

POLICY FOR REPORTING AND COLLECTION OF CONTRIBUTIONS FOR FRINGE BENEFITS

Effective January 2016

The Boards of Trustees of the Airconditioning and Refrigeration Industry Retirement Trust Fund (“Retirement Trust”), the Airconditioning and Refrigeration Industry Health and Welfare Trust Fund (“Health and Welfare Trust”), and the Airconditioning and Refrigeration Industry Defined Contribution Retirement Plan (“Defined Contribution Plan”) (collectively, the “Trust Funds”) and the Board of Trustees of the Joint Journeyman and Apprentice Training Trust are responsible for insuring that all signatory employers (“Employers”) timely report and pay the contributions required by the Collective Bargaining Agreements. In fulfillment of that responsibility, a Joint Audit and Collections Committee has been appointed by the Trust Funds and the policies and procedures (“Policy”) described below have been adopted effective January 1, 2016.

1. Joint Audit and Collections Committee

The Joint Audit and Collections Committee (“Committee”) will meet at least quarterly to review the status of all delinquent Employers. At each meeting, the Trust Office shall present a written status report of all Employers who are delinquent or are on payment plans. In addition, the Trust Office shall provide a status report of the payroll audit program. Minutes will be kept of the meetings and submitted to the Boards of Trustees of the Trust Funds for review and approval.

2. Contribution Due Dates

Contributions and remittance reports are due on the 10th day of each month for all hours worked by each employee through the last payroll period of the prior month (the “Work Month”).

Note: Section 6 below regarding electronic reporting requirements

As used herein, “remittance reports” means both the electronic version as well as paper reports. Remittance reports shall be on a form or in an electronic format as approved and provided by the Trust Office, and shall be submitted each month regardless of whether the Employer employed any employees during the reporting period.

Regardless of how submitted, remittance reports received in the Trust Office after the 15th day of the month following the reporting period (“Delinquency Date”) are delinquent. Paper reports received after the 15th day of the month are delinquent regardless of the date the report was postmarked by the U.S. Postal Service or other delivery service. If the 15th of the month falls on a weekend or

holiday, the report must be received by the first business day following the 15th. Unpaid contributions become assets of the Trust Funds on the day they become delinquent.

If a remittance report is received by the 15th day of the month without payment in full of all required contributions, or if any accompanying check is returned for non-sufficient funds, the report shall be deemed delinquent. In addition, the Trust Office shall send a letter to each employee named in the report advising that employee that hours were received without payment of contributions and that the reported hours will not be posted for Health and Welfare eligibility until the total due is paid.

Payment of amounts due for contributions may be remitted by way of an ACH debit authorization using the electronic reporting software available to employers. If an Employer elects to do so, the date for the ACH debit must be scheduled to occur on or before the 15th of the month in which the report is due.

Note: Although submission of payment by ACH debit is preferred, paper checks are also allowable but must be received in the Trust Office on or before the 15th of the month as set forth above.

3. Notices of Delinquencies

A. First Delinquency in Last 12 Consecutive Months:

For the first delinquency within the previous 12 consecutive month period, the Trust Office shall send a First Notice to the Employer. The First Notice will demand receipt of payment of the total amount due, including assessments within 10 days, and will inform the Employer of the consequences of nonpayment described in Section 4.A. below. The First Notice shall further advise that in the event the Employer fails to respond within such 10 day period, the Employer will be considered a Continuing Delinquent Employer and will be subject to the consequences described in Section 4.B.

If the total due, including assessments, is not received, or a written agreement for payment has not been reached with the Trust Office, within 20 days of the date of the First Notice, the Trust Office shall send a "Final Notice" to the Employer. The Final Notice shall advise the Employer that the Employer is deemed a Continuing Delinquent Employer subject to the consequences described in Section 4.B, and if the full amount owed is not paid within 10 days from the date of the Final Notice the Committee may take one or more of the actions specified in Section 4.C. to protect the Trusts against additional delinquencies.

In addition to the consequences described in Section 4, if the full amount is not received within 10 days of the date of the Final Notice, the Trust Office shall send a letter to the Employer and each of the owners advising them that the matter has been referred to collection counsel with instructions to file suit 5 days from the date of the letter in the event the full amount owed is not paid.

B. Seriously Delinquent Employers:

If an Employer has 2 or more unexcused delinquencies in a 12 consecutive month period or 3 or more unexcused delinquencies in a 36 month period, Employer will be deemed a Seriously Delinquent Employer and will be subject to the consequences described in Section 4.B., below. The Trust Office shall send the Employer a Notice of Serious Delinquency which shall advise the Employer of the consequences described in Section 4 and demand that all amounts owed be received within 10 days of the date of the notice. In addition, the notice shall also advise the Employer that the Committee may require one or more of the actions specified in Section 4.C. if the total due is not paid within 10 days of the date of the Notice of Serious Delinquency. The Trust Office shall also send a letter to each employee named in the Employer's most recent Remittance Report requesting the employee provide information in the form of a declaration as to hours worked, as well as job sites and general contractors, during the delinquency period.

If the full amount owed as demanded in the notice is not received, or a written agreement has not been reached with the Trust Office, within 10 days of the date of the Notice of Serious Delinquency, the Trust Office shall send a letter to the Employer and each of the owners advising them that the matter has been referred to collection counsel with instructions to file suit 5 days from the date of the notice in the event the full amount owed is not paid.

4. Consequences of Delinquencies

A. First Delinquency in Last 12 Consecutive Months:

- Assessment of Liquidated Damages in the amount of \$350 or 1% of the total contributions due, whichever is greater
- Assessment of interest at the rate established by the Boards of Trustees from the Delinquency Date until the date paid.

B. Delinquency by a Continuing or Seriously Delinquent Employer:

- Assessment of liquidated damages in the amount of \$350 or 10% of the total contributions due, whichever is greater

- Interest at the rate established by the Boards of Trustees from the Delinquency Date until the date paid
- Notice to Local 250, with a copy to ARCA/MCA, to pull covered employees as set forth in the Collective Bargaining Agreement.
- The Trust Office shall send a letter to the last known employees of the Employer, with a copy to Local 250, stating that their Employer is delinquent and that Local 250 may send them notice that they must cease working for that Employer until all delinquencies have been paid or a written agreement has been reached as set forth in Section E below. As provided in the Summary Plan Description for the Health and Welfare Trust, Health and Welfare coverage will be suspended for employees who, after proper notice from Local 250, continue to work for a delinquent Employer.
- Suspension of the Health and Welfare benefits of all participating owners and their dependents..
- Liquidation of the Employer's payment bond

C. Actions to Protect the Trusts Against Additional Delinquencies:

The Trustees in their sole discretion may take any of the following actions with respect to a Seriously Delinquent Employer:

- Require the Employer submit to a special payroll audit
- Require the Employer to provide weekly reports specifying all hours worked for each covered employee by job site and general contractor
- Require the Employer to remit joint checks for the next six months on all projects for which hours are worked by covered employees
- Require the payment bond be replenished in either of the following ways:
 - in cash equal to twice the average contributions for the last six months
 - by posting a surety bond in the penal sum of twice the average contributions for the last six months plus cash in the amount of \$3,000
- Request the Employer authorize the Trust Office to fund contributions for the next six work months by ACH debit transfers from the Employer's bank account
- Request the Employer authorize the Trust Office to withdraw funds from the Paid Time Off account of participating owners and apply those funds to all delinquent amounts owed for the next 6 months, if necessary.
- File a claim against the Employer's Contractor's State Licensing Board bond.

D. Personal Liability for Delinquency:

- Unpaid contributions are deemed to be plan assets on the day they become delinquent. The officer or officers of a corporation, sole proprietor, partner or any other person who exercise any authority or control over amounts that are deemed to be plan assets is/are considered a fiduciary of such amounts and may be held personally liable for breach of fiduciary duty for the failure to timely remit those contributions to the Trust Office. **ERISA 3(21)(A)**

E. Requests for Installment Agreements

- Employers may make a written request to enter into an installment payment plan. The Trust Office will review the request and make a recommendation to the Joint Audit and Collections Committee. If the committee approves the request for an installment payment plan, it must conform to the following guidelines:
 - ✓ The total amount of the delinquency; including interest, liquidated damages, audit fees, attorney fees and any other amounts due.
 - ✓ The duration of the payment plan, not to exceed one year.
 - ✓ The due dates and amount of the installment payments.
 - ✓ In addition, the Employer and owners of the company are required to sign either a letter agreement or a stipulation for entry of judgment both individually and on behalf of the Employer whereby both agree to pay all monthly installments timely, as well as all future contributions during the period in which monthly payments are being made. The letter agreement or a stipulation for entry of judgment shall also specify that any failure to meet any of the agreed upon terms will be deemed a default in the payment plan.

F. Discretion of Committee

- The Committee has the authority to compromise any claim or to enter into written settlement agreements with delinquent employers on the terms the Committee deems appropriate. The Committee also has the authority to write-off amounts past due when it is convinced that the costs of additional collection efforts will outweigh any potential recovery.

5. Payroll Audit Program

The Trustees have engaged an accounting firm to conduct periodic audits of the contributions of the Employers. These audits follow procedures that test whether accurate contributions have been made on behalf of all covered employees as required by the Collective Bargaining Agreements. The Auditor will periodically report the results of its audits in writing. The auditor's reports are reviewed by the Joint Audit and Collections Committee.

A. Schedule of Routine Audits:

Effective January 1, 2013, the Boards of Trustees have established the following policy for the routine auditing of employers signatory to the Master labor Agreement:

1. Effective for audits completed after January 1, 2013, the next routine audit for employers with findings of either underpayment or overpayment of contributions shall be scheduled three years after completion of the audit with findings.
2. Effective for audits completed after January 1, 2013, if the payroll auditor determines that an employer has intentionally underreported contributions, the next audit shall be scheduled one year thereafter.
3. For audits completed in 2010 through 2012 with no findings, the next routine audit shall be scheduled five years after completion.

Audits of newly signatory Employers shall be scheduled as needed within one year of becoming signatory. The purpose of the audit(s) is to assist the newly signatory Employer in proper reporting. Thus, liquidated damages shall not be assessed if a shortage is paid within 20 days of the demand. If not paid within 20 days, the Employer will be subject to the consequences described in Section 5.C. below.

Audits may also be demanded in accordance with Section 4.C. above for any Seriously Delinquent Employer, and the Committee in the exercise of their fiduciary duty may request a special audit of any Employer at any time.

B. Scheduling of Audits of Employers Working Pursuant to a Project Labor Agreement

Because some Project Labor Agreements (PLA) are short in duration, whether or not to incur the expense of a payroll audit shall be determined by the Delinquency Committee pursuant to the following procedures:

1. Whenever an employer signs a PLA, Local 250 sends a copy of the Letter of Assent to the Trust Office with a copy to ARCA/MCA.
2. Local 250 will notify the trust office whenever a member is dispatched to an employer working pursuant to a PLA.
3. The trust office will perpetually maintain a spreadsheet of all employers working pursuant to a PLA. Showing the beginning

month, number of employees dispatched, plus the reported hours and contributions.

4. The spreadsheet will be presented to the Delinquency Committee at each meeting.
5. The Delinquency Committee will then determine whether or not an audit is required.

C. Consequences if Audit Reveals Contribution Shortage:

If the audit reveals unpaid contributions, the auditor shall provide their findings to the Employer who will have 10 days to dispute said findings (“Employer Review Period”). The auditor shall evaluate all disputes and revise the audit findings, if appropriate. Upon completion of the Employer Review Period and consideration of all disputes, if any, the audit shall be considered final and forwarded to the Trust Office.

The Trust Office will send the Employer a letter acknowledging completion of the audit and, if the findings reveal unpaid contributions, demand full payment of the shortage within 20 days. The demand will be for the amount of the shortage plus interest at the rate established by the Boards of Trustees from the due date(s) of the contributions.

If the Committee determines that the Employer intentionally failed to report accurate contributions, the Committee has the discretion to assess liquidated damages in the amount of 10% of the unpaid contribution, together with the cost of conducting the audit. In determining whether or not the Employer intentionally failed to report accurate contributions, the Committee shall consider the opinion of the payroll auditor and notify the Employer in writing of the facts upon which the determination is based.

If an audit reveals a shortage and a prior audit also revealed a shortage, in addition to interest as set forth above, the Employer will also be assessed Liquidated Damages in the amount of 10% of the shortage together with the cost of conducting the audit.

D. Failure to Pay Audit Shortage After Demand:

If the total of the demand is not received, or a written agreement has not been reached with the Trust Office, within 20 days of the date of the demand, the Trust Office will send a Final Notice to the Employer. The Final Notice will advise the Employer that the Employer will be deemed a Seriously Delinquent Employer and be subject to the consequences described in Section 4.B from the date of the Final Notice. In addition, the Final Notice shall also advise the

Employer that the Committee may take one or more of the actions specified in Section 4.C to protect the Trusts against additional delinquencies.

If the full amount owed as demanded in the notice is not received, or a written agreement is not reached with the Trust Office, within 10 days of the date of the Notice of Serious Delinquency, the Trust Office shall send a letter to the Employer and all owners advising them that liquidated damages have been increased to 20% of the total contributions due and that the matter has been referred to collection counsel with instructions to file suit 5 days from the date of the notice if the full amount has not been paid.

E. Documents to be Provided to Auditor

The Employer shall make the following documents available to the Auditor:

1. Original payroll information, including payroll time cards, company time sheets, etc.
2. Payroll journals, payroll earnings record.
3. State quarterly payroll tax returns form DE-6.
4. Reconciliation of wages paid to quarterly returns.
5. Personnel records or specific personnel data of information upon request.
6. Employer's Quarterly Federal Tax Returns Form 941.
7. Forms W-2.
8. Accounts payable records.
9. Canceled checks.
10. Check stubs and back-up information.
11. Workers' Compensation information.
12. General cash disbursement journals with supporting invoices
13. Any other information pertaining to the company's payroll system.

F. Employer's Right to Appeal:

If an Employer objects to the findings of an audit, the Employer may appeal those finding to the Joint Audit and Collections Committee. The appeal must be in writing and received by the Trust Office within 60 days of the date the Employer was notified of the completion of the audit as set forth in Section B above. The appeal should state in detail the findings to which the Employer objects, and the basis for the objections.

6. Electronic Reporting of Contributions and Hours

The Boards of Trustees have determined that electronic reporting of contributions and hours to the Airconditioning and Refrigeration Joint Trusts is more efficient and economical than submission of paper reports. In addition, access to the internet is available to all employers at little expense. Accordingly, electronic

reporting of contributions and hours will be mandatory for all Eligible Employers effective with reports for January 2016 hours worked.

Eligible Employers

As used in this section, an Eligible Employer is any employer that is signatory to a Collective Bargaining Agreement that provides for reporting of contributions that can be done electronically with the administrative software used by the Trust Office.

A. Exemptions and Exceptions to Being an Eligible Employer

- If an employer contends that reporting electronically would impose an unreasonable burden, it may request an exemption from doing so by submitting a written request to the Delinquency Committee of the Boards of Trustees. The request must set forth the reasons for the requested exemption.
- Employers performing covered work pursuant to a project labor agreement will be considered exempt from electronic reporting provided the project will be complete in 3 months or less.

B. Administrative Fees

- If, after the effective date as set forth above, an eligible employer fails to electronically report contributions and hours, that employer will be assessed an administrative fee as follows:
 - 1) \$100 for the first failure to report electronically
 - 2) \$250 for the second failure to report electronically within 12 calendar months of the first failure to do so
 - 3) \$500 for each subsequent failure to report electronically until the eligible employer has reported electronically for 12 consecutive months. After an eligible employer has electronically reported for 12 consecutive months, the applicable fee for failing to report electronically will commence again beginning with paragraph 1) above.
- The administrative fee is separate and in addition to any other fees assessed for delinquent contributions.

Note: Electronic deposit of funds for payment of contributions preferred although not required.

7. Posting of Contributions and Hours

A. Applying Contribution Funds

Except as set forth in Section B below, if contributions are not received from an Employer, nothing shall be posted to the account of an employee. If a partial payment for a contribution month is received (not including minor shortages), it will be held until payment in full has been collected and then applied. If payment in full is not collected, then the partial payment will be prorated and the contributions will be posted to the various Funds in the following order:

1. To the employee's Paid Time Off account
2. To the employee's Employee Account in the Defined Contribution Plan
3. To the employee's Employer Account in the Defined Contribution Plan
4. Pro rata to the following Funds:
 - To the Retirement Trust
 - To the Health and Welfare Trust
 - To the JJATC Trust
5. Pro-rata to Union dues and ARCA/MCA dues

When several months are delinquent and a payment is received it will be applied to each Fund for all months beginning with the oldest, then in the order set forth above. For example, a partial payment will be applied to the employee's Paid Time Off account **for all delinquent months**, then to the Employee Account in the Defined Contribution Plan, etc.

Collected funds that exceed the amount of fringes required for the number of reported hours that are not refunded to the Employer per Section 7 below shall not be posted to the account of an employee. Said funds shall instead be allocated to the Retirement Trust, the Health and Welfare Trust and the Defined Contribution Plan pro rata in the same ratio as each Trust's contribution rate at the time the excess funds are received, for a journeyman bears to their combined total.

No Contributions shall be posted to the account of participating owners until total contributions of all other employees have been posted.

B. Crediting Hours for Health and Welfare and Retirement Trust Purposes

Only reported hours for the initial delinquent month in a 12 consecutive month period will be credited to the employee's Health and Welfare and Defined Benefit Trust accounts until full payment of contributions for those hours has been received or a written agreement has been reached as set forth in Section E above. This provision shall not apply to participating owners. The letter to the last known employees as specified in Section 4.B. shall advise

those employees of this provision and that no additional hours for delinquent months shall be posted until full payment has been received or a written agreement has been reached as set forth in Section E above.

If the participant can prove that he or she worked hours in covered employment for which the Employer failed to report and/or pay contributions, he or she shall be credited with those hours as set forth above.

No unpaid hours discovered in a payroll audit shall be posted to the account of any employee or participating owner until contributions for those unpaid hours are paid in full or a written agreement has been reached as set forth in Section E above.

Unpaid contributions, including contributions for participating owners, become plan assets on the day they become delinquent, and participating owners may be held personally liable for breach of fiduciary duty for the failure to timely remit those contributions to the Trust Office.

8. Refund Policy

This Policy has been established to address situations where contributing Employers make erroneous payments or overpayments to one or more of the Trust Funds as the result of a mistake of fact or law.

The Trust Funds rely on the contributing Employers to make accurate reports and pay contributions consistent with those reports. Credit is earned and benefits are paid to participants based on the hours reported. Funding, investments, actuarial forecasts, plan design and benefit decisions are based on the assets held by each Trust Fund. Participants and beneficiaries make important life decisions regarding work, retirement and medical care based on their reported eligibility and earned credit. The Trustees have determined that delays in requests for refunds of erroneous contributions by Employers increase the administrative costs to correct the Employer's mistake, makes it more likely that benefits have been paid in reliance on the erroneous contributions, more likely that the Trust Funds have notified participants of their status and eligibility based on the erroneous contributions, and more likely that the Trust Funds have made actuarial forecasts and other planning decisions based on financial data which includes the erroneous contributions. Accordingly, the Trustees have determined that both the Trust Funds' financial soundness and the participants' financial well being will be placed in jeopardy if employers are allowed refunds for erroneous contributions or overpayments made without regard to the passage of time between the date the payment is made and the date the error is discovered or the Employer requests the refund. Therefore, the Trustees adopt the following policy with respect to the refund of erroneous payment or overpayments of Employer contributions.

It shall be the policy of the Trust Funds that except in the limited circumstances specified in this Policy, contributions will not be refunded to any Employer, regardless of the reasons for the erroneous payment or overpayment. The interpretation and application of this Policy is solely within the authority and discretion of the Trustees. The Trustees retain sole authority and discretion to make any equitable determination in the application of this Policy. Any decision the Trustees make with respect to refunding contributions will be final and not subject to appeal or further review. References to Trustees in this Policy shall also refer to any subcommittee of Trustees duly appointed or designated by the Trustees.

Rules and Procedures for Refunds:

- It is the contributing Employer's responsibility to make accurate reports to the Funds, to perform any internal audit of those contributions in a timely manner so as to discover any errors within the time specified to request a refund under this Policy. The Employer shall not rely on the Fund Office to check reports for accuracy. Except as provided below, The Fund Office shall not notify the Employer of obvious errors.
- No contributions will be refunded more than six months after the contributions are received by the Fund Office, absent extenuating circumstances or unanticipated equitable considerations as may be determined by the Trustees in their sole discretion consistent with ERISA 403(c)(2)(ii). This provision should not be construed as a promise or guarantee that contributions will be refunded within the six month period.
- Any Employer requesting a refund of contributions must send a written request to the Administrator of the Trust Funds identifying the amount of the contribution requested to be refunded. If the Employer believes the contribution was made in error it must provide an explanation as to the nature of the error. In all cases involving a claim for a refund of erroneous contributions, the Employer must conclusively demonstrate that the contributions were made in error.
- The Administrator will make a determination as to whether or not the refund should be made in accordance with this Policy. The Administrator may decline to make a determination and refer the refund request to the Committee for a determination. If the Administrator denies the refund request, the Employer may appeal its determination to the Committee within sixty (60) days from the date of the written denial.
- If within six months from the receipt of contributions the Administrator discovers that an Employer has made an erroneous payment or overpayment, the Administrator will notify the Employer and the Employer

may thereafter make a request for a refund providing it does so within 60 days of the date of notice.

- In lieu of requesting a refund, an Employer may request that it be provided a credit to be taken on a subsequent transmittal. The Administrator or Trustees may, but are not obligated, to grant such a request. If such a request is granted the credit should be taken promptly but in no event will a credit, or refund of the previously granted credit, be allowed six months after the Fund Office notifies the Employer that it may take a credit. If such is the case the credit will be forfeited.
- Notwithstanding any other provision of this Policy, no refund shall be made if a participant's receipt of a benefit was based in whole or part in reliance on the contribution for which a refund is requested. For example, if an employee receives a benefit from the Health and Welfare Trust for which the employee would not have been eligible but for the erroneous contribution or overpayment, no refund will be permitted. As another example, if an employee receives a benefit or distribution from the Defined Contribution or Retirement Trust that includes or is based on, in whole or part, the erroneous contribution or overpayment, no refund will be permitted. A refund may be delayed until the Administrator verifies that no participant has any outstanding claims that may properly be submitted to the Trust Funds for payment. The Trustees shall have sole discretion to determine if payment of the refund should be withheld under this provision.
- The Trust Funds may deduct any administrative costs and expenses it incurs to correct and refund an erroneous payment or overpayment, including all accounting fees, legal fees and litigation costs.
- If it is determined by the Administrator that contributions have been made for an individual who is not entitled or eligible to participate in the Fund, under the rules of the Fund or under the law, contributions may be refunded to the Employer who made the contribution without regard to the six month period consistent with ERISA 403(c)(2)(ii). However, the Fund may deduct from the refund any amount it deems appropriate to reimburse the Fund for all costs or benefit payments it incurred or losses it suffered in connection with this erroneous payment. The affected individual whose hours are being removed shall be so notified in writing with an explanation of the reasons for the determination and will be given the right to appeal prior to the payment of the refund.
- Any and all service credited to participants based on refunded contributions shall be cancelled.
- Neither interest nor investment earnings attributable to the amount being refunded will be paid to an Employer. The amount refunded will be reduced

by the amount of any investment losses experienced by the Trust Fund during the period of time in which the contributions were held by the Trust Fund.

- No refunds will be made to an Employer with an outstanding delinquency, and will be withheld at least until the delinquency is resolved.
- No contributions will be refunded if the Trust Funds are no longer in possession of the contributions because the contributions have been reciprocated to other benefit plans.
- Reciprocal contributions received from other benefit funds may be refunded without regard to the six month period upon the Administrator's determination that the contributions were sent in error and that the Trust Fund has not paid benefits in reliance upon these contributions.
- The Trustees or any subcommittee thereof may amend or suspend all or any part of this Policy in their sole and exclusive discretion, as appropriate, regardless of whether any refund requests are pending, and may apply any amendment or change in policy retroactively to any pending requests.

9. Collection Counsel Responsibilities

At the time any matter is referred to collection counsel in accordance with this Policy, the referral shall be accompanied by a letter from the Trust Office which details the nature of the delinquency or dispute and the scope of collection counsel's authorization. All documentation necessary to proceed with collection will be included with the referral. Collection counsel shall contact the Trust Office immediately upon receipt of the referral for clarification if there is any question regarding actions to be taken by collection counsel or if any additional documentation is required. Collection counsel shall then take whatever actions are necessary to resolve the delinquency or other matter in the shortest possible time with the least expenditure of Trust assets.

Once a matter has been referred, collection counsel is authorized to take all actions that are deemed prudent to protect the interests of the Trusts. If collection counsel believes that additional authorization is necessary, he or she shall notify the Administrator by Email. The Administrator shall obtain the decision of the Committee with respect to the request and respond to collection counsel without delay. The Administrator shall also be responsible for notifying collection counsel of any changes in the scope of collection counsel's authority to act and/or any other relevant information relating to the referral.

Collection counsel shall provide the Administrator with the status of all referred matters upon request. The Administrator shall then prepare a status report for distribution to the Committee.

Collection counsel shall be available to report to the Committee at its quarterly meetings, either in person or by telephone.

10. Reports to Joint Audit and Collections Committee

The Administrator shall maintain a status report with information as to all delinquencies, including items referred to collection counsel, payroll audits and all other relevant matters. This report shall be available upon request and shall be distributed to the Committee monthly and at the quarterly meetings of the Committee.

11. Assistance and Training for Employer Reporting

The Trust Administrator shall be responsible for assisting Employers with any questions regarding this Policy. The Administrator shall also provide technical assistance to Employers and their staff relating to the submission of monthly Remittance Reports. This assistance may include on-site instruction for all newly signatory Employers or any other Employer who requests such assistance.

12. Employer Rights

An Employer shall have the right, under applicable Plan procedures, to appeal the assessment of any delinquency charge to the Joint Audit and Collections Committee. The appeal must be in writing, and submitted within sixty days of the notification of assessment.

13. Discretion of Trustees and Committee

The Boards of Trustees, acting through the Joint Audit and Collections Committee, may, in the exercise of their sole and independent discretion, waive any of the penalties or other actions outlined herein in the event they determine the Employer's failure to make contributions is due to a legitimate business necessity. The Trustees shall make this determination based upon whatever evidence they deem appropriate, including information presented by the Employer. This determination shall be final and binding on all parties and shall not be subject to any further appeal.