

MICHIGAN CONFERENCE OF TEAMSTERS WELFARE FUND
2700 Trumbull Avenue, Detroit, Michigan 48216
313-964-2400 / www.mctwf.org
Participation Agreement
Teamster Local Union or IBT Affiliate



This Participation Agreement is entered into by and between the Board of Trustees of the Michigan Conference of Teamsters Welfare Fund (hereafter, the “Trust Fund” or “Trustees”) and _____ (hereafter, the “Local Union”), signatories herein, by their duly authorized representatives.

WITNESSETH

WHEREAS, the Local Union wishes to obtain health and welfare benefits from the Trust Fund for its Employees as identified on page 5 hereof.

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the Trust Fund and the Local Union hereby agree as follows:

1. The Local Union agrees to be bound by and hereby assents to the terms of the Trust Fund's Trust Agreement, Benefit Plan documents, Employer Accounts Policies and Procedures and all other policies, rules and regulations that have been adopted or that are adopted in the future by the Trustees pursuant to the Trust Agreement, and all of the actions of the Trustees in administering the Benefit Plan(s) in accordance with the Trust Agreement, Employer Accounts Policies and Procedures and all other policies, rules and regulations adopted by the Trustees, notwithstanding any provision to the contrary in a collective bargaining agreement between the Local Union and its employees' bargaining representative. In the event of any inconsistency between the provisions of this Participation Agreement (which includes by reference each of the above referenced items) and the provisions of the Collective Bargaining Agreement as initially presented to the Trust Fund or as subsequently modified, and/or any other written or verbal agreement between the Local Union and said bargaining representative, this Participation Agreement shall govern.

2. The Local Union hereby accepts as Trustees the present Trustees appointed under the Trust Agreement and all past or succeeding Trustees who have been or will be appointed in accordance with the terms of the Trust Agreement.

3. Contributions owed for each week of a month are due on or before the 10th day of that month following the calendar month in which the week ends (the “due date”). Weeks are deemed to commence on Sunday and end on Saturday. If a contribution is not received by the Trust Fund by the 15th day of the month (5 days following the due date), the Local Union shall pay interest on the outstanding balance, retroactive to the due date, at the rate set forth in the rules and regulations adopted by the Trustees. Payments received after interest has accrued will be applied first to the interest due and then to the oldest unpaid contribution balance. Under no circumstances shall interest be waived.

4. The Local Union must timely report to the Trust Fund all active employment status changes (i.e., layoffs terminations, resignations, personal leaves, military leaves, work related and non-work related illnesses and injuries, and other changes in status). The Local Union must choose one of the two reporting options below by initialing the appropriate box. Failure to do so will be deemed by the Trust Fund as the selection of option (b).

- a. Report once per week on the following set day: _____, not exceeding six calendar days from the last day of the week being reported on (e.g., report each Friday all status changes that occurred through the prior Saturday), or
- b. Report within seven calendar days of each status change. Failure to timely notify the Trust Fund will obligate the Local Union for contributions on behalf of the individual through the date the status change is ultimately reported.

5. If the Local Union and its Employees' bargaining representative enter into a new collective bargaining agreement or modify their current Collective Bargaining Agreement, the result of which affects the obligations under this Participation Agreement, the Local Union and its Employees' bargaining representative must notify the Trust Fund of such change. No such new collective bargaining agreement or modification shall affect the obligations under this Participation Agreement unless approved in writing by the Trust Fund.

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6. Each collective bargaining agreement and participation agreement must require the Local Union to contribute to the Trust Fund for a minimum period of three years (36 months) from the effective date of the obligation to contribute to the Trust Fund.

7. The Local Union represents to the Trustees that payments will be made only on behalf of Employees. For purposes of this Participation Agreement, the term "Employee" means a person who is employed by the Local Union and may include a retiree of the Local Union, and is eligible to participate in and receive benefits under a Benefit Package. The term "Employee" does not include an individual who voluntarily quits, is terminated, is permanently laid off, or is deceased.

8. The following contribution requirements are the Trust Fund's minimum requirements and do not modify any additional contribution requirements with respect to this section, as contained in the applicable Collective Bargaining Agreement. The Trust Fund requires that contributions be made as follows:

- a. on behalf of an Employee whose absence from the job is due to an off-the-job illness or injury for the lesser of (i) a minimum of 4 weeks following the contribution week in which the Employee last worked or (ii) the duration of the absence due to the off-the-job illness or injury. Once a contribution obligation hereunder is satisfied, no new contribution obligation will be triggered with respect to a new absence due to the same off-the-job illness or injury unless the Employee has returned to regular work for a minimum of 14 continuous calendar days or unless the Collective Bargaining Agreement provides for a shorter or no minimum return period;
- b. on behalf of an Employee whose absence from the job is due to an on-the-job illness or injury for the lesser of (i) a minimum of 26 weeks following the contribution week in which the Employee last worked or (ii) the duration of the absence due to the on-the-job illness or injury. Once a contribution obligation hereunder is satisfied, no new contribution obligation will be triggered with respect to a new absence due to the same on-the-job illness or injury unless the Employee has returned to regular work for a minimum of 14 continuous calendar days unless the Collective Bargaining Agreement provides for a shorter or no minimum return period;
- c. on behalf of an Employee for the first 4 weeks of the Employee's absence from the job while on military duty, commencing with the contribution week following the contribution week in which the Employee last worked (*military duty* means service in the uniformed services, including the Armed Forces; Army National Guard and Air National Guard when engaged in active duty for training, inactive duty training, or full-time National Guard duty; the commissioned corps of the Public Health Service and any other category of persons designated by the President in time of war or national emergency);
- d. for each week on behalf of an Employee if the Employee worked or is compensated for any portion of the contribution week, including each week for which wages are received, retroactively and prospectively, pursuant to any National Labor Relations Board proceeding, grievance/arbitration proceeding or other legal proceeding or settlement. The Collective Bargaining Agreement may limit this obligation, **in the case of compensatory time off only**, to compensation exceeding the value of 16 hours.
- e. Unless otherwise provided in the Collective Bargaining Agreement, or a separation agreement pursuant thereto, or other written severance agreement, contributions are not payable on severance pay.
- f. The Local Union must make contributions on behalf of every member of the participating group defined on page 5 hereof.

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- g. on behalf of an Employee for whom contributions have not commenced by April 1, 2014, commencing no later than for the week in which falls the 91st day following the commencement of the individual's employment as an Employee. However, if the Employee is subject to a contractual probationary period, the 90 days is counted beginning upon the earlier of the completion of the contractual probationary period, or the completion of the following limits on such probationary period:
 - (i) 210 calendar days for calendar day probationary periods;
 - (ii) 150 working days for working day probationary periods;
 - (iii) 1,200 working hours for working hour probationary periods;
 - (iv) for probationary periods not based on calendar days, working days, or working hours, as determined by the Trustees consistent with probationary periods stated above.

9. The Trust Fund does not permit voluntary or selective participation. If any provision of any agreement makes the payment of Local Union contributions to the Trust Fund contingent upon the payment of a share of those contributions by an Employee, such provision will be deemed null and void by the Trust Fund. Accordingly, such participation will be deemed mandatory and the Local Union thus shall pay contributions in full on behalf of all such Employees.

10. The *entire* group must participate in the Benefit Package(s) identified on page 4 hereof. The Local Union must contribute for each such Employee at the contribution rate tier applicable to the Employee's coverage status as determined by the Trust Fund (Employee only, Employee plus any children, Employee plus spouse, or family coverage).

11. This Participation Agreement shall continue in full force and effect beyond the stated Expiration Date hereof, and the Local Union shall contribute to the Trust Fund at the then applicable Trust Fund rate for the last plan of benefits designated in this Participation Agreement, until this Participation Agreement is superseded by a renewal Participation Agreement, or until the Trust Fund acknowledges the cessation of the Local Union's obligation to contribute pursuant to the Local Union's notification to the Trust Fund, by certified mail, that the Local Union no longer has a legal duty to contribute to the Trust Fund and the specific basis upon which its legal duty to contribute to the Trust Fund has ceased.

12. Any and all disputes between the Local Union and the Trustees relating to contributions to the Trust Fund or this Participation Agreement shall be submitted for resolution to the Trustees as a condition precedent to any formal claim or appeal, and shall not be subject to arbitration or other dispute resolution procedures in the Collective Bargaining Agreement.

13. This Participation Agreement is not binding on the Trustees until accepted by the Trustees. The Trustees have delegated the authority to accept a Participation Agreement to the Trust Fund's Executive Director.

14. The Michigan six-year written contract statute of limitations shall not run with respect to contributions owed by the Local Union until such time as the Trust Fund receives actual written notice of the existence of the Local Union's contribution obligation.

- 15. a. The Local Union shall contribute to the Trust Fund, as stated below, for the noted benefit package(s), at the noted weekly tiered rates (regardless of any separate agreement requiring Employee contribution cost sharing) and as of the noted effective dates for its Employees.
- b. Effective April 1, 2014 the Trust Fund maintains two Benefit Plans – the MCTWF Actives Plan and the MCTWF Retirees Plan. If the Benefit Package includes a component of coverage under the MCTWF Retirees Plan (i.e., "Retiree Medical Benefits") the Trustees shall allocate from the Local Union's contribution to the MCTWF Retirees Plan the amount determined under the applicable published contribution rate for such coverage under the MCTWF Retirees Plan. All contributions for active coverage will be allocated to the MCTWF Actives Plan.

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- c. MOB (Maintenance of Benefits) must be indicated if there is no published rate. Contributions for MOB and for later effective dates shall be made at the rate established by the Trustees for as long as the Local Union is required to make contributions. If for any reason a change in the contribution rate occurs after the expiration date of a collective bargaining agreement but while the Local Union is engaged in collective bargaining for a new agreement, or is otherwise legally required to continue contributing to the Trust Fund, the Local Union must pay the adjusted rate.

| EFFECTIVE DATE | BENEFIT PACKAGE | TIER 1 EMPLOYEE ONLY WEEKLY RATE | TIER 2 EMPLOYEE PLUS ANY CHILDREN WEEKLY RATE | TIER 3 EMPLOYEE PLUS SPOUSE WEEKLY RATE | TIER 4 FAMILY WEEKLY RATE |
|-----------------------|------------------------|---|--|--|--|
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |
| _____ | _____ | _____ | _____ | _____ | _____ |

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IN WITNESS WHEREOF, the Local Union acknowledge their understanding of, and agreement to, this entire participation Agreement and have caused it to be executed by their duly authorized representatives on the dates below stated.

Participating Group Information:

Check (and clarify as necessary) either a. or b. below:

- a. **Bargaining Unit Employees**
- b. **Non-Bargaining Unit Employees** (all full-time Employees not covered by the Collective Bargaining Agreement)

If not all Non Bargaining Unit Employees are part of this participating group, state the covered job functions/classifications. All Employees performing such functions or in such classifications must participate:

Fill in - _____

Contribution Commencement Day for each Non-Bargaining New Hire (please see paragraph 11 hereof):

Fill in - _____

Period Covered by Collective Bargaining Agreement:

From: / / To: / /

Period Covered by Participation Agreement:

From: / / To: / /

ACCEPTED FOR THE BOARD OF TRUSTEES
MICHIGAN CONFERENCE OF TEAMSTERS WELFARE
FUND

Signature

Kyle R. Stallman /Executive Director

Date: _____

Teamsters Local Union Information:

Full Name:

Federal Tax Identification Number: _____

Address: _____

Telephone Number: _____

Fax Number: _____

Email Address: _____

- Check here to confirm that the employment status reporting option has been selected in paragraph 5 of this agreement and that if you selected option (a) that you have identified the set reporting day of the week.

Teamsters Local Union No: _____

Signature of Authorized Representative

Name of Authorized Representative/Title (please print)

Date