fund offers a selection of investment options. For information about the specific investment fund choices available to you, please review the materials you received from John Hancock.
- Benefits are payable:
  - ◆ If you become totally and permanently disabled from any gainful employment;
  - ◆ If you die;
  - ◆ When you stop working at age 52 or older (under certain circumstances);
  - ◆ When you stop working at age 59½ or older; or
  - ◆ At any age provided you have not worked in Disqualifying Employment for at least 24 months immediately before benefits begin.
- The following forms of payment may be available under the SMA Plan depending on when you entered the Plan:
  - ◆ 50%, 75% or 100% Participant and Spouse Pension;
  - ◆ 50%, 75%, or 100% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance;
  - ◆ Single Life Pension;
  - ◆ Single Life Pension with Lump Sum Payment of Post-1996 Balance;
  - ◆ Annual Installment Payments over 5, 10, 15 or 20 years if you are age 59½ or older; and
  - ◆ Lump Sum Payment.
- Depending on your marital status and the form of payment you are eligible for and elect, benefits may be payable after your death to your spouse or designated beneficiary.
- The SMA Plan is a **qualified, defined contribution** retirement plan. Qualified means that the contributions made on your behalf to the SMA Plan are not counted as taxable income. This money is allowed to grow, tax-free, until you retire or otherwise become eligible to receive your benefit. Taxes become payable at that point, usually later in life, when you may be in a lower tax bracket.

A defined contribution plan is really a savings plan for your retirement. The amount that your employer contributes on your behalf is defined, but the amount of the benefit you will receive at retirement is unknown. How much you receive depends on the amount of money contributed, how the money in the Plan is invested and the value of your account based on investment market conditions at the time of your retirement.

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## LIFE EVENTS

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Your benefits are designed to meet your needs at different stages of your life. This section describes how your SMA Plan benefits are affected when different lifestyle changes occur after you become a participant.

### Beginning Work

You become a participant in the SMA Plan after you have completed one hour of work in covered employment. Employer contributions are deposited into an individual account on your behalf. You make no contributions to the SMA Plan. You are always 100% vested in your account balance.

You may be eligible to roll money into the SMA Plan from another qualified plan or iron worker's defined contribution plan. Contact the Fund Office for the necessary paperwork.

You decide how your SMA account is invested among the investment funds offered by the Plan. You may change your elections at any time online at [mylife.jhrps.com](http://mylife.jhrps.com) or by calling (800) 294-3575.

For mobile access, scan the QR code located on the card previously provided to you, or go to your IOS or Android app store and download the mylifenow® mobile app, then follow the prompts.

Please note that in order to access your account you will also need your date of birth (DOB). If you have no DOB on file, you will need to contact the Fund Office at (708) 474-9902 to update your date of birth before you can access your account.

### Getting Married

Your marital status will affect how your SMA benefit may be paid out when you retire or in the event of your death. When you marry before retirement, your spouse automatically becomes your beneficiary. The normal form of payment will be the 50% Participant and Spouse Pension. See page 15 for information about the forms of payment available under the Plan.

If you are receiving a 50% Participant and Spouse Pension form of payment, only your spouse at the time of retirement is eligible for those benefits if you die.

### Taking a Military Leave of Absence

If you leave covered employment to enter qualified military service, as defined under the Uniformed Services Employment and Reemployment Rights Act (USERRA), upon your return to covered employment you will receive employer contributions for the period of time you spent in military service.

#### To Do: Beginning Work

- Designate how you want your account invested.
- Complete your beneficiary designation form.

#### To Do: Getting Married

- Notify the Fund Office.
- Review your address information.
- Review your beneficiary designation.

#### To Do: Taking a Military Leave

- Notify your employer.
- Notify the Fund Office.
- Provide Fund Office a copy of your discharge papers (DD-214)

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You will receive contributions for the period of qualified military service if you served in the military after January 1, 1997, for up to five years (unless a longer period is required by federal law). Contributions will be made based on the average of the number of hours worked in covered employment during the 12 complete months before the date military service begins.

If you enter qualified military service, you will receive employer contributions in your individual account upon your return to covered employment.

To be entitled to any contributions for your time spent in qualified military service, you must comply with all USERRA requirements, including applying for reemployment within the time limits specified by USERRA after your discharge from military service. To be eligible for USERRA, you must have had at least 500 hours of covered employment within the 12 months before you entered military service.

## Getting Divorced

If you divorce (whether before or after retirement), you should notify the Fund Office and review your beneficiary designation, if necessary.

### **To Do: Getting Divorced**

- Notify the Fund Office.
- Review your address information.
- Review your beneficiary designation.

If you divorce, your spouse may contact his or her attorney and file a Qualified Domestic Relations Order (QDRO). Under the terms of a QDRO, certain payments could be required to be made from your benefits to pay alimony, child support or marital property rights of your spouse, former spouse, child or other dependent. A QDRO, therefore, may affect the amount of benefits you will receive or are receiving. If you divorce after you retire and are receiving your pension in a 50% Participant and Spouse Pension form of payment, your ex-spouse may also be eligible for survivor benefits.

If you have questions about QDROs or would like to receive a free copy of the Plan's QDRO procedures or a sample QDRO form, please contact the Fund Office.

## In the Event of Disability

In the event that you become totally and permanently disabled from any gainful employment, you may receive payment of your SMA benefits, see page 13 for more information. You will need to provide proof that you are totally and permanently disabled and may be required to undergo a medical examination. If you are totally and permanently disabled from any gainful employment, contact the Fund Office to receive information about how to apply for benefits.

### **To Do: If You're Disabled**

- Notify the Fund Office.
- Apply for benefits.

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## Leaving Work Before Retirement

You are always 100% vested, or entitled, to your SMA account. However, how and when your account may be paid is affected by your age and when you stop working in covered employment. If your account balance is \$5,000 or less and you have an account with another iron worker's defined contribution plan with whom this Plan has a transfer agreement, you may transfer your balance to that plan (see page 8). Agreements with certain funds only allow the transfer for amounts less than \$2,000.

You may receive payment of your account balance at any age provided you have not worked in Disqualifying Employment for at least 24 months immediately preceding your actual payment date. If you receive your account balance as a Lump Sum Payment, you may roll it over to another qualified plan (see page 9).

## When You Retire

You may be eligible to have your benefit paid as a:

- 50%, 75% or 100% Participant and Spouse Pension;
- 50%, 75% or 100% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance;
- Single Life Pension;
- Single Life Pension with Lump Sum Payment of Post-1996 Balance;
- Annual Installment Payments over 5, 10, 15 or 20 years if you are age 59½ or older; and
- Lump Sum Payment.

## Applying For Benefits

If you are eligible for a benefit from the Plan and you wish to retire, the first thing you need to do is file an application. You should complete, sign and send your application and any supporting documentation to the Fund Office at least 30 days before you want benefits to begin. Applications are available at the Fund Office. The Fund Office can assist you in completing your application. You will be provided with an explanation of the payment options available to you, based on your marital status.

## Returning To Work

If you leave covered employment and later return to covered employment before receiving payment of your SMA account, any subsequent employer contributions will be added to your account. However, once you leave covered employment and begin receiving benefits from the Plan, if you subsequently return to covered employment, you will be treated as a new participant to the Plan. Therefore, future benefits will be separate from your existing benefits and you will need to meet the eligibility rules again before you commence benefits.

## If Your Spouse or Beneficiary Dies

If your spouse or beneficiary dies, notify the Fund Office as soon as possible after the death to change your beneficiary designation. If you are receiving your SMA account benefit in the form of a 50%, 75% or 100% Participant and Spouse Pension from the Iron Workers Mid-America Pension Plan and your spouse dies, your monthly benefit may increase. Contact the Fund Office for more information.

<b>To Do: If Your Spouse or Beneficiary Dies</b>
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- |                                                                                                                          |
|--------------------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>■ Notify the Fund Office.</li><li>■ Review your beneficiary designation.</li></ul> |
|--------------------------------------------------------------------------------------------------------------------------|

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## **If You Die**

### ***Before Benefits Begin***

If you die before payment of your SMA benefit begins, your spouse or designated beneficiary may be eligible for a benefit. Your spouse or beneficiary should contact the Fund Office as soon as possible after your death. They will need to complete a beneficiary application form.

<b>To Do: In The Event Of Your Death</b>
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- |                                                                                                              |
|--------------------------------------------------------------------------------------------------------------|
| <ul style="list-style-type: none"><li>■ Your spouse or beneficiary should contact the Fund Office.</li></ul> |
|--------------------------------------------------------------------------------------------------------------|

If you are married at the time of your death, your surviving spouse may receive payment of your benefit as a:

- Pre-Retirement Pension (Single Life Pension) based on his or her life expectancy; or
- Lump Sum Payment; or
- Single Life Pension with Lump Sum Payment of Post-1996 Balance; or
- Annual Installment Payments over 5, 10, 15 or 20 years if your spouse is age 59½ or older.

Generally, you must have been married for at least one year, unless your death is the result of an accident. Please contact the Fund Office for more details.

If you are not married at the time of your death, your beneficiary will receive payment of your SMA benefit as a Lump Sum Payment.

### ***After Benefits Begin***

If you die after your SMA benefits begin, payment of benefits to your spouse or beneficiary will depend on the form of payment you elected and/or the amount of any remaining SMA balance.

## **Disqualifying Employment**

Disqualifying Employment is employment or self-employment that is (A) in an industry covered by the Plan when the Participant's pension payments began, (B) in the geographic area (generally Illinois, Indiana, Wisconsin and Iowa) covered by the Plan when the Participant's pension began and (C) in any occupation in which the Participant worked under the Plan at any time or any occupation covered by the Plan at the time the Participant's pension payments began. However, if a Participant worked in Covered Employment only in a skilled trade or craft, such as an Iron Worker, employment or self-employment shall be disqualifying only if it is in work that involves the skill or skills of that trade or craft directly, or as in the case of supervisory work, indirectly.

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## **PARTICIPATION AND VESTING**

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You become a participant in the SMA Plan after you complete one hour of work in covered employment. An individual account is established when the first employer contribution is received on your behalf. Employers contribute amounts required by the collective bargaining agreement. You make no contributions.

You make no contributions to the SMA Plan. Your account balance is always 100% vested.

If you had an SMA account as of December 31, 1996 under the Iron Workers Mid-America Pension Plan, you automatically became a participant in the SMA Plan as of January 1, 1997 and your account was transferred to this Plan.

The money in your individual account is immediately and always 100% vested, which means it cannot be forfeited. Administrative fees are periodically deducted from your account.

### **Naming a Beneficiary**

Prior to retirement, you must name a beneficiary(ies) who will receive your SMA benefit in the event of your death. If you are married, your spouse will automatically be your beneficiary.

**Covered Employment**—If you work for an employer who is required to contribute to the SMA Plan for the hours you work in a job covered by a collective bargaining agreement, you are considered working in covered employment.

At retirement, you must name a beneficiary(ies) who will receive your SMA benefit in the event of your death. If you are married, your spouse will automatically be your beneficiary. If you elect someone other than your spouse as your beneficiary, your spouse's consent will be required. Your spouse's signature must be witnessed by a notary public or Plan representative to be valid.

If you should die without a proper beneficiary designation, payments will be made in the following order:

- Your spouse (if you are married and your spouse is living);
- Your designated Iron Workers Mid-America Pension Plan beneficiary;
- Your child (or children in equal amounts to each child);
- Your estate.

To update your beneficiary information, contact the Fund Office for a beneficiary designation form.

You may change your beneficiary designation at any time, subject to the spousal consent rules described above. To do so, contact the Fund Office for a beneficiary designation form. For a beneficiary designation to be effective, it must be completed correctly and on file with the Fund Office at the time of your death.

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## **YOUR SMA ACCOUNT**

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### **Investment Elections**

You determine the “investment mix” or allocation of your individual account. The Fund offers several investment fund options so you can customize an allocation strategy that’s right for you.

You may make separate elections for how current and future monies are invested. However, you may make the same elections for how current and future monies are invested. If you do not make investment fund elections, current and future monies will be invested in age based funds which can include bonds and stocks. The percentage of bonds and stocks can change as you get older.

To elect or change your investment options, you may:

- Visit [mylife.jhrps.com](http://mylife.jhrps.com); or
- Call 800-294-3575 (888-440-0022 for Spanish).

You may change your investment option elections as often as daily. Investment elections placed by 4:00 p.m. EST are processed that same business day. Transactions placed after 4:00 EST, on bank holidays (days when the New York Stock Exchange is not open for trading) or on weekends, are processed on the next business day.

Even though you are allowed to change your investment mix daily, keep in mind that it’s usually not a good idea to try to time the market. Also, when making changes to your investment mix, you’ll want to consider your long-term investment strategy.

### **Your Investment Options**

For specific information about the investment funds offered by the SMA Plan, you should review the investment information previously received from John Hancock. It’s a good idea to study your investment options carefully and consider your personal situation before deciding how to invest the money in your SMA account. You may also find it helpful to talk with a financial planner when choosing your allocation strategy.

The Trustees have the right to change the investment funds offered by the SMA Plan at any time. You will be notified of any changes that are made.

### **Valuation Date**

The value of your account is updated as of the end of each business day (days when the New York Stock Exchange is open for trading). The value of your individual SMA account includes employer contributions, investment earnings or losses and administrative expenses. Administrative expenses are shared equally by all participants.

You will receive a quarterly statement from the Fund Office regarding your monthly work hours, the employer you worked for and the contributions made by your employers.

In addition, you will receive another quarterly statement from John Hancock that shows the value of your account, including employer contributions, any earnings and/or losses and administrative expenses. At

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any time, you may check your account balance by calling John Hancock at (800) 294-3575 or accessing your account online at [mylife.jhrps.com](http://mylife.jhrps.com).

## Small Balance Transfers

Sometimes you need to move where work is, and that may be out of your local union area. This may cause you to have a small account balance of \$5,000 or less in the SMA Plan. If you meet the rules, you may transfer your balance to another iron worker's annuity fund. Agreements with certain funds only allow the transfer for amounts less than \$2,000.

To be eligible to transfer your balance to another iron worker's fund, you must meet the following rules:

- Your account balance is \$5,000 or less (\$2,000 or less for certain funds) on the date of your request.
- You have not had contributions to the SMA Plan made on your behalf for the previous 12 months and through the date the transfer is made.
- You request a transfer of your account balance to an iron workers' annuity fund that has a written transfer agreement with this Fund.
- You apply for a transfer by signing a Transfer Authorization Form and returning it to the Fund Office.

You may also have account balances from another iron worker's defined contribution plan transferred into the Iron Workers' Mid-America SMA Fund under the required transfer agreement between the two funds. Generally, the transfer agreement of the other fund must be consistent with this Plan's transfer agreement.

## Rollovers Into The SMA Plan

The SMA Plan accepts rollovers of employer contributions and earnings thereon directly from retirement plans qualified under Section 401(a). This includes:

- 401(k) plans;
- Profit sharing plans;
- Pension plans; and
- Plans covered under Section 403(a), 403(b) or 457 (governmental 457 plans only) of the Internal Revenue Code.

If you want to roll money into the SMA Plan, contact the Fund Office for the necessary paperwork.
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If you receive a distribution from one of these plans and it is not directly rolled into the SMA Plan, you may transfer the money you received to the SMA Plan provided you do so within 60 days of when you received the distribution. The SMA Plan only accepts pre-tax money. You may not rollover after-tax money.

To roll money into the SMA Plan, contact the Fund Office for the necessary paperwork. As part of the required paperwork, you will need to provide a signed statement from the plan administrator of the other plan stating that the plan is qualified under Section 401(a).

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## **Rollovers to Another Plan**

If you or your spouse (in the event of your death) receive payment of your SMA account as a Lump Sum Payment, you or your spouse may roll the money into another plan. The entire Lump Sum Payment or a portion of the payment may be rolled over. See page 25 for more information.

You, or your surviving spouse (including spouses as defined by a QDRO), may roll your Lump Sum Payment to:

- An individual retirement account described in Section 408(a) of the Internal Revenue Code;
- An individual retirement annuity described in Section 408(b) of the Internal Revenue Code;
- An annuity plan described in Section 403(a) of the Internal Revenue Code; or
- A qualified trust (that accepts rollovers) described in Section 401(a) of the Internal Revenue Code.

Your beneficiaries other than your spouse may rollover a Lump Sum Payment, but the rollover must be to what is called an inherited IRA. Your beneficiaries will need to check with their bank or other financial institution to make sure the IRA is titled correctly.

Beginning in the year you reach age 70½, a certain portion of your payment cannot be rolled over because it is a “required minimum payment” that must be paid to you if you are no longer working in covered employment. For more information on rollovers, see page 25.

## **Tax or Financial Advice**

It should be noted that the Trustees, the Fund Administrator or the Fund Office staff cannot provide tax or financial advice to participants or beneficiaries. This Summary Plan Description does provide some general information on investing and some tax rules, however, if you need specific or customized advice and planning, it must be provided by a financial or tax professional.

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## PREPARING FOR THE FUTURE

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The SMA Plan is designed to provide you with retirement income. The value of your account builds throughout your working years, and how much it grows is influenced by the investment choices you make.

You choose how your account is invested among the different investment options offered through the SMA Plan. When deciding which investment mix is best for you, you'll want to consider your time horizon, the risks and returns of the available investment options and your level of comfort with investment risk.

### Investment Terminology

**Stock**—A certificate of ownership in a company.

**Bond**—A certificate of debt (i.e., an IOU) issued by entities such as corporations and governments.

### Your Time Horizon

Your time horizon is the number of years you have until you plan to retire. To determine your time horizon, subtract your current age from your anticipated retirement age.

It's important to consider your time horizon when deciding which investment options are best for you. The appropriateness of an investment depends largely on how long you have until you need to access your money.

- A participant with 20 years until retirement has plenty of time to ride out the potential “ups and downs” of a stock investment to take advantage of the stock market's historical long-term financial performance.
- A participant with only a few years until retirement may want to protect against sudden market fluctuations by investing in more stable investments, such as short-term bonds.

### Risks and Returns

Like most things in life, all investments have risk. When you make investment decisions, it's important to understand the types of risk involved, and their relationship to the rates of return that you can earn on your investments. This knowledge can help you create an investment strategy that's best for your personal situation.

In general, there are two types of risk involved in investing: investment (short-term) risk and inflation (long-term) risk.

#### **Investment (Short-Term) Risk**

Investment (short-term) risk is the risk that your investment may decrease in value in the near future. Take, for instance, the stock market. The value of a stock can fluctuate (increase and decrease) significantly over short time periods. For this reason, stocks are often referred to as “volatile” investments and have a higher level of short-term risk than other types of investments.

#### **Investment (Short-Term) Risk**

Risk that your investment may decrease in value in the near future.

At the same time, history has shown that stocks can be excellent long-term investment. U.S. stock market returns have historically outperformed other types of investments and have consistently beaten the rate of inflation over the long-term. In general, you increase your ability to earn higher rates of return on your long-term investments (generally 10 years or more) when you take on more investment risk.

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If you're nearing retirement age, you may want to minimize your exposure to *investment* risk. Under the SMA Plan, the benefit you receive upon retirement is based on the value of your account at the time you retire and elect to begin receiving payment of your benefit, so you'll want to minimize your chances of a sudden investment loss. If you have several years until you plan to retire, however, you may be more concerned about minimizing your exposure to *inflation* (long-term) risk.

### ***Inflation (Long-Term) Risk***

Inflation (long-term) risk is the risk that the purchasing power of your money will erode as a result of inflation. Inflation is the most serious risk for any long-term investor.

**Inflation (Long-Term) Risk**  
Risk that the purchasing power of your money will decrease over time as a result of inflation.

Conservative investors may feel that it's "safer" to lower their investment (short-term) risk by avoiding stock investments. However, they may miss out on earning potentially higher rates of return. A conservative investment strategy can be quite appropriate when nearing retirement. However, investing too conservatively over long periods of time may lead to unnecessary and potentially hazardous inflation risk.

**Diversification**  
By **diversifying** your investments – or putting your money in two or more of the investment options available through the SMA Plan – you may be able to reduce your exposure to any one type of risk.

### ***Diversification***

By investing your money in two or more of the investment funds available (diversifying your investments), you may be able to reduce your exposure to any one type of risk.

## **Types of Investments**

In general, there are three basic types of investments: **cash equivalents, bonds and stocks.**

### ***Cash Equivalents***

These investment vehicles are short-term investments such as money market funds, certificates of deposits (CDs) and Treasury Bills. These investments are "liquid" or easy to redeem as cash and are often backed by the U.S. Government. Funds that invest in this category seek to preserve your capital (the money you invest) and provide a steady stream of current income through the interest earned on the investment. These types of investments are considered relatively "secure" and offer a lower investment risk. However, this also means that they generally have a lower rate of return and a higher inflation risk than other types of investments.

Cash equivalents seek to preserve the money you invest and provide a steady stream of current income through the interest earned on the investment.

### ***Bonds***

If you loan money to someone, you get an IOU, or a promise that the money will be paid back. When you purchase a bond, you're essentially buying that IOU. Corporations, municipalities and government agencies (such as the U.S. Treasury) can issue bonds. A bond's rating gives you an idea of how likely it is that the entity that issued the bond will be able to make its payments on the loan. Most bonds pay interest at specific intervals. You get back the original loan amount – the principal – when the bond matures (the date the loan is paid off).

When you purchase a bond, you're essentially buying an IOU.

A bond can be bought or sold between the time it is first issued and its maturity date. The value of a bond can fluctuate during this period. When interest rates are rising, bond prices usually go down. The reverse happens when interest rates are falling – bond prices usually go up. Bonds offer moderate investment and

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inflation risk. Their value is generally subject to fewer price swings than stock funds and usually has a higher rate of return than cash equivalent funds.

## **Stocks**

Common stock is a unit of ownership in a company. Each share of stock represents a part of the company that issued it. Stocks rise and fall in value depending upon the performance of the company and the investment market's reaction to how well the company is performing. In addition to the market value of a stock, some stocks pay dividends, which offer the investor the opportunity for current income without selling the stock.

Stocks rise and fall in value depending upon the performance of the company and the investment market's reaction to how well the company is performing.

Stocks provide the potential for higher investment risk and a lower inflation risk than cash equivalent and bond investments in exchange for greater long-term growth potential.

## **Investment Considerations**

Here are some items to consider when choosing your investment mix.

### ***Tip 1 Don't Be Too Conservative With Your Long-Term Investments.***

Some people invest heavily in conservative investment vehicles (i.e., money markets or CDs) to avoid investment (short-term) risk. By taking the "safe" route, the purchasing power of these investments can be easily eroded by inflation.

When making long-term investments for retirement, staying ahead of inflation is extremely important.

### ***Tip 2 Diversify.***

It's hard to predict how one investment will perform in any given time period. By putting your money in more than one type of investment, you lower your chances of experiencing a serious investment loss. For this reason, you may want to diversify the money in your SMA account by investing in two or more of the investment options available to you.

When you diversify, you spread your money across different investments. This will help reduce the loss of capital by preventing large losses from any one investment.

### ***Tip 3 Hold On To Long-Term Investments.***

The financial markets are constantly changing. You might see a certain investment option perform very well in one year, and be tempted to change your investment options in the hope that the trend will continue. Keep in mind that an investment's past performance is no indication of its future performance. Although stocks often fluctuate in value, they have historically been reliable long-term investments. It often pays off to choose a long-term investment and stick with it.

It often pays off to choose a long-term investment and stick with it.

### ***Tip 4 Research.***

Do your homework before choosing an investment. It's important to understand your investment options. Most investments are rated, which can give you some indication of the risk involved. Also reading an investment's prospectus or annual report can give you additional information.

### ***Tip 5 Seek Professional Advice.***

You should seek professional financial and tax advice when planning your investment strategy.

It is important to note that the Trustees, Fund Administrator and Fund Office cannot render any financial or tax advice to you, your spouse or your dependents.

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## **PAYMENT OF BENEFITS**

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### **Eligibility for SMA Benefits**

The SMA Plan is designed to help you build retirement income. Think of it as a savings plan for your retirement. The value of your account builds throughout your working years. When you retire, your SMA benefit can be an important source of additional income.

Because the SMA benefit was designed to provide additional savings for your retirement, certain rules apply as to when you become eligible to receive it.

Note that hardship distributions are not permitted from this Plan.

### ***Disability Benefits at Any Age***

If you become totally and permanently disabled from any gainful employment at any age, you may receive the full value of your SMA benefit after the date you file your SMA benefit application with the Fund Office. You will be considered totally and permanently disabled from any gainful employment if the Board of Trustees finds on the basis of medical evidence that your disability will be permanent and that your disability will prevent you from working in any type of employment.

To prove that you are totally and permanently disabled from any gainful employment, you may be required to undergo a medical examination by a physician(s) and/or a rehabilitation expert selected by the Trustees. The Trustees may also accept a determination of your permanent disability from the Social Security Administration. The Trustees will be the sole and final judges of total and permanent disability and of your entitlement to a distribution of your SMA account due to disability.

### ***Age 52 To 59½***

You may receive payment of your SMA benefit between the ages of 52 and 59½ provided you:

- Stop working in Disqualifying Employment and you do not return to work in disqualifying employment for a period of at least three consecutive months after the date you file your SMA benefit application with the Fund Office; or
- Have not worked in Disqualifying Employment for a period of at least 12 consecutive months before the date you file your SMA benefit application with the Fund Office.

You may not return to work in Disqualifying Employment before the actual payment date of your SMA benefit.

### ***After Age 59½***

You may receive payment of your SMA benefit when you are 59½ years of age or older, provided you have stopped working in Disqualifying Employment and after the date you file your SMA benefit application with the Fund Office. You may not return to work in Disqualifying Employment before the actual payment date of your SMA benefit.

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## **At Any Age**

You may receive payment of your SMA benefit at any age provided you have not worked in Disqualifying Employment for at least 24 months immediately before the actual payment date of your SMA benefit and you file your SMA benefit application with the Fund Office.

## **Required Beginning Date**

If you have stopped working in covered employment, you must begin to receive payments from your SMA Plan no later than April 1<sup>st</sup> of the calendar year following the calendar year in which you turn age 70½. If you continue to work in covered employment, you must begin to receive payments April 1 after the year you terminate work in covered employment.

## **Benefit Amount**

When you become eligible for and elect distribution of your SMA account, the amount of your benefit will be based on the balance of your individual account as of the last valuation date plus any employer contributions made to your account since the last valuation date less any distributions or administrative expenses. Valuation dates occur on the close of each business day that the New York Stock Exchange is open for trading.

## **Forms of Payment**

You may be able to choose how you want your benefit paid when you are eligible. When you are eligible for and apply for a benefit from the Plan, the Fund Office will provide you with an explanation of the forms of payment available to you (or your beneficiary) and the amount of those payments. Your options are based on your marital status, your age, your SMA account balance and whether or not you had a SMA account as of January 1, 1997.

The following forms of payment are available under the Plan:

- 50%, 75% or 100% Participant and Spouse Pension;
- 50% ,75% or 100% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance;
- Single Life Pension;
- Single Life Pension with Lump Sum Payment of Post-1996 Balance;
- Annual Installment Payments over 5, 10, 15 or 20 years if you are age 59½ or older; and
- Lump Sum Payment.

At retirement, you will be asked to choose only one of the above forms of payment. If you elect a 50%, 75% or 100% Participant and Spouse Pension, Single Life Pension or Lump Sum Payment (or a combination of these options), you may not change your election after payment begins. However, if you elect Annual Installment Payments, you may change your form of payment each year no later than November 15 prior to your next annual January 1 distribution. You may change the number of installment payments you receive or elect a Lump Sum Payment.

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**50% Participant and Spouse Pension – Normal Form for Married Participant**

The normal form of payment for married participants is the 50% Participant and Spouse Pension. The 50% Participant and Spouse Pension provides a reduced monthly benefit while you are living. After your death, your surviving spouse will continue to receive a monthly benefit equal to 50% of the amount you were receiving while you were alive. If you and your spouse die before you together have received payments equal to your initial account balance, a guaranteed benefit will be paid to your beneficiary(ies) until your account balance is exhausted.

The Participant and Spouse Pension pays you a reduced monthly benefit. After your death, your spouse receives a monthly benefit equal to 50%, 75% or 100% of what you received.
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For example, suppose that based on your account balance, you are eligible to receive a monthly benefit of \$1,500.00 per month under the 50% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$750.00 per month (50% times \$1,500.00) for her remaining lifetime.

You and your spouse may reject the 50% Participant and Spouse Pension and elect another form of payment. To waive the 50% Participant and Spouse form of payment, you and your spouse must provide a written statement of the rejection not more than 180 days and not less than 30 days (except under special circumstances) before payment of your SMA benefit begins. The written statement must be signed by you and your spouse in the presence of a notary public or designated Plan representative.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 50% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996, will be used to purchase an annuity from a commercial insurance company.

**75% Participant and Spouse Pension**

Suppose that based on your account balance, you are eligible to receive a monthly benefit of \$1,200.00 per month under the 75% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$900.00 per month (75% times \$1,200.00) for her remaining lifetime. The guarantee stated earlier also applies to this form of payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 75% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996, will be used to purchase an annuity from a commercial insurance company.

**100% Participant and Spouse Pension**

Suppose that based on your account balance, you are eligible to receive a monthly benefit of \$1,000.00 per month under the 100% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$1,000.00 per month (100% times \$1,000.00) for her remaining lifetime. The guarantee stated earlier also applies to this form of payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 100% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996, will be used to purchase an annuity from a commercial insurance company.

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**50% Participant and Spouse Pension With Lump Sum Payment of Post-1996 Balance**

Suppose that based on your pre-January 1, 1997 account balance, you are eligible to receive a monthly benefit of \$700.00 per month under the 50% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$350.00 per month (50% times \$700.00) for her remaining lifetime. In addition, suppose your post-December 31, 1996 account balance is \$50,000. You will receive this amount as a Lump Sum Payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 50% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996 will be paid in a Lump Sum Payment. If you and your spouse die before you together have received payments equal to your initial account balance, a benefit will be paid to your beneficiary(ies) until your account balance is exhausted.

**75% Participant and Spouse Pension With Lump Sum Payment of Post-1996 Balance**

Suppose that based on your pre-January 1, 1997 account balance, you are eligible to receive a monthly benefit of \$600.00 per month under the 75% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$450.00 per month (75% times \$600.00) for her remaining lifetime. In addition, suppose your post-December 31, 1996 account balance is \$50,000. You will receive this amount as a Lump Sum Payment. The guarantee stated earlier also applies to this form of payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 75% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996 will be paid in a Lump Sum Payment.

**100% Participant and Spouse Pension With Lump Sum Payment of Post-1996 Balance**

Suppose that based on your pre-January 1, 1997 account balance, you are eligible to receive a monthly benefit of \$500.00 per month under the 100% Participant and Spouse Pension. You will receive this amount each month for your lifetime. Upon your death, your spouse will receive \$500.00 per month (100% times \$500.00) for her remaining lifetime. In addition, suppose your post-December 31, 1996 account balance is \$50,000. You will receive this amount as a Lump Sum Payment. The guarantee stated earlier also applies to this form of payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a 100% Participant and Spouse Pension. Any remaining account balance accrued after December 31, 1996 will be paid in a Lump Sum Payment.

**Single Life Pension – Normal Form for Unmarried Participant**

The normal form of payment for unmarried participants is the Single Life Pension. If you are married and want to receive a Single Life Pension, you and your spouse must waive your right to the 50% Participant and Spouse Pension as described above. The Single Life Pension provides a monthly benefit to you for your lifetime only. If you die before you have received payments equal to your initial account balance, a guaranteed benefit will be paid to your beneficiary(ies) until your account balance is exhausted.

The Single Life Pension provides monthly benefits for your lifetime only.
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For example, suppose that based on your account balance, you are eligible to receive a monthly benefit of \$1,800.00 per month under the Single Life Pension. You will receive this amount each month for your lifetime.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a Single Life Pension. Any remaining account balance accrued after December 31, 1996, will be used to purchase an annuity from a commercial insurance company.

### ***Single Life Pension With Lump Sum Payment of Post-1996 Balance***

Suppose that based on your pre-January 1, 1997 account balance, you are eligible to receive a monthly benefit of \$1,000.00 per month under the Single Life Pension. You will receive this amount each month for your lifetime. In addition, suppose your post-December 31, 1996 account balance is \$50,000. You will receive this amount as a Lump Sum Payment. The guarantee stated earlier also applies to this form of payment.

Under this form of payment, your pre-January 1, 1997 account balance will be transferred to the Iron Workers Mid-America Pension Plan and paid as a Single Life Pension. Any remaining account balance accrued after December 31, 1996 will be paid in a Lump Sum Payment.

### ***Annual Installment Payments***

Annual Installment Payments provide annual payments over 5, 10, 15 or 20 years. Your payment period may be subject to Internal Revenue Service guidelines dictating that the number of payments you receive may not exceed your life expectancy at retirement (or the life expectancy of you and your spouse, if married). Your first payment will be made shortly after your retirement date. Future payments are made annually on each January 1.

To elect this form of payment, you must be eligible to receive your SMA benefit and be age 59½ or older. If you are married and want to receive this form of payment, you and your spouse must waive your right to the 50% Participant and Spouse Pension as described on page 16.

The main difference between Annual Installment Payments and the other forms of payment shown earlier is that the use of Annual Installment Payments allows you to receive a portion of your SMA account balance for your retirement needs while keeping the remaining account balance invested in the investment funds of your choice.

For example, suppose that you are age 60 and your total account balance is \$300,000. You only need a portion of your account balance to supplement the income you receive from your pension and other retirement monies. In addition, you may continue to keep the majority of your remaining account balance invested in the investment options offered by the SMA Fund.

As a result, you elect 20-Year Annual Installment Payments. On your effective date, you will receive \$15,000 (\$300,000 divided by 20 years). This amount, plus your pension and other retirement income, helps you meet the expenses you incur in your first year of retirement. After this 1st annual installment is made, you have \$285,000 (\$300,000 minus \$15,000) remaining in your account. This amount continues to be invested based upon your individual investment elections.

When the following January 1 arrives, the Fund will pay you your 2<sup>nd</sup> annual installment. Let's assume your account increased from \$285,000 to \$296,000. Your 2<sup>nd</sup> annual installment will be \$15,579 (\$296,000 divided by 19 years). Your account balance could have increased more since your retirement

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or it could have actually decreased. In either event, your 2<sup>nd</sup> annual installment would have been equal to your actual account balance divided by the 19 remaining payments. If you choose 5, 10 or 15-Year Annual Installment Payments, benefits are calculated in the same way except you ultimately receive your monies at a faster rate since there are less annual installments.

The Trustees are providing Annual Installment Payments to participants who wish to continue using the investment options offered by the SMA Fund while still having access to a portion of their account balance each year for their retirement needs. This can simplify retirement for some participants. Instead of electing a Lump Sum Payment of your entire account balance and then having to find a new vendor who will invest your monies, you can leave the majority of your monies in the SMA Fund if you choose. In this way, you can continue to use the SMA investment funds, the customer service, the internet capabilities and all of the other benefits you have become accustomed to over the years, if you choose Annual Installment Payments.

### ***Lump Sum Payment***

A Lump Sum Payment pays you the full value of your SMA account balance and may be paid directly to you or rolled over to an IRA or other qualified retirement plan. If you are married and want to receive a Lump Sum Payment, you and your spouse must waive your right to the 50% Participant and Spouse Pension as described above. If your account balance is less than \$1,000, it will be paid as a Lump Sum Payment.

### ***Summary of Available Forms of Payment***

The following chart lists each form of payment and its availability to married and single participants. Please note that the Annual Installment Payments option is only available to participants who are age 59½ or older. All other forms of payment are available before age 59½ provided you meet the eligibility rules.

Available Forms of Payment		
Form of Payment	Married Participants	Single Participants
50% Participant and Spouse Pension	Yes	No
75% Participant and Spouse Pension	Yes (with spousal consent)	No
100% Participant and Spouse Pension	Yes (with spousal consent)	No
50% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance	Yes (with spousal consent)	No
75% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance	Yes (with spousal consent)	No
100% Participant and Spouse Pension with Lump Sum Payment of Post-1996 Balance	Yes (with spousal consent)	No
Single Life Pension	Yes (with spousal consent)	Yes
Single Life Pension with Lump Sum Payment of Post-1996 Balance	Yes (with spousal consent)	Yes
Annual Installment Payments if you are age 59½ or older	Yes (with spousal consent)	Yes
Lump Sum Payment	Yes (with spousal consent)	Yes

As a reminder, ***if you elect a monthly form of payment on your Pre-1997 Balance***, it will be paid by transferring your pre-January 1, 1997 SMA account balance to the Iron Workers Mid-America Pension Plan. You will receive your pension attributable to that transferred balance directly from the Pension Plan.

***If you elect a monthly form of payment on your Post-1996 Balance***, your post-December 31, 1996 SMA account balance will be used to purchase an annuity from a commercial insurance company or similar entity. In other words, you will receive your pension attributable to your post-December 31, 1996 SMA account balance directly from a commercial insurance company or similar entity. As a result, you will receive two checks per month which, in the aggregate, comprise your total SMA monthly benefit.

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## **Pre-Retirement Death Benefits**

If you die before receiving your SMA benefit, your spouse or designated beneficiary is entitled to a benefit. How the benefit is paid depends on whether you are married or not.

### ***If You Are Married***

If you are married with a vested right to a pension and you die before your Annuity Starting Date, then a Preretirement Pension will be paid to your surviving spouse provided you and your surviving spouse were married for the year immediately before your death, unless the death was caused by an “accident,” which is defined as a sudden and unforeseen event as a result of an external source.

Your surviving spouse may elect to receive payment as a:

- Pre-Retirement Pension (Single Life Pension) based on his or her life expectancy; or
- Lump Sum Payment; or
- Single Life Pension with Lump Sum Payment of Post-1996 Balance; or
- Annual Installment Payments if your spouse is age 59½ or older.

If your account balance is less than \$1,000, it will be paid out to your spouse as a single Lump Sum Payment.

If you are divorced, your former spouse may also qualify to receive payment of the benefit subject to the terms of a Qualified Domestic Relations Order (QDRO).

Provided your surviving spouse applies for benefits timely after your death, payments will start on the first of the month following the date of your death. Your surviving spouse may choose to delay payment to as late as the date you would have reached normal retirement age (generally age 65). If your surviving spouse chooses to delay payment, her account balance will continue to be adjusted for investment gains and losses and administrative expenses. Then, her effective date would generally be the first of the month after she applies for benefits.

To provide monthly payments of the Pre-Retirement Pension, your January 1, 1997 SMA account balance, if any, will be transferred to the Iron Workers Mid-America Pension Plan. Any remaining account balance (accrued after January 1, 1997) will be used to purchase an annuity from a commercial insurance company or similar entity or your spouse may elect to receive the balance as a single Lump Sum Payment. Your monthly SMA benefit payment will be a combination of the annuity payable from the Iron Workers Mid-America Pension Plan and the purchased annuity.

### ***If You Are Not Married***

If you do not have a surviving spouse and you die before you receive payment of your SMA benefit, your SMA account balance will be paid in a single Lump Sum Payment to your designated beneficiary.

For information about applying for benefits, see page 21.

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## APPLYING FOR BENEFITS

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Before you are eligible to receive benefits, three things must occur:

- You must apply for your benefits;
- The Trustees must approve your application; and
- You need to stop working in Disqualifying Employment.

To receive an application, contact the Fund Office. If you need help completing your application, the Fund Office staff will assist you.

You should file your application with the Fund Office **at least 30 days before** you want your benefits to begin. Early filing will avoid delays in processing your application and paying benefits. Generally, payments begin on the first of the month following the month in which the application is filed or the first of the month following your last work hours, whichever is later. All applications must be approved by the Board of Trustees. In most cases, this will not result in a delay. If you have any questions, contact the Fund Office.

In the event you or your beneficiary are unable to care for your affairs because of mental or physical incapacity, your payments may be applied to your or your beneficiary's maintenance and support or to another individual the Trustees designate, unless there is a legally-appointed guardian, committee or other legal representative appropriate to receive the payments.

### Death Benefit Applications

Applications for death benefits should be made by your spouse or your designated beneficiary as soon as possible after your death. Your spouse or beneficiary can contact the Fund Office for death or survivor benefit application instructions.

### Decision Notification Timeframes

#### *For All Applications Except Disability*

Whenever administratively possible, you will receive a decision within 90 days of the date your application is filed, unless special circumstances require an extension of time for processing. If an extension is required, you will receive written notice of the extension within the 90-day period. The extension notice will include the reasons for the extension and the date by which the final decision will be made (no later than 180 days after your claim is received). You may assume your claim is denied and you may appeal your claim if you do not receive notice within the 90-day period, or a notice of a delayed decision within a 90-day period.

#### *For Disability Applications*

If your application is for a benefit due to disability, you will be notified of the initial decision on your claim within 45 days of the time your application is received. If the Plan needs additional information to decide your claim for a disability benefit, the Plan will request that you provide

When you apply for a benefit, the application must include:

- Proof of your age, such as a birth certificate, passport, Social Security records, etc.
- Your spouse's proof of age (if married);
- Proof of marriage.
- Copy of any divorce decree, marital settlement agreement and/or a QDRO signed by a judge.

Applications for a disability benefit must include proof of your total and permanent disability from any gainful employment.

The Trustees may rely on any information you provide when determining benefits.

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that information. You will have at least 45 days to provide the requested information. The 45-day deadline for making a decision on your application is suspended while the Plan is waiting for additional information from you. If you do not provide the requested information, then your claim must be decided within 30 days of your deadline to provide it.

The Plan may determine that an extension of time is necessary to make a decision on your disability claim because of matters beyond the control of the Plan. The Plan is allowed two extensions of time for 30 additional calendar days each in such cases. You will be notified of the extension before the end of the 45 days if the first extension is used and before the end of 75 days if the second extension is used. The extension notice will include the reasons for the extension and the date by which the final decision will be made.

## If Your Application Is Denied

Disagreements over benefits are rare. However, if your application for benefits is denied, in whole or in part, you will be informed in writing. You will receive a written notice that will include:

- The reason(s) for the denial;
  - Reference to all related provisions of the Plan or other documents used to make the decision;
  - A description of additional information needed to reconsider your application and why the information is needed;
  - A statement of your right to bring a civil action under ERISA Section 502(a);
  - A detailed explanation of the steps you can take to appeal the decision;
  - A copy of any internal rule, guideline, protocol or similar criteria that was relied on, or a statement that a copy is available to you at no cost upon request, for a claim for a disability benefit; and
  - A copy of the scientific or clinical judgment, or statement that it is available to you at no cost upon request, for a claim for a disability benefit that is denied on the basis of a medical judgment.
- For disability claims filed on or after April 1, 2018, you will also be provided with a written explanation of the basis for any disagreement by the Trustees with a health professional that is treating you or by health professionals or vocational experts hired by the Fund.

In many cases, disagreements about benefit eligibility or amounts can be handled informally by calling the Fund Office for the Mid-America SMA Plan. If a disagreement is not resolved, there is a formal procedure you can follow to have your claim reconsidered.

## Appeal Procedure

When appealing the denial of a claim, you or your authorized representative must appeal the decision in writing within 60 days (180 days for a claim for a disability benefit) after you receive notice that your claim has been denied. You must provide a written authorization to the Trustees to have your authorized representative act on your behalf in appealing your claim.

On appeal:

- You may submit additional materials, including any comments, statements or documents;
- You may review all relevant information (free of charge) upon reasonable request to the Trustees;
- You have the right to be advised of the identity of any medical experts relating to an appeal for a disability benefit;

You may appeal the denial of your pension application or benefit amount within 60 days (180 days for a disability benefit) after the date the decision was made. You should send your written appeal to the Fund Administrator at the Fund Office.

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- The Trustees will consider all comments, documents, records and other information you submit or that were considered in the initial determination;
  - The Trustees may not defer to the initial claim determination; and
  - If the determination on a disability benefit is based on medical necessity or appropriateness, the Trustees (or Appeal Review Committee) must consult a medical professional who is not the same individual who consulted on the initial review of the claim or a subordinate of that person.

In your written appeal, you may ask for an opportunity for you and/or your representative to appear before the Board of Trustees or the Committee it designates to present your case. You or your representative may inspect all documents relating to your application. Any appeals should be sent to the Fund Administrator at the following address:

Joseph J. Burke, CEBS  
Iron Workers Mid-America  
Supplemental Monthly Annuity (SMA) Fund  
2350 East 170<sup>th</sup> Street  
P.O. Drawer M  
Lansing, Illinois 60438  
Telephone: (708) 474 - 9902 or (800) 232 - 8029  
Facsimile: (708) 474 - 9982

## **Appeal Determinations**

The Fund Administrator will refer your appeal to the Appeal Review Committee for a decision. After a full and fair review, the Committee will send you a written notice of their decision within 60 days after your appeal is received, or 120 days under special circumstances.

For an appeal on a disability benefit, the Committee will send you a written notice of their decision on appeal within 45 days after you submit your appeal. If special circumstances require a delay in the decision, the Committee will notify you of the reasons for the delay within the 45-day period and will make their decision no later than 90 days after you submit your appeal. Alternatively, the Committee may make their decision at the next quarterly meeting. If your request for appeal is received within 30 days of a quarterly meeting, then they may make the decision at the subsequent quarterly meeting.

The decision on appeal will:

- Contain the reason or reasons for the decision;
  - Refer to specific Plan provisions on which the decision is based;
  - Notify you of your right to access and copy (free of charge) of all documents, records and other information relevant to your claim;
  - Notify you of your right to bring a civil action under ERISA; and
  - Notify you of any additional voluntary appeal procedures offered by the Plan, if any.
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- For disability claims filed on or after April 1, 2018, you will also be provided with a written explanation of the basis for any disagreement by the Trustees with a health professional that is treating you or by health professionals or vocational experts hired by the Fund. Also, you will be notified of any new rationale or evidence relied upon by the Trustees during the pendency of your appeal and be given an opportunity to respond.

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No legal action may begin until all Plan appeal procedures have been exhausted. The Appeal Review Committee's decision is final and binding on all parties to the decision.

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## CONCERNING TAXES

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How your benefit is taxed depends on how and when you receive your distribution from the SMA Plan. Before the Plan makes a taxable payment to you or your beneficiary, the SMA Plan will provide you with a tax notice. This notice explains the tax rules that apply to distributions from the Plan. It also informs you that you have the right to have your taxable Lump Sum Payment:

Because of how frequently tax laws change and the complexity of the tax laws applicable to Plan distributions, it's a good idea to consult a qualified tax advisor before receiving a distribution from the SMA Plan.

- Paid directly to you;
- Paid as a direct rollover to an eligible retirement plan; or
- Split between payment to you and payment as a direct rollover.

As a reminder, the Trustees, Fund Administrator and Fund Office cannot render any tax advice. To determine how to receive payment of your account balance and any corresponding tax consequences, you may want to consult a qualified tax advisor.

### Direct Payment

Whenever a taxable distribution is paid directly to you or your beneficiary, 20% of the distribution will automatically be withheld to pay Federal income taxes. The entire distribution is considered taxable income in the year it is received.

To defer payment of the 20% withholding tax, you may rollover your distribution to an eligible retirement plan within 60 days of receipt of your distribution. However, this 60-day period may be extended in cases of casualty, disaster or other events beyond your reasonable control.

In addition to withholding 20% for Federal income taxes, you may be responsible for an additional 10% tax if payment is received before age 59½. This 10% penalty tax is in addition to your regular income taxes (and any applicable state income taxes). The additional 10% penalty tax may not apply if the payment you receive is:

- Made on or after you attain age 55 and have separated from service;
- Made on or after you attain age 59½;
- Because you are totally and permanently disabled;
- Because of your death; or
- Required by a Qualified Domestic Relations Order (QDRO).

You will receive more detailed information when you apply for distribution of your account.

### Rollovers

If you become eligible for a distribution from the SMA Plan, you may defer payment of the 20% withholding tax (and additional 10% tax, if applicable) by rolling over the taxable portion of your distribution to an eligible retirement plan (if that plan accepts rollovers).

You *cannot* rollover a payment if it is part of a series of equal (or almost equal) payments that are made at least once a year and that will last for:

- 
- Your lifetime (or your life expectancy); or
  - Your lifetime and your Beneficiary's lifetime (or life expectancies); or
  - A period of ten or more years.

The Fund does not allow a rollover of benefits under the Annual Installment Payments. For more information about rollovers, see page 8.

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## **ADMINISTRATIVE FACTS**

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### ***Plan Name***

Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund

### ***Employer Identification Number (EIN)***

36-4108124

### ***Plan Number***

002

### ***Type of Plan***

The SMA Plan is a defined contribution plan and is designed to provide income for you after you retire or become disabled or for your survivors after you die.

### ***Plan Effective Date***

January 1, 1997

### ***Plan Year***

January 1 - December 31

### ***Fund Administrator***

The Board of Trustees is the Fund Administrator and has delegated administrative responsibility to Joseph J. Burke. It is his responsibility to see that your questions are answered, that service and contribution records are maintained, that benefits are properly figured and paid promptly and that the Plan is operated in accordance with the legal documents governing it. You may write him at the address shown for the Plan in this booklet.

### ***Plan Sponsor***

The Plan is sponsored by a Board of Trustees. The Board of Trustees consists of employer and union representatives. If you wish to contact the Board of Trustees, you may use the address and phone number below:

Board of Trustees  
Iron Workers Mid-America  
Supplemental Monthly Annuity (SMA) Fund  
2350 East 170<sup>th</sup> Street  
P.O. Drawer M  
Lansing, Illinois 60438  
Telephone: (708) 474 - 9902 or (800) 232 - 8029  
Facsimile: (708) 474 - 9982

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**Agent for Legal Process**

Stephen Rosenblat, Esq.  
Baum, Sigman, Auerbach & Neuman, Ltd.  
200 West Adams, Suite 2200  
Chicago, Illinois 60606  
(312) 236 - 4316

If legal disputes involving the Plan arise, any legal documents should be served upon the agent for service of legal process or any member of the Board of Trustees at the Fund Office at the address listed at the front of this booklet.

**Board of Trustees**

	<i>Union Trustees</i>	<i>Employer Trustees</i>
<b>Local 63</b>	Mr. Larry McNiff Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Mike Swanberg Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 111</b>	Mr. Brian Atkins Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Brad Treiber Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 112</b>	Mr. Brian S. Stanley Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Jim Harris Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 383</b>	Mr. Timothy R. DeMinter Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Barry Scholz Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 393</b>	Mr. Dirk Enger Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Ronald "Red" Stone Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438

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<b>Local 395</b>	Mr. Jeffrey Chidester Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Larry Behling Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 444</b>	Mr. Howard Norberg Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Anthony P. Corsetti Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 444(sz)</b>	Mr. Kevin R. Hray Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Ms. Katherine Cloonen Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 444(wz)</b>	Mr. Dennis Murry Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. Daniel Aussem Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438
<b>Local 498</b>	Mr. Mark Richeson Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438	Mr. David Anspaugh Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund 2350 East 170 <sup>th</sup> Street P.O. Box Drawer M Lansing, IL 60438

***Collective Bargaining Agreements***

This Plan is maintained pursuant to collective bargaining agreements. On written request to the Plan Administrator at the Fund Office, you may obtain a copy of the collective bargaining agreement under which you are covered and you can receive information as to whether a particular employer participates in the Plan and if so, that employer's address. Your collective bargaining agreement, as well as other documents under which the Plan is maintained, are available for inspection at the Fund Office.

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### ***Plan Funding***

Contributing employers pay for the entire cost of the Plan by making contributions to the Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund. Contributions are based on covered employment as described in the collective bargaining agreement between your employer and your local union and negotiated by the participating local unions with the participating employers. In most cases, your Union can tell you whether you work for a participating employer. If there is any uncertainty, check with the Fund Office.

Contributions and Plan assets are held in Trust in individual accounts to provide benefits to eligible participants. The employer contributions are invested by the Board of Trustees and investment managers chosen by the Trustees according to the elections of participants. Plan assets, including any investment earnings, are used to pay benefits and administrative expenses.

### ***Maximum Contributions***

The Internal Revenue Code imposes maximum limitations on all contributions (employee and employer) permitted under qualified plans. These limits are liberal and would not normally prevent you from receiving full benefits. In the unlikely event that the employer contributions made on your behalf are limited, the Fund Office will contact you with more information.

### ***Non-Assignability of Benefits***

The benefits under the Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund are your own. This means that you cannot assign or transfer them to someone else, except as otherwise provided under federal law, and they are exempt from execution, attachment, garnishment, pledge or bankruptcy and all claims for alimony. However, the Board of Trustees will honor a Qualified Domestic Relations Order (QDRO).

### ***Qualified Domestic Relations Order (QDRO)***

Under the terms of a Qualified Domestic Relations Order (QDRO), certain payments could be made from your account to pay alimony, child support or marital property rights. If a QDRO is received by the Fund Administrator concerning your account, you will be notified.

### ***Eligibility and Benefits***

The types of benefits provided and the Plan's requirements with respect to eligibility, as well as circumstances that may result in disqualification, ineligibility or denial or loss of any benefits, are described in this booklet. Your coverage by the Plan does not constitute a guarantee of your continued employment.

### ***Rights and Responsibilities***

As someone who is or may be eligible for benefits from the Plan, you should be aware of the fact that the benefits are paid in accordance with Plan provisions from a trust fund that is used solely for that purpose. If you have any questions or problems as to benefit payments, you have the right to contact the Trustees who administer the Plan.

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### ***Plan Interpretation***

Only the Board of Trustees is authorized to interpret the Plan described in this booklet. No employer, union or other representative is authorized to interpret this Plan or speak for or commit the Board of Trustees on any matter relating to the Plan.

Any information you request about the Plan will be provided in writing and signed by the Trustees or the Fund Administrator. Under the Trust Agreement, the Trustees (or persons acting for them, such as the Appeal Review Committee) have sole authority and discretion to make final decisions regarding any benefit applications, any interpretation of Plan benefits, the Trust Agreement and any other regulations, procedures or administrative rules adopted by the Trustees.

Decisions of the Trustees (or of those acting for the Trustees) are final and binding on all persons dealing with the Plan or claiming a benefit from the Plan. If a decision of the Trustees or those acting for the Trustees is challenged in court, it is the intention of the parties to the Trust that such decision is to be upheld unless it is determined to be arbitrary or capricious.

All benefits under the Plan are conditional and subject to the Trustees' authority under the Trust Agreement to change them. The Trustees have the authority to increase or decrease benefits, or change eligibility rules or other provisions of the Plan as they determine to be in the best interests of the Plan members in accordance with any applicable law.

### ***Plan Termination or Modification***

The Board of Trustees has the right to amend or terminate this Plan when required by law or when deemed appropriate.

The Plan may be amended at any time if the Trustees agree to do so in writing, as long as the amendment does not affect the ability of the Plan to provide annuity benefits. You will be notified of any changes in writing.

If the Plan were to be terminated, participants will remain 100% vested in their account balances. The Plan assets, after payment of Plan expenses and previously approved distributions, will be distributed among the participants. Participants will receive their part of the assets determined to be in the same ratio that their account balance bears to the aggregate of all participant account balances. No funds may be returned to any employer.

Benefits may be paid as soon as the Plan termination has been approved by government agencies, or payment could be deferred to a later time. Once the Plan is terminated and all assets have been distributed, the Board of Trustees will be discharged from all liability under the Plan and participants will have no further rights or claims.

### ***Top-Heavy Provisions***

Federal law requires that if the SMA Plan becomes a "top-heavy" plan as described in the Internal Revenue Code, minimum contributions may apply. In the unlikely event that this SMA Plan becomes top-heavy, you will be notified accordingly.

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### ***Reciprocal Agreements***

A reciprocal plan is another annuity plan or individual account pension that has executed a reciprocity agreement with this Plan. If you become a participant in a reciprocal plan, you may be able to have that plan transfer any contributions it receives on your behalf to the SMA Plan, if the SMA Plan is your “home plan” or vice versa if that plan becomes your “home plan”. You should contact the Fund Office if you become covered by another iron workers plan to determine whether reciprocity is available to you.

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## **YOUR ERISA RIGHTS**

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As a participant in the Iron Workers Mid-America Supplemental Monthly Annuity (SMA) Fund, you are entitled to certain rights and protections under the Employee Retirement Income Security Act of 1974 (ERISA). ERISA provides that all Plan participants are entitled to certain rights, as outlined in the following information.

### ***Receive Information About Your Plan and Benefits***

You have the right to:

- Examine, without charge, at the Fund Administrator's office and at other specified locations, such as worksites and union halls, all documents governing the Plan, including insurance contracts, collective bargaining agreements and a copy of the latest annual report (Form 5500 Series) filed by the Plan with the U.S. Department of Labor and available at the Public Disclosure Room of the Pension and Welfare Benefit Administration (PWBA);
- Obtain, upon written request to the Fund Administrator, copies of documents governing the operation of the Plan, including insurance contracts, collective bargaining agreements and copies of the latest annual report (Form 5500 Series) and updated Summary Plan Description (the Fund Administrator may make a reasonable charge for the copies);
- Receive a summary of the Plan's annual financial report, which the Fund Administrator is required by law to furnish each participant with a copy of this summary annual report; and
- Obtain a statement telling you whether you have a right to receive a pension at normal retirement age (generally age 65) and if so, what your benefits would be at normal retirement age if you stop working under the Plan now. If you do not have a right to a pension, the statement will tell you how many more years you have to work to get a right to a pension. This statement must be requested in writing and is not required to be given more than once every 12 months. The Plan must provide the statement free of charge.

### ***Prudent Actions by Plan Fiduciaries***

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

### ***Enforce Your Rights***

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

Under ERISA, there are steps you can take to enforce the above rights. For instance, if you request a copy of the Plan Document or the latest annual report from the Plan and do not receive them within 30 days, you may file suit in a federal court. In such a case, the court may require the Fund Administrator to provide the materials and pay you up to \$149 a day until you receive the materials, unless the materials were not sent because of reasons beyond the control of the Fund Administrator.

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If you have a claim for benefits that is denied or ignored, in whole or in part, you may file suit in a state or federal court. In addition, if you disagree with the Plan's decision or lack thereof concerning the qualified status of a domestic relations order, you may file suit in federal court. If it should happen that Plan fiduciaries misuse the Plan's money, or if you are discriminated against for asserting your rights, you may seek assistance from the U.S. Department of Labor, or you may file suit in a federal court. The court will decide who should pay court costs and legal fees. If you are successful, the court may order the person you have sued to pay these costs and fees. If you lose, the court may order you to pay these costs and fees, for example, if it finds your claim is frivolous.

### ***Assistance With Your Questions***

If you have any questions about your Plan, you should contact the Fund Administrator. If you have any questions about this statement or about your rights under ERISA, or if you need assistance in obtaining documents from the Fund Administrator, you should contact the nearest office of the PWBA, U.S. Department of Labor, listed in your telephone directory or:

Division of Technical Assistance and Inquiries  
Pension and Welfare Benefits Administration  
U.S. Department of Labor  
200 Constitution Avenue NW  
Washington, D.C. 20210

You may also obtain certain publications about your rights and responsibilities under ERISA by calling the publications hotline of the PWBA. For single copies of publications, contact the PWBA Brochure Request Line at (800) 998 - 7542 or contact the PWBA field office nearest you.

You may also find answers to your Plan questions and a list of field offices at the website of the PWBA at [www.dol.gov/pwba](http://www.dol.gov/pwba).

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**IRON WORKERS MID-AMERICA SUPPLEMENTAL  
MONTHLY ANNUITY (SMA) FUND**

**P.O. Box M**

**Lansing, Illinois 60438**

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