

**UNITED ASSOCIATION
HEALTH & WELFARE FUND RECIPROCAL AGREEMENT**

This UNITED ASSOCIATION HEALTH & WELFARE FUND RECIPROCAL AGREEMENT is entered into by the trustees of the signatory health and welfare funds and applies to all reciprocation between all signatory health and welfare funds.

WHEREAS, the signatory health and welfare funds provide benefits for employees in the plumbing and pipefitting industry who are employed by employers bound to collective bargaining agreements with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada ("United Association") or one of its affiliated state or provincial associations, district councils or local unions; and

WHEREAS, the employees may be temporarily employed from time to time in the jurisdiction of United Association local unions other than the jurisdiction of their home local unions, and have employer contributions made to different health and welfare funds with their own rules for entitlement to receive benefits; and

WHEREAS, some employees may be deprived of health and welfare benefits solely because their temporary employment within the jurisdiction of one local union has prevented their fulfilling the eligibility requirements of any health and welfare fund; and

WHEREAS, the signatory health and welfare funds wish to limit loss or interruption of benefits through a reciprocal agreement among health and welfare funds in the plumbing and pipe fitting industry under which employees have monies transferred and accumulated in a home health and welfare fund; and

WHEREAS, it is the expressed intention of all signatory health and welfare funds that the principle of "money follows the employee" shall apply to this Agreement and that all health and welfare funds signed to this Agreement shall reciprocate contributions to all other health and welfare funds signed to this Agreement in accordance with its terms; and

NOW, THEREFORE, the trustees of each signatory fund hereby adopt this United Association Health & Welfare Fund Reciprocal Agreement:

Section 1. Whenever capitalized in this Agreement, the following words shall have the following meaning:

- a. "Agreement" shall mean this United Association Health & Welfare Fund Reciprocal Agreement.
- b. "Employee" shall mean an individual performing work within the jurisdiction of the United Association under a collective bargaining agreement or other agreement with the United Association or one of its affiliated state or provincial associations, district councils, or local unions,

requiring contributions to a health and welfare fund signatory to this Agreement.

- c. "Employer Contributions" shall mean the full payment of 100% of the contributions, which an employer makes to a signatory health and welfare fund for the purpose of providing a plan of health and welfare benefits for employees. No employee contributions shall be reciprocated under this Agreement.
- d. "Home Fund" shall mean the signatory health and welfare fund into which the Employee's employers regularly contribute when he or she is working in the trade and geographic jurisdiction of the United Association local union to which the Employee pays his or her regular monthly dues. If the Employee is not a union member, the Home Fund shall mean the health and welfare fund to which Employer Contributions were made when he or she first worked as an Employee.
- e. "Traveler" shall mean an Employee temporarily employed away from his or her Home Fund under a collective bargaining agreement that requires Employer Contributions to another health and welfare fund signatory to this Agreement.
- f. "Visited Fund" shall mean the health and welfare fund signatory to this Agreement that receives Employer Contributions on behalf of Travelers and forwards those contributions to the Home Fund.
- g. "United Association" or "UA" shall mean the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry of the United States and Canada.

Section 2. When a Traveler works in an area where Employer Contributions are made on his behalf to a Visited Fund, such Visited Fund shall collect and receive the Employer Contributions due for the work of the Traveler and shall keep separate accounts of these contributions.

Section 3. Each Visited Fund shall make an accounting monthly of the Employer Contributions received by it during the month on behalf of Travelers and shall remit those Employer Contributions to the Home Fund upon receipt but no later than 45 days after the end of the calendar month during which the Employer Contributions were paid to the Visited Fund, provided that the Home Fund certifies to the satisfaction of the Reciprocity Committee that the Traveler shall receive full credit for all Employer Contributions received by the Home Fund pursuant to this Agreement. Where such certification is not provided to the Reciprocity Committee, the Visited Fund may forward contributions equal to the contributions required for health and welfare benefits under the collective bargaining agreement of the Home Local.

Section 4. No health and welfare fund signatory to this Agreement shall be liable to any other signatory health and welfare fund for any sums except to the extent of

Employer Contributions on behalf of Travelers that are in fact made. Each signatory health and welfare fund shall bear all expenses of collection, administration, or accounting for Employer Contributions collected within its jurisdiction. Each signatory health and welfare fund agrees not to impose any administrative fees or costs on any party in connection with the performance of any obligation under this Agreement.

Section 5. The Visited Fund shall submit a report to the Home Fund at the time of making any transfer of Employer Contributions on behalf of Travelers including the following information:

- a. Name;
- b. Social Security Number;
- c. Number of Hours Worked by Month;
- d. Amount of Employer Contributions.

Section 6. The manner of crediting Travelers on whose behalf Employer Contributions are reciprocated under this Agreement shall be left to the discretion of the Home Fund, whose trustees retain full and complete control over the design of their respective health and welfare plan. All payments forwarded under this Agreement shall be deemed to be Employer Contributions to the Home Fund as though directly made by an employer to the Home Fund, and shall be applied in accordance with the trust and plan of the Home Fund. The Visited Fund receiving Employer Contributions on behalf of Travelers shall act only as a conduit for the transfer of the Employer Contributions and shall be responsible only for the transmittal of Contributions in accordance with this Agreement. The Visited Fund and its trustees shall have no responsibility for the application of the payments received by the Home Fund.

Section 7. All Employer Contributions transferred in error shall be returned to the health and welfare fund making the erroneous transfer whenever such errors are discovered.

Section 8. No person or entity, other than the signatory health and welfare funds and their trustees, shall have any rights under this Agreement. No person or entity that is not signatory to this Agreement shall be entitled to bring any action or proceeding against any party hereto on account of this Agreement, or shall be deemed to be a third-party beneficiary or real party in interest.

Section 9. The trustees of any signatory health and welfare fund shall not be liable for any acts of the trustees of any other health and welfare benefit trust fund signatory to this Agreement; nor shall any trustee be personally liable for any action taken pursuant to this Agreement except to the extent liability is imposed by operation of the Employee Retirement Income Security Act of 1974 or the applicable provisions of Canadian federal and provincial law.

Section 10. The transfer of all Employer Contributions from a Visited Fund to a Home Fund on behalf of a Traveler shall constitute a complete waiver and release of all claims against the Visited Fund by the Traveler for purposes of participation in the benefits of the Home Fund.

Section 11. The United Association will appoint a Reciprocity Committee from among the trustees of the signatory health and welfare funds, and a Reciprocity Coordinator, to coordinate various ministerial functions under this Agreement. The responsibilities of the Reciprocity Committee and the Reciprocity Coordinator shall include documentation, record keeping, and assistance to the signatory health and welfare funds in implementing this Agreement. The Reciprocity Committee shall meet at least annually to review the status of this Agreement. The Reciprocity Committee shall have the authority to require that the signatory funds pay a modest sum of money each year to defray the reasonable costs of the Reciprocity Coordinator and of the Reciprocity Committee.

Section 12. Any dispute or disagreement arising from this Agreement between any signatory health and welfare funds involving the operation or interpretation of this Agreement that cannot be resolved must be reviewed with the Reciprocity Coordinator. The Reciprocity Coordinator will provide assistance to the efforts of the health and welfare funds to resolve the dispute, but he shall have no authority over the parties or any discretion over application and interpretation of this Agreement. If the disputing health and welfare funds cannot resolve the dispute by mutual agreement after consultation with the Reciprocity Coordinator, either party may request that the dispute be resolved by arbitration. If the disputing health and welfare funds cannot agree on an arbitrator within 30 days after the request for arbitration, the disputing health and welfare funds will select an arbitrator from a panel of five arbitrators from the American Arbitration Association. Any decision of the arbitrator shall be final and binding only on the specific health and welfare funds that are party to the dispute, and the costs of the arbitration shall be borne equally among each of those health and welfare funds.

Section 13. Each signatory health and welfare fund in the United States must be at all times tax exempt under the Internal Revenue Code. Proof of such status will be provided upon execution of this Agreement by each signatory health and welfare fund and at reasonable times thereafter. In the event a signatory health and welfare fund loses its tax exempt status under the Internal Revenue Code, this Agreement will terminate with respect to the affected health and welfare fund as of the date of the loss of its tax exempt status, and such fund must immediately notify the Reciprocity Coordinator.

Section 14. Signatory Canadian health and welfare funds to this Agreement must be at all times tax exempt under the provisions of applicable Canadian federal and provincial law. Proof of tax exempt status will be provided upon execution of this Agreement by each signatory Canadian health and welfare fund and at reasonable times thereafter. In the event a signatory health and welfare fund loses its tax exempt status under applicable Canadian federal or provincial law, this Agreement will terminate with respect to the affected health and welfare fund as of the date of the loss of its tax exempt status, and such fund must immediately notify the Reciprocity Coordinator. It is understood that cross border reciprocal transfers under this Agreement between health and welfare plan in Canada and health and welfare plans in the United States of America may be made only to the extent permissible under applicable Canadian and United States law.

Section 15. Upon execution of this Agreement, each signatory health and welfare fund certifies that it has complied with all necessary laws and regulations concerning this Agreement.

Section 16. This Agreement may be amended at any time by the Reciprocity Committee upon the written approval of the amendment by a two-thirds majority of the health and welfare funds signatory to this Agreement.

Section 17. This Agreement shall supercede the applicability of all other separate health and welfare reciprocal agreements in effect between any health and welfare funds signatory to this Agreement. As long as a health and welfare fund remains signatory to this Agreement, no other agreement shall apply to reciprocity between it and any other health and welfare fund signatory to this Agreement.

Section 18. A signatory health and welfare fund may terminate its participation in this Agreement only by giving written notice to the Reciprocity Coordinator. In such event, the respective health and welfare fund's termination will be effective as of the first day of the month following 180 days after receipt of the notice. Reciprocal transfers will be received and processed with respect to any Employer Contributions attributable to work performed in period prior to the health and welfare fund's termination date.

Section 19. In the event that any of the provisions of this Agreement shall be adjudicated invalid or unenforceable, such adjudication shall not affect or impair the validity of the other remaining provisions of this Agreement and such other remaining provisions of this Agreement shall remain in full force and effect.

This Agreement is effective as of May 1, _____, 2004.

Name of Fund: Northwest Plumbing & Piping Industry Health & Welfare

Address of Fund: PO Box 34203

Seattle WA 98124

EIN: 91-0611843

David Nelson

Trustee CHAIRMAN

Feb 17 2003

Date

Scott B. Smith

Trustee Secretary

Feb 17 2003

Date