



NORTHWEST
CARPENTERS
TRUSTS

Health and Security Retirement Vacation Industry Fund

CONTRIBUTION AGREEMENT FOR ASSOCIATE EMPLOYEES

PARTICIPATING IN

CARPENTERS-EMPLOYERS APPRENTICESHIP AND TRAINING TRUST FUND OF
WASHINGTON-IDAHO

NORTHWEST CARPENTERS HEALTH AND SECURITY TRUST

NORTHWEST CARPENTERS RETIREMENT TRUST

AND/OR

NORTHWEST CARPENTERS INDIVIDUAL
ACCOUNT PENSION TRUST

THIS AGREEMENT is made and entered into between the undersigned employer (“**Employer**”); the Carpenter-Employers Apprenticeship and Training Trust Fund of Washington-Idaho (“**Training Trust**”); the Northwest Carpenters Health and Security Trust (“**Health Trust**”); the Northwest Carpenters Retirement Trust (“**Retirement Trust**”); and the Northwest Carpenters Individual Account Pension Trust (“**Individual Account Trust**”). The Training Trust, Health Trust, Retirement Trust, and Individual Account Trust are collectively referred to as the “**Trusts.**”

1. **Purpose.** The purpose of this Agreement is to cover the Employer’s eligible non-bargaining unit employees as “**Associates**” in one or more of the Trusts pursuant to the terms of the Trust Agreements and where applicable, the Plans of the Trusts.

2. **Employees Eligible to Participate as Associates.** Employees in one of the following categories are eligible to participate in the Trusts:

a. *Employees of the Union or Other Labor Organization.* Employees of the Pacific Northwest Regional Council of Carpenters (“**Regional Council**”) or one of its affiliated local unions, and employees of another labor organization or a joint labor-management cooperation committee affiliated with the Regional Council, provided contributions are made to the Trust by the employee’s Employer pursuant to this Agreement.

b. Employees of the International Union. Employees of the United Brotherhood of Carpenters or Joiners of America who previously participated in the applicable Trust as a bargaining unit employee or Associate Employee, provided contributions are made to the applicable Trust by the employee's Employer pursuant to this Agreement.

c. Employees of a Training Trust or Program. Employees of a Training Trust or Program who are employed within the jurisdiction of the Regional Council, provided contributions are made to the applicable Trust by the employee's Employer pursuant to this Agreement.

d. Employees of a Signatory Employer. Employees of an employer that is signatory to a collective bargaining agreement with the Regional Council or one of its affiliated local unions ("**Signatory Employer**"), provided the employee previously worked as a Carpenter. This requirement is administered differently for the Retirement Trust and Individual Account Trust than it is for the Health Trust, as follows:

(i) Retirement and Individual Account Trusts. To participate in the Retirement and Individual Account Trusts, a nonbargaining employee of a Signatory Employer must have previous employment in bargaining unit work under a collective bargaining agreement with the Regional Council or its affiliated local unions that required contributions to that Trust. This requirement is generally satisfied if the employee has at least one year of Credited (Future) Service earned as a bargaining unit employee under a collective bargaining agreement requiring contributions to the applicable Trust.

(ii) Health Trust. To participate in the Health Trust, a nonbargaining employee of a Signatory Employer must have previous employment in a nonsupervisory capacity in work of the type covered by a collective bargaining agreement with the Regional Council or one of its affiliated local unions.

e. Limitation on Participation of Owners/Officers/Spouses. If an employee is an officer (e.g., president, vice president, secretary, treasurer) or 5% or greater owner (e.g., shareholder) of the Employer, or spouse of an officer or 5% or greater owner of the Employer, that employee is only eligible to participate in the Trusts if the Employer is: (a) a corporation; or (2) a limited liability company ("LLC") that elected to be treated as a corporation on Treasury Form 8832. *Sole proprietors and partners may not participate in the Trusts.*

3. Additional Conditions For Signatory Employers. In order to cover Associates in the Trusts, Signatory Employers must satisfy the following additional conditions. The Employer hereby agrees to these conditions:

a. Full Bargaining Agreement. The Employer must be signatory to a full-compliance collective bargaining agreement or independent collective bargaining agreement with the Regional Council or its affiliated local unions that requires contributions for bargaining unit employees to the applicable Trust(s) ("**Collective Bargaining Agreement**").

b. Work in Industry. The Employer must employ and report one or more

bargaining unit employees to the applicable Trusts for a minimum of 1,040 hours during each preceding two-consecutive calendar-year period (e.g., 1,040 hours from January 1, 2011 through December 31, 2012). An Employer will have two full calendar years from the date the Employer first signs this Agreement to comply with this requirement. The Employer will be notified if this requirement is not satisfied, and if the Employer still has not satisfied the requirement by the end of the third-consecutive calendar-year, this Agreement will be terminated on January 1, following the end of the third-consecutive calendar year, unless the Trustees extend the date for compliance based upon the facts and circumstances.

The Trustees may also determine based upon the facts and circumstances that an Employer is not actively working in the industry and terminate this Agreement.

c. *Employer Must Sign Written Agreement.* The Employer must sign a written Associate Agreement with the applicable Trusts.

d. *Employer Must Employ Employee.* To be eligible to participate as an Associate, an individual must actually be employed by the Employer that signs the Associate Agreement. For example unemployed family members of the Employer or former employees or retirees of the Employer may not participate.

4. **Enrollment.** The names of those employees the Employer elects to cover as Associates, and the Trust in which each Associate will participate, have been listed by the Employer on Appendix A. The Employer elects to cover those employees listed on Appendix A as Associates.

The Employer is not required to cover all non-bargaining unit employees under this Agreement. Nor is the Employer required to cover all enrolled Associates Employees in the same Trusts. However, Associates must be enrolled in the Training Trust if the Employer's Collective Bargaining Agreement requires contributions to the Training Trust.

5. **Addition of Employees.**

a. *New Employees.* Newly hired employees of the Employer who qualify as Associates may be added to this Agreement within 60 days of the date of hire.

b. *Change in Job Classification.* Bargaining unit employees who become non-bargaining employees may be added within 60 days of the date the employee becomes a nonbargaining employee provided the nonbargaining employee qualifies as an Associate.

c. *Failure to Enroll.* Unless otherwise required by ERISA special enrollment rules, an employee who is otherwise eligible, but is not enrolled for coverage at the time of execution of this Agreement (or within 60 days of the date of hire or qualification for enrollment due to a change in job classification) may not thereafter be added by the Employer as an Associate until renewal of the Employer's Collective Bargaining Agreement.

d. Documentation. An Employer's request to add a new employee as an Associate or to change an existing employee's status from bargaining to nonbargaining (or vice versa) must be made in writing to the Trust Office.

6. Termination of an Associate. An Employer may discontinue participation of an Associate in one or more of the selected Trusts (except the Training Trust), however, once an Associate's participation is discontinued in a Trust, it may not thereafter be reinstated in that Trust until renewal of the Employer's Collective Bargaining Agreement, unless the employee moves from a nonbargaining unit position to a bargaining unit position and back to a nonbargaining position and participation in the selected Trusts is continuous.

7. Hours to Report/Rate.

a. Health Trust. Contributions are to be paid to the Health Trust on a monthly basis at a rate equal to 160 times the applicable hourly rate. The applicable hourly rate for Signatory Employers is the rate set by the Employer's Collective Bargaining Agreement. The applicable rate for labor organizations and Training Trusts/Programs is the rate set by the current Master Labor Agreement between the Regional Council and the AGC of Washington (or where applicable, the Inland Northwest AGC).

b. Retirement Trust, Individual Account Trust (except 401(k) Elective Deferrals), Training Trust. Contributions are paid to the Retirement Trust, Individual Account Trust (except 401(k) elective deferrals), and Training Trust on a monthly basis on 40 hours for each week, or portion thereof, the Associate is paid or entitled to payment at the applicable hourly rate. The applicable hourly rate for Signatory Employers is the rate set by the Employer's Collective Bargaining Agreement. The applicable rate for labor organizations and Training Trusts/Programs is the rate set by the current Master Labor Agreement between the Regional Council and the AGC of Washington (or where applicable, the Inland Northwest AGC or Northwest Wall and Ceiling Contractors Association).

c. 401(k) Employee Elective Deferral Contributions. Associates who are enrolled under this Associate Agreement in the Retirement Trust and Individual Account Trust may elect 401(k) elective deferrals ("**Elective Contributions**") to the Individual Account Trust by filing the appropriate written election form with the Trust Office. Notwithstanding the foregoing, in the case of an Associate employed by a Signatory Employer, Elective Contributions are only permitted if the Signatory Employer has signed a Collective Bargaining Agreement that allows for Elective Contributions for its bargaining unit employees.

Associates may elect Elective Contributions in increments of \$1.00 per hour for each hour the Associate is paid or entitled to payment, up to the maximum allowed by the Individual Account Trust.

If an Employer has received an effective election made by the Associate, Elective Contributions must be made by the Employer by regular payroll deductions. Elective Contributions that are withheld by an Employer must be paid to the Individual Account Trust as soon as the contribution can be reasonably segregated from the Employer's assets but not later

than fifteen (15) business days after the end of the calendar month in which the Contributions are withheld. Elective Contributions must be made pursuant to the terms of the Individual Account Plan, including but not limited to the Plan provisions governing the election period and the nondiscrimination testing requirements.

d. Dues. If authorized by an Associate in a written authorization for check-off submitted to the Employer in a form permitted by Section 302(c) of the Labor Management Relations Act, as amended, the Employer will deduct working dues from the Associate's wages and transmit the dues with the Employer's monthly contribution report. The Trusts will provide acknowledgement forms to Employers with the Associate packet on which the Associate can confirm an authorization for dues check-off.

8. **Retirement and Individual Account Trust Nondiscrimination Testing.** A condition of each Associate's participation in the Retirement Trust and Individual Account Trust is that the Employer continue to satisfy the Internal Revenue Code § 401(a)(4), § 401(k), and § 410(b) nondiscrimination tests. The Employer will provide whatever documentation is necessary for the Retirement Trust and Individual Account Trust to determine that the Employer is in full compliance. If the Retirement Trust or Individual Account Trust determines that the Employer has failed a nondiscrimination test, the participation of an Associate may be terminated retroactively to the date of noncompliance, or the Trustees may take whatever other action is necessary to comply with the test.

9. **Effective Date of Agreement.** The effective date of this Agreement is indicated by the parties at the end hereof. The Trustees may periodically request an updated Agreement as part of the administrative process for monitoring participation of Associates.

10. **Termination of Agreement.**

a. Termination at Expiration of Collective Bargaining Agreement. An Associate Agreement signed by a Signatory Employer will automatically terminate on the date the Employer is no longer party to a full-compliance Collective Bargaining Agreement or independent Collective Bargaining Agreement providing for payment of contributions to the applicable Trust.

b. Termination by Trusts. The Trustees may terminate an Associate Agreement as to any and all Trusts prior to expiration of a Collective Bargaining Agreement if: (1) the Employer fails to remit when due contributions required for its Associates or bargaining unit employees; or (2) the acceptance by the Trustees of contributions would jeopardize the tax exempt status of the Trust or be subject to serious question as to the legality of all or any part thereof under applicable law; or (3) the application for a written Associate Agreement was made under false pretenses, or subsequent discovery indicates that the Employer does not meet the eligibility requirements; or (4) the Employer no longer works in the industry as determined under this Agreement or in the discretion of the Trustees; or (5) the Employer refuses to sign an updated Associate Agreement as requested by the Trustees.

c. Failure of Nondiscrimination Test. If an Employer fails the Internal Revenue Code § 410(b) nondiscrimination test, the Trustees may terminate an Associate

Agreement or an Associate's participation with respect to the Retirement Trust and/or Individual Account Trust. This Agreement or an Associate's participation may be terminated retroactively if necessary to comply with § 410(b).

d. Termination by Employer. An Employer may terminate this Agreement with respect to all of its employees, but cannot thereafter request a new Agreement until renewal of the Employer's Collective Bargaining Agreement.

11. Agreement to be Bound by Trust Agreements and Plans. The Employer hereby adopts and agrees to comply with all the terms and conditions of the Trust Agreement(s) under which the Employer has agreed to make contributions. The Employer further agrees that all contributions which it makes to the Trust(s) shall be for the exclusive benefit of the Associates and their beneficiaries and shall be made pursuant to this Contribution Agreement, the Trust Agreement(s) and the Trust Plan(s). The Employer agrees to be bound by all of the obligations of these agreements. The term "**Trust Agreement(s)**" shall mean the Trust Agreements of the Northwest Carpenters Health and Security Trust, the Northwest Carpenters Retirement Trust, the Northwest Carpenters Individual Account Trust, and the Carpenters-Employers Apprenticeship Training Trust Fund.

12. Audits. The Employer specifically agrees under the Trust Agreement(s) to promptly furnish to the Trustees, on demand, any payroll records, information, data, reports or documents reasonably required for the purposes of administration of the Trust(s) and to be subject to audit by agents of the Trustees, of its financial and other records relating to participation in one or more of these Trusts.

13. Delinquent Contributions - Additional Liabilities. The Employer further specifically agrees that it will be subject to the additional liabilities set forth in the Trust Agreement(s) providing for payment of audit expenses, attorney fees, interest and liquidated damages on any delinquent contributions as well as any delinquent contributions relating to enrolled Associates, or persons for whom contributions should have been made in one or more of the categories of Associates selected by the Employer.

14. Limitation of Trustee Liability. The Employer agrees and understands that the Trustees accept no liability for retirement benefits to Associates for contributions not made by the Employer for eligible Associates prior to the effective date of this Agreement. The Trustees shall not be liable for benefits payable to Associates for hours worked and contributions not made where the Associate was at the time a participant in another pension or profit sharing plan, or where such payment would be discriminatory under the Internal Revenue Code and regulations adopted thereunder.

15. Limitation on Return of Contributions. In the event contributions are made improperly to one or more of the Trusts, or if for any reason, benefits cannot be paid to an Associate, or if eligibility or benefits have been provided for the improperly paid contributions, the Employer agrees and understands that contributions will NOT be returned to either the Employer or to the Associate, except as may be allowed by the Trustees and under the Employee Retirement Income Security Act of 1974, as amended.

THIS AGREEMENT is dated this _____ day of _____, 20____, to be effective _____, 20____.

APPROVED: NORTHWEST CARPENTERS TRUSTS _____ By _____ Print Name _____ Title	EMPLOYER: _____ Employer Name _____ By _____ Print Name _____ Title: _____ Address: _____ _____ Phone: _____
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**NORTHWEST CARPENTERS TRUSTS
ASSOCIATES TO BE ENROLLED
APPENDIX A**

Employee Name	SSN	Job Title	Check if 5% or More Owner	Check if Officer of Employer	Check if Highly Compensated*	Check Trusts in Which Associate will Participate**	
						Health & Security	Retirement & Individual Account

* **Highly Compensated.** The Trusts request this information to assist in the nondiscrimination testing required under Section 410(b) of the Internal Revenue Code. An employee is Highly Compensated for 2023 if the employee is either:

1. A 5% owner of the company during 2022 or 2023; or
2. Received compensation of \$135,000 or more for the year 2022 or \$150,000 or more for the year 2023.

** **Training Trust.** If the Employer’s Collective Bargaining Agreement provides for payment of Contributions to the Training Trust, then contributions will be required to the Training Trust in addition to the Trusts selected above.