

INTERNATIONAL RECIPROCAL AGREEMENT
FOR BRICKLAYERS AND ALLIED
CRAFTWORKERS DEFINED CONTRIBUTION AND
DEFINED BENEFIT PENSION PLANS

February 2005

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WHEREAS, the Trustees of each signatory Defined Contribution and Defined Benefit Pension Fund, acting under separate Trust agreements, are authorized and empowered to grant and administer pension benefits, under their respective plans, to employees who are or have been represented in collective bargaining by BAC local unions; and

WHEREAS, many employees have been, or are, or may be, from time to time employed by employers under contract to contribute to one of the signatory defined contribution and defined benefit pension funds, and at another time employed by an employer under contract to contribute to another of the signatory funds; and

WHEREAS, many employees may thus lose pension benefits from any signatory fund, and

WHEREAS, the Trustees of each signatory defined contribution and defined benefit fund desire to promote the interests and well-being of the fund's participants by accumulating all benefits in one defined contribution or one defined benefit fund; and

WHEREAS, the Trustees of each such signatory defined contribution and defined benefit fund desire to provide for the implementation of the necessary plan amendments providing for reciprocity and the establishment of procedures to carry out the terms of this Reciprocal Agreement; and

WHEREAS, the Trustees of each signatory defined contribution and defined benefit fund executing this Reciprocal Agreement on behalf of their respective pension fund represent and warrant that they have been duly authorized to make, execute and deliver this Reciprocal Agreement;

NOW, THEREFORE, it is agreed as follows:

INDEX

I.	DEFINITIONS AND EFFECTIVE DATE.....	1
II.	OPERATION OF RECIPROCAL AGREEMENT	9
III.	LIMITS OF LIABILITY AND RESPONSIBILITY	17
IV.	OTHER PROVISIONS	19
V.	SIGNATURE PAGE	23
VI.	BRIEF OVERVIEW AND EXPLANATION.....	24
VII.	QUESTIONS AND ANSWERS	25
VIII.	TYPICAL OPERATION.....	34
IX.	FORMS.....	40

I. DEFINITIONS AND EFFECTIVE DATE

SECTION 1. DEFINITIONS

1. Wherever used in this Agreement, the following words shall have the meaning indicated:

(a) Agreement

The International Reciprocal Agreement for Bricklayers and Allied Craftworkers Defined Contribution and Defined Benefit Pension Plans. This Agreement will apply only to work performed in the U.S.

(b) Employer Contribution or Contributions

The Monies which an employer is duly required by contract or otherwise to contribute to a Participating Trust Fund party hereto for the purpose of providing a plan of benefits for Temporary or Permanent Employees.

(c) Participating Trust Fund

Any jointly administered pension fund which is a defined contribution fund (as defined in Title 1, Section 3, Paragraph (34) of ERISA) or a defined benefit fund (as defined in Title 1, Section 3, Paragraph (35) of ERISA) which is signatory or a party to this Agreement and covers employment within the jurisdiction of an International Union of Bricklayers and Allied Craftworkers local union and is signatory to the service provider contract with the entity which maintains ERTS.

(d) Employee's Home Fund

A Temporary Employee's Home Fund shall be established under the rules set forth below. If the Temporary Employee cannot satisfy the conditions of these rules, he shall have no Home Fund and shall not be eligible to have contributions transferred pursuant to this Reciprocal Agreement.

- i. If the Temporary Employee belongs to a BAC local union, his Home Fund shall be the Participating Trust Fund which is operative within

the jurisdiction of the local union to which the Temporary Employee belongs if he has received credited service in the jurisdiction of that Fund during any time in the past six years.

- ii. If the Temporary Employee does not meet the conditions under the preceding subparagraph (i), his Home Fund shall be the Participating Trust Fund in which the Temporary Employee has received credited service if the Temporary Employee intends to return to work in the jurisdiction of such fund as soon as work is available. Rules establishing return to work requirements shall be the responsibility of each Participating Trust Fund.

(e) Permanent Employee

An employee employed within the jurisdiction of the BAC local union of which he is a member or within the jurisdiction of his Home Fund.

(f) Temporary Employee

An employee employed temporarily outside the jurisdiction of his Home Fund which is a party hereto, and within the jurisdiction of another Participating Fund which is also a party to this agreement. However, if an employee is a member of an International Union of Bricklayers and Allied Craftworkers local union and is a participant or has credited service in the pension fund of that local union, the employee will not be covered by the terms of this Agreement unless such fund is signatory to this Agreement and a service provider contract with the entity which maintains ERTS.

(g) Reciprocal Clearinghouse

The International Office of the International Union of Bricklayers and Allied Craftworkers shall be the Reciprocal Clearinghouse. All correspondence shall be addressed to:

Reciprocal Clearinghouse
International Union of Bricklayers and Allied Craftworkers
1776 Eye Street, N.W., Suite 750
Washington, DC 20006

The Reciprocal Clearinghouse shall be responsible for receiving signed Agreements and notifications of termination from Participating Funds. The Reciprocal Clearinghouse shall also prepare all approved forms, prepare and circulate proposed amendments to the Agreement and determine when an amendment has passed, maintain a listing of current Participating Funds, forward all material to Participating Funds, and assist Participating Funds in whatever manner possible consistent with this Agreement. It is expressly understood and agreed that the Reciprocal Clearinghouse will serve as a clearinghouse for the exchange of information, approved forms and copies of monthly reports from all Participating Funds for any employee for whom Monies are transferred, and that the Reciprocal Clearinghouse has no discretionary authority or responsibility over the administration, control or assets of any fund which participates in this Agreement. In addition, the Reciprocal Clearinghouse will receive and maintain copies of all employee authorization forms.

(h) Monies

An amount equivalent to the Contributions received by a Participating Fund on behalf of a Temporary Employee.

(i) Gender

Unless otherwise specified, use of the masculine gender shall be understood to include both masculine and female genders.

(j) ERISA

The Employee Retirement Income Security Act of 1974 (ERISA), 29 U.S.C. Sec. 1001 *et seq.*, as amended, and the rules and regulations established pursuant to the Act.

(k) ELECTRONIC RECIPROCAL TRANSFER SYSTEM OR ERTS

That electronic system or medium for processing reciprocity related information and forms in furtherance of this Agreement.

(i) ASSISTING LOCAL UNION

A local labor union affiliated with the BAC or accepted as an additional party pursuant to Section 5 which assists in the operation of the Agreement as a facilitator for the exchange of information. It is expressly acknowledged that such assistance is rendered by the BAC local union directly to, and for, its membership (and others) whom it represents as the collective bargaining representative.

SECTION 2. EFFECTIVE DATE AND PARTIES TO AGREEMENT

Any pension fund desiring to become party to this Agreement shall so notify the Reciprocal Clearinghouse by sending a copy of a properly adopted and signed Agreement to the Reciprocal Clearinghouse by Certified Mail. The effective date of this Agreement as to such a Fund shall be the first day of the month following the date the above-described copy is received by the Reciprocal Clearinghouse. The date this Agreement becomes operative as between any two participating funds shall be the effective date of this Agreement for each such Fund if they are the same, or the later of the two effective dates if they are not the same. Each Participating Fund which becomes a party to this Agreement is entering into this Agreement as of the appropriate effective date with all other present and future Participating Funds. No party shall be obligated to transfer any Monies received prior to its effective date under this Agreement.

This Agreement shall be binding on the parties hereto and any other party who becomes signatory hereto by signing a counterpart hereof, with the same force and effect as if such parties had been an original party hereto.

SECTION 3. EXCHANGE OF INFORMATION

Each Participating Pension Fund agrees to cooperate in the exchange of relevant information and shall comply promptly with a reasonable written or ERTS transmitted electronic request of the Reciprocal Clearinghouse for information or data necessary to carry out this Agreement. Each Participating Fund shall collect and receive the employer contributions due for the work of its Temporary Employees and shall keep separate accounts of the collections. Each Participating Fund shall keep the Reciprocal Clearinghouse advised of its current contribution rate and supply it with a current copy of the Participating Pension Fund's Summary Plan Description, Employer Identification Number, and Plan Number. Each Participating Pension Fund shall place notice of its participation in this Agreement in its Summary Plan Description and provide reciprocal authorization forms to local unions, Temporary and Permanent Employees as soon as practical after becoming signatory to the Agreement or when legally required.

SECTION 4. ACTIONS NECESSARY TO IMPLEMENT AGREEMENT

The Trustees of each Participating Fund agree to take all actions, including amendments to plan documents and the establishment of new practices or procedures, as are necessary to fully implement this Agreement, including the utilization of ERTS.

SECTION 5. ADDITIONAL PARTIES TO THE AGREEMENT

Any additional parties desiring to become signatory to this agreement shall so state by Certified Mail to the Reciprocal Clearinghouse. Such statement shall include a copy of the signed Reciprocity Agreement or statement of willingness to participate and shall be properly adopted by the Trustees of the Fund or a duly authorized representative. The effective date for any additional parties becoming signatory to this agreement shall be the first day of the

month following the date of the signing of the agreement by the new party and receipt of the signed agreement by the Reciprocal Clearinghouse.

With the approval of the International Union of Bricklayers and Allied Craftworkers, this Reciprocal Agreement may also be entered into by Trustees of a Pension Fund which provides retirement and pension benefits for employees not represented for the purpose of collective bargaining by Local Unions affiliated with the International Union of Bricklayers and Allied Craftworkers.

SECTION 6. ELECTRONIC RECIPROCAL TRANSFER SYSTEM

In order to enhance ease of use, help facilitate the timely transfers of Monies and achieve administrative cost savings, the reciprocal arrangement established through this Agreement shall utilize an electronic system or medium to process reciprocity related information. That system shall be known as the Electronic Reciprocal Transfer System (ERTS). Through ERTS, Participating Funds, the Reciprocal Clearinghouse, Assisting Local Unions, and both Permanent and Temporary Employees who are properly registered can access a secure Website limited and dedicated to the above listed users. Using personal computers or other appropriate devices, these users can access ERTS to enter and exchange information and data relevant to the operation of the Agreement. As to the method or medium for the actual transfers of Monies between two Participating Funds, ERTS will not be utilized; however, the ERTS shall be designed and maintained to help facilitate a decision by two Participating Funds to use an automated clearinghouse to electronically transfer Monies.

SECTION 7. ERTS SERVICE PROVIDER AND CONTRACT

In order to achieve the uniformity of operation vital to the functionality of ERTS, each Participating Fund recognizes that a single, system-wide service provider is required, which shall design, create, implement, and maintain ERTS. To obtain this necessary uniformity, each Participating Fund signatory to the Agreement shall also review and agree to a standard service contract with the single ERTS service provider which maintains ERTS (the "ERTS Service Provider Contract"). A copy of the ERTS Service Provider Contract shall be sent to the Reciprocal Clearinghouse. Execution of the ERTS Service Provider Contract shall be

required for those Participating Funds who wish to continue participation in the Agreement on and after October 1, 2004, or who wish to utilize ERTS at an earlier date once it is available. ERTS will be needed to receive and transfer all Reciprocity from January 1, 2005 forward.

SECTION 8. FUNCTIONS OF THE RECIPROCAL CLEARINGHOUSE

The Reciprocal Clearinghouse shall receive and file from Participating Funds signed Agreements, copies of signed ERTS Service Provider Contracts, and required notifications of termination. The Reciprocal Clearinghouse shall prepare and circulate in written format proposed amendments to the Agreement, maintain on ERTS a "listing" of current Participating Funds and current contribution rates, and assist Participating Funds in whatever manner possible consistent with and appropriate under this Agreement.

It is expressly understood and agreed that the Reciprocal Clearinghouse will serve as a facilitator and clearinghouse for exchange of information and approved forms, but that neither the Reciprocal Clearinghouse nor the Reciprocal Administrator shall have any discretionary authority, control or responsibility over (i) the management, administration, or assets of any Participating Fund, or (ii) the administration of the Agreement by any Participating Fund.

Consistent with this express limitation, the Reciprocal Clearinghouse shall also serve as a facilitator and clearinghouse for ERTS, including, (1) helping to educate the service provider about the Participating Funds, the masonry construction industry, and the Agreement and operations relating thereto; and (2) helping to educate and inform Participating Funds, Assisting Local Unions, and Employees regarding the use and/or applications of ERTS.

SECTION 9. CONFIDENTIALITY OF EMPLOYEE INFORMATION

All non-Employee users of ERTS (Home Funds, Participating Funds, Assisting Local Unions, the Reciprocal Clearinghouse, and their employees, officers or agents) shall be obligated to maintain the confidentiality of information derived from ERTS concerning any Employee (such as name, address, Social Security or Social Insurance Number, an Employee's own ERTS related personal identification number, information submitted with

reciprocal transfers pursuant to Section 15 below, etc.), except to the extent such information is utilized in furtherance of the operation of the Agreement and as consistent with applicable law. The ERTS service provider shall likewise be obligated (as more specifically set forth in the ERTS Service Provider Contract) to maintain the confidentiality of such information.

II. OPERATION OF RECIPROCAL AGREEMENT

SECTION 10. USERS ACCESS TO ERTS: REGISTRATION

Users shall acquire access to ERTS in the following manner:

Employee Users. Employee users must follow the procedures, and must agree to the terms and conditions, set forth in Section 11, below; and

Non-Employee Users. Non-Employee users (employees, officers or agents of Home Funds, Participating Funds, The Reciprocal Clearinghouse, and Assisting Local Unions) must follow the procedures, and must agree to the terms and conditions, set forth herein, whereby each such user:

Must register on ERTS with the ERTS service provider; and

Must agree in writing through an approved, written confirmation (the "Non-Employee User ERTS Confirmation") to properly maintain the confidentiality of information concerning an Employee. The original signed Non-Employee Users ERTS Confirmation shall be filed with the ERTS service provider.

Upon registration and execution of the Non-Employee User ERTS Confirmation, each such user shall be issued his own confidential identification number (the "PIN").

Thereafter, access to ERTS shall be available on a personal computer or other appropriate device with an internet connection by use of a Log-On Number (the user's Social Security Number or, if Canadian, his Social Insurance Number) and the PIN. The PIN shall be available to the Reciprocal Administrative Office and the ERTS service provider, to be used consistent with the confidentiality provisions of Section 9 above.

SECTION 11. HOW AN EMPLOYEE ELECTS RECIPROCITY

To be eligible for reciprocal transfers under this Agreement, an Employee:

Must register on ERTS at his Home Fund, a Participating Fund, or an Assisting Local Union after presentation of valid photo identification; and

Must agree in writing through a written confirmation, as specified below and electronically (via ERTS) to: (i) the legally binding effect of his utilization of an electronic signature on ERTS; and (ii) an approved authorization and release (the "Authorization and Release") regarding reciprocal transfers under the Agreement.

The approved Authorization and Release shall contain an authorization whereby the Employee elects to participate in the reciprocal system as well as a release (waiver) by the Employee, releasing all participating Funds and their trustees from any claim or claims by the Employee, or anyone making a claim through him, based upon the Contributions made after the effective date of the Authorization and Release. The approved Authorization and Release shall also contain an express consent to the dissemination of information concerning the Employee, such as name, address, Social Security or Social Insurance Number, information submitted with reciprocal transfers pursuant to Section 15 below, etc. (but not including an Employee's ERTS related personal identification number), to, and only to, authorized users of ERTS. The approved Authorization and Release shall also specify that it is a blanket authorization and release which will provide for the reciprocal transfers of Monies to his properly (that is, with Home Fund(s) acceptance) designated Home Fund(s) from any and all Participating Fund(s) in whose area the Employee is, or may in the future be, working as a Temporary Employee, unless and until the Employee thereafter utilized ERTS to expressly cease the transfers of Monies.

At the time of registration, the Employee shall receive a printed confirmation of his agreeing to the effect of his electronic signature and to the Authorization and Release (as outlined above in subsection (a)(2)), which he must personally sign (the "Employee Confirmation"). The original signed Employee Confirmation shall be filed at the Home Fund, the Participating Fund, or the Assisting Local Union where the Employee registers. The Employee shall be given a copy of his signed Employee Confirmation.

Upon registration on ERTS, the Employee shall be issued a confidential, personal identification number (the "employee PIN"). Thereafter, he shall be entitled to access ERTS on any personal computer or other appropriate device with an internet connection, by use of a Log-on Number (his Social Security Number or if Canadian, his Social Insurance Number) and his Employee PIN. The Employee PIN shall be available to the Reciprocal Administrative Office and the ERTS service provider, to be used consistent with the confidentiality provisions of Section 9 above.

SECTION 12. EFFECT OF ELECTION ON PARTICIPATING FUND

As of the first day of the month in which an Employee registers on ERTS, signs the Employee Confirmation, and designates his Home Fund(s) (if the Home Fund(s) later accepts that designation), and anytime thereafter, the Participating Fund shall keep a separate account of collections of Employee Contributions due for the work of the Temporary Employee and transfer to the Temporary Employee's Home Fund an amount of money as prescribed under Section 13 on behalf of the Temporary Employee for work performed from the first day of the month in which the signed authorization form is received by either the administrator of the Participating Fund or by a person designated by the Participating Fund to receive such authorization forms. An earlier effective date for the transfer of Monies may be established by the Trustees of a Participating Fund.

SECTION 13. AMOUNT TRANSFERRED TO HOME FUND

Each Participating Pension Fund shall transfer required contributions to the Temporary Employee's Home Fund as soon as feasible within a period of thirty (30) days following receipt of the request for transfer. Subsequent transfers of money to the Home Fund shall be made on at least a monthly basis or more often if mutually agreed to by the parties to this Agreement.

It is understood by the parties to this Agreement that the Participating Pension Fund shall remit to the Home Fund an amount of money equal to all contributions received based on hours paid and reported to the Participating Fund.

There shall be no administrative fee charged by a Participating Fund for the transfer or for any other reason.

SECTION 14. IDENTIFICATION OF HOME FUND TO RECEIVE TRANSFERS

If the Temporary Employee has two Home Funds, a defined benefit fund and a defined contribution fund, the Participating Fund shall transfer all Monies to whichever Home Fund is the same type as the Participating Fund (defined benefit to defined benefit - defined contribution to defined contribution). However the Home Fund has the discretion to allocate defined contribution Monies to a defined benefit fund.

If the Temporary Employee has only one Home Fund, the Participating Fund or Funds shall transfer all Monies to that Fund. If the Home Fund has only a defined benefit fund and the Participating Fund has both a defined benefit fund and a defined contribution fund, the Temporary Employee may elect to transfer only Monies from the Participating Fund's defined benefit fund to the Home Fund.

All Local Monies for Canadian Temporary Employees working in the U.S. shall be transferred to the IPF Defined Contribution Plan.

SECTION 15. INFORMATION SUBMITTED WITH TRANSFERS

Each Participating Pension Fund shall, at the time of making the monthly transfer, submit to the Home Fund via ERTS a report which shall include the following information for each Temporary Employee:

- (a) Name
- (b) Social Security Number
- (c) Work month reported
- (d) Number of hours contributed for in the month
- (e) Employer name
- (f) Total Monies being transferred

SECTION 16. EFFECT OF TRANSFERS ON PBGC PREMIUM

For purposes of the Pension Benefit Guaranty Corporation (PBGC), the Temporary Employee shall not be considered a participant in the Participating Fund if Monies are transferred to the Temporary Employee's Home Fund.

SECTION 17. HOW TEMPORARY EMPLOYEE STOPS TRANSFERS

Once an Employee is registered on ERTS, he may thereafter modify his registration or request a temporary or permanent cessation of reciprocal transfers by accessing ERTS through either his Log-on Number and Employee PIN or by appearing at his Home Fund, any Participating Fund or any Assisting Local Union. A temporary cessation stops transfers only while a Temporary Employee is working in the area of the specific Participating Fund(s) where he was working when he requested the temporary cessation. A permanent cessation stops all current and future or all future transfers permanently to any Home Fund(s) after an Employee has used ERTS to remove the Home Fund(s) designation(s). Any such temporary or permanent cessation in the transfer of Monies shall become effective on the last day of the month the request for cessation is inputted on ERTS. A permanent cessation shall remain in effect until an Employee thereafter has modified his registration by properly designating a new Home Fund(s). However, an Employee who requests a temporary or permanent cessation(s) shall not be eligible to restart transfers or designate a new Home Fund(s) and have Monies transferred so long as he works in the area of the same Participating Fund(s) where he was working when he requested a temporary or permanent cessation.

If an Employee's file is accessed on ERTS without the use of that particular Employee's Log-On Number and Employee PIN, any modification and/or cessation as outlined in subsection (a) above shall be valid only if an approved Employee confirmation of such action (an "Employee Confirmation of Modification and/or Cessation") is printed and signed by the Employee after presentation of valid photo identification and is filed at the Home Fund, Participating Fund or Assisting Local Union where such access occurs. The Employee shall be given a copy of his signed Employee Confirmation of Modification and/or Cessation.

SECTION 18. WHEN RECIPROCITY IS NOT IN EFFECT

If a Participating Pension Fund receives Contributions with respect to a Temporary Employee's employment, reciprocity is not in effect and the Contributions thus received shall be applied in accordance with the Participating Fund's provisions, if:

- (a) The Temporary Employee has not registered on ERTS, has not agreed to the Authorization and Release or has not executed and had filed an Employee Confirmation (all as provided in Section 11);
- (b) No Home Fund, as defined in Section 1(d), has been established by the Temporary Employee or if established, it is not a party under this Agreement, or
- (c) The Temporary Employee is eligible and has completed the necessary enrollment forms for benefits in the Participating Pension Fund.
- (d) Transfer of defined contribution fund Monies will create a violation of Section 415(c) of the IRC.
- (e) A cessation under Section 17 is in effect.

SECTION 19. TREATMENT OF MONIES RECEIVED BY HOME FUND

All Monies forwarded pursuant to this Agreement to the Trustees of the Home Fund of a Temporary Employee shall be treated as the equivalent of Contributions to that Home Fund and shall be applied in accordance with said Home Fund's provisions. Neither the Participating Fund nor its Trustees forwarding Monies to the Home Fund shall have any responsibility for the application of the Monies by the Home Fund.

SECTION 20. CREDITING SERVICE IN HOME FUND

The manner of crediting Monies and hours received by a Home Fund on behalf of its participants temporarily employed elsewhere shall be as follows:

Vesting Service - All hours worked in any Participating Fund for which Monies are transferred pursuant to this Agreement shall be counted as vesting service by the Home Fund on an hour-for-hour basis, as required by ERISA. However, if the same hours are reported by more than one Participating Fund, the Home Fund shall not be required to credit such hours more than once. A year of vesting service shall be whatever each plan decides, so long as it meets the requirements of ERISA.

Benefit Accrual - All hours worked in any Participating Fund for which Monies are transferred pursuant to this Agreement shall be counted for benefit accrual purposes by the Home Fund on an equitable basis, considering the relationship between the Participating Fund and the contribution rate in the Home Fund. For example, the benefit accrual rate for each hour for which Monies are transferred shall be proportional to the Home Fund's regular benefit accrual rate based on the relationship between the Home Fund contribution rate and the contribution rate received from the Participating Fund. Where benefit accrual is not based on hours but on the amount of contributions received on a participant's behalf, all Monies transferred shall be credited to his account for benefit accrual purposes.

SECTION 21. COORDINATION WITH THE INTERNATIONAL PENSION FUND (IPF)

- A. If the Home Fund is only the Bricklayers and Trowel Trades International Pension Fund (IPF), the Participating Fund shall transfer to the IPF an amount of money equal to all Contributions received. Any amount in excess of the Home Fund IPF defined benefit Plan rate shall be applied to the IPF defined contribution plan.
- B. If the Home Fund participates in both the IPF and maintains a local defined benefit and/or defined contribution plan, the Participating Fund shall transfer to the Home Fund an amount equal to all local defined benefit or defined contributions required under the Home Fund, or if less, the amount of local contributions received by the Participating Fund. Subsequently, the Home Fund shall credit the transferred contributions in proportion to the defined benefit and/or defined contribution funds of the Home Fund.
- C. If the Home Fund does not participate in the IPF and the Participating Fund does, the Participating Fund shall transfer to the Home Fund an amount equal to all local

contributions received. Subsequently, the Home Fund shall credit the transferred contributions in proportion to the defined benefit and/or defined contribution funds of the Home Fund.

- D. If the Participating Fund does not participate in the IPF, the Participating Fund shall transfer to the Home Fund an amount of money equal to all local contributions received. Subsequently, the Home Fund shall credit the transferred contributions in proportion to the defined benefit and/or defined contribution funds of the Home Fund
- E. If the Participating Fund participates in the IPF and the Home Fund maintains a local defined benefit and/or defined contribution plan, the Participating Fund shall transfer to the Home Fund an amount of money equal to all local contributions received. Subsequently the Home Fund shall credit the transferred contributions in proportion to the defined benefit and/or defined contribution funds of the Home Fund.
- F. Except as provided in section G below, if both the Participating Fund and the Home Fund participate in the IPF, no IPF monies will be transferred between the Participating and Home Funds. Monies will be remitted at the effective contribution rate of the jurisdiction of the Participating Fund to the IPF. Contributions received by the IPF will be credited in accordance with the IPF Home Local Rule.
- G. If the Participating Fund provides a local defined benefit or defined contribution plan through a merger with the IPF, the amount of the Participating Fund contribution rate immediately prior to the effective date of the IPF merger shall be transferred by the IPF to the Home Fund.
- H. If the Home Fund provides a local defined benefit or defined contribution plan through a merger with the IPF, the Participating Fund shall transfer an amount equal to all local funds received. Amounts in excess of the IPF defined benefit amount shall be credited to the IPF defined contribution plan.

III. LIMITS OF LIABILITY AND RESPONSIBILITY

SECTION 22. LIABILITY FOR CONTRIBUTIONS

No party shall be liable to any other party for any sum whatsoever except to the extent Contributions made on Temporary Employees are, in fact, collected and received. All Participating Pension Funds shall make every reasonable effort to collect all Contributions due, as required by ERISA. The Trustees of each Participating Fund agree to cause investigation to be made upon request of the Trustees of any other Participating Fund to determine whether Contributions as required have been made on behalf of Temporary Employees. However, a Temporary Employee's Home Fund shall have no responsibility to take any action to enforce the terms of any collective bargaining agreement requiring Contributions to another Participating Pension Fund.

SECTION 23. EMPLOYER LIMITATION

No employer shall be considered a contributing employer in any Participating Fund or Funds other than the Fund or Funds to which he is bound to contribute pursuant to the terms of an agreement which he has signed or assented to.

SECTION 24. WAIVER OF LIABILITY

It is expressly understood and agreed that none of the signatory Funds assumes any of the liabilities or obligations of the other signatory Funds. Each signatory Fund shall be liable solely and exclusively for pension benefits due under its own plan and no Fund shall be liable for the acts or omissions of another Fund. It is expressly understood and agreed that none of the Assisting Local Unions assumes any of the liabilities or obligations of the Participating Funds.

SECTION 25. NO INTERNATIONAL UNION, RECIPROCAL CLEARINGHOUSE, RECIPROCAL ADMINISTRATOR, OR ASSISTING LOCAL UNION LIABILITY; LIABILITY OF THE ERTS SERVICE PROVIDER

None of the BAC (its officers, employees or agents, including the Reciprocal Clearinghouse and the Reciprocal Administrator), any Assisting Local Union (its officers, employees or

agents), or shall in any way be responsible or liable for the payment of benefits, the transfer of Monies, the accuracy or completeness of written reports or any data contained on ERTS, or any acts and omissions of any Participating Fund (its trustees, employees or agents). Further, none of the BAC (its officers, employees or agents, including the Reciprocal Clearinghouse and Reciprocal Administrator), or any Assisting Local Union (its officers, employees or agents), shall have any financial or legal liability with regard to transactions between Participating Funds pursuant to this Agreement or with regard to the administration of the Agreement. Liability issues relating to the ERTS service provider shall be governed by the ERTS Service Provider Contract entered into by the service provider and a Participating Fund.

SECTION 26. ACCEPTANCE OF WRITTEN DOCUMENTS

The Trustees of each signatory Fund shall be fully protected in acting upon any instrument, certificate, report or paper, in writing or on ERTS believed by them to be genuine; and the Trustees of each signatory Fund shall be under no duty to make any investigation or inquiry as to any statement in any such writing or as to the authority of the person making such statement but may accept the same as conclusive evidence of the accuracy of the statement contained therein and the authority to make it.

IV. OTHER PROVISIONS

SECTION 27. EFFECT ON OTHER RECIPROCAL AGREEMENTS

This Agreement shall supersede any existing or future reciprocal agreement in effect between two or more Participating Funds requiring transfers of money to a Home Fund. Notwithstanding the foregoing, any reciprocal agreement that has been created to enable cooperation between the separate Participating Trust Funds operating in the jurisdiction of a single merged BAC local union or single BAC Administrative District Council shall remain unaltered by this agreement.

SECTION 28. AMENDMENT PROCEDURES

This Agreement may be modified or amended at any time by the written approval of a proposed amendment or modification by a simple majority of all voting Participating Pension Funds. The Reciprocal Clearinghouse shall prepare and circulate proposed amendments, tabulate all votes on amendments, and report the results to the Participating Funds.

SECTION 29. PLAN TERMINATION OR LOSS OF TAX-EXEMPT STATUS

In the event a Participating Pension Fund shall terminate its Pension Plan or lose its tax-exempt status, its participation in this Agreement shall automatically terminate. It shall be the responsibility of that Fund to notify the Reciprocal Clearinghouse of said termination or loss of tax-exempt status. Notice in writing by Certified Mail shall be given prior to or immediately following the date of either occurrence.

SECTION 30. TERMINATION OF RECIPROCAL AGREEMENT

Any Participating Fund may terminate its participation in this Agreement by giving written notice by Certified Mail to the Reciprocal Clearinghouse if the notice is received at least one hundred and eighty (180) days prior to the end of any calendar year. In such event, termination shall become effective with respect to Contributions attributable to work performed in the next succeeding calendar year; but transfers shall be received or made by said Participating Fund in accordance with this Agreement with respect to Contributions attributable to work performed in the calendar year during which such notice of termination

is given. Termination shall also occur (except as provided in Section 35), for any Participating Fund which has not executed the ERTS Service Provider Contract prior to January 1, 2005 or has terminated that Contract pursuant to its terms.

SECTION 31. RESOLUTION OF DISPUTES

Any dispute, disagreement or question between the Participating Funds arising out of this Agreement shall first be referred to the Reciprocal Clearinghouse and notice shall be given to any other parties to the dispute. The Participating Fund giving such notices must mail the notice within 180 days of the cause of the dispute, disagreement or question arising out of the Agreement. For any notice mailed after this 180-day period, the Participating Fund must demonstrate that it exercised reasonable diligence in discovering the dispute, disagreement or question arising out of this Agreement. Any other notice mailed after this 180-day period shall be untimely and not covered by this Agreement. If the dispute is not satisfactorily resolved within sixty (60) days from the time notice thereof shall have been given to all parties, it may be submitted to an arbitrator if requested in writing by either Participating Fund to the IMI Disputes Settlement Plan for binding determination. The decision of the IMI dispute resolution process and any award shall be final, binding, and conclusive upon the parties to the dispute and it may be enforced in any court of competent jurisdiction.

Rules concerning procedures for the resolution of disputes under this section including arbitration shall be promulgated by the Reciprocal Clearinghouse.

Any notice given pursuant to this section must be mailed to the regular post office address of the Participating Fund to which it is sent by Certified Mail, Return Receipt Requested, and a copy sent to the Reciprocal Clearinghouse.

SECTION 32. SEPARABILITY

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 and remaining provisions of this Agreement, and such other remaining provisions of this Agreement, which shall remain in full force and effect.

SECTION 33. APPLICABLE LAW

This Agreement shall be construed and enforced according to Federal law, and where not preempted by Federal law, the laws of the District of Columbia.

SECTION 34. RIGHTS RESERVED BY PARTICIPATING PENSION PLANS

Anything herein to the contrary notwithstanding, no person other than the Funds which are parties hereto shall have any right, title or interest under or in this Agreement, or shall have any right to bring action or proceeding against any party hereto, or shall be deemed to be a third-party beneficiary hereto.

SECTION 35. ERTS RELATED AMENDMENTS: EFFECTIVE DATES AND TRANSITION RULES

For the year 2003 amendments, including those relating to the conversion from a paper based system to ERTS (the "ERTS Conversion Amendments"), the following effective dates and transition rules shall apply:

- (a) ERTS Start Date. The ERTS Conversion Amendments shall first become effective as of October 1, 2004, if a simple majority of the Participating Funds (as tabulated by the Reciprocal Clearinghouse) have voted favor of such amendments on or before August 15, 2004; otherwise, the ERTS Conversion Amendments shall first become effective two (2) weeks after a favorable simple majority vote shall have occurred and have been announced by the Reciprocal Clearinghouse.
- (b) Year 2000 Agreement Continues. The BAC Pension Reciprocal Agreement, as last amended in the Year 2000 (the "Prior Reciprocal Agreement"), and the paper based system for processing information and forms thereunder shall also remain in effect, as provided in subsection (c) below, through September 30, 2004.
- (c) Transition Rules. From October 1, 2004 (or if applicable, the later date referenced in subsection (a) above) through December 31, 2004 (the "Transition Period"), the Prior Reciprocal Agreement shall continue to apply to any participating Funds and its transfers of reciprocal Monies (1) for those Temporary Employees who have not registered

on ERTS, or (2) for those Temporary Employees whose Home Fund has not started to operate under ERTS (by having not adopted the ERTS Service Provider Contract) or who is working in the area of a Participating Fund which has not started to operate under ERTS (by having not adopted the ERTS Service Provider Contract); provided however, that the operation of the Prior Reciprocal Agreement under (1) and (2) above during the Transition Period shall not apply after the last day of the month in which such Temporary Employee has registered on ERTS and both his Home Fund and the Participating Fund in whose area he is working are operating under ERTS (by both having executed the ERTS Service Provider Contract); and

ERTS Exclusive (Exceptions). On or after January 1, 2005, the Agreement shall operate exclusively through ERTS, except that: (1) any Temporary Employee who has not registered on ERTS prior to October 1, 2004, shall continue to be covered by the Prior Reciprocal Agreement until the earlier of: (i) his ceasing to work in employment in the area covered by the participating Fund where he had filed an Authorization and Release under the Prior Reciprocal Agreement and where reciprocal transfers thereunder were being made as of October 1, 2004, (ii) his execution of a "Request for Cessation of Transfers" form as provided under the Prior Reciprocal Agreement, or (iii) his registration on ERTS; and (2) any Participating Fund which has not signed the ERTS Service provider Contract as of October 1, 2004, shall continue to be covered by the Prior Reciprocal Agreement if there is, but only so long as there is, any Temporary Employee still covered by the Prior Reciprocal Agreement on or after October 1, 2004, as specified in subsection (1) above, working in the area of that Participating Fund.

V. SIGNATURE PAGE

IN WITNESS WHEREOF, the defined benefit or defined contribution pension fund identified below by the signatures of the undersigned Trustees, hereby adopts this Reciprocity Agreement, The International Reciprocal Agreement for Bricklayers and Allied Craftworkers Defined Contribution and Defined Benefit Pension Plans, and agrees to be bound by its terms and provisions. It is understood that each Fund becoming signatory hereto is entering into this Agreement with each other Participating Fund. The undersigned Trustees hereby represent and warrant that they have the authority under their trust agreement to sign, execute, and implement this Agreement and are doing so pursuant to a binding vote of the Trustees.

NAME OF FUND: _____

EIN & PLAN NUMBER: _____

TYPE OF PLAN: _____
(Defined Benefit or Defined Contribution)

BY UNION TRUSTEES

BY EMPLOYER TRUSTEES

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

DATE: _____

Administrator Name: _____	Phone: _____
Administrator Email: _____	Fax: _____

Administrator Address _____

Current Contribution Rate: _____	Effective Date of Rate: _____
----------------------------------	-------------------------------

Local Union(s) Covered: _____	Craft Jurisdiction: _____
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Return To: Reciprocal Clearinghouse
International Union of Bricklayers and Allied Craftworkers
1776 Eye Street, N.W., Suite 750
Washington, DC 20006

VI. A BRIEF OVERVIEW AND EXPLANATION
OF THE INTERNATIONAL RECIPROCAL AGREEMENT OF THE
INTERNATIONAL UNION OF BRICKLAYERS AND ALLIED CRAFTWORKERS

The BAC Pension Reciprocal Agreement is an open-ended agreement. Each pension or annuity fund participates from the first day of the month following the month in which it signs the agreement with each other fund which has previously signed. The agreement is available to both defined benefit (pension) and defined contribution (annuity) plans. The agreement is a "money-follows-the-member" arrangement where an amount of money equal to **ALL** contributions received by a participating fund on behalf of a traveling employee is transferred to the employee's home fund. There is no administrative charge allowed under the agreement.

The agreement is activated for a traveling employee from the first day of the month in which he registers with the Electronic Reciprocal Transfer System (ERTS). A participating fund then transfers an amount of money equal to all contributions received on the employee's behalf on a monthly basis. Money is transferred for future service only, and the agreement contains no provision covering past service for periods when the agreement was not in effect.

The employee's home fund is generally the fund operating within the jurisdiction of the BAC local union to which the employee belongs. However, if the employee is not a BAC member or he is a BAC member but his local union does not have a pension fund or he is not a participant or does not have credited service in his home local union pension fund, then he may choose another participating pension fund in which he is currently a participant or has credited service as his home fund. It should be noted that, if the employee's home fund is the pension fund covering his home local union and that fund does not participate in the reciprocal agreement, the employee is not eligible for transfers pursuant to the reciprocal agreement.

When an employee's home fund receives transfers pursuant to the reciprocal agreement, it accepts the money and hours; and it credits them pursuant to its rules. Hours for vesting purposes will be credited on an hour-for-hour basis, and credit for benefit accrual will be done on an equitable basis, considering the relationship of the contribution rates between the home fund and the transferring fund.

BAC will serve as the Reciprocal Clearinghouse for the agreement and perform functions similar to those under the Welfare Reciprocal Agreement at no cost. These responsibilities include receiving signed agreements, processing amendments, preparing and distributing forms, working with the ERTS service provider to develop and maintain ERTS, maintaining a list of participating trust funds, and supplying information to the participating funds and local unions through the ERTS. BAC does not handle any money and will not interfere with or assume any of the responsibilities of the trustees of participating funds.

VII. QUESTIONS AND ANSWERS OUTLINING THE
BAC PENSION RECIPROCAL AGREEMENT

1. What type of agreement – money-follows-the-member or pro-rata or a combination?
 - A. The agreement is a money-follows-the-member type. Due to the number of plans which will participate, a pro-rata agreement would be difficult to administer by local union funds.
2. What type of pension funds can participate - defined benefit or defined contribution and defined benefit?
 - A. Defined benefit plans (pension plans) and defined contributions plans (annuity plans) can both participate and are participating funds when they have signed the agreement.
3. Is the agreement open-ended or are individual agreements from fund to fund required?
 - A. The agreement is an open-ended agreement, with each fund participating from the first of the month following the month in which it signs the agreement with each other fund signatory to the agreement.
4. How is an employee's home fund defined if he is a member of a BAC local union or if he is a non-member?
 - A. The employee's home fund is the participating pension fund or funds operating within the jurisdiction of the BAC local union of which the employee is a member if he is a participant or has credited service in the fund.

If the employee (a) is not a BAC member, (b) is a BAC member but his local union does not participate in a fund, or (c) is a BAC member and he is not a participant or does not have credited service in his local union fund, then he may choose another participating fund in which he currently is a participant or has credited service as his home fund.

Note: This definition excludes employees who are members of BAC local unions and who are participants or have credited service in the pension fund covering their local union from participating in the reciprocity Agreement if the fund does not participate.

5. How is the agreement activated for a traveling employee, and how is the home fund identified?

A. To activate the agreement, a Temporary Employee must first register on the **Electronic Reciprocal Transfer System "ERTS"**. During this registration process the employee should indicate his/her choice of home fund or funds, as outlined in question #4. Once the registration process has been completed and the employees designated home fund or funds have accepted home fund designation a **"Blanket Authorization Form"** will be placed on file on ERTS and must be accepted and used by all participating funds as the employee's choice of home fund or funds. Transfers of monies will be effective from the first day of the month in which the employee has registered on ERTS and designated his/her home fund choice or choices.

Note: Temporary Employees must remember that when they have created a **"Blanket Authorization Form"** on ERTS that it will always be in effect when they travel until modified or cancelled by them.

6. How will a participating fund know which fund or funds a Temporary Employee wants his/her money reciprocated to?

A. When money is received at a participating fund on behalf of a Temporary Employee, the fund will determine whether the employee has a **Blanket Authorization Form** on file with ERTS and transfer all the employees' contributions on ERTS. For purposes of the Pension Benefit Guaranty Corporation, the Temporary Employee will not be considered a participant in the participating fund sending money if he/she registers on ERTS and creates a **"Blanket Authorization Form."**

7. Can a traveling employee stop transfers to his home fund once they have registered their "Blanket Authorization" on ERTS?

A. A traveling employee may stop transfers by logging on to ERTS and processing the appropriate Cessation Form or modifying their registration file. He/she will not be allowed to select another fund for transfers while continuing to work in the participating fund's jurisdiction where employed at the time of filing a cessation form or modifying their home fund or funds selections.

8. How often is money transferred - monthly or at the end of the year?

A. Transfers will take place monthly, with transfers due as soon as practical following the end of the month for which contributions are earned and received. Remittance forms will be submitted from fund to fund over ERTS indicating the employee's name, employer, Social Security number and/or Social Insurance number (for Canadians), the month in which hours are worked, total hours, hourly rate contributed, and total amount of money transferred. Funds will simultaneously mail or transmit via an ACH the payment to cover the remittance report sent via ERTS.

9. What rate is to be transferred - must interest be included?

A. An amount equal to the entire employer contribution received shall be transferred to the home fund. Since money is transferred monthly, there will be no interest transferred.

10. Are participating funds allowed to impose an administrative charge?

A. No. The cost of transferring funds should be no greater than the cost of establishing records for a participant or paying the Pension Benefit Guaranty Corporation premium, so no charge is warranted.

11. What happens if money due to a participating fund is not collected from an employer?

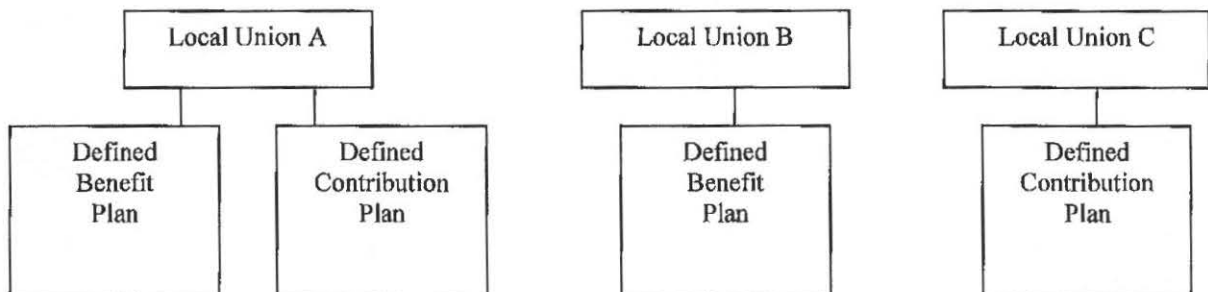
- A. This agreement requires that the home fund will credit the participant for hours worked in the participating fund only if contributions are transferred to the home fund for those hours. If contributions are not collected and transferred to the home fund, the employee will not be credited for that period of work by the home fund. The trustees of a participating fund have a fiduciary duty to make every effort to collect money due to the participating trust fund. Once that money is collected and transferred to the home fund, the employee will be credited for that period of work.

12. How is money to be transferred if there is more than one home fund?

- A. If an employee has two home funds, a defined benefit fund and a defined contribution fund, money is transferred from a participating fund to the same type of home fund (i.e., defined benefit to defined benefit or defined contribution to defined contribution). However, the Home Fund does have the discretion to allocate contributions received from a defined contribution fund to a defined benefit fund. If the employee has only one home fund, the money from the participating fund or funds is transferred to the single home fund regardless of type. If more than one fund includes the International Pension Fund (IPF), please see question 20.

TRANSFER EXAMPLE

(ALL FUNDS PARTICIPATE IN THE RECIPROCITY AGREEMENT)



- If an employee travels from Local Union A to Local Union B and has a Blanket Authorization Form on file with ERTS, the defined benefit plan in Local Union B transfers funds to the defined benefit plan of Local Union A.
- If an employee travels from Local Union A to Local Union C and has a Blanket Authorization Form on file with ERTS, the defined contribution plan in Local Union C transfers funds to the defined contribution plan of Local Union A.
- If an employee travels from either Local Union B or C to Local Union A and has a Blanket Authorization Form on file with ERTS, both plans in Local Union A transfer funds to the single plan in Local Union B or Local Union C.
- If an employee travels from Local Union B to Local Union C and has a Blanket Authorization Form on file with ERTS, the defined contribution plan in Local Union C transfers funds to the defined benefit plan of Local Union B.

13. How are hours to be credited for vesting?

- A. All hours worked in any participating fund for which money is transferred pursuant to the reciprocal agreement shall be counted for vesting on an hour-for-hour basis, as required by ERISA.

14. How is a year of service for vesting to be defined?

- A. The definition will be whatever each plan decides for itself, so long as it meets the requirements of ERISA.

15. How are hours to be credited for benefit accrual for defined benefit plans?

- A. Service for benefit accrual will be provided by the home fund on an equitable basis, considering the relationship between the contribution rate in the participating fund and the contribution rate in the home fund.

For example:

The benefit accrual rate for each hour for which monies are transferred shall be proportional to the home fund's regular benefit accrual rate based on the

relationship between the home fund contribution rate and the contribution rate received from the participating fund. When benefit accrual is not based on hours but on the amount of contributions received on a participant's behalf, all money transferred shall be credited for benefit accrual purposes.

16. How is a year of service for benefit accrual to be defined?

A. The definition will be whatever each plan decides for itself, so long as it meets the requirements of ERISA.

17. Does the agreement provide for transferring past service credit?

A. No. It would be too expensive for some funds and would allow for a shifting of liabilities.

18. Are there any reporting and disclosure requirements for participating funds?

A. Funds are required to place a notice of participation in the reciprocal agreement in their summary plan description as soon as practical after signing the agreement. Also, when funds provide annual benefit reports to employees, they are strongly encouraged to advise the employees of money and/or hours transferred pursuant to the reciprocal agreement. Notifying employees of reciprocal transfers will help to avoid any confusion later on regarding the amount of money transferred.

19. What is BAC's role in the agreement?

A. BAC will serve without payment as the Reciprocal Clearinghouse and perform functions similar to those done in connection with the Welfare Reciprocal Agreement. These responsibilities include receiving applications for participation, processing amendments, preparing and distributing forms, working with the ERTS Service Provider to develop and maintain ERTS, maintaining a list of participating trust funds on ERTS, and supplying this information to the participating funds and local unions through ERTS.

20. How does reciprocity coordinate with the Bricklayers and Trowel Trades International Pension Fund (IPF)?

A. The IPF is signatory to this reciprocal agreement. There are several situations where the IPF is involved.

- ☐ If the Home Fund has no local defined benefit or defined contribution plan and participates in the IPF, the Participating Fund transfers funds to the IPF.
- ☐ If the Home Fund participates in the IPF but also has a defined benefit and/or a defined contribution plan, the Participating Fund transfers local funds to the Home Fund.
- ☐ The Participating Fund has transferred \$4.00 per hour to the Home Fund. The Home Fund's defined benefit contribution rate is \$2.00 per hour and the Home Fund's IPF contribution rate is \$0.50 per hour. The Home Fund would then credit \$3.20 per hour to the Local defined benefit fund and transfer \$0.80 per hour to the IPF.
- ☐ If the Participating Fund participates in the IPF and the Home Fund has only a defined benefit or defined contribution plan, the Participating Fund shall transfer all local funds to the Home Fund.
- ☐ If both the Participating Fund and the Home Fund participate in the IPF, no funds are transferred. Amounts will be credited by the IPF in accordance with the home local rule, as defined in the IPF Plan Document. This rule provides that the home local (for IPF crediting purposes) is the local in which the employee earns three or more years of Future Service Credit (4,500 hours), except that (a) if an employee has three or more years in two different locals, the home local will be the one having the highest contribution rate to the IPF, and (b) if an employee has not earned

three or more years in any one local, his home local shall be the one in which he has earned the greatest number of hours.

- ☐ If the Participating Fund provides a local defined benefit or defined contribution plan through a merger with the IPF, the amount of the Participating Fund contribution rate immediately prior to the effective date of the IPF merger shall be transferred by the IPF to the Home Fund.

21. What happens to the pro-rata benefits earned by employees prior to the date this agreement is effective?

- A. The benefits payable under pro-rata arrangements in effect prior to the effective date of this agreement shall not be affected by this agreement and will be maintained according to those prior arrangements.

22. What happens if an employee signs the form to begin the transfer of contributions in the middle of a month?

- A. The contributions will be reciprocal starting the first of the month in which all papers are received. For example, if an employee signs all papers on January 15, all contributions beginning January 1 should be sent to the Home Local.

23. May employee elective deferrals (401-k type contributions) be transferred under this agreement?

- A. No. Only contributions, which, an employer is required to make to a participating fund by the terms of a collective bargaining agreement, may be transferred under this agreement.

24. Can Canadian pension funds participate in this agreement?

- A. No. Because of the differences in pension laws between the United States and Canada, this agreement is only available to pension funds in the United States.

25. What happens to pension benefits of Canadian's working in the United States?

A. Any Canadian working in the United States may select the Bricklayers and Trowel Trades International Retirement Savings Plan (RSP) as their home fund and have all contributions sent to the RSP. RSP is a defined contribution type of pension fund, which means that all contribution are held in individual accounts in each individual's name.

VIII. TYPICAL OPERATION
OF THE BAC PENSION RECIPROCAL AGREEMENT

1. To be able to have money transferred, a traveling employee must first register with the **Electronic Reciprocal Transfer System (ERTS)**. Initial registration must be done in person (with photo identification) at an assisting Local Union or a participating fund office. As part of this registration, the traveling employee should make his/her selection(s) of home fund or funds. A confirmation copy of the employee's initial registration **must be printed out and signed** by the employee and shall be maintained by the local union or participating fund office where the registration took place. A copy of this signed registration confirmation should also be given to the employee. After his/her home fund or funds has accepted the employees home fund designation(s), a **"Blanket Reciprocal Authorization Form"** will be placed in his/her file on the ERTS for one or more types of funds (pension, annuity, welfare). This Authorization Form will remain in effect until modified or permanently cancelled through the filing of a Cessation Form. After the initial registration the employee will receive in the mail to the address he/she places on file with ERTS a log-on and password. Using the logon and password will allow the employee to modify, or to temporarily or permanently cancel his/her home fund or funds designation(s) through the filing of a Cessation Form, form any Web connection.
2. A participating fund or assisting local union at the time of referral for employment should ascertain whether the employee desires to have his/her pension money reciprocated back to the employee's selected home fund or funds by checking to see if the employee is registered on ERTS and viewing the employee's **"Blanket Authorization Form"**. If the employee is not registered on ERTS and wishes to have their money reciprocated back to their home fund or funds, the participating fund or the assisting local union

official should assist the employee in getting registered on the ERTS as outlined in #1 above. Assisting Union Officials handling the referral procedure should be familiar with the Reciprocal Agreement procedures.

3. After the participating fund or assisting local union official determines that the employee wishes to have his/her money reciprocated and is already registered on ERTS or has assisted them in getting registered on ERTS, the person assisting the member should notify the plan administrators of the participating fund or funds and the local union that the traveling employee has been referred to. This notification should also be simultaneously sent to the employee's Home Local Union and to his/her designated home fund or funds. These notifications must be sent via the internal communication (e-mail) on the ERTS with a copy automatically sent to the Reciprocal Clearinghouse. Using the ERTS internal communication an assisting official uses the "Control Key" on their computer keyboard to select the appropriate Funds and Local Unions and type's in the list of employees going to work. This list should include at least the employee name, SSN and/or SIN, and date reporting for work.
4. The participating fund plan administrator upon notification that an employee has been referred to work and is registered on ERTS should prepare to forward all contributions to the employees choice of home fund or funds as spelled out on his/her **Blanket Authorization Form** in his/her file on ERTS.
5. The home fund plan administrator, upon notification by the participating fund or assisting local union will know to expect contributions on the employee's behalf and prepare to receive them.
6. A plan administrator upon notification that an employee has selected his/her fund or funds as their home fund or funds during their registration on ERTS, checks to see if the employee is eligible to have money transferred to the selected fund or funds. The employee is eligible if he/she is a member or the local union covered by the fund and he/she is a participant or has credited

service in the fund. An employee is also eligible if he/she is a participant or has credited service in the designated home fund and he/she is not a member or a BAC local union or he/she is a member of another BAC local union which does not have a fund or he/she is a member of another BAC local union but he/she is not a participant or does not have credited service in the fund covering his BAC local union. The administrator may wish to check with the employee's local union fund if he/she is a BAC member of another local union to see if the employee is a participant or has credited service in his/her home local union fund. If this is the case, the employee may not name your fund as his home fund. The designated home fund administrator ***immediately*** completes the Home Fund Confirmation Form indicating if the employee is eligible or not and transmits it back to the participating travel fund via ERTS. If the employee is eligible, then a **"Blanket Authorization Form"** is created on ERTS, which will be used by all participating funds on where the employee works, to send his/her pension money back to the employee's designated home fund or funds.

7A. ***If the employee is not eligible for reciprocity:*** If the designated home fund plan administrator denies the home fund designation and the employee has provided an e-mail address, ERTS will automatically notify the employee that monies will not be transferred back to the home fund he/she designated; but the monies contributed will be credited on his/her behalf to the participating fund pursuant to its rules. The home fund denying home fund designation is required to mail a notice (**only when an employee does not have on file an e-mail address**) to the employee at his/her home address on file with ERTS outlining why home fund designation has been denied to the employee.

7B. ***If the employee is eligible for reciprocity:*** When contributions are received on the employee's behalf in the participating fund, the administrator of the participating fund lists the employee's name, SSN and/or SIN number (for Canadians), the month in which hours are worked, total hours worked, hourly rate contributed, and the total monies being transferred on behalf of the

employee. The administrator then completes the Reciprocal Remittance Report filling in all required information and transmits the form via ERTS and simultaneously mails or transmits via an ACH an amount of money equal to *all* contributions received to the employee's home fund, as designated on his/her **Blanket Authorization Form** on file with ERTS, for *each* month worked. There is no administrative charge allowed under the agreement. *Each month must be done separately, immediately after contributions for the month are received.* Checks and/or ACH transfers should be made payable to the legal name of the home fund and not the local union or the fund administrator.

8. The employee's designated home fund receives the payment, records the number of hours for the month in which they were earned, and credits the money pursuant to its rules.

9. This process is repeated for *each* month until the employee has no contributions made on his behalf.

10. ***Process to file a Cessation Form:*** An employee may file on ERTS either a Temporary Cessation Form or a Permanent Cessation Form. These forms may be processed through the Participant Login Page on ERTS. A Temporary Cessation Form is used by an employee if he/she is currently employed and is having money sent back to their designated home fund or funds and wishes to stop one or all transfers only until they leave the area covered by the fund where currently employed and wishes to have them start up again to his/her designated home fund or funds when employed again in another participating funds jurisdiction without having to go through the home fund confirmation process. An employee uses a Permanent Cessation Form if he/she is currently employed and having money sent back to their designated home fund or funds and wishes to stop one or all transfers now and when traveling in the future. A Permanent Cessation modifies the employee's registration file for any fund on which it is processed to **No Selection**.

11. ***Process to Modify an Employees Registration File:*** An employee may Modify his/her Registration on file with ERTS any time after they have completed their initial registration by logging on to ERTS through the Participant Login Page. Through this process the employee may keep ERTS up to date with his/her mailing address, e-mail address, phone number and changes in his/her designation of home fund or funds. Any changes to home fund designations will require the normal home fund confirmation process in #6 above before there will by any change to the employees "Blanket Authorization Form." Modifying an employee home fund designation while currently employed and having money transferred under reciprocity will require the current participating fund or funds to stop where they are currently sending money. If an employee is currently employed and is having money transferred back to his/her currently designated home fund and wants to both immediately stop the current transfers and select a new home fund he/she will first have to file a Permanent Cessation to stop the transfers **and then** he/she will have to modify his/her home fund designation to his/her new designation.

Note: IT IS IMPORTANT THAT EACH STEP IN THE PROCESS BE COMPLETED IN THE LEAST AMOUNT OF TIME POSSIBLE TO INSURE THE SMOOTH OPERATION OF THE AGREEMENT.

OTHER RESPONSIBILITIES OF THE PLAN ADMINISTRATOR

12. Announcement of the funds' participation in the reciprocal agreement should be placed in the summary plan description as soon as possible. Administrators are also strongly encouraged to supply their plan participants with an annual statement showing the hours and money transferred pursuant to the reciprocal agreement. Notifying participants will help to avoid any confusion at a later date as to the proper amount of money transferred.

13. Keep the Reciprocal Clearinghouse advised of the current contribution rate or any other changes or problems affecting reciprocity.