

Teamsters Local 929 Retirement Plan Delinquency Collection and Audit Policy

It is hereby declared to be the policy of the Trustees to periodically audit the contributions of the Fund's contributing Employers. There are various criteria employed to determine the appropriateness of an audit of an Employer's books and records. The methods generally used by Fund to determine which Employers will be audited are as follows:

- Each year the Fund will select approximately one third of all contributing Employers to be audited that year. This list is a random selection from the current roster of contributing Employers designed to ensure that every contributing Employer will be audited at least once every three years using the parameters established by the Fund to ensure that the Fund complies with the payroll auditing procedures established as part of the Fund's systematic procedure to identify and collect contractually required, delinquent Employer contributions.
- Audits are also performed on most Employers against whom the Fund has initiated legal proceedings in a collection action.
- If a Trustee, other Fund fiduciary, or Fund participant reasonably believes that there is a problem with the hours an Employer is contributing, then that person may request that an audit be performed.

Delinquency Collections

Each Employer shall pay to the Trustees the sum of money required by the collective bargaining agreement. The aforesaid amount and the sources of Employer contributions shall be subject to modification or amendment in any manner agreed upon in written collective bargaining agreements between the Union and the Contributing Employer. A report shall be made promptly each month providing all details with respect to contributions required, hours worked, etc. Payment pursuant to such reports shall be made each month, in accordance with contractual requirements. The Trustees may at any time audit, or cause to be audited, the pertinent records of any Employer in connection with the above.

The Trustees shall have the power to demand, collect and receive such payments and contributions and shall hold such monies in trust on behalf of the Fund and its participants.

Collection Procedure

Upon failure of the Employer to submit contributions as set forth above, the following procedure shall apply:

1. If payment is not received from an Employer within five (5) days following the due date, the Trustees, or Fund Administrator, shall send a letter to the Employer advising the Employer of the delinquency, demanding prompt payment, and giving warning of the consequence for further delays of payment as set forth herein.

If payment of the contribution is not received from an Employer within thirty (30) days following the due date, the Trustees will authorize Fund Counsel to send a letter to the Employer advising the Employer of the delinquency, demanding prompt payment, and giving warning of the consequence of further delays of payments as set forth herein.

If payment of the contribution is not received from an Employer within thirty (30) days following the due date, the Trustees may institute whatever proceedings may be proper and necessary in their discretion for enforcement of the Employer's obligations, including, but not limited to, proceedings at law and/or in equity, or arbitration, or remedies which would be generally available to the parties for enforcement of this obligation.

2. If payment is not received from an Employer within thirty (30) days following the due date, interest shall be added to the amount due and owing from such delinquent Employer beginning on the date that the contribution was due, at a rate determined by the Trustees, utilizing guidelines established by Section 6621(a)(2) of the Internal Revenue Code.

3. In the event judicial or arbitration proceedings are instituted by the Trustees to collect delinquent contributions, the court or arbitrator shall have the authority to render a judgment or award granting the fullest legal and equitable relief permitted by law, including, but not limited to the following:
 - 1) The full amount of unpaid contributions;
 - 2) Interest on the unpaid contributions at a rate computed pursuant to Section 6621(a)(2) above;
 - 3) Liquidated damages in an amount not in excess of (10%) percent of the amount of unpaid contributions or such higher amount as may be permitted under appropriate Federal or State law;
 - 4) Reasonable attorneys' fees and costs of such action;
 - 5) An audit of the payroll records and other data to enable an auditor to perform an accurate and complete audit of the Employer's compliance with the Fund's reporting and contribution requirements. The cost of such audit shall be assessed against the Employer; and
 - 6) Such other legal or equitable relief as the court deems appropriate.

Settlements

The Trustees are authorized to enter into settlements of any outstanding contribution delinquency upon such terms and conditions as they, in the exercise of their discretion, deem in the best interest of the Fund and its participants.