

Local Leaders whose CBA has a SASMI Obligation  
Subject: Changes to Contribution Requirements for SASMI Trust  
Date: April 3, 2024

We hope this letter finds you well. We are writing to inform you of changes regarding the contribution requirements for the SASMI Trust, effective April 1, 2024.

After careful consideration and review, the Trustees have decided to amend the contribution policy related to the SASMI Trust (Article V). As of **April 1, 2024**, “gross earnings” will no longer include the Employer hourly contribution to the **NPF and Local Defined Benefit Pension Funds**.

SASMI’s former definition of gross earning is:

the sum of (i) three percent (3%) of the amount of wages due at the gross contractual hourly wage rate for the building trades journeyman classification, plus (ii) three percent (3%) of any and all contributions payable by the Employer to any benefit plans or programs: Pension, Annuity, 401k and retirement plans of any kind; Vacation Plans; and Health and Welfare Benefit Plans.

The new definition, as of April 1, 2024 will be:

the sum of (i) three percent (3%) of the amount of wages due at the gross contractual hourly wage rate for the building trades journeyman classification, plus (ii) three percent (3%) of any and all contributions payable by the Employer to any benefit plans or programs: Health and Welfare Benefit Plans, Vacation Plans, Defined Contribution Pension Plans and other retirement plans of any kind (**excluding Defined Benefit Pension Funds**) or the contribution rate to SASMI as defined on March 1, 2024, whichever is greater.

Your contribution rate, as of March 31, 2024, will remain in effect and frozen until the new calculated amount exceeds the rate as of March 31, 2024. At that point, the new calculated amount will take precedence.

The Trustees of SASMI are introducing changes to better serve our participants and our industry, reflecting our commitment to adapt and grow together. These adjustments are steps towards a more supportive and sustainable future.

Your Collective Bargaining Agreement (CBA) should be updated as soon as administratively possible to incorporate the updated Trust provision or upon renewal to account for the new calculation (see sample language below).

If you have any questions or concerns regarding these changes, please do not hesitate to contact us.

Thank you for your attention to this matter.  
The SASMI Trustees

**Example 1:** The Employer agrees to make contributions to the National Stabilization Agreement of Sheet Metal Industry (S.A.S.M.I.) Trust Fund in such amounts and at such times as are set forth in the SASMI Trust Agreement attached at Exhibit B and adopt the National S.A.S.M.I. Trust as presently constituted and as the same may be amended from time to time, to be bound by all Rules and Regulations of the Plan as adopted by the Trustees, as presently existing and as the same may be amended from time to time. The Trustees shall have the authority to audit the Employer's payroll and wage records for the express purpose of determining the accuracy of contributions due to the Fund and the Employer's ability to meet its contribution obligations.

**Example 2:** The CBA language references the attached schedule – the schedule should set out the calculation but the CBA language does not need to be changed.

The Employer shall pay the amount set forth in the schedule attached hereto to the National Stabilization Agreement for the Sheet Metal Industry (“SASMI Fund”) for each hour worked for all employees covered by this Agreement. The contributions of the Employer shall be used to provide unemployment benefits in periods of reduced work opportunities which cause periods of unemployment.

**Example 3:**

Commencing (Insert Date), the Employer shall make contributions in the amount of \$1.76 cents per hour paid (excluding Holiday, Vacation and Sick hours unless contractually required to be paid), for each employee covered by this Agreement to the National Stabilization Agreement of the Sheet Metal Industry Trust Fund (SASMI). This cents per hour paid contribution amount shall be, and shall remain, at all times, equal to the sum of: (a) three percent (3%) of the amount of wages due at the gross contractual hourly wage rate for the classification plus (b) three percent (3%) of any and all contributions payable by an employer to the following fringe benefit plans or programs; pension, annuity, 401k and retirement plans of any kind (excluding Defined Benefit Pension Funds), and health and welfare benefit plans or the contribution rate to SASMI as defined on March 1, 2024, whichever is greater. *This cents per hour paid contribution rate shall automatically change to reflect any and all changes that may occur in the contractual wage rates and fringe benefit plans and programs during the term of this Agreement.*

**Example 4:**

The Employer shall make contributions for each employee covered by this Agreement to SASMI Trust Fund equal to three percent (3 %) of the established journey person base wage, any local or national fringe benefit fund and other fringe benefit account including, but not limited to, Pension (excluding Defined Benefit Pension Funds), Health and Welfare, Annuity and other similar or related funds or plans or the contribution rate to SASMI as defined on March 1, 2024, whichever is greater.