

## Notice to Employers and Sponsoring Unions (Summary of Plan Information For the 2016 Plan Year)

**To: The International Association of Sheet Metal, Air, Rail and Transportation Workers, Local Union No. 73 of Chicago, Cook and Lake County, Illinois, an affiliate of the A.F.L.-C.I.O. and All Contributing Employers**

This notice regarding the Sheet Metal Workers' Local 73 Pension Fund (the Plan) is being provided as required by Section 104(d) of ERISA as amended by the Pension Protection Act of 2006. The 2016 Plan Year began July 1, 2016 and ended June 30, 2017 and the information shown below is for the 2016 Plan Year), except as otherwise indicated.

1. **Contributions and Benefits:**

a. Contribution Rates:

The contribution rate for most employers was \$7.61 per hour on June 1, 2015, and increased to \$8.01 on June 1, 2016. The average contribution rate was \$7.3413 per hour. Eight (8) employers contributed at lower rates as of June 1, 2016.

b. Benefit Formula:

A Participant may retire with a Normal Pension at age 65 with 5 years of Plan participation without a permanent break in service. The benefit formula is \$43.50 per month per pension credit.

In addition, Special Service Credits can be earned as follows:

- One (1) Special Service Credit for between 1,500 and 1,799 Hours of Work;
- Two (2) Special Service Credits for between 1,800 and 2,099 Hours of Work; and
- Three (3) Special Service Credits for 2,100 or more Hours of Work.

Special Service Credits earned during:

- 2000 have an accrual rate of \$3.00 per pension credit;
- 2001-2002 have an accrual rate of \$3.50 per credit; and
- 2003 and after have an accrual rate of \$5.50 per credit.

Participants working under new contracts on or after July 1, 2013 with contribution rates lower than the full journeyman rate have proportionally lower benefit accrual rates effective on the January 1 that immediately follows the effective date of their new Collective Bargaining Agreement.

2. **Employers:** During the 2016 Plan Year, 253 employers contributed to the Plan.

3. **Employers Contributing More than 5% during the 2016 Plan Year:**

The following two (2) employers contributed more than 5% of the Plan's total contributions during the 2016 Plan Year.

- Hill Mechanical Corp.
- F. E. Moran

4. **Participants with No Contributions:** There were 27 participants in the Plan in the 2016 Plan Year, 25 in the 2015 Plan Year and 25 in the 2014 Plan Year, for whom no employer contributions were made. For purposes of this item, only participants from employers that have withdrawn as of the beginning of the year are counted. Retirees and deferred vested participants of employers who have not withdrawn from the Plan are not counted.

5. **Plan Funding Status:** For the 2016 Plan Year, the Plan was certified as being in the Green Zone.

6. **Withdrawing Employers in Previous Year:** Two (2) employers withdrew from the Plan during the prior (2015) Plan Year with an aggregate withdrawal liability of \$204,126.

7. **Mergers:** There were no Plan mergers during the 2016 Plan Year.

8. **Amortization Extension:** The Plan did not apply for an amortization extension nor did not the Plan use the shortfall funding method for the 2016 Plan Year.

9. **Additional Information:** You also have the right to obtain a copy of the 2016 Form 5500 or Summary Plan Description and Summary of Material Modifications upon written request to the Fund Office and payment of a reasonable charge to cover the costs of furnishing copies of such documents. You are only entitled to receive one copy of each of these documents during any 12-month period.