

**32BJ NORTH HEALTH FUND
32BJ NORTH PENSION FUND
32BJ NORTH LEGAL SERVICES FUND**

POLICY FOR COLLECTION OF DELINQUENT CONTRIBUTIONS

EFFECTIVE JUNE 1, 2013

**ARTICLE 1
GENERAL POLICY**

1.1 General Provisions

A. Collection of Contributions. It is the policy of the 32BJ North Health Fund, 32BJ North Pension Fund, and 32BJ North Legal Services Fund (collectively, "the Funds") to collect all employer contributions as they are due and to make such diligent and systematic efforts as are appropriate under the circumstances to do so.

B. Remaining Employer Obligation. If an employer ceases to have an obligation to contribute to one of the Funds under that Fund's Trust Agreement, a collective bargaining agreement ("CBA"), or applicable law, the employer shall remain subject to this Policy with regard to the time period during which the employer was obligated to contribute to the Fund.

C. Remedies. The Trustees have the legal right to exercise all remedies allowable under the Trust Agreement, the Employee Retirement Income Security Act of 1974, as amended ("ERISA") and other applicable law, including but not limited to:

1. the right to establish a date on which contributions are due;
2. the right to audit the financial records of the employers, including but not limited to payroll ledgers, federal and state tax returns, IRS Form 941s and such other books and records of the employers that are necessary in order for the auditors to ascertain that the proper contributions have been made;
3. the right to establish a random audit program;
4. the right to require that a delinquent employer pay the cost of an audit, interest, attorneys' fees, and any other expenses incurred by the Fund in determining the amount of a delinquency and in collecting a delinquency;
5. the right to recover liquidated damages;
6. the right to require a bond or a cash deposit as security for prompt future payments due from an employer that has been habitually delinquent in its contributions to the Fund; and

7. the right to take any other steps and to perform all other acts that are necessary in order to collect contributions due to the Fund in a timely and expeditious manner.

D. Collection Procedures. The procedures set forth herein shall be followed unless the Boards of Trustees determine that they should be waived in a particular instance.

E. Resolution by the Board of Trustees. All questions or disputes relating to the interpretation, meaning and/or application of this Policy shall be finally and exclusively resolved by the relevant Board of Trustees in the exercise of its discretion and in the performance of its fiduciary obligations to the Fund's participants and beneficiaries, in the protection of the financial integrity and soundness of the Fund and the efficient and effective administration of the Fund.

ARTICLE 2 COLLECTION PROCEDURE AND OTHER PROCEDURES IN CASES OF DELINQUENCY

In accordance with the Trust Agreement, ERISA, and the above declaration of policy, the following administrative steps shall be taken to effectuate the collection of delinquent contributions:

2.1 Pre-Arbitration/Litigation Administrative Steps to be Taken by the Fund Office

A. Due Date Defined. Contributions and the supporting remittance report (collectively referred to herein as "Contributions") are due on the date the employer's CBA requires payment. If the CBA does not state a due date, then Contributions are due on the twentieth day of each month following the month of service (such dates referred to as the "Due Date"). If the Due Date is on a weekend or holiday on which the Fund Office is closed, the Due Date is the last business day before the weekend or holiday commences. Contributions are delinquent if not received by the Due Date.

B. Verbal Notice to Employer. In the event the Fund has not received Contributions by the Due Date, and to the extent practicable, in addition to the procedures described below, the Fund Office shall contact the employer and the local union by telephone, to attempt to effectuate payment of Contributions.

C. Interest. Interest shall be assessed against a delinquent employer if Contributions are not received by the Due Date. Interest shall be charged monthly, without proration, and calculated at the rate 9% per annum, or at any other rate as the Trustees may fix from time to time. Interest shall begin to accrue on the day immediately following the Due Date.

D. Written Notice to Employer. If Contributions are not received by the Due Date, the Fund Office will send a written notice to the employer advising the employer that Contributions are past due and that Contributions and interest must be received within 30 days of the date of the notice. The notice shall state that the employer may be liable for additional interest, liquidated damages, attorneys' fees and court or arbitration costs incurred to collect

Contributions. The notice shall also advise that if payment is not received within 30 days of the date of the notice, the matter will be set down for arbitration by the Fund Office.

E. Notice to Trustees and Delinquency Counsel of Employer Dispute. The Fund Office shall immediately notify the Trustees and the Funds' Delinquency Counsel as soon as it learns that the employer is disputing its obligation to contribute on behalf of one or more employees, for a particular site or the employer otherwise argues it no longer is required to make contributions.

F. Initiation of Arbitration Process. If Contributions are not received within 30 days of the date of the notice to the employer, as described in Section 2.1(D), the Fund Office shall follow the procedures set forth in Section 2.2 of this Policy. However, notwithstanding anything in this Policy to the contrary, the Trustees may direct that litigation be initiated in federal district court instead of filing for arbitration to collect amounts owed.

G. Payment of Principal but Not Interest. If an employer pays the principal amount of the delinquency but does not pay accrued interest and/or any other amounts owed, acceptance of the principal amount shall not constitute a waiver of the Fund's claim for accrued and unpaid interest and/or any other amounts.

H. Decline in Employer Contributions. If an employer's Contributions decline significantly (by 10% or more) from its preceding month's Contributions, the Fund Office shall contact the employer and the Local Union for an explanation of the decline. If the decline is not explained, the Fund Office shall report the situation to the Board of Trustees at their next regularly scheduled meeting or earlier if more immediate action appears necessary.

I. Change in Employee Status. The employer must notify the Fund in writing of any change in employment status of participating employees (new hires, terminations, quits, transfers, temporary replacements, etc.) within five days of the date of such change. If the Health Fund or the Legal Fund does not receive written notice of such change from the employer within 20 days of the effective date of such change, the employer is responsible for contributions on behalf of such individual until the date on which the Fund receives written notice from the employer.

2.2 Initiation of Arbitration Process (The provisions of this Section apply unless District Court litigation is commenced under Section 2.1(F))

A. Notice to Arbitrate. If the delinquent Contributions are not received within 30 days following the date of the notice described in Section 2.1(D), the Fund Office shall prepare a Notice to Arbitrate before the Funds' designated arbitrator. The Notice to Arbitrate shall be signed by the Director of Benefits Administration on behalf of the Trustees.

B. Employer Dispute Regarding Designated Arbitrator. If after receiving a notice to arbitrate, an employer does not agree to arbitrate the delinquency before the designated arbitrator, the matter shall be pursued by Delinquency Counsel as set forth in Article 3.

2.3 Employers with Expired CBAs

A. Termination of Employers With Expired CBAs. If an employer is delinquent in its Contributions to a Fund for two (2) consecutive months after its CBA expires and a successor CBA has not been agreed to by the employer and the Union, the employer's participation in that Fund will terminate on the twenty-fifth day of the month during which the Due Date of the second month of delinquent Contributions occurs ("Termination Date"), unless prior to the Termination Date, either (1) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (2) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees. If the employer defaults on any repayment arrangement under this subsection, its participation shall terminate on the 30th day after such default, provided such default has not been cured during this 30-day period. The Fund Office shall notify the employer and its participating employees of the possible termination of benefits as soon as reasonably practical following such default.

B. Reinstatement of Participation. If an employer's participation in a Fund has terminated pursuant to subparagraph (A), its participation will be reinstated retroactive to its Termination Date if it: (1) subsequently enters into a successor CBA requiring the payment of retroactive Contributions to the Fund; (2) either (i) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (ii) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees; and (3) the Fund's Board of Trustees has approved the employer's recommencement of participation in the Fund. If the employer defaults on any repayment arrangement under this subsection, its participation shall terminate on the 30th day after such default, provided such default has not been cured during this 30-day period. The Fund Office shall notify the employer and its participating employees of the possible termination of benefits as soon as reasonably practical following such default.

C. Verbal Notice to Employer. In the event Contributions have not been received by the Due Date of the first month of delinquent Contributions, and to the extent practicable, the Fund Office shall follow the procedures in Section 2.1(B) to effectuate payment.

D. Written Notice to the Employer and Participants of the Delinquency. If Contributions are not received by the twenty-fifth day of the month in which the Due Date of the first month of delinquent Contributions occurs and no repayment arrangement has been agreed to by the Employer and the Fund's Board of Trustees, the Fund Office shall send written notice to the Employer pursuant to Section 2.1(D) and its participating employees.

E. Notice of Termination. Unless Contributions and other amounts that may be due as a result of the delinquency are received by the Termination Date or the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees, the Fund Office will send a letter to the employer and its participating employees, advising that the employer's participation in the Fund has ceased and its employees' (and their dependents') benefits have terminated.

F. Trustee Control. Notwithstanding the guidelines in this Section, the Trustees may determine that the procedures described herein should not be followed in a particular situation.

For example, the Trustees may decide that an employer's termination of participation should be expedited or delayed and different procedures implemented, in a particular situation.

2.4 Termination of Employers With CBAs That Are About to Expire. This Subsection shall apply only to the Health Fund and the Legal Fund.

A. Termination of Employers with CBAs That Are About to Expire. If an employer is delinquent in its contributions to the Health Fund or Legal Fund for at least one month at the time its CBA expires and a successor CBA has not been agreed to by the employer, and the employer is also delinquent for the first month that immediately follows the expiration of its CBA, the employer's participation in that Fund will terminate on the twenty-fifth day of the month in which the Due Date for the second month of Delinquent contributions occurs ("Alternate Termination Date"), unless prior to the Alternate Termination Date, either (1) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (2) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees. If the employer defaults on any repayment arrangement under this subsection, its participation shall terminate on the 30th day after such default, provided such default has not been cured during this 30-day period. The Fund Office shall notify the employer and its participating employees of the possible termination of benefits as soon as reasonably practical following such default.

B. Reinstatement of Participation. If an employer's participation in the Health Fund or Legal Fund has terminated pursuant to subparagraph (A), its participation will be reinstated retroactive to its Alternate Termination Date if it: (1) subsequently enters into a successor CBA requiring the payment of all retroactive Contributions to the Fund; (2) either (i) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (ii) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees; and (3) the Fund's Board of Trustees has approved the employer's recommencement of participation in the Fund. If the employer defaults on any repayment arrangement under this subsection, its participation shall immediately terminate upon such default. If the employer defaults on any repayment arrangement under this subsection, its participation shall terminate on the 30th day after such default, provided such default has not been cured during this 30-day period. The Fund Office shall notify the employer and its participating employees of the possible termination of benefits as soon as reasonably practical following such default.

C. Verbal Notice to Employer. In the event Contributions have not been received by the Due Date of the first month of delinquent Contributions, and to the extent practicable, the Fund Office shall follow the procedures in Section 2.1 B. to effectuate payment.

D. Written Notice to the Employer and Participants of the Delinquency and Possible Termination. When the employer is delinquent for at least one month at the time its CBA expires, the Fund Office shall send written notice to the employer and its participating employees, advising that if the employer does not pay its outstanding delinquency or agree to a repayment agreement acceptable to the Trustees, a successor CBA has not been agreed to by the employer, and it is delinquent for one more month, the employer's participation in the Health Fund and Legal Fund will terminate on the Alternate Termination Date.

E. Notice of Termination. If Contributions and other amounts that may be due as a result of the delinquency are not received by the Alternate Termination Date or the employer does not agree to a repayment agreement acceptable to the Trustees, the Fund Office will send a letter to the employer and its participating employees, advising that the employer's participation in the Health Fund and Legal Fund has ceased and its employees' (and their dependents') benefits have terminated.

F. Trustee Control. Notwithstanding the guidelines in this Section, the Trustees may determine that the procedures described herein should not be followed in a particular situation. For example, the Trustees may decide that an employer's termination of participation should be expedited or delayed and different procedures implemented, in a particular situation.

2.5 Non-Automatic Termination of Employers Due to Delinquency. This Subsection shall apply only to the Health Fund and the Legal Fund.

A. Board of Trustee Action to Terminate an Employer Due to Delinquency. If an employer becomes delinquent in its contributions to the Health Fund or the Legal Fund, the Board of the Trustees, as applicable, reserves the right to terminate the employer's participation in the Health Fund or Legal Fund, as applicable. The applicable Board of Trustees will determine whether an employer's participation should be terminated under this Section, in its sole discretion, based on all relevant facts and circumstances.

B. Reinstatement of Participation. If an employer's participation in the Health Fund or Legal Fund has been terminated pursuant to Section 2.5(A), its participation will be reinstated if: (1) the employer either (i) pays all outstanding amounts owed to the Fund or (ii) agrees to a repayment agreement acceptable to the Fund's Board of Trustees; and (2) the applicable Board of Trustees approves the employer's reinstatement in the Fund. If the employer defaults on any repayment arrangement under this subsection, its participation shall terminate on the 30th day after such default, provided such default has not been cured during this 30-day period. The Fund Office shall notify the employer and its participating employees of the possible termination of benefits as soon as reasonably practical following such default.

ARTICLE 3 LEGAL ACTION AND SETTLEMENT

3.1 Review Criteria

A. Action by Delinquency Counsel For Cases Not Being Litigated in District Court Under Section 2.1(F). If the employer does not agree to arbitration consistent with Article 2, Delinquency Counsel shall initiate legal action, unless Delinquency Counsel recommends a different course of action based upon pertinent factors which include, but are not limited to, the following:

1. the amount of the delinquency;
2. the length of time the delinquent amount has been owed;

3. the financial condition of the employer;
4. the employer's past performance as a contributing employer;
5. the likelihood of collecting on a judgment once it is obtained;
6. any other factor that, in the discretion of Delinquency Counsel, may have a material bearing on the collection of the delinquent Contributions.

Legal action shall not be commenced if the Boards of Trustees determine there is a likelihood that the costs of the suit or arbitration will exceed the recovery or that the action would not be successful. The Trustees in their discretion may apply such delinquent amounts to an employer's account and such amounts will be considered due and owing upon any subsequent delinquency of that employer.

3.2 Pre and Post Award Litigation

Only with respect to cases that are arbitrated, if an award has not been satisfied within 60 days of the date it is sent to the employer, Delinquency Counsel shall seek to confirm the award.

3.3 Settlement Negotiations

Delinquency Counsel or the Funds' Contributions Supervisor is authorized to enter into settlement negotiations, either orally or in writing, with delinquent employers. Delinquency Counsel or the Funds' Contributions Supervisor may not agree to any settlement which waives or compromises the amount owed, including interest, liquidated damages, attorneys' fees or costs. Such settlements must be approved by the Board of Trustees.

3.4 Rejection of Proposal for Settlement

Delinquency Counsel or the Funds' Contributions Supervisor may, without Board consultation, reject any proposal for settlement that contemplates payment of amounts due over a period of time, if its acceptance would result in collection of less than the total amount owed. Such rejection shall be subject to the Board of Trustees' subsequent review.

3.5 No Waiver of Interest, Liquidated Damages, or Attorneys' Fees

Unless the Trustees specifically agree to the contrary, no settlement may permanently waive the collection of interest, liquidated damages or attorneys' fees, although any settlement may suspend the collection of interest, liquidated damages, or attorneys' fees until a subsequent delinquency if the current collection of those amounts would involve unwarranted expense.

3.6 Determination by the Board of Trustees

The Boards of Trustees reserve the right to accept or reject an employer's proposal to pay delinquent Contributions, interest, liquidated damages, and attorneys' fees over a period of time and to compromise any claim or delinquent account as recommended by Delinquency Counsel;

provided however, that any such decision to extend the time for payment, or to compromise the amount owing, complies with the Department of Labor Prohibited Transaction Exemption 76-1.

3.7 Settlements Over Time

Settlements calling for payment over time or compromising the amount, including interest, liquidated damages, attorneys' fees or costs, must be in writing and signed by the employer unless it would be inappropriate under the circumstances to do so.

3.8 Expedited or Delayed Collection Action

Notwithstanding the procedures set out in this policy, the Boards of Trustees may refer any delinquent account to Delinquency Counsel at an earlier or later date than provided for herein when circumstances warrant that collection action be expedited or delayed.

3.9 Board of Trustees Committee

The Trustees may, from time to time, appoint a Committee of at least one Association Trustee and one Union Trustee to act on behalf of the Boards of Trustees, as provided for under this Policy.

ARTICLE 4 PAYROLL AUDIT POLICY

4.1 Payroll Audit

A. Timing of Audit. The Boards of Trustees shall have discretion in determining which employers will be audited in each year. Each employer participating in the Funds shall generally be audited at least once during a three (3) year period. It is the intention of the Trustees that all employers be audited at least once during a five year period, such period to commence from the date of the last audit of the employer, or, in cases where an employer has not previously been audited, from the date the employer first became a participating employer in the Funds subject to the statutory period of limitation for contract actions. Each employer that terminates its participation in the Funds or files a petition in bankruptcy shall be audited as soon as practicable following such termination or petition.

B. Audit Period. The period audited shall be three (3) years, unless circumstances dictate otherwise. In instances in which the Trustees decide not to audit a particular employer at least once during a three (3) year period, the period audited shall be determined by the Trustees based on the particular facts and circumstances.

C. Trustee Discretion. Notwithstanding the guidelines of this Section 4.1, the Trustees may, in the exercise of their discretion, determine that the audit schedule set forth above should not be followed in a particular instance. For example, the Trustees may, in the exercise of their discretion, decide not to conduct an audit if an employer has consistently reported accurately or, if facts and circumstances indicate that a particular employer may be reporting inaccurately or inconsistently, the Trustees may direct that the Funds' auditor conduct an audit.

If an audit uncovers inaccurate or inconsistent reporting by an employer, the Funds' auditor shall monitor such employer and schedule a subsequent audit within the appropriate statute of limitations.

4.2 Remaining Employer Obligation

If an employer ceases to have an obligation to contribute to the Funds under the Trust Agreements, a CBA, or applicable law, the employer shall remain subject to these audit procedures for the purpose of verifying that the employer made the proper contributions during the time period in which the employer was obligated to contribute to the Fund.

4.3 Notice to Fund Office and Employer

Prior to conducting each audit, the Funds' auditor shall notify the Fund Office of its intent to conduct an audit and shall review the employer's CBA and any pending issues. The Fund Office will forward a letter to the employer advising it of the impending audit, citing the Trustees' authority to conduct the audit and describing the records required to be made available at the audit.

4.4 Interpretation of the Collective Bargaining Agreement

If during a payroll audit, the Funds' auditor encounters an issue of interpretation of the CBA or an employer takes a position inconsistent with the auditor's understanding of such CBA, the auditor shall seek the opinion of the Union. If the Union agrees with the employer's interpretation or position, that shall resolve the matter, unless such interpretation or position is, in the view of the auditor, clearly inconsistent with the language of the governing documents. In such an event, or if the Union and employer disagree, the Fund auditor shall present the issue in writing to the Boards of Trustees for a decision before completing the payroll audit.

4.5 Employer Response

After an audit of an employer is conducted, the Funds' auditor shall review with the employer the auditor's findings. After providing the employer with a reasonable time to respond to the auditor's findings, the auditor shall issue a final report to the Funds with its payroll audit findings.

4.6 Demand Letter

Upon receipt of the Fund auditor's report, the Fund Office shall send a letter to the employer demanding payment of any amounts found to be due by the auditor. The letter shall state that interest on the delinquent Contributions shall be calculated as set forth in Section 2.1(C), calculated separately as to each person on whose behalf the employer is delinquent in making Contributions, and for the specific time period the employer was delinquent for that employee. For the purpose of implementing the procedures set out in Articles 2 and 3 of this Policy, the Due Date shall be thirty (30) calendar days after the Fund Office's letter described herein.

4.7 Cost of Audit

The Fund shall pay the cost of a payroll audit except as otherwise set forth in this Policy.

4.8 Employer Refusal

In the event an employer refuses to permit an audit upon request by the Trustees, or if the employer refuses the Funds' auditor access to pertinent records, then the Fund auditor shall refer the matter to Delinquency Counsel. Delinquency Counsel shall thereafter demand in writing that the employer make available such books and records as are necessary for the Funds' auditor to conduct an audit. If the records are still not made available, upon approval of the Boards of Trustees, counsel shall institute legal action to enforce the Trustees' right to conduct a payroll audit and the employer shall pay to the Funds all costs and attorneys' fees incurred as a result of the employer's refusal to permit an audit or refusal to make available all pertinent records.

4.9 Overpayment

If a payroll audit identifies an overpayment by the employer, the payroll auditor shall advise the employer that (a) to receive a refund, the employer must submit a request to the Boards of Trustees in writing, stating the reason for the overpayment and proving that the contribution or payment was made because of mistake of law or fact; (b) the Boards of Trustees will decide in its sole discretion whether a refund will be granted; (c) any such refund shall be recovered by the employer through a credit against future contributions as determined by the Board and communicated to the employer in writing; and (d) any attempt by the employer to recoup any overpayment through a procedure other than the one described in this paragraph (for instance, by the employer unilaterally taking a credit) shall result in the automatic forfeiture of the refund and the treatment of any credit taken by an employer as a delinquent contribution. Notwithstanding the foregoing and subject to Article 5, if an employer demonstrates that it overpaid Contributions to the Funds, the Fund Office shall credit the employer with up to fifteen (15) months of Contributions.

ARTICLE 5 MISTAKEN CONTRIBUTIONS

5.1 Refund of Excess Contributions

Subject to the terms and conditions of this Policy, an employer that makes Contributions to a Fund in excess of the amount required by the terms of the employer's CBA, the Trust or applicable law and under a mistake of fact or law, may request a refund of the amount of such excess contributions.

5.2 Written Request Required

With the exception of overpayments determined under Section 4, no refund of excess contributions shall be granted by the Funds without a written request for such refund having been received within fifteen (15) months of the date that such excess contributions were received by the Fund.

5.3 Reduction

A. Any refund of excess contributions made to an employer shall not include interest or investment earnings attributable to the overpayment, and, as described in subparagraphs B and C, shall be reduced by the amount of any investment losses attributable to the overpayment. If a Fund incurred a direct or indirect cost, expense or liability as a result of an excess contribution, any refund of such contribution shall be reduced by the full value of such cost, expense or liability. In no event shall a credit or refund of contributions be taken or allowed for any period during which coverage has been provided by a Fund to an individual based on the employer's contributions, regardless of whether the Fund actually paid benefits or premiums on behalf of that individual.

B. Each Fund under this Policy shall treat its cash account as the source of any refunds of excess contributions to employers in cases in which the refunded contributions in that plan year to date are less than 1% of the total employer contributions in the aggregate made to the respective Fund during the plan year prior to the plan year in which the refund is made. This rule shall be applied separately by each Fund.

C. Once 1.5% of the total employer contributions made to a Fund during the plan year prior to the year in which the refund(s) are made have been refunded to employers in the aggregate by a Fund under B in a given plan year, any subsequent refunds shall be reduced by the amount of any investment loss by the Fund, calculated as follows. Investment losses shall be calculated by the Fund based on the investment return for the Fund as a whole from the first day of the calendar quarter in which the mistaken contribution was made through the first day of the calendar quarter in which contributions are returned, unless the Trustees determine that another method more reasonably reflects the circumstances in a particular refund.

5.4 Employer Responsibility

The obligation to discover and delineate the amount of excess contributions within the time limits provided within this Policy is the sole and exclusive responsibility of the employer.

5.5 Effective Date of Request for Refund

The request of the employer for refund of excess contributions must be in writing and shall not be effective until it is received by the Fund.

5.6 Supporting Documentation

The request of the employer must contain copies of all documentation upon which the employer relies to substantiate its request or which may be required by the Fund to verify the exact amount of the excess contributions.

5.7 Time Period for Refund

The refund of contributions shall be considered as returned within the required period if the employer establishes to the satisfaction of the Trustees its right to a refund of contributions within 6 months after the date on which the Trustees determined that a mistake occurred.

5.8 Employer Compliance

The failure and/or refusal of the employer promptly and fully to comply with any or all of the provisions of this policy shall result in the denial of the request for the refund of excess contributions.

5.9 Definition of Refund

As used in this policy, the term "refund" shall include the offset of previously-submitted excess contributions against currently due contributions ("credits"). As such, upon approval of the Trustees, an employer may be permitted to credit excess contributions, less the Fund's set-offs described in this Policy, against current contributions only to the same extent and under the same terms and conditions as such employer may be entitled to a refund under this Policy. Any employer attempt to recoup any excess contribution through a procedure other than the one described in this paragraph (for instance by the employer unilaterally taking a credit) shall result in the automatic forfeiture of the refund and the treatment of any credit taken by the employer as a delinquent contribution.

ARTICLE 6

LIQUIDATED DAMAGES, ATTORNEYS' FEES AND COSTS

6.1 Liquidated Damages

Liquidated damages shall be calculated from the Due Date, and shall become due and owing if suit or arbitration is commenced. The amount of the liquidated damages shall be the greater of:

1. interest on the delinquent Contributions determined in accordance with Section 2.1 (C), or Section 4.6; or
2. 20% of the delinquent Contributions.

6.2 Attorneys' Fees

Attorneys' fees shall be due to the Fund from a delinquent employer at the hourly rate charged to the Funds for such services, or at the fair market hourly rate charged by attorneys in the New York Metropolitan area who specializes in ERISA collection, for all time spent by counsel in collection efforts pursuant to Article 3 hereof or in enforcing the Boards of Trustees' right to payroll audits pursuant to Article 4 hereof.

6.3 Audit Costs

Notwithstanding Section 4.7, all costs (including but not limited to attorneys' and accountants' fees) incurred (a) to determine, discover and collect delinquent Contributions, (b) to obtain the information necessary or to properly allocate, credit and record such Contributions as necessary to administer the Funds, and (c) to enforce the Trustees' right to audit the employer's payroll records, shall be due to the Fund from the delinquent employer, including, but not limited to, any fees incurred in determining, discovering and collecting Contributions from the employer, arbitration fees, filing fees, arbitrator's fees, fees for service of process, travel, copying charges, postage, expert fees, and such other costs as would otherwise be charged to the Boards of Trustees to determine, discover and collect any of the amounts described herein.

ARTICLE 7 REPORTS

7.1 Reports

Delinquency Counsel shall prepare a delinquency and audit report to be presented periodically at the Boards of Trustees' meetings. The report shall identify delinquent employers, the amount owed, and the Due Date of the delinquent Contributions and the steps that have been taken to collect delinquent Contributions. The determination of the Trustees with respect to action on such Contributions, and the specific basis thereof, shall be recorded in the minutes.

7.2 Agreements

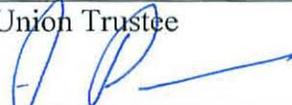
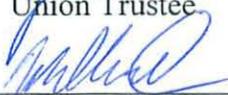
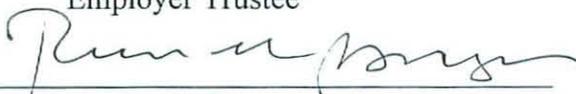
The Fund Office shall maintain a file of currently effective CBA's and other agreements detailing the basis upon which employers are obligated to make Contributions.

7.3 Settlements

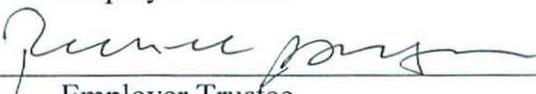
All written settlements of delinquencies shall be on file in the Fund Office.

IN WITNESS WHEREOF, the undersigned have hereunto set forth their hands and seals as of the date written below.

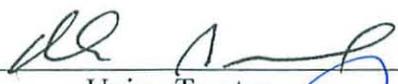
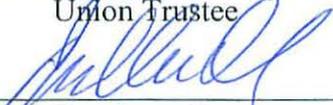
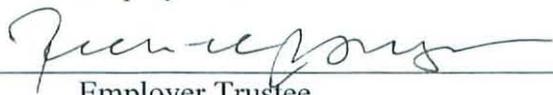
32BJ North Health Fund

<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee

32BJ North Pension Fund

<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee

32BJ North Legal Service Fund

<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Union Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee
<u>6/18/13</u> Date	<u></u> Employer Trustee

**32BJ NORTH HEALTH FUND
32BJ NORTH PENSION FUND
32BJ NORTH LEGAL SERVICES FUND**

AMENDMENT NO. 1

POLICY FOR THE COLLECTION OF DELINQUENT CONTRIBUTIONS

The Boards of Trustees of the 32BJ North Health Fund, the 32BJ North Pension Fund and the 32BJ North Legal Services Fund hereby amend their Joint Policy for the Collection of Delinquent Contributions ("Policy") effective June 1, 2013 as follows:

Effective July 1, 2014, Section 2.4 of the Policy is deleted and replaced with the following:

2.4 Termination of Employers With CBAs That Are About to Expire.

A. Termination of Employers with CBAs That Are About to Expire. If an employer is delinquent in its contributions to a Fund for at least one month at the time its CBA expires and a successor CBA has not been agreed to by the employer, and the employer is also delinquent for the first month that immediately follows the expiration of its CBA, the employer's participation in that Fund will terminate on the 25th day of the month that includes the Due Date for the second month of Delinquent contributions ("Alternate Termination Date"), unless prior to the Alternate Termination Date, either (1) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (2) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees.

B. Reinstatement of Participation. If an employer's participation in a Fund has terminated pursuant to subparagraph (A), its participation will be reinstated retroactive to its Alternate Termination Date if it: (1) subsequently enters into a successor CBA requiring the payment of Contributions to the Fund retroactive to its Alternate Termination Date; (2) either (i) all outstanding Contributions, plus other amounts that may be due as a result of the delinquency have been paid to the Fund, or (ii) the employer agrees to a repayment agreement acceptable to the Fund's Board of Trustees; and (3) the Fund's Board of Trustees has approved the employer's recommencement of participation in the Fund.

C. Verbal Notice to Employer. In the event Contributions have not been received by the Due Date of the first month of delinquent Contributions, the Fund Office shall, to the extent practicable, follow the procedures in Section 2.1 B. to effectuate payment.

D. Written Notice to the Employer and Participants of the Delinquency and Possible Termination. When an employer is delinquent for at least one month at the time its CBA expires, the Fund Office shall send written notice to the employer and its participating employees, advising that if: (1) the

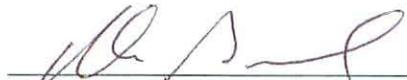
employer does not pay its outstanding delinquency or agree to a repayment agreement acceptable to the Trustees; (2) a successor CBA has not been agreed to by the bargaining parties, and (3) the employer is delinquent for one more month, the employer's participation in the Fund will terminate on the Alternate Termination Date.

E. Notice of Termination. If Contributions and other amounts that may be due as a result of the delinquency are not received by the Alternate Termination Date or the employer does not agree to a repayment agreement acceptable to the Trustees, the Fund Office will send a letter to the employer and its participating employees, advising that the employer's participation in the applicable Fund(s) has ceased and its employees' (and, if applicable, their dependents') benefits have terminated.

F. Trustee Control. Notwithstanding the guidelines in this Section, the Trustees may determine that the procedures described herein should not be followed in a particular situation. For example, the Trustees may decide that an employer's termination of participation should be expedited or delayed and different procedures implemented, in a particular situation.

IN WITNESS WHEREOF, the Trustees have executed this Amendment on the dates indicated below.

32BJ NORTH HEALTH FUND



UNION TRUSTEE

DATE: 6/18/14



EMPLOYER TRUSTEE

DATE: 6/18/14

32BJ NORTH PENSION FUND



UNION TRUSTEE

DATE: 6/18/14



EMPLOYER TRUSTEE

DATE: 6/18/14

32BJ NORTH LEGAL SERVICES FUND



UNION TRUSTEE

DATE: 6/18/14



EMPLOYER TRUSTEE

DATE: 6/18/14

**32BJ NORTH HEALTH FUND
32BJ NORTH PENSION FUND
32BJ NORTH LEGAL SERVICES FUND**

AMENDMENT NO. 2

POLICY FOR THE COLLECTION OF DELINQUENT CONTRIBUTIONS

The Boards of Trustees of the 32BJ North Health Fund, the 32BJ North Pension Fund and the 32BJ North Legal Services Fund hereby amend their Joint Policy for the Collection of Delinquent Contributions ("Policy") effective June 1, 2013 as follows:

Effective March 25, 2015, a new Section 2.6 is added to the Policy, as follows:

2.6 Termination of Employers Due to Expired Collective Bargaining Agreements. This Subsection shall apply only to the Health Fund and the Legal Services Fund. Termination of Pension Fund participation following the expiration of a CBA of a non-delinquent employer is governed by the Pension Fund's Rehabilitation Plan.

A. Termination Due to Expired CBA. If an employer's collective bargaining agreement requiring contributions to the Health Fund and/or Legal Services Fund has expired and a successor CBA is not entered into within nine months of expiration, the employer's participation in the Health Fund and Legal Services Fund, as applicable, shall terminate on the last day of the 9th month after the CBA expired.

B. Reinstatement of Participation. If an employer's participation in the Health Fund and Legal Services Fund, as applicable, has been terminated pursuant to Section 2.6(A), its participation will be reinstated upon the execution of a successor CBA requiring contributions to the Health Fund and Legal Services, as applicable.

C. Trustee Discretion. Notwithstanding the guidelines in this Section 2.6, the Trustees may decide that an employer's termination of participation should be expedited or delayed in a particular situation.

IN WITNESS WHEREOF, the Trustees have executed this Amendment on June 25, 2015.

32BJ NORTH HEALTH FUND



UNION TRUSTEE

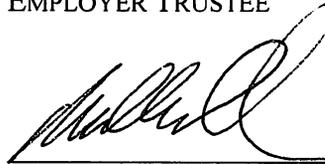


EMPLOYER TRUSTEE

32BJ NORTH PENSION FUND

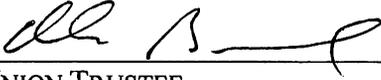


UNION TRUSTEE



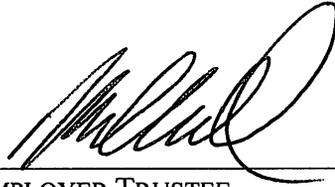
EMPLOYER TRUSTEE

32BJ NORTH LEGAL SERVICES FUND



UNION TRUSTEE

20268884v1



EMPLOYER TRUSTEE

**32BJ NORTH HEALTH FUND
32BJ NORTH PENSION FUND
32BJ NORTH LEGAL SERVICES FUND**

AMENDMENT NO. 3

POLICY FOR THE COLLECTION OF DELINQUENT CONTRIBUTIONS

The Boards of Trustees of the 32BJ North Health Fund, the 32BJ North Pension Fund and the 32BJ North Legal Services Fund hereby amend their Joint Policy for the Collection of Delinquent Contributions ("Policy") effective June 1, 2013 as follows:

Effective January 1, 2016, a new subsection (F) is added to Section 1.1 of the Policy, as follows:

F. Electronic Submissions. Beginning for contributions due in February 2016 (for work performed in January 2016) and for all periods thereafter, all Contributions and supporting remittance must be submitted using the Funds' employer self-service system. The Funds will not accept Contributions received in any other manner, including by mail, hand delivery or courier.

IN WITNESS WHEREOF, the Trustees have executed this Amendment on December 4, 2015.

32BJ NORTH HEALTH FUND



UNION TRUSTEE

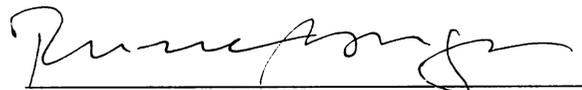


EMPLOYER TRUSTEE

32BJ NORTH PENSION FUND

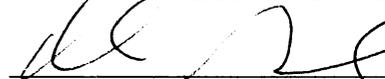


UNION TRUSTEE



EMPLOYER TRUSTEE

32BJ NORTH LEGAL SERVICES FUND



UNION TRUSTEE



EMPLOYER TRUSTEE