

## NECA-IBEW WELFARE TRUST FUND

### Base Plan Participation Agreement – Health Plan & HRA (if applicable)

#### **(All [Former Bargaining Unit Employees] Alumni Employees and Working Owners – Hours Worked)**

1. The undersigned Employer hereby agrees that this Agreement represents the detailed written agreement required by the Labor-Management Relations Act to permit the NECA-IBEW Welfare Trust Fund (“Fund”) to receive contributions from Employer designated herein on behalf of all [Former Bargaining Unit] Alumni Employees (“BUA Employees”) and Working Owner Employees (“Working Owner Employees”) employed by Employer and to allow Working Owner Employees to participate in the Base Plan sponsored by the Board of Trustees of the NECA-IBEW Welfare Trust Fund.

2. The Employer further acknowledges that the Trustees have full discretion and authority to adopt rules and regulations governing the participation of BUA Employees and Working Owner Employees which may be included in the Fund’s Administrative Rules, Plan Document, the Trust Agreement, or other Plan documents. The Trustees have the authority to amend and interpret these rules and regulations without the consent of the Employer.

3. The Employer agrees to be bound by, and hereby assents to, all of the terms of the Trust Agreement, as amended from time to time, creating the Fund, and the rules and regulations adopted by the Trustees of the Fund pursuant to said Trust Agreement. In the event of a conflict between any term or condition of this Agreement and any term or condition of the Trust Agreement, the Trust Agreement will control.

4. Commencing on the effective date of this Agreement, the Employer shall pay to the Fund at the same hourly rate of contribution under the Base Plan as required to be paid per hour by other Participating Employers in the wage area for all actual hours worked by all BUA Employees and Working Owner Employees, **plus** the HRA contribution that is paid by other Participating Employers in the wage area must also be paid on behalf of all BUA Employees and Working Owner Employees (and all BUA Employees and Working Owner Employees of the Employer *must* be listed). The Employer shall pay the HRA contribution that is specified in the applicable collective bargaining agreement in effect in the wage area (which may either be a specific hourly contribution rate or a percentage of gross wages). If the HRA contribution method in the applicable CBA is an hourly contribution rate, then the Employer must pay the HRA hourly contribution rate times actual hours worked for each employee who is reported as a BUA Employees and Working Owner Employees. If the collective bargaining agreement in effect in the wage area requires HRA contributions as a percentage of gross wages, then the Employer shall remit the required percentage of gross wages. The HRA contributions, less a 5% Administrative fee, will be credited to the Employee’s NECA-IBEW Welfare Trust HRA Account. The HRA contributions shall not be required if the applicable collective bargaining agreement in effect in the applicable wage area does not provide for participation in the NECA-IBEW Welfare Trust Fund’s HRA.

If the Employer is remitting HRA contributions as a percentage of gross wages, then the Employer agrees to report to the Fund the amount of the monthly gross wages paid to each employee reported under this Agreement.

Employer certifies that any additions or deletions from the BUA Employee/Working Owner Employee list shall be shown at the time of such addition or deletion on a Form substantially as set forth in the Form attached hereto and submitted to the Fund Office so that such Form will correctly and contemporaneously show the current complement of BUA Employees and Working Owner Employees.

If a collective bargaining agreement requires the undersigned Employer to remit hours for Welfare and HRA coverage at a fixed amount (*e.g., 40 hours per week and/or 160 hours per month*) for employees who are

also covered by this Agreement, then the Employer shall be obligated to remit the greater of (i) hours worked per month, or (ii) the fixed amount specified in the applicable collective bargaining agreement.

For purposes of this Agreement, a Working Owner Employee is any Employee who (i) is an officer of the Employer or a shareholder who has an ownership interest in the Employer or whose spouse has an ownership interest in the Employer, and (ii) who is currently performing services for the Employer for compensation and he is performing work of the type regularly performed by employees covered by the Employer's collective bargaining agreement with the applicable Local Union affiliated with the International Brotherhood of Electrical Workers for more than twenty (20) hours cumulatively per week on a regular basis. An employee who owns less than 5% of the Employer, or (ii) owns an interest in an Employer through an Employee Stock Ownership Plan ("ESOP"), and whose spouse does not have an ownership interest in the Employer shall not be considered a Working Owner Employee as long as the employee is represented by the applicable Local Union for collective bargaining purposes and the employee performs work of the type regularly performed by employees covered by the Employer's collective bargaining agreement with the applicable Local Union affiliated with the International Brotherhood of Electrical Workers.

For purposes of this Agreement, a BUA Employee is defined as an employee who previously participated in the Fund by performing covered work under a collective bargaining agreement maintained by a Local Union affiliated with the International Brotherhood of Electrical Workers but who is no longer performing work covered by and described in the applicable collective bargaining agreement.

A BUA Employee or Working Owner Employee may not include a partner or a sole proprietor. Contributions payable on behalf of a new BUA Employee or Working Owner Employee who is hired on and after the effective date of this Agreement shall be paid starting with the BUA Employee's and/or Working Owner Employee's first day of employment.

All BUA Employees and Working Owner Employees employed by Employer are identified and listed on **Attachment A** hereto.

5. It is specifically agreed and understood that the Employer will cooperate in making timely contributions to the Fund (on or before the 15<sup>th</sup> of the following month) and that failure to do so shall subject the Employer to attorney's fees, interest, liquidated damages, audit costs, and any other additional costs assessed pursuant to the terms of the Fund's Trust Agreement. Additionally, the Employer agrees and understands that the Trustees may, on reasonable notice, have a payroll examination conducted by an accountant or its representatives of the Employer's payroll records in connection with the Employer's obligations hereunder.

The Employer further agrees to maintain records with respect to all employees covered by this Agreement sufficient to determine the benefits due or which may become due to such employees under the Fund's governing documents. Employers must also maintain contemporaneous time cards, time sheets, or other written records verifying the eligibility of its employees, hourly and salary alike, and the type of work performed by the employees. In the event that the Employer fails to maintain records required hereunder sufficient to determine an employee's eligibility for benefits, then the Employer hereby agrees that all hours worked which the employee received pay or was entitled to receive pay from the employer, including but not limited to sick time, vacation, personal leave, leave of absence or any other compensatory time, shall be considered work covered by this Participation Agreement or the collective bargaining agreement, as applicable. Further, failure to maintain said records may result, *in the sole discretion of the Board of Trustees*, in legal action being initiated by the Fund to collect contributions or to seek other legal or equitable relief, a refund of contributions received, employer and/or employee ineligibility to participate in the Fund, and/or a loss of accrued credit/eligibility for employees participating in the Fund which are covered by this Agreement.

6. As a condition of participation under this Agreement, the Employer agrees to be a party to one or more collective bargaining agreements with a Local Union affiliated with the International Brotherhood of Electrical Workers.

7. This Agreement is not effective until it is accepted by the Trustees and is executed by an authorized representative of the Fund.

8. The Employer hereby accepts as Employer Trustees the present Employer Trustees appointed under said Trust Agreement and all such past or succeeding Employer Trustees as shall have been or will be appointed in accordance with the terms of the Trust Agreement.

9. Either party may terminate this Agreement without cause by delivering a written termination notice via certified mail return receipt requested to the other party. Such termination notice shall be effective the first day of the month following the month in which it is received by the Fund. Upon termination, the Employer will immediately give written notice to all BUA Employees and Working Owner Employees whose participation is terminated.

10. It is the Employer's sole responsibility to verify that the Employer's collective bargaining agreement with the respective International Brotherhood of Electrical Workers Local Union permits the Employer to enter into this agreement.

11. This Agreement shall automatically and immediately terminate, with no notice required to be sent to either party, upon the occurrence of any of the following events:

- A. The Employer terminates its collective bargaining agreement with a Local Union affiliated with the International Brotherhood of Electrical Workers. In such event the termination date of this Agreement shall be the same termination date of the collective bargaining agreement with International Brotherhood of Electrical Workers; or
- B. The Employer becomes at least sixty (60) days delinquent in its contributions owed to the Fund. In such event, the termination date of this Agreement shall be the first day of the first month immediately following the sixtieth (60<sup>th</sup>) day that the Employer is delinquent.

11. This Agreement is effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

NECA-IBEW WELFARE TRUST FUND

EMPLOYER

By: \_\_\_\_\_  
Its Administrator

\_\_\_\_\_  
Name of Employer

\_\_\_\_\_  
Signature of Authorized Agent

Date: \_\_\_\_\_

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

Address: \_\_\_\_\_

\_\_\_\_\_

**TO: BOARD OF TRUSTEES  
NECA-IBEW WELFARE TRUST FUND**

This will acknowledge that I have read the NECA-IBEW Participation Agreement for Bargaining Unit Alumni Employees and Working Owners and **CHOOSE TO PROVIDE COVERAGE** for **ALL BARGAINING UNIT ALUMNI EMPLOYEES AND WORKING OWNERS** of this organization with the NECA-IBEW Welfare Trust Fund.

List **ALL BARGAINING UNIT ALUMNI EMPLOYEES AND WORKING OWNERS** with their social security number and date of hire. Please NOTIFY the Fund Office when there are any additions or changes in this list.

**COMPANY NAME:** \_\_\_\_\_

**COMPANY ADDRESS:** \_\_\_\_\_

**EMPLOYER FEDERAL IDENTIFICATION NUMBER:** \_\_\_\_\_ **ACCOUNT #** \_\_\_\_\_

**BARGAINING UNIT ALUMNI EMPLOYEES AND WORKING OWNERS:**

NAME	S.S.N.	HIRE DATE
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Please return this completed form, within ten (10) working days to:**

**NECA-IBEW Welfare Trust Fund  
ATTENTION: Internal Control Department  
2120 Hubbard Avenue  
Decatur, Illinois 62526-2871**